U.S. Congress.

# Congressional Record

## PROCEEDINGS AND DEBATES

OF THE

## SECOND SESSION OF THE SEVENTY-SECOND CONGRESS

OF

THE UNITED STATES
OF AMERICA

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# Congressional Record

## SEVENTY-SECOND CONGRESS, SECOND SESSION

## SENATE

### MONDAY, FEBRUARY 6, 1933

*(Legislative day of Tuesday, January 10, 1933)*

The Senate met at 11.30 o'clock a. m., on the expiration of the recess.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 14562) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1934, and for other purposes, in which it requested the concurrence of the Senate.

#### THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal of February 3 and 4, 1933.

The VICE PRESIDENT. Without objection, that order will be made.

#### HOUSE BILL REFERRED

The bill (H. R. 14562) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1934, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Keyes | Schuyler |
| Austin | Cutting | King | Sheppard |
| Bailey | Dale | La Follette | Shipstead |
| Bankhead | Davis | Lewis | Shortridge |
| Barbour | Dickinson | Logan | Smoot |
| Barkley | Dill | McGill | Steiwer |
| Bingham | Fess | McKellar | Swanson |
| Black | Fletcher | McNary | Thomas, Idaho |
| Blaine | Frazier | Metcalf | Townsend |
| Borah | George | Moses | Trammell |
| Bratton | Goldsborough | Neely | Tydings |
| Brookhart | Gore | Norbeck | Vandenberg |
| Bulkley | Grammer | Norris | Wagner |
| Bulow | Hale | Nye | Walcott |
| Byrnes | Harrison | Oddie | Walsh, Mass. |
| Capper | Hastings | Pittman | Walsh, Mont. |
| Caraway | Hatfield | Reed | Watson |
| Clark | Hayden | Reynolds | Wheeler |
| Connally | Hull | Robinson, Ark. | White |
| Coolidge | Johnson | Robinson, Ind. | |
| Copeland | Kean | Russell | |
| Costigan | Kendrick | Schall | |

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

#### SENATOR FROM MISSOURI

Mr. ROBINSON of Arkansas. Mr. President, the Senator from Missouri [Mr. CLARK] took the oath of office a day or two ago by unanimous consent of the Senate. At the time that action was taken it was announced by the Governor of Missouri that Mr. CLARK had been appointed to fill the unexpired term occasioned by the resignation of Mr. Hawes, and it was stated that the credentials were in the mail.

I now present the credentials, and ask that they be filed and made of record.

The VICE PRESIDENT. Let them be read.

The credentials were read and ordered to be placed on file, as follows:

EXECUTIVE OFFICE,
STATE OF MISSOURI,
*Jefferson City, February 3, 1933.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Missouri, I, Guy B. Park, the governor of said State, do hereby appoint BENNETT C. CLARK a Senator from said State to fill the vacancy in the Senate of the United States caused by the resignation of Harry B. Hawes.

Witness: His excellency our Gov. Guy B. Park and our seal hereto affixed at Jefferson City, Mo., this 3d day of February, in the year of our Lord 1933.

GUY B. PARK, *Governor.*

[SEAL.]

DWIGHT H. BROWN,
*Secretary of State.*

#### COMMITTEE SERVICE

Mr. ROBINSON of Arkansas. Mr. President, on behalf of the minority I ask that the Senator from Oklahoma [Mr. GORE] be assigned to the Committee on Interoceanic Canals.

The VICE PRESIDENT. Without objection, that order will be made.

Mr. ROBINSON of Arkansas. I now request that the Senator from Missouri [Mr. CLARK] be assigned to the following committees: Commerce, Interstate Commerce, Territories and Insular Affairs, and Interoceanic Canals.

The VICE PRESIDENT. Without objection, that order will be made.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Joint resolution relating to congressional action on agricultural relief

Whereas farm prices in December, collectively, were back to the low levels of June, after a slight upward swing in the summer and early fall, and in this month were only 52 per cent of the prewar prices and from 15 to 25 per cent lower than farm prices a year ago; and

Whereas at such low prices it is utterly impossible for farmers to meet insurance, interest, and taxes, to say nothing of their entire cost of production; and

Whereas a continuation of these conditions will result not only in depriving the majority of farmers of their farms and their life savings but will make impossible any substantial improvement in general economic conditions and will operate to make the situation progressively worse, endangering the Government, and threatening the destruction of our entire social order: Therefore be it

*Resolved by the assembly (the senate concurring)*, That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to adopt the following measures for agricultural relief:

(1) The farm allotment bill which has passed the House of Representatives and is now pending before the United States Senate.

(2) The Frazier bill, or some similar measure to refinance the farmers at a low rate of interest.

(3) To moderately increase the currency, with the end in view of relieving mortgagors and other debtors from having to repay, in terms of purchasing power, a great deal more than they borrowed.

*Resolved*, That properly attested copies of this resolution be sent to President Hoover, President-elect Roosevelt, both Houses of the Congress of the United States, and to each Representative and Senator from Wisconsin.

THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*
CORNELIUS YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was ordered to lie on the table:

Joint resolution memoralizing the Congress of the United States to propose an amendment to the Constitution repealing the eighteenth amendment and to promptly legalize the manufacture and sale of beer

Whereas both the Democratic and Republican national platforms of 1932 promised submission of an amendment to the Constitution of the United States repealing the eighteenth amendment, and it is within the power of Congress to modify the Volstead Act so as to legalize the manufacture and sale of beer even before the Constitution; and

Whereas such legislation would give employment directly to many thousands of workmen now unemployed and would benefit all legitimate industries, and thus prove a stimulus to the return of prosperity: Therefore be it

*Resolved by the assembly, the senate concurring,* That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to promptly pass an amendment to the Constitution repealing the eighteenth amendment, and also to enact legislation modifying the Volstead Act to legalize the manufacture and sale of beer; be it further

*Resolved,* That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*
CORNELIUS YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*

Mr. ASHURST presented the following resolution of the House of Representatives of the Legislature of the State of Arizona, which was referred to the Committee on Banking and Currency:

House Resolution 2

Hon. CARL HAYDEN, HENRY F. ASHURST, and LEWIS DOUGLAS,
*Members of Congress from the State of Arizona.*

Whereas the United States Treasury Department has called for bids for the construction of post-office buildings in the cities of Yuma and Phoenix, Ariz., with alternate specifications of tufa stone or terra cotta for the facing of said buildings; and

Whereas tufa stone is produced and manufactured within the State of Arizona, giving employment to local labor; and no plants exist within the State for the manufacture or production of terra cotta: Therefore be it

*Resolved,* That the house of representatives of the eleventh legislature does express its desire to the Members of Congress from the State of Arizona that they use every assistance to procure the acceptance of bids upon the buildings aforesaid with the specification of tufa stone, that more employment may be provided for Arizona citizens.

Mr. GOLDSBOROUGH presented a resolution adopted by the Montgomery County (Md.) Chapter of the Woman's Christian Temperance Union, protesting against the repeal of the eighteenth amendment to the Constitution or the repeal or modification of the Volstead Act, which was ordered to lie on the table.

He also presented an open letter to Congress signed by Rev. Alvin T. Perkins, of the temperance committee, Methodist Episcopal churches, of the Cumberland district of Maryland and the Piedmont and Keyser districts of West Virginia, protesting against the passage of legislation to legalize the manufacture and sale of beer, and favoring the adoption of ways and means for the relief of the unemployed, which was ordered to lie on the table.

Mr. LA FOLLETTE presented a joint resolution of the Legislature of the State of Wisconsin, favoring the adoption by Congress of a resolution proposing an amendment to the Constitution repealing the eighteenth amendment thereto, and also to legalize the manufacture and sale of beer, which was ordered to lie on the table.

(See joint resolution printed in full when laid before the Senate to-day by the Vice President.)

Mr. LA FOLLETTE also presented a joint resolution of the Legislature of the State of Wisconsin, favoring the passage of the so-called farm allotment bill, the Frazier farm relief bill, and also "to moderately increase the currency with the end in view of relieving mortgagors and other debtors from having to repay, in terms of purchasing power, a great deal more than they borrowed," which was referred to the Committee on Agriculture and Forestry.

(See joint resolution printed in full when laid before the Senate to-day by the Vice President.)

Mr. COPELAND presented resolutions adopted by the Williamstown Local of the Dairymen's League Cooperative Association (Inc.), the Carroll Local, Chautauqua County, of the Dairymen's League Cooperative Association (Inc.), and the Progressive Local of the Dairymen's League, assembled in Onondaga County, all in the State of New York, favoring the passage of measures to inflate the gold currency so as to increase commodity prices, which were referred to the Committee on Banking and Currency.

He also presented a resolution adopted by grape growers of Ontario County, N. Y., protesting against the imposition of a tax on grape juice, which was referred to the Committee on Finance.

He also presented the petition of the Woman's Foreign Missionary Society of the States of New York and New Jersey, praying for the passage of legislation to regulate and supervise the motion-picture industry, which was ordered to lie on the table.

He also presented a resolution adopted by Arthur C. Mayer Post, No. 570, Veterans of Foreign Wars, of Brooklyn, N. Y., favoring the making of adequate appropriations for the benefit of war veterans, which was ordered to lie on the table.

He also presented the petition of Francis J. Tarry, jr., and sundry citizens, all of Oneida, N. Y., praying for the revaluation of the gold ounce, the decentralization of wealth, the elimination and curtailment of "mass-productionism abuses" and group banking, and the reorganization and abridgment of governmental bureaucracy, which was ordered to lie on the table.

He also presented a resolution adopted by the Woman's Christian Temperance Union of Middlesex, N. Y., protesting against the repeal of the eighteenth amendment to the Constitution or the repeal or modification of the national prohibition law, which was ordered to lie on the table.

He also presented the memorial of Rev. Claude E. Eldridge, pastor of the Seventh-Day Adventist Church, and members of the congregation, of Syracuse, N. Y., remonstrating against the repeal of the eighteenth amendment to the Constitution or the repeal or modification of the national prohibition law, which was ordered to lie on the table.

Mr. ODDIE presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Banking and Currency:

Senate Joint Resolution No. 8—Memorial to Congress

The Legislature of the State of Nevada hereby respectfully represents that—

Whereas owing to the suspension of 15 banks in the State of Nevada of a total of 26 doing business in this State, such closed banks holding as deposits the school money of the State and 12 out of 17 counties, approximately 700 teachers in Nevada are not being paid their salaries, and within the next few weeks or days several of our high schools and various other schools will have to close for want of funds: Now, therefore, be it

*Resolved by the Senate and Assembly of the State of Nevada,* That we earnestly beseech Congress to adopt the Oddie amendment to the reconstruction finance act whereby money can be loaned to schools;

*Resolved,* That the preceeding paragraphs of this memorial be transmitted by air mail to the members of the Nevada delegation at Washington, the President of the United States Senate, and the Speaker of the House of Representatives.

W. F. DRESSLER,
*President pro tempore of the Senate.*
V. R. MERIALDO,
*Secretary of the Senate.*
FRED S. ALWARD,
*Speaker of the Assembly.*
GEORGE BRODIGAN,
*Chief Clerk of the Assembly.*

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

Approved February 1, 1933, 2.55 p. m.

F. B. BALZAR, *Governor.*

INDORSEMENT OF GEORGE RUSSELL, JR., AS SECRETARY OF THE INTERIOR

Mr. ODDIE presented a joint resolution of the Legislature of the State of Nevada indorsing George Russell, jr., of Elko, Nev., for the position of Secretary of the Interior in

the incoming administration, which was referred to the Committee on Public Lands and Surveys, as follows:

Assembly joint resolution recommending the selection of George Russell, jr., of Nevada, for the position of the Secretary of the Interior.

Whereas the State of Nevada has a greater proportion of public land than any other State, and is therefore vitally interested in the administration of the Department of the Interior; and

Whereas we are naturally desirous of securing the selection of a Secretary of the Interior who will have an intimate knowledge of our conditions and of the West in general, in addition to other qualifications, such as ability, training, and experience, for handling intelligently and wisely the present and prospective problems confronting that member of the Cabinet; and

Whereas George Russell, jr., of Elko, Nev., has had an experience of more than 30 years in the very activities and character of business that has brought him in immediate contact with the more important problems concerning land and livestock conditions that would be an important item in the administration of the office of the Department of the Interior; and

Whereas said George Russell, jr., by reason of his peculiar fitness and his practical experience, has gained a far-reaching reputation of ability and integrity: Now, therefore, we, the Legislature of the State of Nevada, unqualifiedly indorse George Russell, jr., of Elko, Nev., for said appointment; and it is

*Resolved by the Senate and Assembly of the State of Nevada*, That George Russell, jr., of Elko, Nev., be, and he is, recommended to the earnest consideration of President-elect Roosevelt as a competent and suitable person to be appointed as Secretary of the Interior of the United States; and it is further

*Resolved*, That copies of this resolution, under the seal of the State of Nevada, be transmitted to President-elect Roosevelt, to each of our Senators in the United States Senate, and to our Congressman elect.

MORLEY GRISWOLD,
*President of the Senate.*
V. R. MERIALDO,
*Secretary of the Senate.*
FRED S. ALWARD,
*Speaker of the Assembly.*
GEORGE BRODIGAN,
*Chief Clerk of the Assembly.*

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

Approved February 2, 1933, 1.10 p. m.

F. B. BALZAR, *Governor.*

STATE OF NEVADA,
*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original assembly Joint Resolution No. 7, now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of state, at my office, in Carson City, Nev., this 2d day of February, A. D. 1933.

[SEAL.]

W. G. GREATHOUSE,
*Secretary of State.*

INTERNATIONAL BOARD OF MONEY VALUE CONTROL

Mr. FLETCHER presented a communication relative to an international board of money value control, which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

AN INTERNATIONAL BOARD OF MONEY VALUE CONTROL

Communication and transportation facilities have become so simplified that all the countries of the world are now next-door neighbors. The prosperity of each depends upon the prosperity of all. No country can live successfully within itself in this advanced age. Our international business relations are now so entwined that it compels us to meet on common ground and work in unity for the benefit of all.

While many international problems have been successfully negotiated to the betterment of the world, yet we are now in serious distress, through the lack of a uniform and stable monetary system. Unstable money is disastrous to credit and business in general. Soaring prices create a speculative market and lead to hazardous gambling. Falling prices destroy credit and turn a legitimate profit in business into an overwhelming loss, and finally lead to world-wide depression.

The whole world is asking for a stable medium of exchange. It is not so much a question of which commodity we shall use as a standard of money value, as it is which commodity can be best controlled. Any commodity can be successfully used as a standard of money value if its market value can be controlled and held stable in comparison with the average price of commodities. The majority sentiment of the leading countries of the world seems to favor gold, owing to its value in comparison to its bulk.

Gold is a product of many countries, and is used in every country for some purpose. Therefore, to make it a successful and stable standard of money value, an international board of money value control should be created, with full authority over the marketing and distributing of the entire world supply and production. The duty of this board should be to divert to the commercial market a sufficient supply of gold to hold its market value normal in comparison with the average price of commodities, and use the surplus above this amount for monetary purposes. This monetary gold should be allotted to the several countries for their respective reserves, each country receiving in proportion to its volume of business. This would make it necessary for each country to supplement its reserve with silver on a gold basis value.

During the last 18 years the average yearly world production of gold has been a trifle under $400,000,000, and seven dollars out of every eight of this production has been used for monetary purposes. Using so much gold for monetary purposes has drawn too heavily upon the commercial market, thus leaving a shortage in the supply of gold for the manufactures and arts. Hence its value has been inflated in comparison with the average price of commodities. This shortage of gold on the commercial market has created a situation whereby it requires twice as much of the average commodity to purchase 23.22 grains of pure gold, or $1, as it did in 1926.

This redistribution of gold would require the United States and France to exchange a portion of their gold, now held in reserve, for silver, on a gold-basis value. A sufficient amount of this monetary gold thus returned would be placed on the commercial market to deflate its market value to a point where it would raise the average price of commodities to the 1926 level. When this is accomplished it would be merely a question of keeping in balance the supply and demand of gold on the commercial market.

The purchasing power of every dollar that we create or issue, whether it be silver coin or paper currency, is based on the market value of 23.22 grains of pure gold. The market value of that 23.22 grains of pure gold is governed entirely by its supply and demand on the commercial market. Any gold stored in vaults, as monetary gold, reduces its supply on the commercial market, thus enhancing its value in comparison with the other commodities. Therefore, when gold is scarce on the commercial market, it takes a greater amount of average commodity to purchase a dollar, whether it be gold, silver coin, or paper currency. Issuing a greater number of paper dollars would not reduce their purchasing power, for each dollar is guaranteed by the Government to have the purchasing power of 23.22 grains of pure gold. Hence, to deflate the dollar, and thus raise commodity prices, we must reduce the value of gold on the commercial market.

The proposal submitted is as follows: When withdrawing gold from the commercial market for monetary purposes, a sufficient amount should be left on the commercial market to keep its supply and demand in balance with the average price of commodities, using silver bullion for any further necessary reserves.

Silver bullion, goods, or credits can be used to take care of trade balances. We are now looking forward to the time when reciprocal commercial relations will reduce trade balances to a minimum.

The suggestion that our dollar is dishonest is disputed by some of our legislators. An able Member of our Senate writes me as follows: "Many of us do not believe that there is anything dishonest about the dollar. It is just an economic condition that seems to be out of hand. The dollar now contains the same number of grains of gold as it did when everybody was complaining about the high cost of living. I do not know that there is anything I can do about it, except to continue to study the matter, in cooperation with my colleagues."

In reply we might say that there is the same number of pounds in a bushel of wheat as there has been for years, and the food value is the same, yet a farmer receives to-day less than half as many grains of gold, or money, its representative, as he received for a bushel of wheat in 1926. This honorable Member of the Senate states, as above, that he does not know that there is anything he can do about it. Let us look back and see what our Government, of which he is a part, has done in the past. Statistics tell us that since 1913 $7 of gold out of every $8 of the world production has been taken off the commercial market for monetary purposes and stored in the vaults, and that the United States Government has stored in its vaults $4 of gold for every single dollar of gold that has been produced in this country since 1913. That is, our Government has drawn from the commercial market and stored in vaults four times as much gold as this country has produced during this time. This is evident proof that gold, or the gold dollar, has been artificially inflated in value by governmental action.

If any of our legislators are still in doubt as to what to do, let me suggest that they simply reverse the process which has brought about this condition and return to the commercial market enough of this gold from the vaults to deflate its commercial market value to the normal or 1926 level, and thereby make the dollar honest. An artificially inflated dollar, without question, is dishonest, for it robs the holder of commodities and unfairly enriches the holder of money, or its equivalent. In the last three years it has made millions homeless, without any fault of their own. It has driven thousands of our worthy citizens to distraction and many lives have been sacrificed. Had our Government done with wheat as it has done with gold and stored in vaults seven bushels out of every eight produced, no one would be eating wheat bread to-day but the wealthy, for wheat bread would be in the luxury class.

It is absolutely unnecessary for Congress to delay action. It could immediately sell a portion of the gold in the reserve to the world's dealers in precious metals and purchase silver to replace it. Even if it required half of the gold in the reserve to deflate its

market value to the desired level, it would certainly be much wiser to do this than to let our country slide over the brink into panic. No man knows to-day just how near we are to that brink.

C. W. McCORDIS.

St. Petersburg, Fla.

REPORTS OF COMMITTEES

Mr. REED, from the Committee on Appropriations (being an ex officio member thereof), to which was referred the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, reported it with amendments and submitted a report (No. 1155) thereon.

Mr. SMOOT, from the Committee on Finance, to which was referred the bill (H. R. 14416) to make the Federal gasoline tax effective until June 30, 1934, reported it with an amendment and submitted a report (No. 1156) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. WAGNER:

A bill (S. 5584) to amend section 4 of the United States grain standards act of 1916 as relating to the use of the official grain standards of the United States on grain moved in interstate commerce from shipping points to destination points without official grade determination; to the Committee on Agriculture and Forestry.

A bill (S. 5585) to amend an act entitled "An act granting the consent of Congress to the State of New York to construct, maintain, and operate a highway bridge across the Hudson River at or near Catskill, Greene County, N. Y.," approved June 5, 1930, as supplemented by the act of April 15, 1932; to the Committee on Commerce.

By Mr. CLARK:

A bill (S. 5586) to amend the act of January 22, 1932 (Public Law No. 2, 72d Cong.) creating the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

By Mr. NYE:

A bill (S. 5587) providing for certain loans by the Reconstruction Finance Corporation to producers of wheat and cotton, and for other purposes; to the Committee on Banking and Currency.

By Mr. KEYES:

A bill (S. 5588) authorizing the acceptance of title to sites for public-building projects subject to the reservation of ore and mineral rights; to the Committee on Public Buildings and Grounds.

By Mr. THOMAS of Idaho:

A bill (S. 5589) amending an act of February 4, 1931 (46 Stat. L. 1061–1063) entitled "An act authorizing the construction of the Michaud division of the Fort Hall Indian irrigation project, Idaho, an appropriation therefor, and the completion of the project, and for other purposes; to the Committee on Indian Affairs.

By Mr. JOHNSON:

A bill (S. 5590) granting an increase of pension to Mary E. Jasper (with accompanying papers); to the Committee on Pensions.

By Mr. HULL:

A bill (S. 5591) providing for loans or advances by the Reconstruction Finance Corporation for the purpose of securing the postponement of the foreclosure of farm mortgages for a period of two years, and for other purposes; to the Committee on Banking and Currency.

By Mr. SCHALL:

A bill (S. 5592) providing for payment of $100 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

AMENDMENT TO TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. BYRNES submitted an amendment authorizing the Court of Claims, "under such rules as it may prescribe, to impose a fee in an amount not in excess of $10 to be fixed by the court for the filing of any petition in any case instituted after the enactment of this act, and for the hearing of any case before the court, a judge, or a commissioner thereof, pending at the time of the enactment of this act," and also authorizing that court to charge and collect certain other fees, intended to be proposed by him to House bill 13520, the Treasury and Post Office Departments appropriation bill, which was ordered to lie on the table and to be printed.

AMENDMENTS TO LEGISLATIVE APPROPRIATION BILL

Mr. DILL submitted amendments intended to be proposed by him to House bill 14562, the legislative appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 5, line 15 (in the item for clerks to the Senate Committee on Interstate Commerce), after the figures "$2,220," to insert "additional clerk, $1,800," and on page 6, line 5 (in the item for clerks to the Senate Committee on Patents), after the figures "$3,900," to strike out "assistant clerk, $2,400" and insert "two assistant clerks at $2,400 each."

DAISYE L. TRAMMELL

Mr. FLETCHER submitted the following resolution (S. Res. 347), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, fiscal year 1932, contingent fund of the Senate, to Daisye L. Trammell, widow of Lee R. Trammell, late clerk in the office of Senator PARK TRAMMELL, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GENEVIEVE M. COLWELL

Mr. KENDRICK submitted the following resolution (S. Res. 348), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, fiscal year, 1932, contingent fund of the Senate, to Genevieve M. Colwell, widow of Eugene Colwell, late the assistant financial clerk of the Senate, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

TREASURY AND POST OFFICE APPROPRIATION

Mr. McNARY. Mr. President, on Saturday I announced that at the conclusion of the joint services to-day the Senate would return to its Chamber and continue the consideration of the unfinished business.

Inasmuch as we are not to leave here until 12 o'clock, I think it would be proper to go forward with the pending amendment.

The Senate resumed the consideration of the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes.

The VICE PRESIDENT. The first amendment was passed over temporarily; so, if satisfactory to the Senate, the clerk will state the next amendment. The present occupant of the chair understands there was some agreement with regard to the motion to reconsider.

Mr. BINGHAM. No, Mr. President. The agreement was to lay aside the pending amendment relating to the additional decrease in pay of 1⅓ per cent, and to proceed to the next one of the economy provisions recommended by the committee, which is the suspension of annual leave.

Section 103 is continued without change by the House bill. The committee's recommendation continues such suspension.

Mr. JOHNSON. On what page is the amendment, please?

Mr. McKELLAR. Where does the Senator read from?

Mr. BINGHAM. It will be found on page 73, section 6.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 73, after line 19, insert the following:

SEC. 6. (a) Section 103 of the legislative appropriation act, fiscal year 1933, shall be held applicable to the officers and employees of the Panama Canal and Panama Railroad Co. on the Isthmus of Panama, and to officers and employees of the United States (in-

cluding enlisted personnel) holding official station outside the continental United States, only to the extent of depriving each of them of one month's leave of absence with pay during each of the fiscal years ending June 30, 1933, and June 30, 1934.

Mr. BINGHAM. Mr. President, I desire to perfect that paragraph by adding, on line 20, after the words "section 103," the words "and 215".

The VICE PRESIDENT. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The Chair suggests that the word "section" should be made "sections." Without objection, that will be done.

Mr. BINGHAM. I thank the Chair.

The paragraph as amended was agreed to.

Mr. BINGHAM. The next amendment relates to absences from duty to be charged to furlough.

Mr. JOHNSON. Mr. President, will the Senator yield to a query?

Mr. BINGHAM. Certainly.

Mr. JOHNSON. As I follow what is being done now, the portion of the economy bill beginning at line 20, page 69, up to the amendment which has just been presented by the Senator beginning at line 20, page 73, has been passed over?

Mr. BINGHAM. It has been passed over; yes. The matter is taken up in the order in which it is printed in the report for purposes of clarity. At page 3 of the report the Senator will see this paragraph:

The committee recommendation in section 6 (b) inserts a new provision, applicable during the remainder of the fiscal year 1933 and during the fiscal year 1934, which makes certain that whenever an officer or employee who has not yet taken the full amount of his furlough is absent from duty such absence shall be considered a part of his furlough rather than an absence without pay in addition to absences attributable to furlough.

Mr. President, the original suggestion of the committee is on page 74 of the bill, lines 4 to 14; but on further consideration the committee believes that what we desire to do will be done better by the language which I send to the desk.

The VICE PRESIDENT. The clerk will read.

Mr. BINGHAM. May I say before it is read that the object of it is to make sure that there be no deduction of wages of substitutes in the Postal Service and other places where only a few days' work is provided during the course of the month.

The CHIEF CLERK. On page 74, the committee proposes to strike out the committee amendment in lines 4 to 14, both inclusive, and to insert the following:

During the fiscal year 1934 deductions on account of legislative furlough shall be made each month from the compensation of each officer or employee subject to the furlough provisions of title 1 of part 2 of the legislative appropriation act, fiscal year 1933, as continued by section 4 (a) of this act, at the rate of 8⅓ per cent per month regardless of the number of days of such furlough actually taken by such officer or employee in any month.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BINGHAM. Mr. President, the next section is "Application of reductions in compensation and retired pay to enlisted personnel."

Sections 104 and 106 of the economy act and the House bill continuing them excluded enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard from the reductions in compensation and retired pay. The amendments contained in section 4 (a) (2) of the committee recommendations apply such reductions to such enlisted personnel, subject to the general $1,000 exemption. The savings effected during the fiscal year 1934 by these reductions are estimated to be $7,633,161, of which approximately $5,500,000 is attributable to the reduction in active pay.

The amendment may be found on page 70, paragraph 2, lines 4 to 11.

Mr. JOHNSON. Mr. President, it was exactly because I wanted to ascertain if that particular matter had been eliminated or passed over temporarily that I made my inquiry a few moments ago of the Senator. Has the Senator returned from dealing with section 6, pages 73 and 74, back to 70?

Mr. BINGHAM. Section 6 has now been passed, and we now deal with the next subject in the report, of which the language is found on page 70, section 2, lines 4 to 11.

Mr. JOHNSON. Mr. President, if the Senator will permit, it has been suggested to me that my confusion arises from the fact that I have been following the bill, while the Senator is following the report, which is not before me.

Mr. BINGHAM. On Saturday afternoon, in order to make it easier for Senators to follow the subject matter, since many of the provisions in the bill are rather complicated, we secured a unanimous-consent agreement that we would take them up in the way in which they are printed in the report.

Mr. JOHNSON. May I ask the Senator, because of the limited time, to pass this proposed amendment over until we come back from the duty that is ours to-day?

Mr. BINGHAM. I have no objection, Mr. President.

The VICE PRESIDENT. The amendment will be passed over.

Mr. BINGHAM. May I ask the Chair how much time we have left?

The VICE PRESIDENT. There are about nine minutes left.

Mr. BINGHAM. Mr. President, under the House bill, special-delivery messengers in the Postal Service are exempted from the definition of officers and employees in the economy act. The committee recommendation—section 4 (a) (3)—continues this exemption, but includes them within the pay-cut provisions and inserts a provision to the effect that the sum of $400—in lieu of a vehicle allowance—shall not be included in their compensation for the purpose of ascertaining whether their compensation is at a rate in excess of $1,000 and for the purpose of determining the rate of compensation upon which the reduction is to be based.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 70, the committee proposes to insert, beginning in line 12, the following:

(3) Section 104 (a) is amended by striking out the period at the end thereof and inserting a semicolon and the following: "and (12) special-delivery messengers in the Postal Service"; and section 105 (d) (2) is amended by adding at the end thereof the following: "Special-delivery messengers in the Postal Service, but in the case of such messengers, the sum of $400 shall not be included in the calculation of the rate of their compensation for the purposes of this title."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BINGHAM. The next subject deals with compensation reductions, and in view of the fact that we have passed over the 1⅔ per cent increase, I will ask that this amendment be passed over also, and that we proceed next to the question of inapplicability of reductions in the case of certain employees.

The VICE PRESIDENT. Without objection, that will be done.

Mr. BINGHAM. It will be found on page 73 of the bill.

Mr. BULKLEY. Mr. President, are we proceeding only with committee amendments now?

The VICE PRESIDENT. That is the order.

Mr. BINGHAM. The proposed amendment will be found on page 73. The House bill provided that sections 101 to 105 of the economy act should not apply to any employee unless his aggregate compensation exceeded $83.33 per month, or to reduce his compensation below $83.33 per month. The committee recommendation—section 5—makes certain that this provision applies during any month of the fiscal year 1933 remaining after the enactment of the act, as well as during the fiscal year 1934, and provides that there shall be no carry-over from month to month for the purposes of the provision.

Senators will remember that there was a good deal of protest about reductions in pay of the men shoveling the snow here in the city of Washington, under the interpretation of the act by the comptroller.

Mr. BORAH. The Senator is not following the bill in taking up the amendments?

Mr. BINGHAM. No, Mr. President. We are now considering the provision on page 73. We are following the report paragraph by paragraph. Unanimous consent was obtained to do that because in the bill so many sections refer to several paragraphs, so that we must take the matter up by subjects in order that Senators may follow intelligently what we are doing. We are now on page 4 of the report, the fourth paragraph, pertaining to inapplicability of reductions in the case of certain employees.

The VICE PRESIDENT. The amendment will be stated.

The amendment was, on page 73, line 6, where the committee proposed to insert a new section, as follows:

SEC. 5. Effective the first day of the month next following the passage of this act, in the application of Title I of Part II of the legislative appropriation act, fiscal year 1933, and section 4 of this act, in any case where the annual rate of compensation of any position is in excess of $1,000, the provisions reducing compensation shall not operate to reduce the total amount paid for any month to any incumbent of any such position unless the total amount earned by such incumbent in such month exceeds $83.33: *Provided*, That any such reduction made in any case where the total amount earned by any such incumbent in any month exceeds $83.33 shall not operate to reduce the total amount to be paid to such incumbent for such month to less than $83.33.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

### MEMORIAL SERVICES IN THE HOUSE OF REPRESENTATIVES

The Senate, preceded by the secretary for the majority and the secretary for the minority, assistants of the Sergeant at Arms, the Secretary of the Senate, the Vice President, and the Chaplain of the Senate, proceeded to the Hall of the House of Representatives.

At 1 o'clock and 15 minutes p. m. the Senate returned to its Chamber, and the Vice President resumed the chair.

### TREASURY AND POST OFFICE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes.

Mr. BINGHAM obtained the floor.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Oregon?

Mr. BINGHAM. I yield.

Mr. McNARY. I ask the Senator to yield in order that I may suggest the absence of a quorum.

Mr. BINGHAM. I yield.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Keyes | Schuyler |
| Austin | Cutting | King | Sheppard |
| Bailey | Dale | La Follette | Shipstead |
| Bankhead | Davis | Lewis | Shortridge |
| Barbour | Dickinson | Logan | Smoot |
| Barkley | Dill | McGill | Steiwer |
| Bingham | Fess | McKellar | Swanson |
| Black | Fletcher | McNary | Thomas, Idaho |
| Blaine | Frazier | Metcalf | Townsend |
| Borah | George | Moses | Trammell |
| Bratton | Goldsborough | Neely | Tydings |
| Brookhart | Gore | Norbeck | Vandenberg |
| Bulkley | Grammer | Norris | Wagner |
| Bulow | Hale | Nye | Walcott |
| Byrnes | Harrison | Oddie | Walsh, Mass. |
| Capper | Hastings | Pittman | Walsh, Mont. |
| Caraway | Hatfield | Reed | Watson |
| Clark | Hayden | Reynolds | Wheeler |
| Connally | Hull | Robinson, Ark. | White |
| Coolidge | Johnson | Robinson, Ind. | |
| Copeland | Kean | Russell | |
| Costigan | Kendrick | Schall | |

The PRESIDING OFFICER (Mr. FESS in the chair). Eighty-five Senators having answered to their names, a quorum is present.

Mr. BINGHAM. Mr. President, in accordance with the unanimous-consent agreement made before we left for the joint memorial services, I will now ask that the clerk state the provision which the Senator from California [Mr. JOHNSON] asked might be passed over, relating to application of reductions in compensation and retired pay to enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 70, after line 4, it is proposed to insert:

(2) Section 104 (b) and section 106 are amended by striking out "(except enlisted)"; section 104 (b) is amended by striking out "does not include the active or retired pay of the enlisted personnel of the Army, Navy, Marine Corps, or Coast Guard; and "; and section 105 (d) is amended by adding at the end thereof the following new paragraph:

"(8) The enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard."

Mr. BINGHAM. Mr. President, I have already explained the proposal, but I will be glad to answer any questions.

Mr. BLAINE. Mr. President, may I address a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. BLAINE. I do not recall the unanimous-consent agreement to which the Senator from Connecticut has referred. I have no objection to this amendment, but I do not know how all-inclusive that unanimous-consent agreement is.

Mr. BINGHAM. It is simply that the Senator from California asked that the matter might be passed over until after the memorial exercises had been concluded. That was agreed to by unanimous consent, and, instead of taking it up in the regular order, that amendment was passed over.

Mr. BLAINE. Let me make a further inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BLAINE. That would change the unanimous-consent agreement to take up the various items in the order in which they are set forth in the report, as I understand?

Mr. BINGHAM. No; that agreement has not been changed. The items are to be considered in the order in which they are set forth in the report, except that when we came to the item on page 70, relating to reductions in compensation and retired pay of enlisted personnel, we passed that over at the request of the Senator from California and considered the next paragraph relating to special-delivery messengers.

Mr. McNARY. Mr. President, the provision now about to be considered by the Senate affects the Army in some fashion. The Senator from Pennsylvania [Mr. REED] was called down town on an important matter, and I told him if anything affecting the Army and Navy should come up that I would ask to have it go over during his absence. I make that request now of the Senator from Connecticut.

The PRESIDING OFFICER. Is there objection?

Mr. BINGHAM. Very well; I have no objection to passing it over again.

Mr. CONNALLY. Mr. President, reserving the right to object, did the Senator say that the Senator from Pennsylvania was out of the city?

Mr. McNARY. No; he has been called down town for a few moments and will return about 3 o'clock.

The PRESIDING OFFICER. Without objection, the paragraph is passed over.

Mr. BINGHAM. Mr. President, the next item in order is at the bottom of page 70, but, as it also refers to the Army, I will ask that that be passed over similarly.

The PRESIDING OFFICER. Without objection, the paragraph will be passed over.

Mr. BINGHAM. I ask unanimous consent that the Senate may consider the paragraph on page 71, lines 7 to 12, inclusive, which takes care of the situation regarding judges. I think members of the bar will realize that we discovered that under the economy act we had done considerable injustice to some of the Justices of the Supreme Court and some of the other judges.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 71, after line 6, it is proposed to insert:

(5) Section 106 is amended by striking out "except judges whose compensation may not, under the Constitution, be diminished during their continuance in office" and inserting in lieu thereof "except judges, whose compensation, prior to retirement or resignation, could not, under the Constitution, have been diminished."

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Texas?

Mr. BINGHAM. I yield.

Mr. CONNALLY. What is the effect of the change proposed?

Mr. BINGHAM. The effect of this change particularly relates to Justice Holmes of the Supreme Court, whose retired pay was cut in two. As a matter of fact, we can not retire the Justices of the Supreme Court. Therefore, it has been the custom when a Justice resigns, to continue his pay in full force; but as the economy bill was interpreted by the Attorney General, the salary of Justice Holmes was cut in two by Congress.

Mr. CONNALLY. Under what clause?

Mr. BINGHAM. Because the economy law provided that no salary in the case of a judge should be more than $10,000.

Mr. CONNALLY. That the retired pay of any judge should not be more than that?

Mr. BINGHAM. We refer to it as "retired pay," but actually it cut his pay, which had been at the rate he was previously receiving of $20,000 a year to $10,000.

Mr. CONNALLY. I have no objection to the amendment, but I want to make an inquiry of the Senator. When this bill was before the Senate originally, it carried a clause inviting the judges whose pay could not be reduced voluntarily to return to the Treasury certain amounts. I protested against that provision at the time on the ground that it was an effort to do indirectly what we did not have a right to do under the Constitution. I want to inquire now how much money has been returned to the Treasury under that voluntary clause?

Mr. BINGHAM. Mr. President, if the Senator would not mind, we will reach that section in a few minutes. It is on page 5 of the report, in the middle of the page.

Mr. CONNALLY. I shall withhold it.

Mr. PITTMAN. Mr. President, do I understand that this amendment affects only the salary of Mr. Justice Holmes?

Mr. BINGHAM. And one or two of the judges whose pay, under the Constitution, may not be reduced. In a moment we will take up that amendment, on page 69.

Mr. BLAINE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BLAINE. I desire to offer an amendment to the economy act including section 106. As I understand, if the amendment is not offered now, I will be excluded from offering it later on.

Mr. BINGHAM. As I understand, we have been taking up page 71, subsection (5). If the Senator desires to amend the committee proposal, this would be the proper time to do so. In order that the Senator may do so, I ask unanimous consent that the vote whereby section 5, on page 71, was agreed to may be reconsidered.

The PRESIDING OFFICER. Without objection, it will be reconsidered, and the Senator from Wisconsin may offer his amendment now.

Mr. BLAINE. Mr. President, I did not care to interfere with the amendment suggested by the Senator from Connecticut; but I desire to offer an amendment to that portion of the economy act that relates to section 106 of the legislative appropriation act for the fiscal year 1933.

I now offer that amendment.

Mr. BINGHAM. Does it relate to judges?

Mr. BLAINE. No; I would not care to insist that it applied to judges.

Mr. BINGHAM. Then the part of section 106 which the Senator desires to amend has been passed over pending the return of the Senator from Pennsylvania [Mr. REED].

Mr. BLAINE. That would include the Army and Navy and Marine Corps and Coast Guard and all the other officials mentioned in section 106?

Mr. BINGHAM. Yes. The paragraph which we have under consideration merely concerns the second and third lines of section 106:

Except judges whose compensation may not, under the Constitution, be diminished during their continuance in office.

Mr. BLAINE. The Senator proposes to strike that out?

Mr. BINGHAM. No, Mr. President. If the Senator will look on page 71, he will see that we propose to insert in lieu thereof:

Except judges, whose compensation, prior to retirement or resignation, could not, under the Constitution, have been diminished.

Mr. BLAINE. I can prepare my amendment to fit in with that suggestion when section 106 is under discussion.

Mr. BINGHAM. I will say to the Senator that we will take up section 106, so far as the rest of it is concerned, when the Senator from Pennsylvania returns.

The PRESIDING OFFICER. The question, then, is on subsection (5) on page 71.

The paragraph was agreed to.

Mr. BINGHAM. Mr. President, the next one is a similar provision connected with judges. It is on page 69, line 9, the words "(except subsection (a) thereof)," and line 7, "107 (except paragraph (5) of subsection (a) thereof)."

Mr. FLETCHER. Mr. President, I have the act before me; but this is quite an involved amendment. Will the Senator explain what that exception means? It will take some time to dig it out of the act. It refers to a number of subsections and paragraphs.

Mr. BLAINE. Will the Senator repeat the proposed amendment?

Mr. BINGHAM. The proposed amendment merely takes out of the economy act the salaries of judges whose compensation may not be reduced. In the economy act, section 107, paragraph (5) was continued by the House, and we have stricken out that provision. It is simply another technical amendment to carry out what I just explained in regard to the salaries of judges on the Federal bench.

Mr. BLAINE. That is subsection (5) of section 107 of the economy act?

Mr. BINGHAM. Yes, Mr. President.

The next paragraph deals with the Army and Navy, and under the agreement we will pass over that.

The PRESIDING OFFICER. Without objection, that paragraph will be passed over.

Mr. BINGHAM. The next paragraph provides for continuing without change sections 108, 109, and 112, providing for remittances from constitutional officers. That is the section to which the Senator from Texas [Mr. CONNALLY] made reference a few moments ago.

The PRESIDING OFFICER. On what page of the bill?

Mr. BINGHAM. It is on page 69 of the bill, line 8, and the figure is "109," which is the paragraph to which the Senator from Texas objected. It refers to giving permission to the Treasury to receive from officers whose salary under the Constitution may not be reduced the return of part of their salary.

Mr. CONNALLY. Mr. President, I desire to inquire of the Senator how many of the judges accepted the invitation to return money to the Treasury and how many ignored it, if he knows.

Mr. BINGHAM. We have no information in that regard. No request was made for any change. The House continued section 109. It merely permits them to cover into the Treasury any part of their compensation if they so desire.

Mr. CONNALLY. Section 109?

Mr. BINGHAM. Section 109 of the economy act.

Mr. CONNALLY. Let me say to the Senator that I am entirely in sympathy with all these methods of reducing expenditures and cutting salaries; but I suggested when this matter was before the Senate heretofore that the Constitution provides that the Congress may not reduce the com-

pensation of certain judges. There is a philosophy behind that provision—in other words, that the Congress ought not to have either a method of coercion or a method of punishment over the courts. If that be true, I was protesting against undertaking to do the same thing indirectly and bringing pressure to bear on the judges of the courts by holding over them the threat of the displeasure of Congress and the unpopularity of the courts among the people by saying to them, "While we have not the power to reduce your salary, we are going to invite you to do so; and if you do not do it, you will be held up to public scorn and obloquy."

I think it was an unwise provision; but in view of the adoption of it, I think the committee ought to furnish the Senate with some information as to how it has been received and whether we have gotten any money from that source.

Mr. BINGHAM. So far as I know, I will say to the Senator, no money has been received from that source.

Mr. CONNALLY. So far as the Senator knows? Why continue it, then?

Mr. BINGHAM. Does the Senator desire to have it stricken out?

Mr. FLETCHER. It will not do any harm. Let it stay.

Mr. CONNALLY. I shall not object if the committee sees fit to continue it; but I think it was an unwise provision in the first place, because it is seeking indirectly to do what the Constitution expressly forbids the Congress to do.

Mr. BINGHAM. The next change is in regard to the impounding appropriations. The House did not continue section 110 of the economy act, which related to impounding savings, because the savings now in existence in the economy act were taken care of in the Budget estimates; but since the committee has recommended additional savings, it seems necessary to insert an impounding provision, and that will be found on page 73 of the bill, which I will ask the clerk to read. It is at the top of the page, section (d).

The PRESIDING OFFICER. The paragraph will be read.

The Chief Clerk read as follows:

(d) The appropriations or portions of appropriations unexpended by reason of the operation of the amendments made in subsection (a) of this section shall not be used for any purpose, but shall be impounded and returned to the Treasury.

The PRESIDING OFFICER. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. BINGHAM. The next section is on page 74, section 7.

The PRESIDING OFFICER. The section will be read.

The CHIEF CLERK. On page 4, beginning with line 15:

SEC. 7. The rate of pension or compensation of each person receiving pension or compensation at a rate in excess of $1,000 per annum is hereby reduced by 10 per cent with respect to pension or compensation accruing for all or any part of the fiscal year ending June 30, 1934. Such reduction shall not operate to reduce any rate of pension or compensation to less than $1,000 per annum. In computing the rate of pension or compensation per annum, any pension received by any person by virtue of the entry of his name on the Army and Navy medal of honor roll shall not be counted. When used in this section, the term "compensation" shall include military and naval compensation for death or disability payable under the war-risk insurance act, as amended, the World War veterans' act, 1924, as amended (U. S. C., title 38, ch. 10; Supp. V, title 38, ch. 10), or any special act of Congress authorizing payment of such compensation, and the annuities authorized by the acts approved May 23, 1908 (35 Stat. 1325), February 28, 1929, as amended (45 Stat. 1409; 47 Stat. 471), and January 31, 1931 (46 Stat. 1974). When used in this section the term "pension" shall include any amount payable to any person by virtue of being placed on the pension rolls of the Veterans' Administration pursuant to any act of Congress.

Mr. BINGHAM. Mr. President, I merely desire to call attention to the amount of saving and the number of persons affected. The committee is quite aware that it applies to cases that merit our sympathy and our very great interest. At the same time, the committee believes that in accordance with the policy that all persons receiving from the Government more than $1,000 a year should accept a reduction in what they receive; the committee applies it also to beneficiaries affected by the Veterans' Administration, including a total of 73,629 persons, the amount of the saving being $8,570,932, in accordance with the estimate furnished us by the Administrator of Veterans' Affairs, as shown on page 6 of the report.

Mr. BROOKHART. Mr. President——

Mr. BINGHAM. I yield to the Senator from Iowa.

Mr. BROOKHART. The Senator from Indiana [Mr. ROBINSON] desires to be heard on this proposition. Can it be passed over for the present, or shall I suggest the absence of a quorum?

Mr. ODDIE. Mr. President, I opposed this amendment. I think we should have more Senators here before it is decided on.

Mr. BROOKHART. I suggest the absence of a quorum.

Mr. BINGHAM. Very well, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Keyes | Schuyler |
| Austin | Cutting | King | Sheppard |
| Bailey | Dale | La Follette | Shipstead |
| Bankhead | Davis | Lewis | Shortridge |
| Barbour | Dickinson | Logan | Smoot |
| Barkley | Dill | McGill | Steiwer |
| Bingham | Fess | McKellar | Swanson |
| Black | Fletcher | McNary | Thomas, Idaho |
| Blaine | Frazier | Metcalf | Townsend |
| Borah | George | Moses | Trammell |
| Bratton | Goldsborough | Neely | Tydings |
| Brookhart | Gore | Norbeck | Vandenberg |
| Bulkley | Grammer | Norris | Wagner |
| Bulow | Hale | Nye | Walcott |
| Byrnes | Harrison | Oddie | Walsh, Mass. |
| Capper | Hastings | Pittman | Walsh, Mont. |
| Caraway | Hatfield | Reed | Watson |
| Clark | Hayden | Reynolds | Wheeler |
| Connally | Hebert | Robinson, Ark. | White |
| Coolidge | Johnson | Robinson, Ind. | |
| Copeland | Kean | Russell | |
| Costigan | Kendrick | Schall | |

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, there is a quorum present.

Mr. BROOKHART obtained the floor.

Mr. BINGHAM. Mr. President, I ask unanimous consent that when the Senate concludes its business this evening, it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BINGHAM. May I say at this time, since there have been a number of questions in regard to it, that I hope the Senate will be willing to stay in session on this bill until 6 o'clock this evening and will be willing to finish the bill to-morrow, even though it shall require a night session.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. BROOKHART. I yield.

Mr. ROBINSON of Indiana. I was going to suggest to the Senator from Connecticut that the amendment to this section of the bill being very important, I think that in justice to the disabled veterans this part of the measure ought to go over until we can secure a better attendance in the Senate. I feel certain that it is of sufficient importance to justify a full attendance of the Senate. Therefore, I suggest that we pass this amendment over. I propose to move to amend by striking out the entire section, and I am willing to make the motion now, if it is necessary, but I would like to have the discussion go over for a little while.

Mr. McKELLAR. Mr. President, will the Senator from Iowa yield to me?

Mr. BROOKHART. I yield.

Mr. McKELLAR. I hope no agreement will be made either to adjourn at 6 o'clock or at any other time until the pending bill shall have been passed. We have been considering the bill for quite a while, and it ought to be passed. This is really the first of the appropriation bills, and there are 10 more of them, I believe, including another deficiency bill. It is true we have passed one deficiency bill, appropriating about $3,000,000, but that is all. The consideration of the pending bill should be concluded, and concluded as soon as possible, and I hope the Senator from Connecticut will keep the Senate here until we pass the bill

to-night. I think that ought to be done, and I think it can be done.

Mr. ROBINSON of Indiana. Mr. President, that is entirely agreeable to me; I have no objection to any procedure of that kind. I do not want to delay the consideration of the bill at all, but I do know that there are a number of Senators on the other side of the Chamber who are anxious to be heard in the discussion of this particular amendment.

Mr. McKELLAR. I think they all ought to have an opportunity to be heard, but we ought to get through with this bill.

Mr. ROBINSON of Indiana. The disabled veterans are interested in this section of the bill.

Mr. BROOKHART. Mr. President, answering the Senator from Tennessee, I will say that the appropriations part of the pending bill has already been considered and passed on, but we are now considering a lot of general legislation, matters brought in which ought not to be attached to this bill at all, and which must be given some consideration.

Mr. McKELLAR. Mr. President, of course they ought to have consideration, and I want the Senator and others to talk about them.

Mr. BROOKHART. I think section 7, which we have under consideration now, is an invasion of the province of the joint committee of the House and Senate to consider this kind of legislation, and I think the Senator from Tennessee agreed with me that was true. So it ought not to be brought into this bill.

The joint committee has been holding extensive hearings on this and kindred propositions. We just closed the hearings at 12 o'clock to-day, and are ready to begin work on our report. Then along comes this bill undermining all our work, taking the subject away from us and putting it in an appropriation bill where it does not belong anyway. So I think those having charge of the bill ought to consent to strike out the section now under consideration, and then we could proceed and conclude the consideration of the bill.

Mr. McKELLAR. Mr. President, if a majority of the Senate desires to strike it out, of course, it can be stricken out. I think we ought to vote on it; and if we do want to strike it out, it can be done.

Mr. BINGHAM. Mr. President, it just occurred to me that the provision of the amendment requiring the 10 per cent reduction really might be said to depend on some of the other provisions in the bill, for instance, as to whether we are to adopt the 1⅔ per cent provision or not, and therefore I ask that this may go over for the present.

The PRESIDING OFFICER. Without objection, the particular amendment under consideration will be passed over.

Mr. NORRIS. Mr. President, I inquire of the Chair what page we are now considering?

The PRESIDING OFFICER. Page 74.

Mr. NORRIS. I have an amendment I want to offer on page 84; but, as I understand it, the amendment would not be in order at the present time.

The PRESIDING OFFICER. It would not be in order now.

Mr. NORRIS. I would like to say at this time that on account of the reference of the Sergeant at Arms affair to the Committee on the Judiciary, I have been unable to be in the Senate this morning, and I will probably be unable to be here the balance of the afternoon on account of some investigation I will necessarily have to make. I would not like to be absent on business of the Senate and have this page reached and passed on, and then be precluded from offering an amendment.

Mr. BINGHAM. Mr. President, I assure the Senator I will do my best to protect him, and if through fatigue I forget, I will ask unanimous consent that he be allowed to offer his amendment.

Mr. NORRIS. Very well.

Mr. COSTIGAN. Mr. President, in the event of the necessary or unexpected absence of myself when the Bratton amendment shall be reached, will the Senator also protect me?

Mr. BINGHAM. Certainly. The House bill continued for the fiscal year 1934 section 201, which prohibits automatic increases in compensation by reason of length of service or promotion. The committee recommends that this provision be not continued for the fiscal year 1934, and therefore, on page 69, the figures " 201 " have been omitted. No action is necessary to carry out the committee recommendation unless objection is made to the committee recommendation, when an amendment will be in order to insert the figures " 201."

Mr. FRAZIER. Mr. President, I would like to have a little further explanation of this section 201 if the Senator from Connecticut is willing to give it.

Mr. BINGHAM. The Senator will realize that particularly in the Post Office Service there is a certain amount of automatic increase. Under the present economy law, section 201, there was a saving in the Post Office Department of $1,140,755 due to the abandoning of the automatic promotions. The committee believe that that was an unnecessary hardship and, therefore, move that section 201 be not continued for another year. This will cause an additional expense to the Government in nearly all of the departments amounting to about $4,000,000.

Mr. FRAZIER. Mr. President, a further inquiry. I would like to know what the difference would be in the Army and Navy Departments?

Mr. BINGHAM. In the Navy Department it is a little more than $1,000,000 and in the War Department $1,100,000.

Mr. FRAZIER. Something over $2,000,000 all together.

Mr. BINGHAM. Yes.

The PRESIDING OFFICER. The Chair would like to state to the Senator from Connecticut that the clerks are having a little difficulty in locating the place in the bill to which the Senator is referring. What is the particular provision which the Senator is now discussing?

Mr. BINGHAM. There is no amendment on this subject. The committee left out of the House bill the continuance of paragraph 201 of the economy act.

The PRESIDING OFFICER. That does not appear in the text?

Mr. BINGHAM. No. By leaving it out we take care of the automatic promotions in all of the departments and the District of Columbia, promotions which automatically come in pay to the firemen and policemen of the District of Columbia, the post-office clerks, members of the Army and Navy who under the pay act at the end of every five years have a certain increase in their pay. I may say there was no provision in the bill that has caused more suffering and hardship and injustice, in our opinion, than this section 201.

The PRESIDING OFFICER. Then no action is necessary?

Mr. BINGHAM. No.

Mr. FRAZIER. Mr. President, I have no objection to the provision in general any more than where it has to do with the Army and Navy. It seems to me, if there is any chance of real reduction in our Budget, it is in the Army and Navy.

Mr. BINGHAM. This is not in the economy provision. These are the step-ups in pay periods.

Mr. FRAZIER. Cutting out the automatic increase in promotions would mean something over $2,000,000 of saving in the Army and Navy alone. I would like to see that provision left as it is. Regarding the postal employees and some of the other employees mentioned, perhaps there is some reason for it; but I can see no great hardship so far as the Army and Navy are concerned if the provision is continued another year.

Mr. BINGHAM. It has caused a great deal of hardship in the Army and the Navy because the pay acts of both Army and Navy imply that when a young lieutenant comes into the service he can get along on relatively very little. At the end of five years it is assumed he may desire to get married and there is a considerable step-up and increase in his pay. At the end of another five years another change takes place. The result of the economy act is that we have men in the Army and in the Navy who have been denied the very considerable increases which the Congress had determined they should get and which officers serving alongside of them receive. There are cases in the Navy where an officer who

entered the academy in June received his pay increase and an officer who entered in July did not get it, making a difference of $900 in the pay of two members of the same class.

Mr. President, the next amendment is in section 202 of the economy act. The House bill continued section 202 of the economy act, which prohibited administrative promotions in the civil branch of the Government, but permitted the filling of a vacancy without the requirement contained in section 202, as now in force, that the President approve such case. The committee recommendation continues this provision of the economy act as now in force without change except that it inserts a provision which provides that the restoration of employees to their former grades or their advancement to intermediate grades following disciplinary reductions in compensation shall not be construed to be administrative promotions.

In the Post Office Department it seems it is sometimes necessary in disciplinary measures to reduce pay. That can be done and is generally done for a few days or at most for a few weeks. The Comptroller General ruled that the pay at the end of the period could not be increased back to what it was before. That seemed to the committee a great injustice. We did not intend to do any such thing. That is on page 71, paragraph 6. I move the adoption of that after it shall have been read by the clerk.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The CHIEF CLERK. On page 71, line 13, insert:

(6) The first sentence of section 202 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That the restoration of employees to their former grades or their advancement to intermediate grades following reductions of compensation for disciplinary reasons shall not be construed to be administrative promotions for the purposes of this section."

The VICE PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. BINGHAM. Mr. President, with regard to the filling of vacancies, the committee recommends no change and therefore there is no amendment proposed. The House bill did not continue for the fiscal year ending June 30, 1934, section 203 of the economy act, which prohibited the filling of vacancies. The committee recommendation continues the section as in force during the fiscal year 1933. Therefore there is no amendment to be offered in that regard.

We next come to the question of retirement annuities of certain employees retired under section 204. Senators may have heard complaints that there were certain employees who were retired between the 1st of July and the 1st of August, 1932, who under the law could not receive their retirement pay for the few days in between those two dates. They were retired forcibly. We intended that they should be retired as of the 30th of June, but there being some 2,000 of them their names could not be prepared; and although a small amount of money is needed in addition, the committee believes they are entitled to their retirement annuity from the date of their separation from the service rather than from the first of the succeeding month. Therefore, on page 75, I move the adoption of section 8.

The VICE PRESIDENT. Let it be stated for the information of the Senate.

The CHIEF CLERK. On page 75, section 8, following line 13:

SEC. 8. All officers and employees of the United States Government who had reached the retirement age prescribed for automatic separation from the service on or before July 1, 1932, and who were continued in active service for a period of less than 30 days subsequent to June 30, 1932, pursuant to an Executive order issued under authority of section 204 of Part II of the legislative appropriation act, fiscal year 1933, shall be regarded as having been retired and entitled to annuity beginning with the day following the date of separation from active service, instead of from August 1, 1932, and the Administrator of Veterans' Affairs is hereby authorized and directed to make payments accordingly from the civil service retirement and disability fund.

The VICE PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. DALE. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Vermont?

Mr. BINGHAM. I yield.

Mr. DALE. I would like to ask if it is in order to offer individual amendments to this section?

Mr. BINGHAM. Under the agreement, it would not be in order. Does the Senator desire to amend some part of the section which has just been adopted?

Mr. DALE. I want to offer an amendment following line 13, on page 75.

The VICE PRESIDENT. That went over, and therefore it would not be in order at this time.

Mr. BINGHAM. The Senate just adopted the provision relating to pay for those members, particularly in the Post Office Department, who did not receive their retirement pay from the date in July, about the 15th of July, until the 1st of August. The Senator's amendment will be in order later. It is not precluded by our having adopted the section.

Mr. DALE. That is what I had in mind.

Mr. BINGHAM. It may be added to it later.

The next item is in regard to travel allowances. Last year the committee recommended in the economy act that members of the Army and Navy be placed upon the same travel allowances as civilian employees. We believed we were saving money by doing that. Our attention was called by the Comptroller General to the fact that it actually caused an increase in expenditures, because officers in the Army and Navy while traveling have to pay their own subsistence and civilian employees do not. Therefore we desire to omit subsection (a) of section 206 of the economy act. That is on page 69, line 8, the figures "206," and, in line 9, the words "except subsection (a) thereof."

The VICE PRESIDENT. What is the motion of the Senator?

Mr. BINGHAM. To adopt those words.

The VICE PRESIDENT. The question is on agreeing to the amendment to the paragraph offered by the Senator from Connecticut.

The amendment to the paragraph was agreed to.

Mr. BINGHAM. Mr. President, on page 76, with regard to travel allowances for use of motor cars and motor cycles, in section 9 the committee recommends a reduction of the allowance for the use of automobiles by owners from 7 cents to 5 cents per mile and for motor cycles from 3 cents to 2 cents per mile. I ask the clerk to read section 9 on page 76.

The VICE PRESIDENT. The clerk will read as requested.

The CHIEF CLERK. On page 76:

SEC. 9. The allowance provided for in the act entitled "An act to permit payments for the operation of motor cycles and automobiles used for necessary travel on official business, on a mileage basis in lieu of actual operating expenses," approved February 14, 1931 (U. S. C., Supp. V, title 5, sec. 73a), for travel ordered after the date of enactment of this act shall not exceed 2 cents per mile in the case of travel by motor cycle or 5 cents per mile in the case of travel by automobile.

Mr. BINGHAM. Senators may not understand clearly why we are apparently skipping about from place to place in the bill. It was explained last evening, in order that Senators might understand fully what was being done, that we would take up the matters in the order in which they are referred to in the report. That necessitates repeatedly going back to section 4 and adopting some small parts of it. I recognize it is a very unusual parliamentary procedure, but believe Senators appreciate that by adopting the amendments in such way they may know from action to action just exactly what provisions of the bill are being dealt with. I ask the adoption of section 9 on page 76.

The VICE PRESIDENT. It has been read. The question is on agreeing to the section.

The section was agreed to.

Mr. BINGHAM. Mr. President, the next provision is on page 76, section 10, requiring officers and employees of the United States to travel by the lowest first-class rate rather than by some higher rate that they may think themselves entitled to.

The VICE PRESIDENT. Let it be reported.

The CHIEF CLERK. On page 76:

SEC. 10. Whenever by or under authority of law actual expenses for travel may be allowed to officers or employees of the United States, such allowances, in the case of travel ordered after the date of enactment of this act, shall not exceed the lowest first-class rate by the transportation facility used in such travel.

The VICE PRESIDENT. The question is on agreeing to the section.

The section was agreed to.

Mr. BINGHAM. The next subject is on page 71, section 7, wherein section 211a of the act is amended to read that the reduction in the compensation for night work instead of being one-half shall only be one-third. It is true that this provision will increase expenditures by upwards of $300,000, but it seemed to the committee only fair to the night workers.

The VICE PRESIDENT. Let the amendment be stated for the information of the Senate.

The CHIEF CLERK. On page 71, lines 21 to 25:

(7) section 211 (a) (2) is amended to read as follows:
"(2) Wherever by or under authority of law compensation for night work (other than overtime) is at a higher rate than for day work, such differential shall be reduced by one-third; "

Mr. SHEPPARD. I wish to announce that the Senator from Virginia [Mr. SWANSON] is necessarily detained on official business, and that the Senator from Mississippi [Mr. STEPHENS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Louisiana [Mr. LONG] are necessarily out of the city.

Mr. COSTIGAN. Mr. President, may I ask the Senator whether any consideration was given by the committee to the restoration of the differential in full?

Mr. BINGHAM. Yes. The Senator will realize that a considerable amount of money is involved; even by changing it from one-half to one-third, an additional expense of $300,000 is involved. The committee finally decided unanimously that under the circumstances that was the best we could do.

Mr. COSTIGAN. May I ask that the section be passed over temporarily, so that some inquiries may be made with respect to the difference between the one-third and the full restoration of the differential?

Mr. BINGHAM. I think the Senator from Iowa [Mr. DICKINSON] is familiar with this provision and can probably answer the Senator's inquiries.

Mr. COSTIGAN. I wish to make some inquiries of Senators who are not now in the Senate Chamber.

The VICE PRESIDENT. The Senator from Colorado asks unanimous consent that the paragraph may be temporarily passed over. Is there objection?

Mr. BINGHAM. I have no objection.

The VICE PRESIDENT. The Chair hears no objection, and the paragraph will be passed over temporarily.

Mr. BINGHAM. The next paragraph has to do with the administrative furlough during the fiscal year 1934. The House bill did not continue section 216 of the economy act providing for administrative furloughs. Your committee recommends the continuance of that section, but adds an amendment which will be found on page 72, lines 1 to 8.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. At the top of page 72 it is proposed to insert the following:

(8) Section 216 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That no employee under the classified civil service shall be furloughed under the provisions of this section for a total of more than 90 days during the fiscal year 1934, except after full and complete compliance with all the provisions of the civil service laws and regulations relating to dismissals from the civil service."

Mr. BINGHAM. Mr. President, it was brought to our attention that some of the officers of the Government in the operation of the economy act administered the furlough provision in a manner practically to deprive the employee of his employment in some cases, and amounting to as many as six months in other cases, and even more than that. The committee felt that that was virtually a dismissal, and, therefore, if the administrative furlough amounted to more than 90 days during the fiscal year, that the employee should have the same protection of the civil service law which is afforded in cases of dismissal; in other words, that there should be a full investigation, and the employee might appeal to the Civil Service Commission.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator whether he believes that the committee's attitude concerning this section would be altered in any degree in case the so-called Bratton amendment, providing for a 5 per cent reduction in appropriations, were to be applied to all the departments, without any saving clause so far as its effect on salaries or furloughs is concerned?

Mr. BINGHAM. The attitude of the committee is that of an endeavor to protect the employees of the Government from arbitrary and prolonged furloughs, which is the case at present in some instances, and to require in case of any administrative furlough of more than 90 days that there shall be full and complete compliance with the civil service law relating to dismissals.

Mr. LA FOLLETTE. Mr. President, this amendment to this bill will continue in force section 216 of the original economy act with the addition of the proviso contained in the amendment. The question I am seeking to raise is this: If the so-called Bratton amendment should be adopted, giving the departmental heads the right to reduce pay 5 per cent in addition to the reduction already in operation, should not the time for which a furlough may be ordered, without review, be shortened? In other words, if the 5 per cent cut, in addition to the one already in force, is to apply, and the heads of the department are to have discretion in the matter, it seems to me that the period should be shortened from 90 days to some lesser length of time, because otherwise very long furloughs, 90 days, for example, would be used as a means of achieving the cuts in salary. Does the Senator know whether the committee has given any consideration to that phase or aspect of the matter?

Mr. BINGHAM. Mr. President, the committee considered the question as to what character of furloughs, in point of time, would make it advisable for an appeal to be taken to the Civil Service Commission, and in the committee's opinion, a furlough of 90 days was sufficiently severe to require an appeal; but if the Senator thinks an appeal should be allowed at the end of 60 days, I shall not oppose such an amendment.

Mr. McKELLAR. Mr. President, I want to say to the Senator from Wisconsin that the shortening of the period would be very wise. The fact came before the committee that some employees had been furloughed for as long as eight months, and were still furloughed. We thought that that was entirely improper; that a limit ought to be fixed, and we fixed the period, acting according to our best judgment, at 90 days. If the Senator from Wisconsin desires that it be fixed at 60 days, I see no objection at all to that.

Mr. DICKINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. I did not know I had the floor.

The VICE PRESIDENT. The Senator from Iowa is recognized.

Mr. DICKINSON. Mr. President, with reference to this 90-day period, I simply want to suggest this: That there are some places where it seemed to us a turnover should be forced. I am fearful that if we cut the period down too much the result may be to disorganize the efficiency of the service. It is only in a few cases where even a 60-day furlough will be needed. But we did find that in certain de-

partments they were furloughing some persons and letting other personnel in the same bureau stay on continuously with no furlough.

The theory here is if anyone is furloughed 90 days, that that shall be the maximum. I am afraid if we shorten it too much we will have serious complications in the turnover so far as personnel in some bureaus is concerned. I see no objection to the suggestion other than that phase of it.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. DICKINSON. I yield.

Mr. McKELLAR. Of course, it was the idea of the committee to diffuse the furloughs as much as possible, if they were necessary, and while the committee has fixed it at three months, I am rather inclined to think it could be worked out on a 60-day basis, and I have no objection to that, so far as I am concerned.

Mr. DICKINSON. Mr. President, I should like to make one further suggestion. The Bratton amendment requiring a further reduction of 5 per cent, if it is to be made to apply generally to the departments, will impose the necessity of a provision of this kind, and that must be taken into consideration in the matter of whether or not they could comply with the provision with a 60-day furlough.

The purpose of the committee was to force a turnover and not let one group have all the pay and another group have all the furloughs. I think before the committee could consent to a reduction of the time that we ought to ask some of those in authority to find out whether or not it would disorganize the service.

Mr. McKELLAR. Mr. President——

Mr. BINGHAM. Mr. President, just a moment. If I understood the Senator from Iowa correctly, he thinks this is a limitation on the time for which administrative furloughs might be made. There is no such limitation, of course, and I see the Senator so understands it. It is merely that if a long administrative furlough is used, the clerk must have the same right of appeal as though he were about to be dismissed.

Mr. McKELLAR. Either way, the provision will go to conference and may be worked out there.

Mr. LA FOLLETTE. Mr. President, on page 72, line 5, I move to strike out "ninety" and insert "sixty."

The VICE PRESIDENT. The question is on the amendment of the Senator from Wisconsin to the paragraph reported by the committee.

The amendment to the paragraph was agreed to.

The paragraph as amended was agreed to.

Mr. BINGHAM. The next subject, Mr. President, will be found in the report on page 8 in the paragraph headed "Limitation on transfer of appropriations for construction."

The House committee recommendation continues section 317, which is known as the 12 per cent interchange-of-appropriations provision. Our recommendation, however, adds the provision to be found on page 72, reading:

*Provided further*, That appropriations available for construction shall not be transferred hereunder for personal services.

As has been done in several departments. I ask that the paragraph may be stated.

The CHIEF CLERK. On page 72, line 9, it is proposed to insert:

(9) Section 317 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That appropriations available for construction shall not be transferred hereunder for personal services."

The VICE PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. BINGHAM. The next paragraph to which I wish to call the attention of the Senate is on page 76, section 11. It relates to the Saturday half holiday in veterans' homes and hospitals. It has been found, I will say in brief explanation, that in certain cases anæsthetists, nurses, and others whose services were needed in an emergency on Saturday afternoons, discovering that the law protected them so that they did not have to work on that afternoon, took a half holiday when they chose. It was believed wise to give the Administrator of Veterans' Affairs the privilege of saying whether or not such employees may secure a half holiday during the week on some day other than Saturday which will interfere the least with the administration of the homes and hospitals.

Mr. ASHURST. Mr. President, it will be remembered that on last Saturday I gave notice that I would move to strike out section 11, to be found on pages 76 and 77.

Mr. BINGHAM. The same result can be achieved, I will say to the Senator, by voting "no" on the amendment of the committee incorporating section 11.

Mr. ASHURST. Therefore, I shall not make the motion to strike out, because, as the Senator from Connecticut says, the result I seek may be reached by disagreeing to the proposed amendment.

Mr. President, in my judgment, the proposed section 11 is discriminatory. Employees in Veterans' Administration hospitals should have the same Saturday half holidays as do other employees of the Federal Government. Physicians, nurses, and attendants in Veterans' Administration hospitals who are treating and waiting on patients in Veterans' Administration hospitals should have the same opportunity to relax and to refresh themselves as do other Government employees. There should be no discrimination.

I read a letter from Mr. Walter P. Taylor, one of the vice presidents of the National Federation of Federal Employees, as follows:

NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
*January 14, 1933.*

Hon. HENRY F. ASHURST,
*United States Senate, Washington, D. C.*

DEAR SENATOR ASHURST: The "Saturday half holiday in veterans' homes" provision, which may deprive the employees at the veterans' hospitals of their Saturday half holiday, is, to my mind, objectionable. It climaxes a long train of burdens which have been piled upon Government employees generally, and Veterans' Administration employees in particular, as follows:

1. Quarters, subsistence, and laundry constitute a considerable burden on Veterans' Administration employees on a quarters, subsistence, and laundry contract basis.

The case may be cited of a young man entering the service of the dietetic department of one of the big hospitals in the Southwest. He is compelled to pay $25 per month for subsistence. He is married and his family live off the station. He is compelled to support his family on the balance of his pay, usually about $65 per month. The Veterans' Administration provision regarding quarters, subsistence, and laundry, on occasion even operated as a hindrance to getting married. If two quarters, subsistence, and laundry employees wish to get married, and there is no room for them on the station as a married couple, they must, of course, move off the station. The stand is taken that even so this young couple must pay for quarters, subsistence, and laundry as per their contract. The young couple is charged $12.50 each for room, $25 or $30 each for their subsistence, and $2.50 each for their laundry. A correspondent says: "It would seem that something might be done to stop this compulsory practice of forcing employees to pay for something they do not want, or may not use."

Another case: A janitor employed at one of the large hospitals has a wife and child. No family quarters being available at the hospital, this man must live in town. Nevertheless, a deduction for quarters, laundry, and subsistence is made from his salary. Hence he pays for a bed and bed space he never occupies, meals he never eats, and laundry he never has done. Out of his already meager income, he has to pay for the maintenance of two households, and can only occupy one.

Furthermore, all quarters, subsistence, and laundry employees in the Veterans' Administration have to pay cash for quarters, subsistence, and laundry while on furlough. The charge for quarters in the absence on furlough of their occupant is perhaps not unreasonable. The case is less clear for charging employees for meals they do not eat and laundry they do not have done.

It is obvious that these double deductions in the Veterans' Administration bear with unusual severity on the low-paid employees, mechanics, guards, orderlies, laundry workers, and others who constitute the majority of workers at the great veterans' hospitals. In one case the death of a parent made it necessary for one of the employees to be absent to care for the burial. This occurred early in the year, prior to accumulation of furlough time. Quarters, subsistence, and laundry deductions were made in toto, however, for time absent, and unaccrued furlough time was charged to salary. The result was that no salary was paid to this man for two consecutive pay periods of two weeks each.

2. The 8⅓ per cent compulsory furlough has borne with special severity on certain of these quarters, subsistence, and laundry employees in the Veterans' Administration.

Obviously, where quarters, subsistence, and laundry have borne down with unusual severity, as in the cases cited, the economy act has made things seem very much worse, and they actually are.

3. Dismissal of married persons has had a disheartening effect on the total income of certain Veterans' Bureau families.

4. Lack of authority to fill vacancies has been one of the most troublesome provisions of the economy act.

This has piled up work on the staff members, particularly in certain units.

5. Suspension of promotions has resulted in added duties and responsibilities with no increase in pay.

In one hospital an attendant has taken over the duties of a surgical assistant who recently had to resign as a result of the married-persons clause. But the attendant receives only a little more than half the pay formerly given the surgical assistant.

Add to all these inhibitions and added duties the deprivation of Saturday half holiday and a further 1⅔ per cent pay cut, and the feeling of the lower-paid employees can be readily imagined.

* * * * * * *

How can a tired, overworked personnel give adequate care to the sick? The piling up of burden upon burden is not the way to secure efficient care for the veterans.

We know your constituents in the two large veterans' hospitals in Arizona are deeply interested in this matter of the discriminatory deprivation of Saturday half holiday.

Very truly yours,

WALTER P. TAYLOR,
*Fifth Vice President.*

Mr. President, this letter contains the argument as I see it. Why discriminate against the personnel in the Veterans' Administration hospitals?

Mr. COSTIGAN. Mr. President——

Mr. ASHURST. I yield to the Senator from Colorado.

Mr. COSTIGAN. Am I correctly advised that, under the present practice, in emergencies the employees of the hospital do respond regularly to orders which call them into service on Saturdays outside of usual hours?

Mr. ASHURST. Mr. President, it is my information that the physicians' attendants, nurses, and other personnel in the Veterans' Administration hospitals must and do hold themselves in readiness to respond at all times to an emergency call.

Mr. COSTIGAN. In other words, this amendment is merely an attempt to solidify in statutory form a practice which already prevails and is unnecessary, because present employees would undoubtedly ultimately be discharged if they failed to respond to such administrative orders?

Mr. ASHURST. That is true. I have visited a number of our Veterans' Administration hospitals, and I have never heard a complaint that the personnel, when a real emergency appeared, refused to serve at any time of the night or day, even during their holiday period. I think this section is a discrimination; and I should be glad to hear from some member of the committee why it was inserted.

Mr. COSTIGAN. Mr. President, may I ask the able Senator from Arizona a further question?

Mr. ASHURST. I yield.

Mr. COSTIGAN. Is it not unfortunate at this time, when we are discussing the possibilities of the 6-day week, to have legislation of this sort enacted?

Mr. ASHURST. I thoroughly agree with the Senator from Colorado.

Mr. BINGHAM. Mr. President, this provision was adopted at the suggestion and recommendation of a man for whom we all have the highest regard and respect—namely, General Hines.

It has come to my personal attention that on several occasions—I do not care to mention names, dates, or places—where operations needed to be performed on Saturday afternoon, certain individuals took advantage of the Saturday half holiday to say that they had to go off and have their holiday at that time. There was nothing in the law which required them to stay on. I presume in the majority of cases they do stay on. When they stay on, they decide that they will take the half holiday on some other day.

There are times in our hospitals—at the present time our hospitals are very greatly crowded—when it becomes extremely necessary for the administrator to require the services of certain individuals every afternoon in the week. I call the Senator's attention to the fact that, as stated in lines 20 and 21, page 76, this only acts "where, in the discretion of the Administrator of Veterans' Affairs, the public interest requires that such employees should be excepted from the provisions" of the half holiday act.

This provision is in the interest of the sick and the suffering, Mr. President, and for no other purpose. I regret very greatly to have anything else brought into this discussion, such as a general theory of hours and labor, because we adopted the provision after consulting with the Administrator of Veterans' Affairs in order that the sick and the suffering might not be denied necessary attention when, in his opinion, they needed it. That is all there is in this provision.

Mr. COSTIGAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. BINGHAM. I yield.

Mr. COSTIGAN. In the section under discussion, the provision in dispute reads, in part, that—

Seven hours shall constitute a workday on Saturday and labor in excess of four hours on Saturdays shall not entitle such employees to an equal shortening of the workday on some other day or to additional compensation therefor.

Is there not definite injustice done employees if they are not permitted at some time to offset this unusual and imposed labor, not necessarily immediately, but at some appropriate subsequent time?

Mr. BINGHAM. Of course that can be done, Mr. President. It is only where, in the discretion of the administrator, the public interest requires it, that we give this authority. The question is, Are we going to favor the employee who wants a half holiday, or are we going to favor the seriously sick persons who need attention?

That is the only question involved. There is no general change in the law. It is only when the public interest requires it. There are some employees who are always willing to grant this extra time when the public interest requires it, as the Senator from Arizona has said. There are other employees who put their own personal concerns first. There are not many of the latter; but in order that we may meet the emergency we inserted this provision, and I hope the Senator will not object to it.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. ASHURST. If I have the floor, I yield.

Mr. COSTIGAN. I submit that the Senator from Connecticut has not answered the inquiry addressed to him. By all means, we agree that the sick should be preferred. The essential question is whether the hardship imposed upon the employee is not in some way to be taken care of on some other working-day; and that question the Senator from Connecticut has not discussed.

Mr. BINGHAM. Mr. President, I can not make myself any plainer than I have done. The employees will get their half holiday whenever it can be arranged, except in cases where the public interest and emergency and a large number of patients make it impossible. The clause "where, in the discretion of the Administrator of Veterans' Affairs" applies to the whole paragraph. It is in case of an emergency, where there is an epidemic and the hospital is full of patients, and it is impossible to grant anybody a half holiday during a week or two weeks or three weeks that the provision would apply. Certainly the Administrator of Veterans' Affairs is not going to say that the public interest requires that the employees go without their half holiday permanently, or except in case of great necessity.

Mr. COSTIGAN. Then, Mr. President, I submit that the language of the section as placed before the Senate does not achieve the end suggested by the Senator from Connecticut. It provides definitely that this extra work "shall not entitle such employees to an equal shortening of the workday on some other day or to additional compensation."

Mr. BINGHAM. That is only in the case of employees who are excepted from the provisions "in the discretion of the Administrator of Veterans' Affairs." If the Senator will read line 23, he will see that it applies only to them.

Mr. COSTIGAN. My suggestion is that it should not apply to them. They should have some compensating allowance of time at some other period in the year.

Mr. ASHURST. Mr. President, having spoken once, I do not believe I have a right to speak again.

The PRESIDING OFFICER. Under the strict rule, the Senator would not have.

Mr. ASHURST. I do not wish to violate the rule, but I will ask for a minute to say that the word "not," in line 1 on page 77, should be stricken out.

If I may be indulged another minute, I do not question the good faith of the committee, in an effort to alleviate the suffering and to serve the sick, in seeking the enactment of a law and the enforcement of regulations such as will serve the suffering, the ill and disabled, but I do not think it is necessary to galvanize the rule into law, and I therefore support the view of the Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to section 11.

Mr. COSTIGAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Costigan | Kean | Robinson, Ind. |
| Austin | Couzens | Kendrick | Russell |
| Bailey | Cutting | Keyes | Schall |
| Bankhead | Dale | King | Schuyler |
| Barbour | Davis | La Follette | Sheppard |
| Barkley | Dickinson | Lewis | Shipstead |
| Bingham | Dill | Logan | Shortridge |
| Black | Fess | McGill | Smoot |
| Blaine | Fletcher | McKellar | Steiwer |
| Borah | Frazier | McNary | Thomas, Idaho |
| Bratton | George | Metcalf | Townsend |
| Brookhart | Goldsborough | Moses | Trammell |
| Bulkley | Gore | Neely | Tydings |
| Bulow | Grammer | Norbeck | Vandenberg |
| Byrnes | Hale | Norris | Wagner |
| Capper | Harrison | Nye | Walcott |
| Caraway | Hastings | Oddie | Walsh, Mass. |
| Clark | Hatfield | Pittman | Walsh, Mont. |
| Connally | Hayden | Reed | Watson |
| Coolidge | Hull | Reynolds | Wheeler |
| Copeland | Johnson | Robinson, Ark. | White |

The VICE PRESIDENT. Eighty-four Senators having answered to their names, there is a quorum present.

Mr. ASHURST. Mr. President, having exhausted my time, I, of course, can not debate further; but I do move to strike out, on page 77, line 1, the word "not," and after the word "day" on the second line, on page 77, to strike out the words "or to additional compensation therefor."

Mr. NORRIS. How would it read if so amended?

Mr. ASHURST. It would read:

As to those employees excepted from the provisions of the act of March 3, 1931, seven hours shall constitute a workday on Saturday and labor in excess of four hours on Saturdays shall entitle such employees to an equal shortening of the workday on some other day.

Mr. BINGHAM. Mr. President, I have explained to the Senate that section 11 was inserted at the request of General Hines. It applies only where in the discretion of the Administrator of Veterans' Affairs it would be required, and it is intended to take care of an emergency situation, particularly epidemics. I hope the amendment may be adopted, as General Hines got the unanimous consent of the committee to recommend it, and I hope that the amendment of the Senator from Arizona will not be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Arizona [Mr. ASHURST] to the amendment of the committee.

Mr. COSTIGAN. I ask for the yeas and nays.

Mr. COPELAND. Mr. President, may I say a word first?

The VICE PRESIDENT. Certainly.

Mr. COPELAND. As I understand it, the act of March 3, 1931, provided that employees might have Saturday afternoon off. Am I right about that, I ask the Senator from New Mexico?

Mr. BRATTON. That is my understanding.

Mr. COPELAND. In the hospitals it sometimes happens that there is an operation, or an acute emergency, where the nurses are needed on Saturday afternoon. I remember it was also called to our attention that in time of snowstorms, or of some other trouble on account of the elements, it might be necessary to have certain employees on duty on Saturday afternoon.

The Senator from Arizona suggests that the language be changed so that if there should be an occasion when a nurse or some other employee were needed on Saturday afternoon, then such nurse or employee could have the shortened workday some other day than Saturday. At the same time he proposes to strike out the provision about additional compensation therefor. I can not see any objection to that whatever.

I hope the amendment will prevail, and I think those of us who tried to work out a plan will be in agreement.

Mr. ASHURST. I thank the Senator.

The VICE PRESIDENT. The Senator from Colorado asks for the yeas and nays. Is there a second?

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment to the paragraph.

The amendment to the paragraph was agreed to.

The paragraph as amended was agreed to.

Mr. BINGHAM. Mr. President, the next amendment is in regard to assignments of Army, Navy, and Marine Corps officers to duty in the Philippines.

At present foreign service is limited to two years, and there is a very great amount of cost in travel and travel allowances for the officers and their families. The committee believed that, except in cases where the health of the officer or the public service required it, foreign service should be for four years instead of two years. Therefore, on page 77, section 12 has been amended to cover that matter, with the understanding that it will save about three-quarters of a million dollars annually.

Mr. JOHNSON. Mr. President, may I inquire whether this is one of the sections in which the Senator from Pennsylvania is interested?

Mr. BINGHAM. I think not.

Mr. ODDIE. Mr. President, has it not been the impression, gained from medical testimony in years past, that more than two years' service in the Tropics is detrimental to the health not only of the men in the service but their wives?

Mr. BINGHAM. Mr. President, I lived in the Tropics for 16 consecutive years, and it was not very detrimental to my health.

The VICE PRESIDENT. The question is on the amendment, which will be reported.

The CHIEF CLERK. On page 77, line 4, section 12, the committee proposes to insert the following paragraph:

SEC. 12. Assignment of officers of the Army, Navy, or Marine Corps to permanent duty in the Philippines, on the Asiatic station, or in China, Hawaii, Puerto Rico, or the Panama Canal Zone shall be for not less than four years. No such officer shall be transferred to duty in the continental United States before the expiration of such period unless the health of such officer or the public interest requires such transfer, and the reason for the transfer shall be stated in the order directing such transfer.

Mr. HALE. Mr. President, I understand that when this amendment came before the committee, the understanding was that the Army and the Navy both would have a chance to be heard should this amendment be adopted and go to conference.

Mr. BINGHAM. That is correct. It was agreed that the conferees would hear spokesmen of the Army and the Navy on the amendment.

The VICE PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. BINGHAM. Mr. President, the next amendment is in regard to a legal matter; and if I may have the attention of the Senator from South Carolina, I will ask him to explain it to the Senate. It is the provision on page 77, in section 13. I am sure the Senator's explanation will be much clearer to members of the bar than would my explanation.

Mr. BYRNES. Mr. President, as I understand, the Senator from New Mexico desires to offer some amendment with reference to this particular section.

Mr. BINGHAM. I will read the report of the committee on the amendment. It is as follows:

The committee recommendation (sec. 13) amends the act of March 3, 1875, relating to the procedure for set-offs against the creditors of the United States. While that act apparently was intended to grant to judgment creditors rights superior to those enjoyed by other creditors of the United States, it contains language with respect to claims, as distinguished from judgments, that might be construed to deny the Government the right to apply toward liquidation of debts due such debtors the amounts due the United States. Such a construction might necessitate the bringing of a suit by the Government to avoid making full payment to a debtor of an amount otherwise due even if his indebtedness to the United States should be only $1 and clearly due, and the debtor might continue to demand and receive amounts becoming due him from the Government without paying his debt, unless the Government should go to the expense of bringing suit to reduce to judgment the amount of the debt. The amendments eliminate from the statute the language with respect to claims, limiting the application of the statute to judgment creditors.

The VICE PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. BRATTON. Mr. President, will the Senator from Connecticut yield to me?

Mr. BINGHAM. Yes; I yield.

Mr. BRATTON. Is the next provision the one dealing with personnel of the Civil Service Commission?

Mr. BINGHAM. That is the next amendment.

Mr. BRATTON. After conferring with other members of the committee, I desire to offer a substitute for that section, which I now send to the desk and ask to have read.

The VICE PRESIDENT. The clerk will read.

The CHIEF CLERK. The Senator from New Mexico offers the following as a substitute for section 14, commencing with line 22, page 78:

With a view to securing unformity of method, avoiding unnecessary duplications of records, and assuring economy of expenditures for such work, the Civil Service Commission is hereby authorized and directed to investigate, develop, and install in the departments and independent establishments, including their field branches, uniform methods and forms for service records of employees, to be maintained by such departments and establishments.

Mr. COSTIGAN. Mr. President, may I ask the Senator from New Mexico whether, under the substitute, the Civil Service Commission would retain its own records?

Mr. BRATTON. Yes. The substitute would not affect that phase of the work. It merely authorizes the Civil Service Commission to provide uniform records to be kept in the several departments. They will be kept by each department, and reported to the Civil Service Commission, just as at present. It is believed that simplicity will follow the adoption of a system of uniform records, and consequently economy. That is all the substitute would do. It would empower the Civil Service Commission to provide uniform records to be kept by the several departments.

Mr. COSTIGAN. Mr. President, is the information correct which I have just received, indicating that the section as drafted by the committee originally would have created confusion in the Civil Service Commission's records?

Mr. BRATTON. At least, the Civil Service Commission believed so. Members of the commission talked with members of the committee, and, after going over the matter quite thoroughly, and at different times, it was the conclusion of the committee that for the present at least this step should be taken toward unifying the records to be kept by the several departments.

Mr. McKELLAR. Mr. President, will the Senator point out the exact difference between the language now in section 14 and the language he proposes?

Mr. BRATTON. I will read the language of the substitute.

Mr. McKELLAR. I will follow the language in the bill while the Senator reads.

Mr. BRATTON. The substitute reads as follows:

With a view to securing uniformity of method, avoiding unnecessary duplications of records, and assuring economy of expenditures for such work, the Civil Service Commission is hereby authorized and directed to investigate, develop, and install in the departments and independent establishments, including their field branches, uniform methods and forms for service records of employees, to be maintained by such departments and establishments.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. BRATTON. I yield.

Mr. WHEELER. Will the Senator explain how that would be a saving? It seems to me that it only increases the work. Why would it not be better to have the one record kept by the Civil Service Commission rather than have the different departments and bureaus build up a record of the services of the employees?

Mr. BRATTON. Because the departments are doing that now. Each employee works in some department; each department knows the character of his work and the efficiency of his service. The departments are keeping the records now, but the forms are not unified. Some are more detailed than others. It is the belief of the commission that by authorizing it to prescribe uniform records so that they will all be alike, it will simplify and expedite keeping the records and consequently effect economy.

Mr. KEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from New Jersey?

Mr. BRATTON. I yield.

Mr. KEAN. I should like to ask the Senator whether this will not increase the expenses of the Government and whether the amendment does not make for more expense rather than economy?

Mr. BRATTON. It does not because each department is keeping the records now, but they differ. Each department promulgates its own forms. Under this amendment the Civil Service Commission is authorized to unify the forms, but each department will keep its records hereafter just as it does now. However, they will then all be alike. It would simplify the method of keeping and the method of transmitting information to the Civil Service Commission. I have no doubt that the forms kept in the several departments will harmonize more perfectly with those kept in the commission itself and, therefore, will curtail the efforts and expedite the work and bring about economies.

Mr. KEAN. Mr. President, may I ask the Senator one more question?

Mr. BRATTON. Certainly.

Mr. KEAN. If this system is not put into effect and all were based on the Civil Service records, and their records were the only records, the departments could do away with a whole lot of work, could they not?

Mr. BRATTON. The Civil Service Commission could not possibly know what a thousand employees were doing in the Department of Commerce and another thousand in the Department of Agriculture, for instance. Of course, each department must keep the record of its own personnel and transmit information from those records to the Civil Service Commission for action in computing annuities and promotions, and for other purposes. Each department is keeping its own records now. It is impossible for the Civil Service Commission to do it unless we authorize the commission to put a staff here and a staff there and a staff yonder. That would duplicate effort and increase expense. This will economize instead of increasing expenses.

Mr. DALE. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Vermont?

Mr. BRATTON. Certainly.

Mr. DALE. I am very sorry to have to differ with my able friend from New Mexico.

Mr. BRATTON. I am more sorry to find myself at variance with the Senator from Vermont.

Mr. DALE. I can not help feeling that the Senator from New Jersey has the proper view of the question and that it will increase the expense. I did not want the colloquy to go by without stating that I am sure from my own research that this will greatly increase the expense.

Mr. BRATTON. Does the Senator favor the Civil Service Commission keeping the records in the several departments?

Mr. DALE. I favor the Civil Service Commission keeping the records just as they keep them now. They have been a great many years building up the records which they now have and are now keeping.

Mr. BRATTON. That will be done hereafter just as it is done now except that the forms on which the records are kept may be changed in order that they will be the same in the several departments. That is the only difference the amendment would effect.

Mr. DALE. But the Civil Service Commission, if this provision is adopted as it stands in the bill now, would have to go to hundreds of different points.

Mr. BRATTON. Perhaps the Senator was not present when I offered a substitute for the section. We are now discussing a substitute which simply provides that the Civil Service Commission shall provide the forms on which the several departments shall keep the records of their personnel.

Mr. BINGHAM. Mr. President, may I suggest to the chairman of the Committee on Civil Service [Mr. DALE] that he have an opportunity to study the substitute before offering his motion to strike out.

Mr. DALE. I know what the substitute is. It makes it necessary for the Civil Service Commission to communicate with many different departments and bureaus in order to get the information. I do not want to take the time now to discuss the matter further. I wish to offer an amendment, when I can offer it properly, to strike out the whole section.

Mr. BRATTON. Very well; I offer the substitute.

Mr. LOGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Kentucky?

Mr. BRATTON. I yield.

Mr. LOGAN. As I understand, the departments now keep the records, but they are not uniform. The substitute does no more than to authorize and direct the Civil Service Commission to provide uniformity in the keeping of the records among the departments.

Mr. BRATTON. The Senator has stated the situation accurately and completely.

The VICE PRESIDENT. The question is on agreeing to the substitute, which will again be reported.

The Chief Clerk again reported the substitute of the Senator from New Mexico.

The VICE PRESIDENT. The question is on agreeing to the substitute.

The substitute was agreed to.

The VICE PRESIDENT. The question is on agreeing to the section as amended.

Mr. BINGHAM. Mr. President, I understand the Senator from Vermont desires to strike out the entire section as amended. What he desires can be achieved by having a vote on the present motion.

Mr. DALE. Mr. President, do I understand now is the proper time to make my motion to strike out?

Mr. BINGHAM. A motion has been made to adopt section 14 as amended, and therefore what the Senator desires to achieve may be achieved by voting "nay."

Mr. DALE. I do not see how it can be achieved in that way at all.

Mr. BINGHAM. If the motion is agreed to, then section 14 is omitted from the bill.

Mr. DALE. Oh, no; not on the motion that is now before the Senate.

The VICE PRESIDENT. The question is on agreeing to the section as amended by the substitute.

Mr. BINGHAM. That is section 14 as amended, and if that is agreed to we adopt section 14. If it is lost, then section 14 goes out of the bill.

Mr. DALE. If that is the parliamentary status——

The VICE PRESIDENT. If that motion is agreed to, a motion to strike out the whole paragraph would still be in order if the Senator from Vermont wants to offer it. The question is on agreeing to the section as amended.

The section as amended was agreed to.

Mr. McNARY. Mr. President, when the Senate reconvened to-day after attending the joint services in the House and began consideration of the unfinished business I stated that the senior Senator from Pennsylvania [Mr. REED] was called from the Chamber and would not return until the middle of the afternoon, and requested that no action be taken on any provision in the bill relating to the Army or the Navy. It was agreed to by all on the floor of the Senate at the time. I was called out a few moment ago, and I am advised that while I was absent section 12, containing a committee amendment, was agreed to as it appears on page 77. In view of the statement and in fairness to the Senator from Pennsylvania, who will return at half past 3, I ask unanimous consent that the vote by which that amendment was adopted may be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered.

Mr. DALE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DALE. Is it proper now to submit a motion to strike out section 14?

The VICE PRESIDENT. It is.

Mr. DALE. Then I submit that motion to strike out section 14 as amended.

The VICE PRESIDENT. The question is on agreeing to the motion submitted by the Senator from Vermont.

Mr. DALE. Mr. President, the civil service system has been in operation for more than 50 years. During all that time its records have been kept by the Civil Service Commission. They were not of any great consequence, apparently, when the commission was organized half a century ago, but they have grown to be of immeasurable consequence as the system has become more and more involved. The commission itself states that the records are made necessary for the maintenance of the service, that a record of each employee is an essential part of applying the provisions of the act.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Michigan?

Mr. DALE. I yield.

Mr. COUZENS. Does the Senator construe the substitute as a move to wipe out these records?

Mr. DALE. Why, yes. The substitute, I think, is better than the original section of the bill as reported by the committee, but I think the substitute has the same effect.

Mr. COUZENS. I am unable to read into the substitute any language which would destroy the already existing records of the Civil Service Commission. I am just as keenly interested as is the Senator from Vermont. I listened to the reading of it particularly. I can see nothing in the substitute which would in any way destroy the effect of the records the Civil Service Commission now has.

Mr. DALE. Of course, answering the Senator from Michigan, under the substitute the commission could keep up its records, but it would vastly increase its work. I have in mind that there are some 45 independent bureaus. It would also make it necessary to consult the records that are kept beyond the continental limits of the country; for instance, the records of some 40,000 employees in the service of the Navy.

Mr. COUZENS. How does the commission get those records now?

Mr. DALE. Those records are now obtained by direct contact of the commission with the individuals. They keep the record of each individual in the civil service; but as I understand the proposal of the Senator from New Mexico [Mr. BRATTON], it would be necessary for the Civil Service Commission, if his proposal is agreed to, to take the records as they are furnished by the heads of the various bureaus.

Certainly it would not be fair to duplicate the work and have the Civil Service Commission doing the same work

that some bureau does in the way of keeping these records. It would be necessary, under the proposal of the Senator from New Mexico, to go to the head of the bureau and ask him to give them his records. Therefore the Civil Service Commission would not have direct contact with the source of information. They would have to take it second-hand.

Mr. COUZENS. Does the Senator mean that the Civil Service Commission agents now contact with each individual employee in all the 45 divisions of the Government?

Mr. DALE. Substantially that is what it amounts to. If the Senator would call up the Civil Service Commission for the record of some individual, he would find that that record would be given over the telephone on the day he called for it.

Mr. COUZENS. Yes; but they obviously must have to get it from the department or the bureau, or else they must travel outside of continental United States to collect the information. Am I to understand that they do that?

Mr. DALE. No. This is the difference: If the Civil Service Commission had the record of a man first-hand and the Senator asked about his seniority, his experience, his military service, or a thousand other things about which he might wish to make inquiry, he would find that they have that information first-hand right there and that they could answer him immediately. Under this method they would have to take the information, for instance, from the head of the Veterans' Bureau as to the employee's military record; they would not have it first-hand.

Mr. COUZENS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Vermont yield further to the Senator from Michigan?

Mr. DALE. Yes; I yield.

Mr. COUZENS. I understand that the proposal of the Senator from New Mexico does not change that. In other words, the accumulated record of the employee would still be in the Civil Service Commission, but there would not be any change in the present arrangement.

Mr. DALE. The amendment must provide a change of some kind in the present arrangement, or the Senator from New Mexico would not be offering it.

Mr. BRATTON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from New Mexico?

Mr. DALE. I yield.

Mr. BRATTON. The difference is this. The several departments now keep their own records, and when the Civil Service Commission needs an up-to-date record of a given employee it gets it from the proper department, but such records are not uniform; they differ; each department sets up its own forms. This amendment simply authorizes the Civil Service Commission to provide uniform records of its own personnel to be maintained by each department. It would simplify the system; it would make for economy; it would expedite action. That is all the amendment seeks to do.

Mr. DALE. Mr. President, does the Senator from New Mexico insist that the Civil Service Commission take the record of an individual employee as it is made up for him by the head of the bureau in which the individual is employed?

Mr. BRATTON. The Civil Service Commission will get the employee's service record from the department in which he works, because the commission can not get it from any other source. The commission must rely on the department in which an employee works for his record after he begins working in the department. So that information is conveyed to the Civil Service Commission, and it compiles its records and keeps them up-to-date from the information thus furnished. All this amendment does is to make all the records in the several departments alike.

Mr. DALE. Mr. President, the Senator says the commission takes from that source a part of the employee's record, but in the case of seniority, for instance, the seniority a given employee has in relation to all other employees in the Civil Service, that record of course is not kept by the individual department.

Mr. BRATTON. And the amendment does not propose to change that. The Civil Service Commission will continue to get its information from the several departments, just as it now does, and from that information will keep the records in the office of the commission itself up to date. That will be done exactly in the same way under this amendment as it is now done. The only thing this amendment does is to unify the records kept by the several departments instead of having them kept in different ways.

Mr. DALE. May I ask the Senator from New Mexico how will his amendment simplify the keeping of these records?

Mr. BRATTON. Because the Civil Service Commission will provide a standard form so that all the records will be alike. I have no doubt that the records will conform more nearly to those of the Civil Service Commission itself, so that they will harmonize and they may be kept with more efficiency and perhaps with less effort.

Mr. DALE. Is it the sole purpose of this amendment to direct the Civil Service Commission to provide a standard form on which to keep these records?

Mr. BRATTON. Yes; to provide a standard form on which the several departments shall keep their records.

Mr. DALE. That is the only purpose of the amendment?

Mr. BRATTON. That is the only purpose of the amendment.

Mr. DALE. The only purpose of the amendment, then, is to instruct the Civil Service Commission how they may obtain their information in the future?

Mr. BRATTON. No; the only purpose of the amendment is to authorize the Civil Service Commission to provide the form or forms upon which the several departments shall keep their records of civil-service employees.

Mr. ROBINSON of Indiana. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Indiana?

Mr. DALE. I yield.

Mr. ROBINSON of Indiana. May I ask the Senator a question? Are we to understand that the Civil Service Commission has withdrawn its objection to section 14 and is now in favor of the pending substitute?

Mr. BRATTON. The Civil Service Commission drafted this proposed substitute at my request.

Mr. DALE. Mr. President, may I ask the Senator from New Mexico when they did that?

Mr. BRATTON. They did that soon after this bill was reported to the Senate.

Mr. ROBINSON of Indiana. Mr. President, I hold in my hand a statement from Governor Campbell, chairman of the Civil Service Commission, very vigorously objecting to section 14 and giving the reasons for the objections.

Mr. DALE. What is the date of the communication?

Mr. ROBINSON of Indiana. It was written several days ago, I will say to the Senator, on January 13. I was trying to learn whether the Civil Service Commission was in favor of the substitute which the Senator now offers.

Mr. DALE. Mr. President, this discussion is very interesting to me. When I took this matter up with the committee about all I could find out from the committee was that there was a general misunderstanding between the committee and the Civil Service Commission; that the commission told them they wanted one thing to-day, another thing to-morrow, and probably something else the day after to-morrow, and that was about all the basis there was for putting this section in the bill. Now, the Senator from New Mexico says that the Civil Service Commission has just asked him to present the proposed substitute, and the Senator from Indiana——

Mr. BRATTON. No; I did not say that. The Senator unintentionally misquotes me.

Mr. DALE. I did not intend to misquote the Senator.

Mr. BRATTON. The Senator did it unintentionally.

Mr. DALE. I did misquote the Senator. He said that some time ago they had asked him——

Mr. BRATTON. No; the Senator still misquotes me. I said that the substitute was drafted by the Civil Service

Commission. If the Senator wants to know the details I shall give them to him. In discussing with representatives of the Civil Service Commission their objection to section 14, as reported by the committee, I suggested the feasibility of this proposal. The representative of the commission said he thought the proposal would be good, and within two hours the amendment was drafted and sent to my office.

Mr. DALE. The material point I was trying to reach was this: That since then the Civil Service Commission has sent a protest to the Senator from Indiana, and it sent the same protest to me, at least I assume it is the same, for it looks the same.

Mr. BRATTON. But that letter was directed against the original committee text and not against the substitute. That, I fear, is the point of confusion.

Mr. ROBINSON of Indiana. Mr. President, if the Senator from Vermont will yield a moment longer, I suggest that this statement I hold in my hand, which is a copy of a protest drafted I presume by Governor Campbell, was aimed at section 14 as originally drafted.

Mr. BRATTON. Certainly.

Mr. ROBINSON of Indiana. I know nothing of the substitute, and that is the reason I was asking the Senator from New Mexico for information on that subject. I suggest to the Senator from Vermont, if he has not seen it, that he glance at the substitute.

Mr. DALE. I have the protest; they sent a copy of it to me.

Mr. ROBINSON of Indiana. I am referring to the substitute.

Mr. DALE. Just a moment. The Civil Service Commission claims that it is absolutely essential that they keep these records just as they are now keeping them. With all due respect to the Civil Service Commission, I am wondering if they know—and I say this to the Senator from Connecticut in particular—I am wondering if they know what they do want.

Mr. BINGHAM. Mr. President, in reply to that suggestion, I should like to read a portion of a letter from Governor Campbell, the head of the Civil Service Commission, to the chairman of the Economy Committee in reply to a request as to how more money might be saved. It is to be found on page 8 of the hearings before the subcommittee of the Committee on Appropriations on the legislative establishment appropriation bill for 1933:

> The large forces engaged on personnel work are needed chiefly because each department and establishment maintains complete service records of its employees.

Previously in the letter attention had been called to the fact that—

> The total salaries of persons engaged exclusively on personnel work in the several departments and establishments in Washington, D. C., exceed $800,000 a year. In addition, persons drawing a total of more than $600,000 per annum, many of whom are high-salaried officers, are assigned to personnel work a portion of their time. Thus personnel administration in the departmental service in Washington costs approximately $1,500,000 annually.

I read further from the letter:

> The large forces engaged on personnel work are needed chiefly because each department and establishment maintains complete service records of its employees. These records are duplicated in the office of the United States Civil Service Commission. The elimination of duplications in personnel records would make for a substantial saving in personnel administration.

And a little further on the letter reads:

> The commission recommends the enactment of legislation authorizing the transfer to its jurisdiction of the personnel work now performed in the several departments and establishments in Washington. Such legislation should provide that the personnel records be maintained in the several departments and establishments under the direction and authority of the commission; that the commission be empowered to designate for each department or office, as need is shown, a personnel representative and such assistants as may be necessary.

We adopted the suggestion made by the commission in so far as consolidation of the records is concerned, but placed it under the heads of the departments, giving the commission access to the consolidated records. Apparently that was not satisfactory and led to the letter referred to by the Senator from Indiana and the Senator from Vermont. Now, after conference with the commission or one member of it, the Senator from New Mexico has prepared an amendment, which merely provides for the keeping of uniform records in all the departments under the general direction and supervision of the Civil Service Commission. It would seem to me that that carries out very nearly the original recommendation made to the committee by the commission.

Mr. DALE. Mr. President——

The VICE PRESIDENT. The time of the Senator from Vermont has expired. He has 15 minutes on the bill.

Mr. BRATTON. Mr. President, will the Senator yield to me to read him a letter received from the commission?

Mr. DALE. I will yield in just a moment. I should like to read at this point, in connection with what the Senator from Connecticut has said, a statement the commission made to me after all this took place:

> The commission deals with an army of employees in the competitive classified service whose advancement, retention, or retirement depends upon their records as kept. Without these records the commission could not function.

Mr. BINGHAM. But there is nothing in the amendment that does away with keeping the records.

Mr. DALE. There is no question about that; but certainly, if the amendment should be adopted it would require the commission to get its information from at least 45 sources within the United States.

Mr. BINGHAM. They do that now.

Mr. DALE. In part they do that now, but the records of the Civil Service Commission are absolutely independent of the other records. If one goes to the commission and says, "Such a bureau has such a record of a man," the reply will be made by the commission, "We do not care what records that bureau or department has of him; this is the record we have of him."

Such records have been kept for half a century; they have been built up from year to year as the system has advanced. More than that—and this is an element that we have not touched upon at all—when the retirement system was adopted a few years ago the records of all employees who are retired are kept by the Civil Service Commission. Who is going to keep those records? Where are they going to get their information if we break up this whole system?

Mr. BRATTON. Mr. President, will the Senator yield to me in order that I may read a letter from the commission?

Mr. DALE. I have no objection to that; but, to be perfectly frank, I am in a mood that I do not care what the commission says, so far as I am personally concerned. However, I have no objection to the Senator reading what they say.

Mr. BRATTON. The Senator apparently raised the question a while ago as to whether the commission had drawn the substitute and furnished it to me.

Mr. DALE. Oh, no; I did not question that at all. I think they probably did do that, but they drew it after they had one view before them, and they got another view since they drew it. I do not understand that at all.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Vermont has yielded to the Senator from New Mexico.

Mr. FESS. I beg the Senator's pardon.

Mr. BRATTON. This letter reads as follows. It is not dated, but it came to me some two or three weeks ago:

> May I not thank you for the friendly and sympathetic way in which you received our Mr. McAuliffe this morning. He explained to you the distress and difficulty which would result if section 14 to H. R. 13520, as proposed, should become law.
>
> I am deeply interested in the proposal submitted by the commission, but I understand from Mr. McAuliffe that it did not receive the approval of the Economy Committee. During your conversation with Mr. McAuliffe you suggested that a substitute be submitted for section 14 of H. R. 13520. I am inclosing herewith such a proposal. I may add that at the present time the commission has no authority to develop uniform methods and forms for service records of employees. If such authority is granted, the com-

mission would be able to eliminate a good deal of the duplication in personnel records maintained by the several departments and establishments.

* * * * * * *

You might find it desirable to have available a substitute for the present section 14, and with this thought in mind I am inclosing the substitute as suggested by you.

With kind personal regards I am, sincerely yours,

JESSIE DELL, *Commissioner.*

The Senator will note that under the statement made in this letter the departments do keep their records now.

Mr. DALE. Oh, yes. There is no question about that.

Mr. BRATTON. And all this amendment does is to permit a standard form for keeping those records.

Mr. DALE. There is not anything to prohibit that standard form now.

Mr. BRATTON. The commissioner says that under the present law the commission has no authority to prescribe those uniform records.

Mr. DALE. I think the Senator from New Mexico will agree with me, with just one glance at it, that it would be rather preposterous for a man to say that he had not any authority to make these records uniform. There is nothing to prohibit their being made uniform. I do not know that there will be any advantage in their being made uniform; but to say that legislation is necessary to make them uniform is rather ridiculous. I do not mean on the part of the Senator from New Mexico, of course.

Mr. BRATTON. Suppose the several departments did not accept the forms furnished them. There is nothing to compel the departments to do that.

Mr. DALE. There is nothing under this proposal to compel the departments to accept them.

Mr. BRATTON. Oh, yes. If they are authorized to provide those forms to be kept in the several departments, that does become mandatory.

Mr. DALE. There might be some possible advantage in that. If there is something in this proposal that would make it mandatory on the bureaus to answer in a certain way, there might be some virtue in that.

Mr. BRATTON. I have no doubt that that is what the amendment does.

Mr. FESS. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Ohio?

Mr. DALE. I yield to the Senator from Ohio.

Mr. FESS. I was wondering whether the confusion did not arise out of the language of the original economy act, rather than that of the substitute.

Mr. DALE. I think it does.

Mr. FESS. Because I see that section 14 says:

Laws and regulations now in force providing for the keeping by the Civil Service Commission of personnel records of officers and employees of the several executive departments and independent establishments are hereby repealed.

That evidently would throw everything into repeal so far as the Civil Service Commission is concerned.

Mr. DALE. Mr. President, so far I can not see any particular reason for this drastic departure on the part of the Senate in respect to the question that is before us. The Civil Service Commission has gone on for half a century building up these records, and nobody has shown here that the commission has intelligently, to say the least, asked for any change. The only reason for this change that I have been able to obtain since I have been on the floor is that perhaps it will have some compelling force or influence over some bureau to answer in a certain way.

Unless there is some broader reason, some greater occasion for this change, had we not better let it alone until we find out where we are? I know from my experience with the civil service that in any way to change these records is a very dangerous policy. Here are 400,000 people who are dependent upon the way these records are kept, and nobody knows what may come out of it.

Mr. FESS. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Vermont further yield to the Senator from Ohio?

Mr. DALE. I do.

Mr. FESS. It is my opinion that if we have nothing to act upon except section 14 as written, that would be unwise, because all of this requirement is repealed, and then it is stated—

and hereafter such records shall be kept by the several executive departments and independent establishments.

But these records may be available.

Mr. DALE. What have we to act on, may I ask the Senator from Ohio? He says, "If we have not anything else to act on." What are we acting on?

Mr. FESS. The substitute.

Mr. DALE. We are acting on a substitute that, it is perfectly evident to anybody who hears this discussion, the Senate knows nothing about. There are not any two men who agree on what we are doing with the substitute. When we are in a position where we do not know what we are doing, I think we had better let the matter alone as it is now.

Mr. FESS. I think there is some basis for the Senator's remark.

Mr. DALE. Mr. President, I move that section 14, as amended, be stricken from the bill.

The VICE PRESIDENT. The question is on the amendment of the Senator from Vermont.

Mr. DALE. I make the point that there is not a quorum present.

The VICE PRESIDENT. The Senator from Vermont suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Copeland | Kean | Robinson, Ind. |
| Austin | Costigan | Kendrick | Russell |
| Bailey | Couzens | Keyes | Schall |
| Bankhead | Cutting | King | Schuyler |
| Barbour | Dale | La Follette | Sheppard |
| Barkley | Davis | Lewis | Shipstead |
| Bingham | Dill | Logan | Smoot |
| Black | Fess | McGill | Steiwer |
| Blaine | Fletcher | McKellar | Tydings |
| Borah | Frazier | McNary | Vandenberg |
| Bratton | George | Metcalf | Wagner |
| Brookhart | Goldsborough | Moses | Walcott |
| Bulkley | Gore | Neely | Walsh, Mass. |
| Bulow | Grammer | Norbeck | Walsh, Mont. |
| Byrnes | Hale | Nye | Watson |
| Capper | Harrison | Oddie | Wheeler |
| Caraway | Hastings | Pittman | White |
| Clark | Hatfield | Reed | |
| Connally | Hayden | Reynolds | |
| Coolidge | Johnson | Robinson, Ark. | |

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present. The question is upon the amendment of the Senator from Vermont [Mr. DALE], to strike out section 14, as amended.

Mr. ROBINSON of Arkansas. Mr. President, I have heard that during my temporary absence from the floor there was some discussion of the hour of adjournment.

I feel that the Senate ought to stay in session to-night and continue its work; and, so far as I am concerned, I am going to ask and urge that that be done.

I realize that it is sometimes inconvenient for Senators to stay here; but, as has already been pointed out, Senators leave the floor during the daytime. Controversial matters are passed over until their return. We make very little progress.

It is true we have made considerable progress on this bill to-day, but I think we ought to stay here and do the business of the country. I hope the Senator from Connecticut [Mr. BINGHAM] and the Senator from Nevada [Mr. ODDIE] and other Senators who are in charge of this bill will agree to that policy. Let us get this bill out of the way and get forward with the general work of the Senate.

I know there are a large number of Senators on the other side of the Chamber who are in sympathy with this policy, and I wish to say now that so far as I have any influence in this body we are going to speed up the work of this session. I am assured that the Senator from Oregon [Mr.

McNARY] is in sympathy with that proposal; and I hope we may demonstrate a capacity to act here, and diminish, as much as possible, irrelevant discussion.

Mr. ODDIE. Mr. President, while I was out of the Chamber a short while ago a discussion was had on this matter, and I think some tentative agreement was made. I hope, however, that the suggestion of the Senator from Arkansas can be carried out, and that the Senate will stay in session to-night. We will make much better progress if that is done, and will stand a good chance of getting through with this bill to-night.

The VICE PRESIDENT. The question is on the amendment of the Senator from Vermont.

Mr. REED. May the amendment be stated?

The VICE PRESIDENT. The amendment is to strike out section 14, as amended.

Mr. DALE. Mr. President, I thought some Senator called for the yeas and nays on this amendment. If not, I call for the yeas and nays.

The yeas and nays were ordered.

Mr. BYRNES. Mr. President, I would like to have the Chair state to the Senate what the question is. The question, as stated by the Senator from Vermont, is to strike out. As I understand, the question is on the motion of the Senator from Connecticut to adopt the section, as amended.

The VICE PRESIDENT. No; the motion is to strike out.

Mr. BINGHAM. An amendment to the section was adopted, and then the Senator from Vermont moved to strike out all of section 14, as amended.

The VICE PRESIDENT. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I have a pair with the junior Senator from Nebraska [Mr. HOWELL], who is absent on official business of the Senate. I transfer that pair to the Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. WATSON (when his name was called). In the absence of my general pair, the senior Senator from South Carolina [Mr. SMITH], I transfer my pair to the junior Senator from California [Mr. SHORTRIDGE] and vote "yea."

Mr. WHEELER (when his name was called). On this matter I have a general pair with the junior Senator from Idaho [Mr. THOMAS]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. HATFIELD (after having voted in the affirmative). I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS], and in his absence I withdraw my vote.

Mr. BARKLEY. On this question I have a pair with the Senator from Iowa [Mr. DICKINSON], but I understand that if present the Senator from Iowa would vote as I intend to vote. I vote "nay."

Mr. WAGNER. On this vote I am paired with the senior Senator from Missouri [Mr. PATTERSON], who is absent from Washington on account of a death in his family. I am not informed as to how that Senator would vote if he were present, and therefore I am not at liberty to vote.

Mr. BAILEY (after having voted in the negative). I am informed that my pair, the Senator from Rhode Island [Mr. HEBERT], is not present, and I transfer my pair to the junior Senator from Mississippi [Mr. STEPHENS] and allow my vote to stand.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG];

The Senator from Illinois [Mr. GLENN] with the Senator from Virginia [Mr. SWANSON]; and

The Senator from Delaware [Mr. TOWNSEND] with the Senator from Tennessee [Mr. MCKELLAR].

Mr. SHEPPARD. I desire to announce that the Senator from Virginia [Mr. SWANSON], the Senator from Tennessee [Mr. HULL], the Senator from Texas [Mr. CONNALLY], the senior Senator from Florida [Mr. FLETCHER], and the junior Senator from Florida [Mr. TRAMMELL] are detained from the Senate on official business.

The result was announced—yeas 39, nays 32, as follows:

YEAS—39

| | | | |
|---|---|---|---|
| Austin | Frazier | Moses | Schuyler |
| Barbour | Goldsborough | Neely | Shipstead |
| Blaine | Grammer | Norbeck | Smoot |
| Brookhart | Hastings | Nye | Steiwer |
| Capper | Johnson | Oddie | Vandenberg |
| Copeland | Kean | Reed | Walcott |
| Costigan | Keyes | Reynolds | Walsh, Mass. |
| Dale | La Follette | Robinson, Ind. | Watson |
| Davis | McNary | Russell | White |
| Fess | Metcalf | Schall | |

NAYS—32

| | | | |
|---|---|---|---|
| Bailey | Bulow | George | Lewis |
| Bankhead | Byrnes | Glass | Logan |
| Barkley | Caraway | Gore | McGill |
| Bingham | Clark | Hale | Pittman |
| Black | Coolidge | Harrison | Robinson, Ark. |
| Borah | Couzens | Hayden | Sheppard |
| Bratton | Cutting | Kendrick | Tydings |
| Bulkley | Dill | King | Walsh, Mont. |

NOT VOTING—25

| | | | |
|---|---|---|---|
| Ashurst | Hatfield | Patterson | Townsend |
| Broussard | Hebert | Shortridge | Trammell |
| Carey | Howell | Smith | Wagner |
| Connally | Hull | Stephens | Wheeler |
| Dickinson | Long | Swanson | |
| Fletcher | McKellar | Thomas, Idaho | |
| Glenn | Norris | Thomas, Okla. | |

So the amendment was agreed to.

CAMPAIGNING AGAINST GOVERNMENT WORKERS

Mr. CUTTING. Mr. President, I ask to have printed in the RECORD an article from the American Federationist, entitled "Campaigning Against Government Workers," by Mr. Richard W. Hogue.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

CAMPAIGNING AGAINST GOVERNMENT WORKERS

By Richard W. Hogue, director Independent Legislation Bureau

Government service offers no opportunity for getting rich. To the large majority it offers only a modest livelihood, while requiring the capable performance of continuous, important, and exacting duties. It would be difficult to parallel in the business world the record of honest, faithful, and competent service that characterizes the carrying on of the business of the Government as a whole. This is true despite the fact that such service carries no such hope of financial reward as exists in the business world.

These facts should be given their just weight in considering the fairness, as well as the effects, of further reductions in the salaries and wages of Federal workers. They serve to emphasize the warning of competent economists and others who share the position taken by the president of the University of Wisconsin. Said President Glenn Frank in an address to 3,000 farm men and women:

"There is much blindness, blundering, and sheer insincerity in the almost hysterical campaign against public expenditures now sweeping the Nation. * * * Real economy will mean national salvation; bogus economy will mean national suicide. Indiscriminate Budget slashing may set us back socially for a generation."

Let us examine the facts about taxes, Government expenses, and Federal wages and salaries.

Eighty per cent of all Federal workers are civil-service employees. This means that they come to their jobs prepared by training, tested by examination, and free from the fears and the rewards of political patronage. Of these, 20 per cent received less than $1,000 a year, while 55 per cent received less than $1,500, even before the pay cut of last year. The average salary of all the Federal workers amounts to about $1,400 a year.

The period of war-time prosperity created 20,000 new millionaires in the business world. How did it affect Federal Government workers? While commodity prices advanced 125 per cent from 1914 to 1920, Federal employees' salaries remained at the 1914 level. The relatively small bonus for 1917 to 1920 did not alter the salary level. During much of this period they did almost double duty. The cumulative loss to them and their families in these years has never been made up and never will be.

Two-thirds of all the government workers (including State and local) in the country are in the service and on the pay rolls of city, county, and State governments. Of the total cost of government, 70 per cent consists of the cost of local and State governments. In addition, about 9 per cent of the Federal Budget should be charged to the States, since it is spent on roads, harbors, buildings, flood control, and in other ways directly beneficial to States, counties, and towns. This leaves only 27 per cent to be charged to the Federal Government, of which less than one-fourth goes to salaries and wages.

Out of the budget of the Agricultural Department about 70 per cent goes to aid States in building public highways. The direct service rendered by this one department to States, counties, cities,

and the general public can not be fully calculated. Take just two illustrations: The untold benefit of the cure for the human disease of hookworm and the benefit to farmers from the cure of animal diseases. The discovery and development of a serum by this department reduced the loss from cholera among hogs by $51,000,000. The direct benefits to farmers, the general public, and future generations that come from this single department of the Government can not be overestimated.

Only 10 per cent of Federal employees live in Washington. The salaries and wages of 90 per cent are spent in local and State communities. They are also taxed for the support of these communities. By reducing salaries still further you lower their purchasing power and reduce their tax-paying ability. You create a vicious circle that doesn't help the taxpayer, while it hurts the merchant and the general community.

What of the burden of military costs? What proportion of your taxes is consumed by war items in the Federal Budget?

Here is the crux of the whole subject of taxes so far as the Federal Government is concerned. Of the entire Federal Budget of four billion (which includes the post office deficit), over one billion interest and principal is paid out to owners of Liberty bonds and other Government securities, more than another billion goes to war veterans and beneficiaries, and over six hundred million to maintain military forces. That is, 72 per cent of the total 1932–33 Federal Budget is expended on war debts, war veterans, and war machinery.

Here then is the outstanding cause of the big Federal Budget. Add to this the fact that county, city, and State governments account for 70 per cent of all government costs, and the picture is complete.

The maintenance of the Federal Government does not constitute a tax burden on the general public. Far from it. Here are the facts. A part of the Government's support comes from the receipts of the post office, which is largely self-supporting. A considerable part (about 40 per cent) comes from internal revenue, customs, and miscellaneous revenue (such as tolls and profits of the Panama Canal). The largest percentage comes from income tax and profit taxes. About 97 per cent of the people pay no income tax. Real reduction of the tax burden of this 97 per cent can be obtained in only one way, through reduction of city, county, and State taxes.

These facts show that the claim that a further reduction in salaries and wages of Federal employees will reduce the taxes of the general public is without foundation. Yet the Members of Congress and the people at large are being bombarded with propaganda against the Federal Government and its employees. This propaganda is not only unfair to the Government but dangerous to the public. Its false representations and unsound claims should be met with the facts.

Banking, business, and industry have largely lost the confidence of the people. In the past 12 years 10,000 banks have failed. The great financial and business leaders have been helpless. They have appealed to the Government to save them and the country. It has responded by providing over $2,000,000,000, largely through the Reconstruction Finance Corporation, in this depression period.

The Government alone stands to-day between the American people and complete ruin. Loss of confidence in its work, its workers, and its protective and service agencies is fraught with grave danger. To be willing to lose this confidence without attempting to know the facts is inexcusable. It is far worse to seek to destroy the confidence of others through misrepresenting the facts, deliberately and for selfish ends.

The organized forces that oppose the progress of organized labor have a high appreciation of the value of internal strife and divided counsels in the ranks of the workers. Though often concealed from sight, their weapons for inflicting the disharmony that serves their purposes have wrought frequent and deep damage.

Every effort must be made to counteract the propaganda that produces suspicion, dissension, and division among those whose job is their capital as distinguished from those whose capital is their only job. This propaganda has always been used to widen the gulf between unorganized and organized workers. Nowhere has it been more effectively used than in fostering a sense of "distinction" among professional and "white-collar" workers and among the so-called intelligentsia. Fortunately the eyes of many of these have been opened by the stock-market collapse and the subsequent deflation of business and industrial leaders. They have seen the temple of big business collapse and its mighty gods become supplicants for colossal doles from the Government.

While seeking relief themselves they are attacking the body of Government employees in every conceivable way. The attack is being led by such arch antilabor reactionaries as Merle Thorpe, of the Nation's Business, and Colonel McCormick, of the Chicago Tribune. The latter has published a book under the alarming title "The Sacking of America," in which Federal employees are denounced as "weasels" and "office-holding tyrants." Not the least of their hopes is to divert the workers in general from a united demand for far-reaching reforms by arousing prejudice and envy against the group of workers in the service of the Government. By doing this they hope to obscure the main cause of the present plight of the country, the concentration of wealth and power in the hands of the few. Above all, they seek to sidetrack the growing demand for the removal of this cause.

Bankrupt farmers, unemployment, evictions, foreclosures, destitution, and despair among many millions—what are these compared with a free field for exploitation and the regaining of wealth and power by the few? They and their class must first be saved by the Government and then saved from the Government. Over $2,000,000,000 from the Government in the midst of the depression for the rehabilitation of banks and big business is not enough. They must be served further by being spared their just share of taxation. Aside from their evasion of existing tax laws in every conceivable way the laws themselves must be changed for their benefit.

One of the proposed changes is the shifting of taxes to the already overburdened general public. Another is the removal of Government control and regulation that they may be free to oppress the workers and gouge the public. They are even demanding the elimination of Government services essential to the protection, the health, and the living standards of the Nation. Another way is to reduce still further the wages of Federal employees and thus furnish an excuse for a general lowering of wages and living standards.

If they succeed in this, they can—and will—say to the workers of the country: "You can not expect industry to go beyond the example set by the United States Government. You can not accuse private business of exploitation when it is paying as much (no matter how little that is) as the Government itself is paying." They are trying to force the Government to set a lower standard in order to justify the lower standard they intend to impose. To this end they are seeking to use pressure on Congress by every group whom they can influence.

So much for the general situation. What are the actual facts about the cost of Government and the pay of its workers? What is the relation of these to the burden of taxation? What is their relation to the general good of the people as a whole?

What does the public good require? Surely not the deepening and prolonging of the depression through reducing still further the purchasing power of Federal workers. This would but serve to restrict trade and reduce employment still more with no correspondingly good effect on the state of the Treasury. It would be but a drop in the ocean, while working great personal hardship and reducing business activity to a lower level.

In normal times 80 per cent of the purchasing power that sustains the flow of trade comes from those with incomes of $5,000 or less. So long as this purchasing power remains in its present depleted state, the depression will continue. It would be aggravated rather than relieved by a further lowering of the salaries and wages of the 732,460 Federal employees.

To reduce the present modest livelihoods of Federal workers would not help the impoverished farmers and industrial workers. To add to the number of those with diminished resources would be to add to the causes that help maintain the depression. The remedy for existing conditions lies elsewhere. As Senator WAGNER puts it, "It is time that as a Nation we stopped going round in circles and set our minds to the fact that we must by heroic action restore every breadwinner to self-respecting employment." Not by further depletion and deflation but by constructive measures for restoring consumption and employment is the way out.

Nor would it be a wise or helpful thing to curtail Government services that are vital to the well-being of the people. To lower the efficiency of the Government at such a time as this would be false economy. With business and industry crippled and the resources of millions of people either completely exhausted or greatly reduced, the ability of the Government to serve the public should be maintained at its highest.

We fully recognize the need of wise economy. Duplication, waste, and inefficiency should be eliminated. We also recognize the dangers of a false economy. Its effects are always injurious. They are particularly so at a time like the present. If a community is suffering because the purchasing power of a majority of its members is very low, it is no help to that community and its merchants to reduce the purchasing power of the remaining minority. Such a process is justified only as applied to abnormally high incomes, whose reduction would bring a more general distribution and circulation of money. This can not apply to the salaries and wages of Federal employees, which are as a whole very low.

### ADDRESS OF HON. JAMES E. WATSON

Mr. FESS. Mr. President, I ask unanimous consent to insert in the RECORD a very eloquent address made over the radio by the senior Senator from Indiana [Mr. WATSON].

The PRESIDING OFFICER (Mr. COUZENS in the chair). Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

#### FAILURES OF THE DEMOCRATIC PARTY

As a result of the election on the 8th of last November, the Republican Party passed into the position of the minority party of the country. As such it has a duty to perform to the people, and it will faithfully and fearlessly discharge that duty.

It will not set up any smut machines or plant any mud batteries to besmear the incoming President, as did the Democratic Party upon the inauguration of the present President. We shall not sponsor any such campaign.

The leaders of the Republican Party believe that it should constructively criticize and not venomously attack the opposition. It owes an obligation to the people to point out the mistakes and hold up the errors of the party in power and to point the way

to a higher and a better and a more effective method of administration. That obligation we shall fearlessly discharge.

Every patriot hopes for the return of prosperity, and let it be understood once for all that if the Democratic Party can bring the country back to that happy condition, everybody in the Nation will rise up to call it blessed, and its future calling and election will be assured.

But that does not alter the relation of the minority party to the majority party or to the country, for just criticism is essential to call the attention of the people to the steps that are being taken and the progress that is being made from time to time in attempting the restoration of prosperity.

THE HOUSE DEMOCRATIC

Be it remembered that the House of Representatives became Democratic by the election in 1930 and that, beginning with December, 1931, that party has had a clear majority in that body, with JOHN N. GARNER as Speaker, and hence criticism of its action need not be leveled at the President elect but at the party which has had actual control in that body in which all revenue legislation must originate.

And, furthermore, it must be understood that the Senate is under the control of the Democratic Party and its allies, which for four years has operated a coalition that in the main has been able to control all legislative action in that body.

THE QUESTION PRESENTED

One month from to-day a Democratic President will be inaugurated and the Democratic Party will come into complete control of the Federal Government. The platform upon which the Democratic Party made its campaign contained many promises as to what the party would do in the event it were intrusted with the administration of our national affairs. That platform was indorsed by the presidential candidate in his speech of acceptance in the following unequivocal language:

"The platform which you have adopted is clear. I accept it 100 per cent."

The Democratic platform promises were supplemented by many made by the Democratic presidential candidate during the campaign.

After reflection upon those promises nearly 16,000,000 American citizens went to the polls and voted their lack of confidence in either the promises or the party making them, or both. Those 16,000,000 citizens constitute the rank and file of the Republican Party as it exists to-day—numerically the strongest minority party of American history.

The wisdom of their distrust of the Democratic Party has already been vindicated. Practically every act of the Democrats in Congress and Democratic leaders outside of Congress has proved the truth of the Republican Party's contention that the Democratic Party is unable to govern itself when confronted with the necessity of making decisions and presenting concrete, workable programs, and therefore unable to govern the country.

According to the Democratic platform the reasons for all the evils which afflict the American people are found in the policies of the Republican Party which that platform promised would be speedily changed if the Democrats were intrusted with power. Action was promised upon 38 different matters, affecting agriculture, labor, finance, business, veterans, economy, taxes, the tariff, and many other problems, and the need of haste was emphasized. The candidate himself still further stressed the necessity for speed in these words, uttered in his Baltimore speech:

"I am waging a war in this campaign, a frontal attack, an onset against the horsemen of delay of the Republican leadership. * * * There is no time for delay. * * * It is no time to wait when the prosperity and happiness of this country are at stake. And we of the Democratic Party will not wait.

People who voted the Democratic ticket therefore expected that there would be not the least delay upon the part of Democratic leaders in redeeming their campaign pledges. But no sooner had the polls closed than it was admitted that all the campaign oratory about a frontal attack against the "horsemen of delay of Republican leadership" was in large part just so much tall talk. There was to be no frontal attack at all, nor even a flank attack. Democratic leaders in Congress began maneuvering to prevent an extra session of Congress immediately after the inauguration. They wanted action delayed another whole year. They knew that they could not agree among themselves upon a legislative program. They knew that with the discordant elements within their own ranks they could not do the things for agriculture, labor, the taxpayer, "the forgotten man," that they had promised to do. They did not want to be brought face to face with their own campaign promises. They did not want the pledges of their platform and their candidate presented for payment.

This change of Democratic battle strategy from a frontal attack on the "horsemen of delay" to a policy of equivocation brought such a storm of protest from those who had voted the Democratic ticket in all sincerity that a conference of Democratic congressional leaders and the President elect was held. Out of this conference came the announcement of a face-saving program intended purely as a gesture to convince the public that there was some constructive ability yet remaining within the Democratic ranks. This program consisted of putting through this session of Congress measures which would balance the Budget, give agriculture some relief in the way of increased commodity prices, and the amendment of the Volstead Act so as to permit the manufacture and sale of wine and beer.

It was simultaneously announced that if this program, meager though it was, could be put through there would be no special session, and even the pretense of an attempt to fulfill the Democratic campaign pledges would be abandoned for another year. As this would have brought the country to the eve of the next congressional campaign, the Democratic strategy undoubtedly was to warm over the 1932 promises for use again in 1934. But the strategy has failed, because the Democrats can not put through this session of Congress even their makeshift program. They have abandoned part of it and repudiated most of the remainder.

THE DEMOCRATIC ALIBI

And this leads me to remark that Democratic leaders are now making an attempt to alibi this fresh exhibition of the incapacity of their party by alleging that the failure of their program is due to the Republican "lame ducks" in this session of Congress. The only weakness in this alibi is the fact that this Congress is not controlled by Republican "lame ducks." It is a Democratic Congress. When it convened in December, 1931, the Democrats organized the present House, and they have increased their majority since then in by-elections. The Democrats dominate the Senate in this Congress.

It is known to all men that the straight-line Democrats in the Senate, plus those who openly supported the Democratic candidate for President and who have been making pilgrimages since the election to hold conferences with the President elect, constitute a comfortable working majority in the Senate to-day. There is not a single piece of legislation which, if agreed upon by the Democrats in the House and by the Democrats and their affiliates in the Senate, could not, and would not, be passed in this session of Congress if every Republican, lame duck or otherwise, voted against it. The Democratic Party and its spokesmen can not shift the blame for their failure to act to the shoulders of the Republican Party and the Republican administration.

THE BUDGET

The Democratic platform pledged the party to balance the Federal Budget. Two things are necessary to accomplish this purpose; a reduction of Federal expenditures and an increase in Federal taxes. The Democratic Party is pledged by its platform to "an immediate and drastic reduction of Government expenditures * * * to accomplish a saving of not less than 25 per cent in the cost of Federal Government." The Democratic candidate for President repeatedly renewed that pledge. Such was the promise. What of the performance? Only last week a Democratic Senator introduced a resolution to refer appropriation bills back to their appropriate committees with instructions to cut them 25 per cent. This proposal to take seriously the economy promises of their platform and candidate threw the Democrats of the Senate into such consternation that their leader hurriedly called a party caucus to decide what to do. That caucus of Democratic Senators repudiated their party platform and refused to support the resolution. No lame-duck Republican attended that caucus or was responsible for that action, and that explicit resolution was withdrawn and another one far less pointed and certain was substituted in its place.

New taxes must be levied in order to balance the Budget. Under the Constitution tax bills must originate in the House. Early in the session Democratic leaders in that body agreed tentatively upon a tax program. The Democratic President elect immediately let it be known he did not approve the plan. Democratic leaders were thrown into confusion. A conference was hastily arranged between Democratic leaders of both Senate and House and the President elect at his New York home, in order that there might be some agreement upon a fiscal program for this session of Congress. Returning to Washington, the Democratic leaders gave out statements regarding the President elect's views on a proposed bill. The President elect immediately repudiated them. That increased Democratic confusion and rendered the situation well-nigh hopeless. Then followed the announcement by Democratic House leaders that they would abandon all efforts at this session of Congress to formulate and pass a tax bill. No Republican lame duck was responsible for that exhibition of the Democratic Party's inability to agree even upon such an important policy as a revenue measure.

The farm-allotment bill has gone much the same way. It began its legislative career advertised as embodying the ideas of the President elect and bearing his approval. After it passed the House it was announced by Democratic spokesmen that, at best, the President elect regarded the measure purely as an experiment and that, if passed at all, it should be limited to only one or two agricultural products. Thus damned with faint praise by the President elect and openly opposed by other Democrats, the relief bill promised the farmer this session in time to apply to his 1933 crops has all but been abandoned, and another Democratic campaign promise is scuttled by those making it. No lame-duck Republican is responsible for this.

PROMISE AND PERFORMANCE

Throughout the campaign the President elect continually expressed great solicitude for that more or less mythical individual whom he styled "the forgotten man." Both he and his party platform declared that the problem of major importance was the instant relief of the unemployed and the farmer. In his Baltimore speech upon the "horsemen of delay," to which I have already referred, the President elect said:

"It is no time for delay when nearly half our people can not purchase the bare necessities for their existence. It is no time for delay when 11,000,000 of honest, industrious, willing men and women are tramping the streets and roads of our country looking for work. * * * And we of the Democratic Party will not wait."

Naturally, one would suppose the first subject to occupy the attention of the Democratic Congress when it convened immediately after the election would have been redeeming this outstanding pledge of the party and its candidate.

The record is different, however. With the convening of the Congress last December there took place a procedure without precedent, in fact, in violation of all the precedents of 144 years of the United States Congress. Immediately upon the convening of the House, before it had notified the Chief Executive that it had convened and was ready to receive any message from him or to transact business, before it had conformed to any other of the regular procedure which has marked the opening of Congress since 1789, the Democratic House machine under the whip and spur of its Speaker, the Vice President elect, rushed to the floor, under a special rule, a resolution for immediate consideration and vote. Did that resolution provide for some farm relief? Did it provide some measure or method of ameliorating the condition of those 11,000,000 idle men, so often referred to by the President elect as claiming his first attention? Did it provide relief and recognition for "the forgotten man"? None of these!

The RECORD shows that the thing uppermost in the minds of the Democratic leaders of that body, the thing which took precedence over farm relief, relief of unemployed, recognition of "the forgotten man," balancing of the Budget, reduction of public expenditures, and all the other problems which confront the Nation, was the outright and naked repeal of the eighteenth amendment, which would permit the return of the open saloon. In the minds of the present Democratic leadership that question overshadowed all other issues, of vastly more importance than all other problems before the American people.

The inexcusable violation of all congressional precedents and courtesies was excused by the Democratic leaders upon the ground that the platform had pledged itself to an immediate repeal of that amendment and they were, therefore, in duty bound to make an honest effort to carry out that platform pledge. But the platform also pledged "immediate and drastic" reduction of governmental expenditures, and no such effort was made by the Democratic Congress to redeem that pledge.

But, taking their alibi as the reason for their unprecedented action, what have they to say regarding their failure to redeem their platform pledge in reference to the repeal of the eighteenth amendment? Although every possible pressure was brought to bear upon the Democratic membership by the Democratic machine, the roll call showed the resolution failed of passage by 6 votes, because 44 Democrats refused to support it.

If only one-seventh of the Democrats who voted against this resolution had voted for it, it would have passed. If the Democrats from the State of Georgia, which the President elect in public address has characterized "my second home, my home in the Southland," who voted against the resolution had voted for it, it would have passed. If the Democrats from the State of Arkansas, the home of the minority leader of the Senate, had voted for the resolution, it would have passed.

So the one pledge of the Democratic platform, which by their own unprecedented action the Democratic leadership in Congress designated as the most important of all their pledges, failed of redemption because of their inability to control the membership of their own party. The blame for this can not be laid at the door of lame-duck Republicans.

### OTHER PROMISES

The Democratic platform and candidate demanded (1) a lowering of our tariff walls, (2) an increase in our imports, and (3) a lowering of prices of manufactured commodities. All these things have come to pass, not through any action of this country, but because 80 per cent of the nations of the world, including the largest exporting countries, have abandoned the gold standard and depreciated the value of their currency.

Under our tariff system all imports are valued in terms of the currency of the country of their origin, and our tariff is computed on the basis of that foreign valuation. Depreciated foreign currency means a corresponding decrease in the declared value of imports. If that depreciation is 50 per cent, as it is in some countries, then the declared value of imports is 50 per cent less than formerly—although the quantity imported is no less. This automatically lowers our tariff walls the equivalent of the depreciation in the foreign country.

Because of this our people to-day are experiencing ideal Democratic tariff conditions. Our tariff walls have been lowered and the process is continuing. Our imports are increasing tremendously in quantity. Time forbids my going into detail upon this subject, but within a few days I expect to present, for the consideration of the United States Senate and the public, figures which will be startling.

The United States is literally being flooded with imports from countries with depreciated currencies. The consequences are appalling. Factories are being closed. Whole industries are being abandoned. Some are being forced into bankruptcy. Large numbers are being added to the ranks of the unemployed, and their families, constituting hundreds of thousands more, are being added to the ranks of those who must be supported by public charity.

Needless to add, that third hope of the Democrats, namely, lower prices for manufactured goods, has been realized.

The Democratic Party remains indifferent to these conditions. All tariff legislation must originate in the House of Representatives. Those in control of that Democratic legislative body have made no move to relieve the situation. Instead of initiating legislation to rectify these conditions and give employment to American labor, the policy of the present Democratic Congress is to appropriate billions and issue Government bonds to take care of those who are forced out of employment by reason of imported goods. The Democratic policy is to throw Americans out of work in order to assist Europe and then add to the Federal taxes and the public debt in order to provide funds for Americans made the objects of charity by such a policy.

And permit me to further remark on this subject, which is of surpassing interest to the American people at this time, that, by a practically unanimous vote of the Republicans in the House, legislation has been demanded to correct this desperate situation, but up to the present time the Democratic majority has refused to act, and doubtless will continue so to refuse unless action is forced by the Republican majority, with the aid of a few Democrats who are willing to desert their party in order to save their constituents.

Not content with the disaster already wrought by the flood of imported goods, the President elect opened his campaign with the pledge that he intends to let Europe pay her debts to this Government in goods, rather than in cash. I quote from the first speech he made in his campaign, following his speech of acceptance. It was a carefully prepared analysis and interpretation of the Democratic platform delivered from his residence at Albany, N. Y., the evening of July 30, 1932:

"The (foreign) debts will not be a problem. We shall not have to cancel them if we are realistic about providing ways in which payment is possible through the profits arising from the rehabilitation of trade. * * * Our policy and platform declare for payment, but at the same time for lowered tariffs and resumption of trade, which opens the way for payment."

It has been the theme song of debt-cancellation advocates and low-tariff sponsors that Europe should be permitted to pay what she owes us in goods, which proposition the President elect has underwritten 100 per cent. It is reported that already negotiations have been opened by representatives of the incoming administration along these lines. Our European debtors are manufacturing countries. No one of them is an agricultural exporting country. Therefore, if they are permitted to pay us in goods, it will be in manufactured goods, and every article thus taken in payment will be sold in this market in displacement of a like article which could have been made by American industries.

How can vast quantities of imported goods relieve our unemployment in America? We can not buy what we are now producing at home. How, then, can we be expected to buy what would be imported from abroad under this Democratic policy?

If we buy articles made in Europe, it is manifest that we do not buy the same kind of articles made in America. How can this policy lessen the ranks of the unemployed or furnish work to those in idleness?

And yet it seems that the Democratic policy will continue to permit this vast volume of goods coming into our country from those nations that have gone off the gold standard to come in almost unhampered; not only that but to still further lower our tariff rates in order to permit foreign nations to sell their goods here that they may be enabled thereby to pay us what they owe us.

Such a policy can not fail to destroy utterly the remaining prosperity that we now have and place us still further at the mercy of our competitors where wages are paid from one-fourth to one-half those received in like institutions in America.

It does not seem possible that the Democratic Party can hold to that theory and yet it is their announced intention to do so.

Expressing my own conviction on this question, permit me to say that if the only solution of the problem of European debts is to permit their payment in goods—which would be done at the expense of American industry and American workmen—it were better to let our European debtors go to default and write off the whole amount to profit and loss and bitter experience.

### THE NATIONAL CREDIT AND SOUND MONEY

The Democratic platform and candidate pledged the maintenance of the national credit, yet no more deadly assault upon our national credit could be made than the refusal of this Democratic Congress appreciably to reduce existing expenditures, or its refusal to provide increased revenue, plus its apparent determination to make a bad condition worse by increasing the public debt and the burden of Federal taxes by additional bond issues. The road the Democratic Party is traveling leads to national bankruptcy and incalculable disaster to all American interests.

### ANOTHER ALIBI

Again the Democratic Party is attempting to alibi itself out of the present financial crisis by charging that the present deficit is the creation of the present Republican administration. My good friend, Senator PAT HARRISON, of Mississippi, gave utterance to this sentiment early last month in the following words:

"This isn't our mess. It was handed to us and we have got to take care of it, distasteful as it may be."

That genial Senator from Mississippi evidently forgets when he took the floor of the Senate in December, 1930, to protest in very great indignation against the statement of President Hoover warning Congress that the passage of appropriation bills then pending would result in financial embarrassment to the Federal Government, and that it would necessitate either an increase in taxes, an increase in bond issues, or an increase in the deficit. It was in this statement that President Hoover gave utterance to the observation that "prosperity can not be restored by raids upon the Public Treasury." It was this sentence which aroused the indignation of the Democrats in Congress and which caused the Senator from Mississippi to exclaim:

"We (the Democrats) propose to vote for such appropriations, large though they may be in the estimate of the President, as are required to meet this situation; and if increased taxes are necessary to do that, then let us have the courage and the statesmanship to meet the issue at that time."

And so the Democrats passed those appropriations. But now, when the time has come, which Senator HARRISON said would be met with courage and statesmanship, to devise increased taxes to wipe out the deficit, we find the Democratic leadership lacking either the courage or the statesmanship even to attempt to formulate a tax measure.

The deficit is upon us, due in no small measure to the vast expenditures of money provided in bills enacted by Congress under Democratic leadership. The Democratic leadership, when urging these appropriations, expected them to create a deficit. The chairman of the Democratic executive committee at that time was Mr. Jouett Shouse, and his organization dominated the policy of the Democratic Party during that period.

The record shows that as early as February, 1931, when President Hoover and the Republican leaders were protesting against the mounting appropriations urged by the Democrats and warning them that such a policy would result in an unprecedented deficit in the Federal Treasury, Mr. Shouse went on record in favor of all such appropriations, and stated that: "We should not be too much concerned over the possibility that there may be a deficit created in the Treasury."

The Democratic platform and candidate pledged "a sound currency system, to be preserved at all hazards," but only a few days ago exactly one-quarter of the Democratic membership of the United States Senate voted to destroy our present currency system by reviving the exploded doctrine of the free and unlimited coinage of silver and gold at the ratio of 16 to 1. Fortunately, there were enough votes in both parties opposed to this financial heresy to decisively defeat it in the Senate.

In all probability the next Congress, soon to be convened in special session, will be more Democratic than this one. It will contain more spendthrifts, more "pork-barrel" advocates, more advocates of running the Government by borrowing and going further in debt rather than by saving and getting out of debt, more enemies of sound currency, more foes of legitimate business, more advocates of "soaking the rich," more malcontents and more forces of disorder, more exponents of running the Government by experiment than along sound economic lines.

SOME NECESSARY CONDITIONS

And so if our Democratic friends are to bring about the restoration of prosperity in America they must have a more coherent organization than they have been able to make hitherto; they must quiet or quell factional strife within their own ranks; and, after all, they must have a fixed program of remedial legislation involving many phases of rehabilitation, and religiously stick to those things until they shall have been placed on the statute books.

The good of the country requires that they should be able to accomplish this great purpose, but they can not do it unless they are more coherently organized than they now are or manifest a stronger disposition to get together on certain fundamental principles of legislation that will not only restore but retain prosperity in America.

THE REPUBLICAN POSITION

Surely the political situation of the hour, plus that in immediate prospect, determines the duty of the Republican Party, which has stood for sound political and economic principles for three quarters of a century. They are sound, not because the Republican Party has advocated them, but the Republican Party has advocated them because they are sound—tested by time and the experience of this and other Governments. They must not be abandoned now. Defeat has not nullified them. Sixteen million people who supported the Republican Party last November did so because of their steadfast belief in those principles and their faith in the Republican Party as the advocate and practitioner of those principles. Those millions of Americans were right. They have not changed their opinion. They know the need for aggressive support and advocacy of those principles is greater now than at any previous time in our history since the Civil War. This is not an occasion to ground arms and fraternize with our political opponents. The greater the national emergency, the greater the need for militancy in behalf of those things that we sincerely believe out of experience are essential to our stability as a Nation and our welfare as a people. To abandon this position is to admit our insincerity as a party and our lack of concern for our country.

AMENDMENT OF THE EIGHTEENTH AMENDMENT (S. DOC. NO 181)

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in the RECORD and made available as a public document, a letter to myself under date of January 19, from Judge William Clark, the senior judge of the United States District Court, District of New Jersey.

Judge Clark sets forth in a most convincing manner his contention and the legal reasons for it, for the submission to conventions in the several States and not the legislatures, of the matter of the ratification of any proposed amendment to the eighteenth amendment.

While I do not pretend that I could have expressed my views on this subject with the same conviction or authority as does Judge Clark, I have always been of the opinion myself that ratification certainly should be by conventions and not through the medium of legislatures of the several States.

Especially because the author of the opinion is a nationally recognized authority on the subject, I am anxious to draw it to the attention of all the Members of the Congress and have it available for reference, especially at this time, when special study should be given to this all-important phase of this subject as it affects the amending of the eighteenth amendment.

Mr. ROBINSON of Arkansas. Mr. President, it is impossible to hear the proceedings.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The Chair agrees with the Senator from Arkansas. The Chair was unable to hear the Senator from New Jersey. What was the request of the Senator from New Jersey?

Mr. BARBOUR. I ask unanimous consent to have printed in the RECORD and to be made available as a public document a letter to me from Judge William Clark, the senior Federal judge of the State of New Jersey, with respect to the opinion he has given me in writing favoring the submission of any amendment to the eighteenth amendment to conventions instead of to the legislatures of the several States.

Mr. SMOOT. Mr. President, I call the Senator's attention to the fact that it has been ruled in the past that documents may either be printed in the RECORD or printed as public documents but not both. What would the Senator prefer—to have it printed as a public document or in the RECORD?

Mr. BARBOUR. I would like to have it printed as a document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PRINTING OF PROCEEDINGS OF THE MEMORIAL SERVICES IN HONOR OF CALVIN COOLIDGE

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to submit to the Senate a concurrent resolution, and ask that it be printed in the RECORD and referred to the Committee on Printing. The resolution provides for the printing of the oration delivered by Chief Justice Arthur Prentice Rugg to-day at the Calvin Coolidge memorial services.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The concurrent resolution (S. Con. Res. 42) was referred to the Committee on Printing, and it is as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the oration delivered by the Hon. Arthur P. Rugg in the House of Representatives during the exercises held in memory of the late President Calvin Coolidge on February 6, 1933, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

BUSINESS OF THE SESSION

Mr. ROBINSON of Arkansas. Mr. President, while the Senate was in complete disorder I am told that the Senator from Ohio [Mr. FESS] secured permission to have incorporated in the RECORD a radio address delivered by the Senator from Indiana [Mr. WATSON] Saturday evening.

Mr. FESS. That is correct.

Mr. ROBINSON of Arkansas. I have made effort throughout the day to obtain a copy of that address. I have asked that the author of the address supply me with a copy, and I have called for the speech since consent was given by the Senate to its incorporation in the RECORD, and have been unable to procure it.

It is not my intention to ask the Senate to reverse its action. Anyone must know that one who attempts to reply to a speech is at a disadvantage when he has had no opportunity to read the speech. There is, however, a summary, a brief Associated Press dispatch, published in the Washington Post of Sunday, February 5. Relying on the accuracy of that report I desire to say that the speech of the Senator

from Indiana [Mr. WATSON], which has just been ordered printed in the RECORD, is as brazen a piece of political effrontery as has yet been produced by the bankrupt and lame-duck leadership of the Republican Party in this body.

The speech purports to be a criticism of the Democratic Party for its alleged inability to conduct the affairs of the Nation. As a matter of fact, it should not be regarded as a repudiation of Democratic activities. It is in fact, when analyzed, an indictment of the titular head and actual leader of the Republican Party, the President, and of the leadership in this body symbolized by the Senator from Indiana himself. It constitutes an effort to condemn the Democratic Party before the President elect has taken the oath of office, and that is poor political sportsmanship.

I am glad to say that the speech does not indicate the views of the entire Republican side of this Chamber, as there are many who sit across the aisle from me who are big enough and broad enough and brave enough to serve their country first during this great emergency and who are doing what they can to aid. Within the last few hours a large number of Republican Senators have indicated to me that they do not approve of, indorse, or acquiesce in the policy and practices of the Senator from Indiana [Mr. WATSON]. His effort to hold responsible the Democratic Party for the failures of the political organization with which he is associated is an illustration of feeble and ineffective leadership which has marked the Hoover administration.

The speech, according to press reports, criticizes severely the House of Representatives. The Senator from Indiana has served in Congress for 30 years. He knows and the Senator from Ohio [Mr. FESS] knows that it is a breach of ethics to insert in the CONGRESSIONAL RECORD an attack on the body at the other end of the Capitol; but in order to serve their partisan end, in order to stimulate and encourage the factors and influences which are organizing and driving together to make the incoming Democratic administration a failure—and this for political advantage—they have deliberately disregarded the rule which controls the making of the RECORD in this body.

Since the issue has been made, let me take just a few minutes to show what has happened at the other end of the Capitol, where the Democratic Party is in power by a very small majority, and then let me point out what has happened in the Senate of the United States, where under the leadership of JAMES E. WATSON, of Indiana, the Republican Party is still in power.

The House of Representatives has passed all of the general appropriation bills save 4, and 1 of the 4 I am informed is about ready for passage.

Under the leadership of the Senator from Indiana and the Senator from Ohio the Republican Senate has passed one appropriation bill, the deficiency appropriation bill. It encountered a veto by the President and as finally passed over his veto carried in round numbers $3,000,000.

Let the Senator from Indiana take his share of responsibility. Let him answer here why it is that although the House passed the Treasury and Post Office Departments appropriation bill and it was received by the Senate on December 16, within 11 days after this session of Congress convened, we are still debating the first large general appropriation bill in the Senate which is, as I have repeatedly said, controlled by the party of which the Senator from Indiana [Mr. WATSON] is the leader.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Kentucky?

Mr. ROBINSON of Arkansas. I yield.

Mr. BARKLEY. In view of the record of the Republican Senate, does not the Senator from Arkansas think that the deficiency bill is the most appropriate legislation we can enact?

Mr. ROBINSON of Arkansas. No deficiency bill can cover the deficiencies in legislation and administration with which the Senator from Indiana is so intimately associated.

The Interior Department appropriation bill passed the House and was received by the Senate December 30. The Agricultural Department appropriation bill, having passed the House, was received by the Senate on January 3. The War Department appropriation bill passed the House and was received by the Senate on January 25. The State and Commerce Departments appropriation bill was received by the Senate on January 30.

Mr. REED. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. REED. To make the record complete at that point, I would like to say that the War Department appropriation bill was reported this morning from the Appropriations Committee and is awaiting its turn on our calendar now.

Mr. ROBINSON of Arkansas. Yes; and under the leadership of the Senator from Indiana it may not receive consideration unless we speed up action here and, in spite of the organization which is in control of this body, secure action on these important appropriation bills.

The urgent deficiency appropriation bill came to the Senate on January 27 and was passed over the President's veto. The independent offices appropriation bill came to the Senate on February 4. Other bills are passing the House and coming here and we have taken action on but one small general appropriation bill.

That is the record with respect to the legislation indispensable to the functioning of the Government. It is a comparison of the record between one House of Congress controlled by the Democrats by a small majority, and this branch of Congress controlled by Republicans under the leadership of the Senator from Indiana, who has the assurance and the nerve to go before the country and seek to lay the blame on the Democratic Party for the failure to function of the Republican administration in power.

We all know that during the last few years every important measure that has passed this body—I see the Senator from Indiana in the Chamber now and I challenge him now to state if this is not the fact—all of the legislation enacted during the last session of Congress, without the exception of a single measure, was enacted by cooperation from this side of the Chamber. If that is not true let some one contradict it now.

The House has also voted on a resolution to repeal the eighteenth amendment, and by a narrow majority the resolution submitting the question of repeal was defeated. The House passed a long time ago a bill providing for a tax on beer. The House has passed a number of other very important measures, concerning which no action whatever has been taken by the Senate of the United States.

I respectfully submit that upon a comparison of the record of the two bodies, that body which is dominated by a small majority of Democrats has done much more business than has been transacted by this body under the leadership of the eminent Senator from Indiana. But that is characteristic of the methods that are being pursued. We all know that the Senator from Indiana has done nothing during this session to facilitate the enactment of legislation. His heavy hand is on the Senate now in an effort to defeat or to prevent the disposition of several appropriation bills. If we pass the appropriation bills and secure consideration of the resolution providing for a repeal of the eighteenth amendment, farm-relief legislation, destitution-relief legislation, and measures providing for the suspension of farm-mortgage foreclosures, if we get consideration of the beer bill, it will be through the cooperation of the Senator from Oregon [Mr. MCNARY], and those assoicated with him in this Chamber, with the membership of the Senate on this side of the Chamber.

Think of what it means when so experienced a politician as the Senator from Indiana admittedly must be seeks to hold the Democratic Party responsible for the failure to enact legislation during the period when his own party is in power in both the White House and in the Senate of the United States. Let the Senator from Indiana rave as he pleases. He can not escape a fair measure of responsibility for the delay that has occurred here.

Now, I am saying to my friends on this side of the Chamber, and to those on the other side of the Chamber who still

feel an interest in the fair functioning of our Government, that we must close ranks and advance together, and override and overrule the leadership of the Senator from Indiana, which more than any other one thing is responsible for the pitiable spectacle that the Senate has presented to the country in its failure and inability to legislate up to this date. Those who wish to see the honor of the Government maintained, those who are interested in working out the great problems which confront this Nation, must join hands and join efforts and must override and overrule those who, for political advancement and advantage, would seek to discredit the Senate of the United States and destroy the confidence of the people in their legislators.

Mr. WATSON. Mr. President, I am very sorry that my modest friend from Arkansas saw fit to characterize me and my conduct at a time during a portion of which I was out of the Chamber. I had no idea that he was going to respond to a speech I made over the radio which he has never read and has had no opportunity to read. But the latter part of his remarks I heard. He honors me overmuch. He gives me credit for power and influence that I do not possess and never have possessed; and, if I had it now, I would not wield it in the manner in which the honorable Senator has charged me with wielding it.

It will be news to the country to learn that the Republican Party is in power in the Senate of the United States. We have on this side a nominal majority of one; that is all we have had for four years; and nobody knows that better than does the honorable Senator from Arkansas, who was one of the manipulators of a coalition that for four years has exercised and wielded the power of the majority in the Senate of the United States.

The other day the Senator adverted to the fact that I had voted against cloture, as if he were the guardian of my conduct and the controller of my vote in the Senate of the United States. It was the first time during my service in this body that a Senator has risen to criticize and characterize another Senator for having voted in a certain way. But, passing that over, everybody knows—nobody knows better than does the Senator from Arkansas—that for four long years that coalition has controlled the action of this body, and during all that time the Senator, who with certain other Senators on this side organized that coalition and conducted it, had absolute control of a majority of the votes here. During the entire consideration of the tariff bill there was not one single time, except on the merits of the proposition, when the Republicans controlled the action of this body, and my friend from Arkansas knows that full well.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. WATSON. I do.

Mr. ROBINSON of Arkansas. Does not the Senator know and will he not admit that since the beginning, or about the beginning of the period of the depression, he has received, and the administration has received, cordial support from this side of the Chamber in the passage of all emergency measures presented by the administration? Is that not true with respect to the Reconstruction Finance Corporation act? Is it not true with respect to the bill that the Senator from Indiana himself introduced, known as the home loan bank bill? Is there a single emergency relief measure presented by the Administration that was not passed through the assistance of Members on this side of the Chamber?

Mr. WATSON. There is not any doubt about that; nobody has denied that.

Mr. ROBINSON of Arkansas. Then, why does the Senator say that the Democrats in coalition with some one have controlled the Senate when the facts show that the coalition, if any, was with the group that he himself represented respecting these important measures of legislation of which I have spoken?

Mr. WATSON. The relief measures which we considered at the last session of Congress were passed by a union of Republican votes and Democratic votes, and I stood on the floor two or three times and thanked the Democrats for their cooperation with the Republicans, regardless of political or partisan division, in support of those measures.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. WATSON. Certainly.

Mr. ROBINSON of Arkansas. Then the Senator goes before the country and abuses them for inefficiency and incapacity.

Mr. WATSON. But, Mr. President, the fact is that during all that time my Democratic friends on the other side—and I love them all, and I am sorry I am going to separate from them in a little while—had no program of their own. They were drifting along without helm or rudder, without anybody to steer the ship. Our side brought in the affirmative propositions and Senators on the Democratic side supported them because they did not know what else to do. [Laughter.]

Mr. ROBINSON of Arkansas. Will the Senator yield?

Mr. WATSON. I yield.

Mr. ROBINSON of Arkansas. Does not the Senator think that that is an unjust statement, in view of the fact that no one could steer the ship of state except the President, who was at the helm representing the organization with which the Senator is allied? And does not the Senator know that from time to time we did present important amendments to all the bills which were offered and that in many instances they were adopted? The Senator is pursuing here the same course that he pursues before the country; while his party has a majority in the Senate, he is blaming us for not carrying out our own program. We hope we may have the opportunity of doing that when a Democratic administration comes into power; and while we regret very much personally to lose the presence of the Senator from Indiana, we sing "Praise God from whom all blessings flow" that his strong hand will not be here then to steer the ship of state—upon the rocks. [Laughter.]

Mr. WATSON. And I am entirely willing, Mr. President and Senators, to leave the control and guidance of the United States Senate to the tender ministrations of my genial and affable friend from Arkansas.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WATSON. Certainly.

Mr. VANDENBERG. May I suggest to the Senator that on final analysis the abstract question of who controls the Senate is determined by votes and not speeches? I suggest when the Senator has concluded his observations that he move an executive session of the Senate to determine whether or not this Republican majority has sufficient votes to confirm Republican nominations sent here by a Republican President. It strikes me that that will settle better than any argument who controls the Senate. [Laughter.]

Mr. WATSON. That is a pretty good speech. [Laughter.] What does my friend from Arkansas say to that?

Mr. ROBINSON of Arkansas. Mr. President, I think that is one of the worst speeches that I have ever heard delivered in the Senate of the United States [laughter], and I am surprised at the source from which it comes. I am surprised that the Senator from Michigan would seek to make the fate of this Nation and the future happiness and prosperity of the American people depend upon the confirmation of a few discredited Republican politicians whose names are sent in at the last moment of extremity by the President of the United States in order to hold on just for a short time to a little more Federal patronage. The fate of this Nation does not depend upon Federal patronage.

But, in reply to the Senator from Michigan, we on this side of the Chamber and some fair-minded Senators on the other side of the Chamber do not intend to see Franklin D. Roosevelt's administration hamstrung through the influence of the Senator from Indiana by efforts to cause the confirmation of officers not in sympathy with the incoming administration. They have had their day; let them be content to give us a chance.

Mr. WATSON. Mr. President, if the fate of the Nation does not depend upon the confirmation of the few nominees,

why does not the Senator let us confirm them? Their confirmation could not possibly make any difference.

Mr. ROBINSON of Arkansas. Because we want in office those who are in sympathy with the policies and measures of the incoming administration; we feel that we are entitled to that; and we are following the example of the party which the Senator from Indiana has so long represented. He knows that when President Harding was elected all nominations were held up; and he knows that that is the history of the party with which he is associated.

Mr. WATSON. Mr. President, adverting now to the proposition of the control of the Senate, that is a matter to be determined by a vote upon any single proposition. As I said before, I stood here on the floor on several occasions and thanked my Democratic friends for the support they gave to policies which were advocated by the Republican administration.

The Senator from Arkansas well remembers that he was present at the meeting at the White House where those policies were outlined, where certain measures to be acted upon were agreed upon; and growing out of that conference, on the night of the 31st of August, as I remember, there came a series of bills into the Senate. They were sponsored originally by the President of the United States; they were introduced here by Republican Members of this body, except where it was agreed at the White House conference that they should be otherwise introduced; and, after being introduced and sponsored by Republicans, Democrats on the other side rose to their support because the country was in distress, because ours was the only voice that was seeking to lead them out of the wilderness, and our Democratic friends were kind enough to follow because they had not anywhere else to go and did not know what else to do. [Laughter.]

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. WATSON. I do.

Mr. ROBINSON of Arkansas. Mr. President, the Senator has just stated what was the policy and practice of the Democrats in this body throughout the period of the Hoover administration. He must realize that he is extending a poor reward when now, before the Democrats have come into power, he tries to convince the people of the country that we are responsible for his party's failure in the administration of the Government. We recognized that there must be some leadership; we accepted, so far as we could, the measures advanced by the administration; and now he rewards us for doing that by saying, in effect, that we did not have sense enough to do anything else. [Laughter.] Mr. President, I still think the Senator from Indiana has not shown a proper appreciation for the support which we gave to the administration measures.

Let me add this one further thought and then I will take my seat.

Mr. WATSON. I thank the Senator.

Mr. ROBINSON of Arkansas. The measures to which he has referred have not accomplished to the fullest extent the purposes for which they were passed and the results of those measures are nothing of which anyone should boast. Experience has shown that they could have been greatly improved, and we on this side must take our share of the responsibility for failing further to improve them. The Senator, however, can not escape his responsibility by laying upon us the blame for the failure of his own President and his own associates in this body.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. The Senator from Indiana has three minutes remaining.

Mr. WATSON. Is that all I have?

The PRESIDING OFFICER. That is all the time the Senator has remaining.

Mr. WATSON. That will not do me much good. May I not have 15 minutes on the bill?

The PRESIDING OFFICER. The Chair is advised the Senator has not spoken on the bill and he has, therefore, 15 minutes on the bill.

Mr. WATSON. Mr. President, whether or not the Senator from Arkansas refers to the Reconstruction Finance Corporation bill as set up by the Hoover administration for the relief of the distress of the country I do not know, but the truth about it is that the President of the United States was magnanimous enough and generous enough and broad enough to put that corporation in the control of Democrats—former Senator Pomerene, of Ohio; Mr. Harvey C. Couch, of the Senator's own State; Mr. Jesse H. Jones, of Texas, all eminent men.

Mr. ROBINSON of Arkansas. May I ask the Senator why that was done, why Democrats were relied upon to administer the act?

Mr. WATSON. Well, Mr. President, I am not talking about that——

Mr. ROBINSON of Arkansas. If the Senator wishes to take credit for those measures, why does he seek to divest his party of the responsibility for their administration by having Democrats administer them?

Mr. WATSON. I am not doing so.

Mr. ROBINSON of Arkansas. Was it because he thought the Republicans did not have sense enough to administer them?

Mr. WATSON. No. Of course, ordinarily I do not want the President to appoint Democrats to any office, but the President of the United States talked to me about it, and I told him I thought it would be a fine policy for the country, for the Republican Party, and for the Democratic Party as well, to appoint Democrats to places of responsibility on the Reconstruction Finance Corporation. I knew that the actions of the board controlling that corporation would be criticized; I knew that the criticisms would come from the Democratic side, and I thought that if Democrats were in control it would be a mighty mean dog that would bite a member of its own family.

Mr. President, so much for that. Going back now for a moment to the previous session of Congress, the real truth about the matter is that we were very grateful to our Democratic friends for having supported the measures which we proposed. If they have failed, the Democrats are not responsible for their failure, nor are the Republicans. It is simply a question of the failure of the machinery set up to do a thing which might be regarded as well-nigh impossible in a time of stress and storm such as we are passing through at this time. What I had reference to in the address I delivered over the radio the other night, however, was what is happening right now in the Senate of the United States.

Who has taken up the time of the Senate at this session? The Senator can not charge to me that I have taken up the time. I have not made a single speech at this session of Congress.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. WATSON. I yield.

Mr. ROBINSON of Arkansas. To-day, when a certain Senator who is present offered an amendment, I suggested to him that he rest the amendment with a very brief statement. He did so. Three Members from the other side of the Chamber, in my presence, came and urged him to make a speech. He declined to do it. His amendment carried.

Mr. WATSON. Mr. President, of course, I know nothing about that.

The Senator has said, referring to me in a sort of flattering way, I think, that my "heavy hand" was upon this situation. I knew nothing about the thing of which the Senator speaks. I have not done one solitary thing at this session of Congress to obstruct the passage of legislation. I am entirely willing that it shall proceed. I am entirely willing after bills, properly formulated, are brought before the Senate by the regularly constituted committees, that they shall be considered here in regular order and passed upon by this body, and at no time have I interposed any objection to any legislation that was pending.

Of course, I have not agreed at all times with what has been proposed. I have exercised my right as an individual Senator to vote against certain measures that were pending here, but I have in no sense obstructed the progress of legislation, nor do I intend to do so; and, Mr. President, I sin-

cerely hope—and I voice this sentiment publicly—that when the Democrats shall come into control they will be able to organize themselves for the purpose of considering great measures of legislation for the relief of the people to a greater degree than they have been able to do during this session of Congress, or even during the last.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. WATSON. I yield.

Mr. ROBINSON of Arkansas. Will not the Senator also expand his hope so as to say, to a greater degree than he and his associates in control of this chamber have been able to do during this session and the last?

Mr. WATSON. Mr. President, at the long session of Congress, three years ago, with a majority of 9 votes and frequently of 11 votes really against us all the time, there were 15 major measures proposed for the consideration of the Senate. Fourteen of them went through. At the short session of Congress two years ago there were seven major measures presented to this body for its consideration, and every one of them was passed. We passed a greater number of appropriation bills, and for a larger sum, than was ever passed by any short session of Congress in the entire history of the Nation, including drought relief and flood relief and other measures of a kindred kind; and we completed that business four days before the 4th day of March in time for the session to adjourn. We did not know what to do for the last four days. That is the fact about the matter. There was a sufficiently coherent organization under proper leadership, I will say to my friend from Arkansas, to conduct the business of the Senate and to pass the required legislation. That is history that nobody can gainsay, and nobody can deny.

The truth is, so far as this session of the Congress is concerned, that our friends on the other side have not been able to agree upon important matters of legislation. I have called attention to that in order that they may be driven to a coherent organization; in order that when they come into full power they may so control themselves and their factional spirit as to be able to put through legislative measures that they believe will be for the best interests of the country and for the dearest concerns of the people.

Mr. FESS. Mr. President, will the Senator yield?

Mr. WATSON. I yield.

Mr. FESS. I was included in this terrible indictment a moment ago. I want to say to my Democratic friends, and especially to the Senator from Arkansas, they having been in the minority so long and standing on the side lines and criticizing what has been done on the majority side, that the tables are turning. If they think that by any sort of browbeating or indictment they can stop the criticism of the minority on this side as they have continued it for the last 12 years on the other side, they will have "another guess coming." We propose to criticize wherever it is legitimate. I want that understood from now on.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield to permit me to ask him a question?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. WATSON. The Senator can answer in his own time. My time is about gone; and out of my 15 minutes the Senator took 13.

Mr. ROBINSON of Arkansas. I wanted the Senator to make good use of his time. [Laughter.]

Mr. WATSON. I think I have made a pretty good speech.

Mr. President, so far as mere partisanship is concerned, of course everybody knows what the duty of the majority party is. Everybody knows what the duty and the obligation of the minority party is. It is our business legitimately to criticize, being a minority party. We are a minority party in the Senate now, and everyone knows it. From this time on it will be the business of the Republican Party and its solemn duty to the people to point out the errors and to hold up to view the mistakes of the majority party, not for the purpose of destroying the majority party, but for the purpose of calling the attention of the country to the weaknesses and the blunders and the errors and the mistakes of the majority party; for the purpose of showing that they have not the capacity to govern themselves and organize themselves, to say nothing about governing the affairs of this mighty Republic.

Going out of office now, as I am, I honestly hope as a patriotic American that the Democratic Party will be able to do the things which they promised in the campaign they would do. I most earnestly trust that under Democratic leadership we shall be able to get out of the doldrums in which the country has been drifting for the last year. I hope there will be enough leadership and enough statesmanship and enough organizing capacity in the ranks of the Democratic Party to lead us out of the bogs and up to the high lands of prosperity. But that does not deter me, and shall not, from pointing out the weaknesses nor from criticizing the failures of the Democratic Party, for that is a patriotic duty that every Republican will have to perform if he still believes in the principles and the policies of the Republican Party and if he has enough wisdom and sagacity to see the weakness and the errancy of the Democratic Party. Further than that I do not now go. Further than that I did not go in the remarks I made over the radio a few evenings ago.

I believe that the principles of the Republican Party are correct; I am fundamentally grounded in its ideals; and while we were swept out of power by an avalanche of votes on the 8th of November, I still have faith to believe that when prosperity shall return to the people of the United States it will be upon the old Republican highway upon which, with very rare exceptions, they have traveled for 70 years, from Abraham Lincoln down to the present time.

Senators, I have not time further to discuss these matters. Inasmuch as my good friend from Arkansas—who saw fit to reprove me while I was out of the Chamber—has not only challenged the leadership here but has asserted that we are in the majority in this body, I want now to test that claim. Therefore, I move that the Senate proceed to the consideration of executive business.

The PRESIDING OFFICER. The question is on the motion of the Senator from Indiana.

Mr. ROBINSON of Arkansas. I call for the yeas and nays.

The yeas and nays were ordered.

Mr. PITTMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Copeland | Hull | Reynolds |
| Austin | Costigan | Johnson | Robinson, Ark. |
| Bailey | Couzens | Kean | Robinson, Ind. |
| Bankhead | Cutting | Kendrick | Russell |
| Barbour | Dale | Keyes | Schall |
| Barkley | Davis | King | Schuyler |
| Bingham | Dickinson | La Follette | Sheppard |
| Black | Dill | Lewis | Smoot |
| Blaine | Fess | Logan | Steiwer |
| Borah | Fletcher | McGill | Trammell |
| Bratton | Frazier | McKellar | Tydings |
| Brookhart | George | McNary | Vandenberg |
| Bulkley | Goldsborough | Metcalf | Wagner |
| Bulow | Gore | Moses | Walcott |
| Byrnes | Grammer | Neely | Walsh, Mass. |
| Capper | Hale | Norbeck | Walsh, Mont. |
| Caraway | Harrison | Nye | Watson |
| Clark | Hastings | Oddie | Wheeler |
| Connally | Hatfield | Pittman | White |
| Coolidge | Hayden | Reed | |

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, there is a quorum present. The yeas and nays have been ordered on the motion of the Senator from Indiana that the Senate proceed to the consideration of executive business, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I have a pair with the junior Senator from Nebraska [Mr. HOWELL]. In his absence, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. HATFIELD (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr.

THOMAS]. In his absence, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. In his absence, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. WAGNER (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. PATTERSON]. I am informed that if he were present he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. WATSON (when his name was called). I transfer my pair with the senior Senator from South Carolina [Mr. SMITH] to the junior Senator from California [Mr. SHORTRIDGE] and vote "yea."

Mr. WHEELER (when his name was called). On this vote I have a general pair with the junior Senator from Idaho [Mr. THOMAS]. I understand that if he were present he would vote "yea," and if I were permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. MOSES (after having voted in the affirmative). I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. That Senator being absent from the Senate, and I being unable to obtain a transfer, I withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Illinois [Mr. GLENN] with the Senator from Virginia [Mr. SWANSON].

Mr. McKELLAR (after having voted in the negative). Has the junior Senator from Delaware [Mr. TOWNSEND] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. McKELLAR. I have a general pair with the junior Senator from Delaware [Mr. TOWNSEND], and I am unable to get a transfer, and therefore withdraw my vote.

Mr. BAILEY. I desire to have the RECORD show that were I permitted to vote, I would vote "nay." I am not permitted to vote, being paired with the Senator from Rhode Island [Mr. HEBERT].

The result was announced—yeas 31, nays 41, as follows:

YEAS—31

| | | | |
|---|---|---|---|
| Austin | Fess | Keyes | Schuyler |
| Barbour | Frazier | McNary | Smoot |
| Bingham | Goldsborough | Metcalf | Steiwer |
| Capper | Grammer | Norbeck | Vandenberg |
| Couzens | Hale | Nye | Walcott |
| Dale | Hastings | Oddie | Watson |
| Davis | Johnson | Reed | White |
| Dickinson | Kean | Schall | |

NAYS—41

| | | | |
|---|---|---|---|
| Ashurst | Clark | Harrison | Reynolds |
| Bankhead | Connally | Hayden | Robinson, Ark. |
| Barkley | Coolidge | Hull | Russell |
| Black | Copeland | Kendrick | Sheppard |
| Blaine | Costigan | King | Trammell |
| Borah | Cutting | La Follette | Tydings |
| Brookhart | Dill | Lewis | Walsh, Mass. |
| Bulkley | Fletcher | Logan | Walsh, Mont. |
| Bulow | George | McGill | |
| Byrnes | Glass | Neely | |
| Caraway | Gore | Pittman | |

NOT VOTING—24

| | | | |
|---|---|---|---|
| Bailey | Hebert | Patterson | Swanson |
| Bratton | Howell | Robinson, Ind. | Thomas, Idaho |
| Broussard | Long | Shipstead | Thomas, Okla. |
| Carey | McKellar | Shortridge | Townsend |
| Glenn | Moses | Smith | Wagner |
| Hatfield | Norris | Stephens | Wheeler |

So the Senate refused to proceed to the consideration of executive business.

Mr. HALE. Mr. President, as chairman of the Committee on Appropriations, I want to say a word about the appropriation situation. The senior Senator from Arkansas [Mr. ROBINSON] has implied that the delay in the passage of appropriation bills is due to some action or lack of action on the part of Senators on this side of the Chamber.

The situation is as follows: With the exception of the first deficiency bill, which came over to the Senate and was finally passed, and was then vetoed by the President and later passed with an amendment, the first appropriation bill to come over from the House was the Treasury and Post Office appropriation bill. That came to the Senate on December 16, 1932.

Mr. President, in the Treasury and Post Office appropriation bill were certain economy provisions which, when the bill came to the Senate, were submitted to the subcommittee on economy of the Committee on Appropriations, and they were considered by that subcommittee. The subcommittee held long hearings, both while we were in session in December and during the Christmas holidays, and when we returned they finally made their report, and the bill was reported to the Senate on January 9, 1933.

At that time the Glass bill was before the Senate and was kept under consideration for more than two weeks, and the Senator from Arkansas knows that the Democratic membership of the Senate were very anxious to get action on that bill, I think quite properly. Be that as it may, we were not able to take up the Treasury and Post Office appropriation bill until January 25. Since that time the bill has been continuously before this body.

A week or more ago I made an appeal to the Senate for haste in the passing of that bill and the other appropriation bills. I stated to the Senate that I thought we ought to get all of the appropriation bills out of the way at this session in order that the Democrats at the extra session which was to come might have a clear field to take up matters of importance without being impeded by appropriation bills.

Mr. President, my plea was somewhat in vain. Since I made it, the bulk of the time in the consideration of the pending appropriation bill has been taken up by the other side of the chamber, and the same, I may say, was true when the Glass bill was before the Senate. Nearly all of the time since Congress has been in session has been taken up by the Democratic side and not by the Republicans.

I want to see haste in the consideration of these bills, and I am glad that the Democratic management is going to try to help secure haste, I think we can still get the appropriation bills through before March 4 if we apply ourselves diligently to the task and do not consume too much time in debate.

Mr. VANDENBERG. Mr. President, I have no desire to prolong this particular discussion, because the country is interested in legislative results and not in irrelevant politics. But, inasmuch as it was my suggestion which brought the motion for an executive session, I want to make this brief comment in respect to the significant outcome of that eloquent roll call.

I cordially agree with the able Senator from Arkansas that the welfare of the Nation does not turn in any degree upon an executive session of the Senate in which postmasters shall or shall not be confirmed. But that is not the point in respect to this particular demonstration. If there is one criterion more than another which demonstrates where the control lies in this Senate, it is at the point where the parliamentary procedure reaches the determination upon confirmations of executive nominations. I want the country to know and to realize precisely where control in this session resides. It is not identified by political speeches. It is identified by votes, and this roll call leaves the identification beyond further cavil.

At the beginning of this session the Democratic caucus, evidently knowing itself to be the actual control of the Senate, pronounced the ruthless partisan ultimatum that there should be no confirmation of any Republican presidential nominee whose term shall run beyond the 4th of March. They have implacably sustained and incorrigibly defended that ultimatum from the first week in December to the present moment. They similarly will continue to defend it beyond any peradventure until the 4th of March. We have just called the roll upon another effort to go into executive session, which is the parliamentary step preceding the consideration of nominations. The Republican side has been defeated by a vote of 31 to 41.

I make no point of the executive session itself nor of the importance of confirming nominations. It is relatively in-

consequential. I do make point of the fact that the Senator from Arkansas is not entitled to lay an indictment against this Republican side of the aisle in respect to Republican responsibility for what here occurs when in the face of every demonstration the control does not lie upon this side of the aisle, whether it lies upon the other side of the aisle or not. We have just made another demonstration of that fact. If there is control, it is Democratic control, and no amount of oratory can successfully avoid this responsibility.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. VANDENBERG. I do not yield at the moment. I shall be glad to yield when I shall have concluded.

The Republican control is theory and nothing but theory. It is shadow and not substance. Everybody here knows it and everybody in the country ought to know it. Therefore there is no fairness or equity in any such indictment as the able Senator from Arkansas lays against us. For this reason it was worth while to call the roll and make the demonstration. It ends the argument.

Mr. President, for the future it seems to me that the Congressional situation calls for a minimum of politics and a maximum of coalition in the interest of effective net results for America. Let Democratic spokesmen share in this admonition. So far as I am concerned, I reserve for myself the right to oppose relentlessly any Democratic policy which it seems to me is in contravention of the best welfare of the Nation. But in so far as it lies within my individual power to cooperate for progressive advantage in legislation to meet the situation in which the country finds itself, I am prepared to forward march without respect to partisan politics or partisan strategy, and I am perfectly confident that this represents the majority view upon this Republican side of the aisle. The Senator from Ohio [Mr. FESS] has well said that it is not only our privilege but it is our function to reserve a courageous right of criticism when the situation requires it. But in the absence of any evidence of a resort to petty partisanism on our part, I suggest that it would be well for Democratic authority upon this floor to withhold any further suggestion that we upon this side of the aisle are in adverse control of the Senate and are responsible for things for which we are not responsible at all.

Mr. BINGHAM. I hope, now that we have rested ourselves by spending an hour and a quarter in having a little friendly festival of a critical nature, that the clerk may report the next amendment on page 79 of the pending appropriation bill.

Mr. ODDIE. Mr. President, will the Senator from Connecticut yield for a minute before he insists upon that?

Mr. BINGHAM. I yield the floor.

Mr. BORAH, Mr. ODDIE, and others addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. BORAH. Does the Senator from Nevada wish to talk on the matter upon which we have been wasting time?

Mr. ODDIE. I wish to make a very brief statement on a matter which is in a measure a reflection upon me personally.

Mr. BORAH. It has been demonstrated for three weeks or a month that no one has control of the Senate. Why waste time here between parties?

Mr. ODDIE. Mr. President, the question I am about to discuss for one minute will not be a waste of time, and any Senator on the floor should have the privilege of refuting an indictment against himself.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Nevada yield?

Mr. ODDIE. Certainly.

Mr. ROBINSON of Arkansas. If the Senator is replying to my remarks, I made no reference to the Senator from Nevada. I think he has been diligent in trying to secure action on the bill and I commend him for it.

Mr. ODDIE. I know the Senator has not meant anything like a personal reflection on me, but as I have had charge of the appropriation bill and as this question has arisen, I think it is only right for me to say that I have done my very best to get the bill before the Senate and to hold it there and to get prompt action on it.

When the bill was brought to the Senate on the 9th of January, the Glass banking bill was before the Senate. I had a right to bring up this appropriation bill at that time, because it was a privileged matter. I discussed the matter with several Senators on the other side of the Chamber. They felt that we should give the Glass banking bill an opportunity to be passed. I agreed with them. I felt that that bill was so important that we should bend every energy toward having it passed. The appropriation bill was brought up on the floor of the Senate finally on the 25th of January, after the Glass banking bill had been disposed of. Since then I have stayed on the floor of the Senate almost constantly. I have done everything I could to get the bill through without delay. On last Friday I asked for a night session and we remained in session until 10 o'clock. A great deal of splendid progress was made that night. I have agreed that to-night we shall remain in session until 10 o'clock. I have done my very best to hold the bill before the Senate and to expedite its passage, and I hope that the bill will be passed now in very short order.

Mr. GORE. Mr. President, I am inclined to agree with the able Senator from Nevada [Mr. ODDIE]. I am inclined to think the motion made by the Senator from Indiana [Mr. WATSON] was another mistake of the kind which has more or less characterized recent history on that side of the Chamber.

Thirty-six States have but recently ratified the twentieth amendment to the Constitution of the United States, the so-called lame-duck amendment designed to prevent Congress from legislating after popular approval has been withdrawn. Pending upon the Executive Calendar are a great many appointments which might be characterized as lame-duck appointments. The States of the Union, however, in the most solemn manner prescribed by the Constitution, have registered public opinion and the popular will of the people of the United States. The motion just made by the Senator from Indiana was in defiance of that expressed popular judgment. It is not strange that Senators on the other side, many of them, should respect this expression of public opinion, should refuse to go into executive session, and should refuse to ratify what we may still call lame-duck appointments.

### PROTECTION OF AMERICAN SEAMEN

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Washington Post of to-day, entitled "Protect American Seamen." I think the editorial is interesting and timely, and it relates to an important subject.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, February 6, 1933]

PROTECT AMERICAN SEAMEN

Congress has refused to cripple the American merchant marine by eliminating the fund for carrying ocean mail. Senator McKELLAR's motion to cut this fund failed in the Senate. Congress insists that an adequate merchant marine shall be maintained to carry American commerce and to serve as an auxiliary to the Navy in times of national emergency. Yet Congress persists in its neglect of American seamen.

Americans can not afford to work for the wages that are paid to foreigners. Hence, there is a great temptation for American shipowners to employ Oriental crews, so far as the law permits. Chinese are imported to serve on American ships, in spite of the unemployment of American seamen. Obviously it is a farce to allow Chinese seamen to hold jobs on American ships that are built at a heavy expense to taxpayers for the purpose of enhancing the national defense. One of the primary purposes of the merchant marine act is to train American seamen.

Another aspect of this situation deserves attention because of the urgent need for protecting American labor. A large number of alien seamen are smuggled into the United States. They frequently pay large sum to serve as seamen, because when their vessel arrives in an American port they are permitted to land and disappear. Under the immigration laws they could not enter the United States as immigrants. But when they enter as seamen there is no way of dealing with them, except by deportation. Only a small portion of the aliens thus smuggled into the United States are detected and deported.

On several occasions the Senate has passed a bill to prevent this illegal entry of aliens disguised as seamen, but the House seems indifferent to it. This measure now awaits action of the lower chamber; and unless it is passed before March 4, it will have to go through the entire legislative process again. By all means it should pass. Shipping interests that are interested in retaining ocean mail contracts would do well to withdraw their opposition to this bill, to avoid further questioning as to their right to mail contracts.

CALVIN COOLIDGE AND DWIGHT W. MORROW

Mr. HATFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Parkersburg (W. Va.) Sentinel, on January 11, 1933, "as told to Charles Brooks Smith by John Marshall," formerly Assistant Attorney General in the Coolidge administration. The article has reference to the late President Calvin Coolidge and our late lamented colleague, former Senator Dwight W. Morrow, of New Jersey.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO FRIENDS PASS ON

As told to Charles Brooks Smith by John Marshall

The end of the earthly lives of Calvin Coolidge and Dwight W. Morrow was in suddenness and aloneness so alike as to recall to mind their remarkable friendship.

It suggested the appropriateness of an article telling of this remarkable friendship which began at college and reached its climax on the stage of public life, both principal actors in a great dramatic era of the country's history; both bathed in the light which beats upon the White House and—at that time—upon the thrones of Old World emperors and kings; both men famous world-wide.

Happily, we knew of just the man who could, if he would, furnish authentic material for such a sketch as we wished to print. He was an intimate friend of Mr. Morrow; and a frequent associate, because of his duties as Assistant Attorney General of the United States, of President Calvin Coolidge.

And so we went to Mr. John Marshall, a former resident of Parkersburg, W. Va., now prominent in the legal profession here. He thought that an article along the lines suggested would be most appropriate and he cheerfully agreed to talk of the friendship of these two great men. He related facts and incidents most interesting, and many of them printed for the first time herein.

COLLEGE CHUMS

"Stories have been published respecting the class vote at Amherst," said Mr. Marshall, beginning, "in which each voted for the other as the man most likely to succeed in life. The world likewise knows that President Coolidge appointed Mr. Morrow chairman of the aviation inquiry and later ambassador to Mexico, but many facts in connection with their long-continued friendship have never been published.

"For example, the nomination of Mr. Coolidge for Vice President is generally ascribed to a delegate from Oregon as standing on a chair and presenting his name to the convention. That is only part of the story.

"Some months before the convention, Mr. Morrow organized a small group of friends and admirers of Mr. Coolidge, looking to the presentation of his name before the convention as a candidate for President. Perhaps the most effective thing that was done as a result of this effort was the publication of a book which Mr. Morrow financed, but which he had published as a gift from their class.

"This book, which was entitled 'Have Faith in Massachusetts,' largely a compilation of Coolidge speeches, was placed in the hands of every delegate to the convention by a friend. The efforts to secure votes for his nomination for President met with slight success, but the book made a profound impression.

THAT ONE WEST VIRGINIA VOTE

"I am sure it influenced our Mr. Joseph Holt Gaines to vote for Mr. Coolidge to be the party's nominee for President.

"The outstanding figure in the Massachusetts delegation was the late Senator Henry Cabot Lodge, who was not at all favorable. Mr. Morrow had enlisted the interest of former Senator Murray Crane, but Senator Crane was never persuaded of the probability of Governor Coolidge's nomination. He afterwards told Mr. Morrow that had he realized the temper of the convention he thought that the nomination might have been secured.

"In any event, there was considerable sentiment in the convention for Mr. Coolidge, with the result that when his name was presented for the Vice Presidency he was overwhelmingly nominated. By chance, I was the person who informed Mr. Morrow of the action of the convention, because he and other friends had left after the presidential nomination. Mr. Morrow was not at all certain that Governor Coolidge would accept the nomination, but he immediately telephoned him and found that he regarded it as a call to service.

COOLIDGE SHOWED NO INTEREST

"After the death of President Harding and Mr. Coolidge's succession to the Presidency, for many months no one could ascertain the feeling of the President with respect to his candidacy to succeed himself. Unquestionably there was considerable opposition among prominent politicians to his nomination.

"Finally, as the time became short, Mr. Morrow, Mr. Hilles, Mr. Stearns, and other friends agreed that his name should be offered to the country, and Mr. William M. Butler was selected as chairman of the voluntary committee to promote his candidacy. All this was done without Mr. Coolidge himself having shown the slightest interest or concern in the matter.

"For several years after President Coolidge had occupied the office of President, Mr. Morrow continued with his business and private matters and had little to do with affairs of government. It is true that on occasion President Coolidge consulted him, but so had other Presidents, and it is accurate to say that up until the time Mr. Morrow was appointed ambassador to Mexico, he had had less to do with the affairs of government at Washington than he had had in at least one previous administration and the succeeding administration of President Hoover.

"Many people during this period speculated as to the reason. It is certain that it was not because of any lack of faith or confidence on the part of President Coolidge in Mr. Morrow, and certainly during this period Mr. Morrow continued to entertain the greatest admiration for and to enjoy a rare friendship with the President.

"One theory was that President Coolidge felt that Mr. Morrow's greatest usefulness to the country could be served by continuance of his leadership in the financial world. Another theory was that President Coolidge felt that Mr. Morrow would be met with bitter opposition on confirmation, that the country regarded him largely as a partner in a great international banking concern, did not understand his zeal for public service, and did not envision his complete separation from the interests which he served.

NO ONE KNOWS

"I do not know, and I am satisfied no one else knows, why President Coolidge did not avail himself earlier of Mr. Morrow's services. The following unpublished fact, however, is true.

"When reports became current in Washington that Secretary Kellogg was contemplating resigning from the Cabinet, a number of names were suggested as his probable successor, among others that of Mr. Morrow. About this time a friend of Senator BORAH's told me that Senator BORAH, chairman of the Foreign Relations Committee, and whose committee dealt primarily with confirmations of this post, was more favorable to Mr. Morrow's selection than to any person suggested.

"I, in turn, relayed this information to Senator Edge, from Mr. Morrow's State, and to Senator Goff, of our State, where Mr. Morrow was born. They carried this information to the President and reported that he seemed surprised to learn of this attitude of Senator BORAH. Secretary Kellogg, however, did not resign.

"Some months later President Coolidge announced the appointment of Mr. Morrow as ambassador to Mexico. This was generally supposed to have been the primary selection of President Coolidge. It is not the fact. Within the last month Secretary Kellogg related to me that he had suggested Mr. Morrow's appointment, and that the President had expressed a doubt as to Mr. Morrow's acceptance.

"When his name was sent to the Senate, however, it found Senator BORAH enthusiastic, as predicted, and practically no opposition on the part of any Senator to his confirmation.

CALL TO THE PHONE

"When Mr. Morrow was called on the long-distance telephone by the Governor of New Jersey and offered the appointment of Senator, President Coolidge's term had expired. Later, when Mr. Morrow came to New York on his way to the London conference, President Coolidge asked him to spend the night with him at the Vanderbilt Hotel in New York.

"On this occasion President Coolidge offered him some advice as a candidate. He was not enthusiastic about Mr. Morrow going to the Senate; but finding he had determined to be a candidate, he made several suggestions. One which amused Mr. Morrow very much was his injunction not to make any speeches.

"'Go around and meet people,' said President Coolidge, 'and shake hands with them. People seem to like to shake hands. I never have understood why.'

"While Mr. Morrow was in London attending the conference, it became so prolonged that he seriously debated whether he should not withdraw as a candidate for the Senate. He discussed this matter with Ambassador Dawes and others and Ambassador Dawes urged him not to take this step.

"In the meantime his friends became concerned because opposing candidates were organizing and canvassing for votes and little was being done in behalf of Mr. Morrow. It was decided to compile a short history of his life and achievements, the book to be circulated among the voters and published serially in some leading newspapers in New Jersey.

COOLIDGE WRITES FOREWORD

"Without consulting Mr. Coolidge in advance the sketch was sent him with the request that he write a foreword. Several days elapsed and nothing was heard from Mr. Coolidge, but within a week the sketch was returned with the foreword and without any comment. At the memorial services held in London for Mr. Morrow, General Dawes, in his remarks, quoted the concluding paragraph of Mr. Coolidge's statement, as follows:

"'I first met him as the representative of the great mass of our fellow citizens which we call the people. There he will always

remain, just one of them, unencumbered by his property, thinking their thoughts, working, working tremendously for their success. I have seen him develop into a ripe scholar, an able lawyer, a great business man, a wise statesman, and a devoted husband, father, and patriot. When most men would retire he seems always just beginning—beginning some new service for his friends and neighbors, for his country, and for humanity. It is the glory of the United States that it can produce such citizens.'

"The last time I saw Mr. Coolidge," Mr. Marshall continued, "was at Mr. Morrow's funeral. I felt that of all the friends whom I saw there no one, outside the family, seemed more affected.

MARSHALL WRITES COOLIDGE

"Having been with Mr. Morrow in his last days and, as always, having heard him speak so beautifully of Mr. Coolidge, I felt it appropriate to write him. One of the things I said was:

"'The first thing he asked me when he saw me was whether I had read your article [referring to Mr. Coolidge's article in the Saturday Evening Post]. He was very much pleased with it and he also discussed Mr. Walter Lippmann's comment about it. Sunday, at the noonday meal, when there was no one present but the family, he told us of his telephone talk with your secretary and of your having shot a partridge. I don't think I was ever with him for any length of time that some time during the conversation he did not speak of you. He had the mental habit of comparing what he thought you would do with situations—always to your credit. The first time I ever met him the occasion was his discussion of you. That was the year before you were nominated for Vice President. * * * I have seen him stop suddenly on the street and say, "I have just been thinking about Coolidge. What an amazing man! * * *'

"Recently," Mr. Marshall continued, "at the inauguration of the new president of Amherst College, where both Mr. Coolidge and Mr. Morrow have served as trustees, Mr. Walter Lippmann spoke of Mr. Morrow as not only Amherst's greatest son, but the greatest man of his time. President Coolidge sat on the platform, and no one seemed more pleased at this tribute than he.

"It was a remarkable friendship between two great men, both modest, unassuming, neither recognizing the greatness of himself, but appreciating in full the greatness of the other.

"'It is the glory of the United States that it can produce such citizens,' and it is a wonderful thing that it can produce such friendship."

INVESTIGATION OF AIR MAIL AND OCEAN MAIL CONTRACTS

Mr. BLACK. Mr. President, I send to the desk a resolution which I do not care to discuss, but which I should like to have read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The resolution will be read for the information of the Senate.

The resolution (S. Res. 349) was read, as follows:

*Resolved*, That a special committee of the Senate, to be appointed by the President of the Senate, three from the majority political party and two from the minority political party, is authorized and directed to investigate and make a full, complete, and detailed inquiry into all existing contracts entered into by the Postmaster General for the carriage of air mail and ocean mail, both foreign and domestic, with a view to determining particularly (1) all the circumstances surrounding the execution and continuation of and the necessity, if any, of maintaining, altering, or canceling such contracts; (2) the organization and financial condition of the associations, partnerships, or corporations with which such contracts have been entered into, including a study of their capital stock, authorized and paid in, their receipts and expenditures, their total outlay in salaries paid to officers, executives, and employees, whether by way of bonus or otherwise, and their relationship, whether by interlocking directorates or otherwise, with any other individual, association, partnership, or corporation, commercial or banking; and (3) the extent of any activities by or on behalf of any association, partnership, or corporation with which such contracts have been entered into in any effort to obtain, through legislation or otherwise, cash subsidies from the United States. The committee shall report to the Senate, as soon as practicable, the results of its investigations, together with its recommendations.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second and succeeding Congresses, to employ such clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The PRESIDING OFFICER. Under the rule, the resolution will be referred first to the committee having charge of the subject matter.

Mr. BLACK. I do not object if it is to go to the Committee on Post Offices and Post Roads.

Before that order is entered, however, let me say that I have before me the cost of air mail subsidies as disclosed by the report of the Post Office Department for 1932. The cost of air mail subsidies was $23,845,311, the cost of ocean mail subsidies $21,666,102, or a total of $45,511,414. I desire to request the Committee on Post Offices and Post Roads to take cognizance of those figures and to take prompt action in order that the resolution may receive consideration before the extra session.

The PRESIDING OFFICER. The resolution will be referred to the Committee on Post Offices and Post Roads.

ADDITIONAL PETITIONS AND MEMORIALS

Mr. ROBINSON of Arkansas presented a joint memorial of the Legislature of the State of Arkansas, which was referred to the Committee on Banking and Currency, as follows:

House Joint Memorial Resolution 2

Whereas during the World War the United States Government greatly expanded the currency in order to finance the war, as is reflected by the fact that the amount of Treasury and bank-note circulation increased from $715,000,000 in 1914 to $3,340,000,000 in 1919, resulting in even more than 100 per cent rise in prices; and

Whereas the national debt increased from $1,188,000,000 to $25,482,000,000 in the same period, and is now more than $20,000,000,000, and the indebtedness of other States, as well as corporate, private, and individual, has increased in even a greater percentage; and

Whereas public, private, corporate, and individual business has accumulated and contracted vast amounts of indebtedness during this period of inflated currency and overexpansion of credit; and

Whereas under the present condition of low prices for labor, commodities, and deflated currency these public and private debts, contracted when dollars were cheap, must not, and can not be, repaid with dollars that are dear, creating an unjust hardship and forcing into bankruptcy great numbers of debtors and giving undue and unjust advantage as well as jeopardizing the rights of creditors; and

Whereas the depression has resulted in deflation of prices and commodities, salaries and wages, but not in interest and dividends, as is reflected by the fact that the average of wages and salaries in the United States has decreased 57 per cent since the year 1926, not counting the totally unemployed, while on the other hand the average of interest and dividend payments have increased 68 per cent, thus making the present deflation extremely unjust and one-sided in its effect; and

Whereas money, gold, and currency are the measure by which exchange of real values is made and the value whereof can easily and arbitrarily be fixed, the power of so doing having been placed in the hands of the Congress by the Constitution of the United States: Therefore be it

*Resolved by the house of representatives of the forty-ninth general assembly (the senate concurring therein)*, That we do hereby memorialize the Congress of the United States to revaluate our money system of gold and currency or to enact such legislation as will restore same to the value of 1919 as a means of bringing wages, salaries, and commodity prices on a par with the payment of debts, both public and private, and thereby avoiding wholesale bankruptcy and protecting creditors and holders of securities against impending loss; and be it further

*Resolved*, That we send a copy of this resolution to our Senators and Representatives in the United States Congress, thereby asking them to sponsor and support such legislation; be it further

*Resolved*, That we send a copy of this resolution to the presiding officers of the house and senate of each State legislature now in session, thereby requesting that each of those bodies pass a similar resolution.

MARCUS L. MILLER,
*Polk County.*
JOHN M. WILLIAMS,
*Logan County.*

Mr. COPELAND presented a resolution adopted by the Lycoming (N. Y.) Local of the Dairymen's League Cooperative Association (Inc.), favoring the inflation of the currency so as to increase prices, which was referred to the Committee on Banking and Currency.

He also presented a resolution unanimously adopted at a mass meeting of veterans of all wars held in Buffalo, N. Y., under the auspices of Veterans of Foreign Wars of the United States (Erie County), protesting against the policies of the National Economy League, and kindred organizations, in advocating economies in Federal appropriations affecting especially benefits to war veterans, which was referred to the Committee on Finance.

He also presented the memorial of Rev. Clarence O. Peterson and sundry citizens of Mannsville, N. Y., remonstrating against the repeal of the eighteenth amendment to the

Constitution or the repeal or modification of the national prohibition law, which was ordered to lie on the table.

He also presented a resolution adopted by the National Retail Dry Goods Association, assembled at New York City, N. Y., favoring reduction of governmental expenses so as to avoid the imposition of additional taxes, which was ordered to lie on the table.

He also presented the petition of Navy Post, No. 16, American Legion, of New York City, N. Y., praying that there be stricken out of the Army appropriation bill, H. R. 14199, the so-called Taber and Connery amendments affecting pay and allowances in the Army and also "that no such amendments shall be appended to the Navy Department supply bill," which was ordered to lie on the table.

He also presented a resolution adopted by general executive board of the Upholsterers', Carpet and Linoleum Mechanics' International Union of North America, New York City, N. Y., favoring the prompt passage of the so-called Costigan-La Follette emergency relief bill, being the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table.

TREASURY AND POST OFFICE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes.

Mr. BANKHEAD. Mr. President, I desire to enter notice of a motion to reconsider the amendment offered by the senior Senator from Tennessee [Mr. McKELLAR] by which it is proposed to strike out, in line 3, page 57, the numerals "$35,500,000" and insert "$28,500,000." I am merely entering the notice of the motion at this time.

Mr. BINGHAM. Mr. President, I hope we may now recur to the bill and to the amendment on page 79, section 15.

The PRESIDING OFFICER. The clerk will report the next amendment.

The CHIEF CLERK. On page 79, line 5, insert the following:

SEC. 15. The Bureau of Efficiency and the office of chief of such bureau are hereby abolished; and the President is authorized to designate another officer to serve in place of the Chief of the Bureau of Efficiency on any board, commission, or other agency of which the Chief of the Bureau of Efficiency is now a member. All records and property, including office furniture and equipment of the bureau, shall be transferred to the Bureau of the Budget. Appropriations and unexpended balances of appropriations available for expenditure by the Bureau of Efficiency shall be impounded and returned to the Treasury. This section shall take effect on the first day of the month following the month during which this act is enacted.

Mr. BYRNES. Mr. President, I have an amendment which I desire to offer to this section.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 79, line 15, strike out all of the section after the word "effect" and insert in lieu thereof "60 days from the date of the approval of this act."

Mr. BINGHAM. I have no objection to the amendment.

Mr. COPELAND. Mr. President, I assume that the Senator from South Carolina submitted this amendment because of the conversation I had with him regarding it?

Mr. BYRNES. I will state, Mr. President, that the Senator from New York discussed this matter with members of the committee, and the committee were of the opinion that the time should be extended as this amendment provides.

Mr. COPELAND. Let me make a further suggestion.

Mr. President, I should like to have the Senator from South Carolina provide that the section shall take effect at the beginning of the fiscal year, July 1, instead of taking effect 60 days after its approval.

I recognize the generosity of the Senator because when we talked about it the provision had even a lesser number of days than the Senator now suggests; but if this bureau is actually to be wiped out, and its employees are to be removed from the Government pay roll, they ought to have at least warning of the intention of Congress. It would seem to me that the natural time to terminate the activities of the bureau would be at the beginning of the new fiscal year. So the plea I make is that instead of having the section take effect in 60 days after enactment it should take effect at the beginning of the next fiscal year.

Mr. BYRNES. Mr. President, the Senator from New York recalls that this bill as reported to the Senate contained a provision for the elimination of the bureau immediately upon the passage of the bill. So far as notice is concerned, it is a fact that the employees of this bureau knew as far back as January 6, that, in so far as the committee was concerned, the report was to be made recommending the elimination. Of course, that does not mean that Congress is going to adopt the report of the committee; and the Senator from New York knows that this bill, in the very nature of things, will not be approved for some days, probably 10 days or 2 weeks longer; and then this provision will not take effect for 60 days after the approval of the act. The committee is of the opinion that that will give ample notice to employees as to the action of Congress.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from South Carolina yield further to the Senator from New York?

Mr. BYRNES. I yield to the Senator.

Mr. COPELAND. I assume that what the Senator says is correct; but, of course, if the section were amended as I have suggested, it would simply add another 60 days to the 60 days the Senator has proposed; and it would seem to me the natural time to begin a new plan in the administration of the Government would be at the beginning of the fiscal year; so that the appeal I make is that the effective date may be set over to the 1st of July instead of 60 days after enactment.

Mr. BYRNES. I think the employees will have had more than 90 days' notice from the time the bill was reported, and I trust that the amendment I have offered will be adopted.

Mr. SMOOT and Mr. DICKINSON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. SMOOT. Mr. President, I know what I may say will have no effect, perhaps, upon the action of the Senate; but I desire to say if there has been one agency of the Government, created as an independent office, which had for its object the saving of money to the Treasury of the United States, and which actually saved money, it is the Bureau of Efficiency. I know that the stage is all set; I know that anything I might say by going into the details as to hundreds of millions of dollars have been saved by this bureau will cut no figure whatever; but I want to place this statement on record in behalf of the splendid men who have managed the affairs of the Bureau of Efficiency.

Mr. DICKINSON. Mr. President, I should like to have the attention of the Senator from South Carolina for a moment. During the discussions in the Economy Committee it was suggested that where a bureau is to be abolished it is always better, if possible, to terminate its existence at the end of a calendar month. I am wondering whether the Senator from South Carolina would not modify the amendment so as to provide that the section should take effect at the beginning of the second calendar month after the approval of the act? In that way there would be a cut-off at the end of a month, while if it is made 60 days, a month and a third may elapse; it would be necessary to deal with a third of a month, and all the employees would have to have their salaries figured out upon that fraction of a month. I am just making that suggestion to the Senator from South Carolina.

Mr. BYRNES. The purpose of the committee was to give 60 days' notice after the approval of the act. I have no objection to the modification of the amendment in the manner indicated by the Senator from Iowa, however, if he will indicate it so that we may understand the amendment.

The PRESIDING OFFICER. May the Chair suggest to the Senator from Iowa that he submit the language in the form of a formal amendment so that it may be read from the desk?

Mr. COPELAND. Mr. President, may I ask if the Senator from Iowa suggested that the effective date be made the 1st of July?

Mr. BYRNES. The Senator from Iowa suggested that the effective date be the beginning of the second calendar month after the approval of the act, so that the change would take place on the 1st of the month.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Carolina.

Mr. FESS. Mr. President, the Senator from South Carolina is a member of the Economy Committee?

Mr. BYRNES. Yes.

Mr. FESS. He has been for a long while a Member of the other House and, therefore, is quite familiar with the operations of the Bureau of Efficiency. I desire to ask him a question about the proposed abolition of this bureau. I know, as he knows, the purpose for which it was originally created. All along we have been wondering how we could save lost motion and eliminate extravagances in governmental agencies which the Congress has set up from time to time and which grow from day to day, being perhaps small to-day but growing larger to-morrow and still larger the next day. The Bureau of Efficiency was thought to be a distinctive organization made up of experts capable of looking into the operations of the various activities of the Government and making recommendations as to where money could be saved. I am wondering, in view of the functions it has performed, as it has developed from year to year, if it is not an unwise thing to abolish the particular bureau, since the very purpose of its creation was to secure greater efficiency and bring about economy.

I know the Senator is familiar, if anyone is, with the work of the bureau, and I will ask him if it has not proved its value in its operations to the extent that, in the interest of economy, it ought to be continued?

Mr. BYRNES. Mr. President, the opinion of the committee was that the Bureau of the Budget, which is charged with the duty of making estimates for the various bureaus, could make examination as to the administration of the funds appropriated by the Congress. Under the order of the President, as I recall, the Bureau of Efficiency was transferred to the Bureau of the Budget. In any event, by this transfer the Bureau of the Budget would seek to perform the functions heretofore performed by the Bureau of Efficiency.

Of course, what is said of the Bureau of Efficiency may be said of almost every other bureau; it might be desirable to continue the Bureau of Efficiency as well as the Bureau of the Budget; but undoubtedly there is some duplication and overlapping, if the Bureau of the Budget actually does what the Congress intended it to do when it was created by the Congress. If there is any bureau that can be eliminated at this time, in the opinion of our committee, this bureau could be dispensed with.

The question is one not so much of maintaining desirable things but of maintaining only essential activities, and that makes it necessary at this time that the Bureau of the Budget should do this work.

Mr. FESS. Mr. President, then I understand that it is not proposed to eliminate the functions of the Bureau of Efficiency, but to transfer its functions to another agency already in existence.

Mr. BYRNES. It is the purpose and hope of the committee that the Bureau of the Budget will do the work which has been performed and is now being performed by the Bureau of Efficiency. It is simply to prevent overlapping and duplication of work.

Mr. FESS. Realizing that the very purpose of the creation of this bureau was to insure efficiency and economy, it would seem to me to be the last bureau which in the interest of these two objects should be abolished; but I note the transfer is to another bureau that was created years after the Bureau of Efficiency, so that functions now performed by the Bureau of Efficiency will still be performed.

Mr. BYRNES. That is the intention of the committee.

Mr. DICKINSON. I offer an amendment to the amendment proposed by the Senator from South Carolina.

The PRESIDING OFFICER. The amendment to the amendment will be reported for the information of the Senate.

The CHIEF CLERK. In the amendment offered by the Senator from South Carolina it is proposed to strike out the words "60 days after the passage of this act" and insert in lieu thereof the words "at the beginning of the second calendar month after the passage of this act."

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Chair understand the Senator from South Carolina to modify his amendment in accordance with the suggestion of the Senator from Iowa?

Mr. BYRNES. I have said that I accepted the modification of the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Carolina [Mr. BYRNES], as modified, to the paragraph reported by the committee.

Mr. COPELAND. Now, Mr. President, I should like to ask if the amendment as modified might not mean that the Bureau of Efficiency would be abolished in 30 days instead of 60 days? I presume the Senator from Iowa did not so intend it, but it appears to me that it might not be so favorable as the amendment offered by the Senator from South Carolina.

Mr. DICKINSON. Mr. President, my purpose is, if we are going to abolish the bureau, to have it go out of existence at the end of a month. If the Senator would prefer to have it the third calendar month, I would just as leave do that. I am not discussing the question of time.

Mr. COPELAND. I should say certainly that it should be the third calendar month rather than the second, as proposed by the Senator from Iowa.

Mr. DICKINSON. With the consent of the Senator from South Carolina, I will be very glad to modify my amendment to his amendment so as to read the "third calendar month" instead of the "second calendar month."

Mr. BYRNES. Mr. President, I think the Senator from New York is correct, in that the amendment in its present form might lessen the time; and I have no objection to changing it to read "at the beginning of the third calendar month" in place of "the second calendar month," if that is more satisfactory to the Senator from New York.

Mr. COPELAND. Then, as I understand, the Senator from South Carolina has modified his amendment?

Mr. BYRNES. Yes; so as to read "at the beginning of the third calendar month."

The PRESIDING OFFICER. The amendment has been modified, providing that the provision shall take effect "at the beginning of the third calendar month." The question is on agreeing to the amendment, as modified.

Mr. COPELAND. Just a moment, Mr. President. I think the Senator from South Carolina is doing well. Now, could we get him to insert the words "the 1st of July," instead of "at the beginning of the third calendar month," so as to fix a definite month?

Mr. BYRNES. Mr. President, I think it is definite enough as it is, and I am opposed to any further modification of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina, as amended, to the paragraph reported by the committee.

The amendment, as modified, to the paragraph reported by the committee was agreed to.

Mr. NYE. Mr. President, I send to the desk an amendment to this section.

The PRESIDING OFFICER. The amendment will be reported for the information of the Senate.

The CHIEF CLERK. As a substitute for section 15, as amended, the Senator from North Dakota proposes to insert the following:

The Bureau of Efficiency is hereby abolished as an independent establishment, and its powers, duties, personnel, property, equip-

ment, records, and the unexpended balances of its appropriations for the current fiscal year are hereby transferred to the General Accounting Office, effective the first day of the month following the approval of this act: *Provided*, That the President may designate an officer of the Government to serve on any board on which the Chief of the Bureau of Efficiency now serves by virtue of his position as chief of that bureau.

Mr. BINGHAM. I make the point of order that the amendment is not in order, since the section as amended has been adopted.

The PRESIDING OFFICER. If the Senator raises the point of order, the Chair would be forced to rule that it would be necessary to have a reconsideration.

Mr. COPELAND. Mr. President, I did not understand that the whole section had been adopted.

Mr. FESS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Ohio will state it.

Mr. FESS. Would not a motion to strike out the section and insert this language be in order?

The PRESIDING OFFICER. The Chair is informed that the amendment appeared at the end of the section in lieu of words contained in the section and that the question has not yet been put upon adopting the section as modified by the amendment of the Senator from South Carolina [Mr. BYRNES]. So the Chair holds that the amendment offered by the Senator from North Dakota is in order.

Mr. NYE. Mr. President, I desire to speak upon that amendment.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. NYE. Mr. President, I offer this amendment only because it appears that there is a determination on the part of the Senate to dispense with the Bureau of Efficiency as such. I hope that if we are going to dispense with it as a unit we will refrain from destroying the work and the utility of that particular service. I hope it may be held intact in some department where it can continue what I consider to be among the most efficient services that are coming from any department of government to-day.

We are all anxious, of course, to effect such economies as can be effected; but in doing it we ought to be on guard lest we destroy the very things that are working to the end of accomplishing economy.

I have very carefully gone over the ground with those who ought to be accepted as authorities upon the subject, with the view in mind of ascertaining just what savings have been effected by reason of the operations of the Bureau of Efficiency, and have compiled a tabulation—rather roughly, I will admit—estimating the savings from year to year that have been accomplished by the Bureau of Efficiency.

Starting back in 1914, this tabulation reveals that the expenditures for general investigations in that year were $14,007, and that the savings for that fiscal year only—that one year—were $100,000; in other words, almost 7 to 1 in the matter of savings in relation to expenditures to accomplish those savings. Then, of course, there have been savings in the recurring years, Mr. President. In a particular year the Bureau of Efficiency might have adopted a course that effected a saving of only $1,000 in that year; and yet that saving is reflected through the following years, and year after year. So if we consider the total savings that have been won by operation of the Bureau of Efficiency from year to year since 1914, I believe it fair to estimate that with the very small appropriation that has been required to maintain this bureau as much as $50,000,000 have been saved by reason of the operations of the bureau.

Mr. President, I hope that the Senate, since it has determined to do away with the bureau as a unit, will maintain the services by holding the forces of the Bureau of Efficiency together in some department; and if we are going to do that, I see no more efficient place for its operation than in the General Accounting Office.

I ask unanimous consent to have printed in the RECORD the compilation of which I have just spoken.

Mr. SMOOT. The total amount, as the Senator said, runs into the millions.

Mr. NYE. Yes, Mr. President; I should like to point out that in those years, dating back to 1914, the expenditures made for general investigations totaled $1,883,432. The savings for the fiscal years only—that is, the particular fiscal years in which the appropriations were made—aggregated $522,080; and then the savings recurring in succeeding years by reason of the same activity amounted to $9,876,674, effecting a total saving of $10,398,754; all of which occurs to me as meriting a word of praise at least for those who have carried on. I think no department of our Federal Government has operated and won so large a return as has the Bureau of Efficiency when that return is compared with the expenditure occasioned by reason of its activities.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table is as follows:

*Summary of expenditures and savings, fiscal years 1914 to 1932*

| Fiscal year | Expenditures for general investigations | Savings for fiscal years only | Savings recurring in succeeding years | Total savings |
|---|---|---|---|---|
| 1914 | $14,007 | $100,000 | $57,000 | $157,000 |
| 1915 | 19,451 | | 38,000 | 38,000 |
| 1916 | 28,227 | | 173,775 | 173,775 |
| 1917 | 48,446 | | 112,700 | 112,700 |
| 1918 | 99,620 | 125,000 | 2,591,000 | 2,716,000 |
| 1919 | 97,032 | | 178,720 | 178,720 |
| 1920 | 98,837 | | 428,000 | 428,000 |
| 1921 | 85,829 | | 230,000 | 230,000 |
| 1922 | 84,749 | | 150,000 | 150,000 |
| 1923 | 103,414 | | 250,000 | 250,000 |
| 1924 | 53,935 | | 234,000 | 234,000 |
| 1925 | 66,429 | | 423,200 | 423,200 |
| 1926 | 108,225 | | 61,490 | 61,490 |
| 1927 | 144,519 | 16,738 | 1,815,180 | 1,831,918 |
| 1928 | 185,137 | 72,800 | 357,920 | 430,720 |
| 1929 | 155,168 | 89,135 | 2,186,984 | 2,276,119 |
| 1930 | 159,502 | 6,960 | 127,515 | 134,475 |
| 1931 | 171,320 | 89,947 | 233,190 | 323,137 |
| 1932 | 159,585 | 21,500 | 228,000 | 249,500 |
| Total | 1,883,432 | 522,080 | 9,876,674 | 10,398,754 |

Mr. NYE. I ask, Mr. President, and earnestly hope, that the Senate may concur in the amendment which I have offered.

Mr. BINGHAM. Mr. President, the proposal of the Senator from North Dakota does not save any money at all, except possibly the salary of the very efficient director of the bureau, Mr. Brown. No one has any fault to find with the way Mr. Brown has directed the bureau.

The Senator from North Dakota proposes to transfer the bureau to the General Accounting Office and place it under the Comptroller General, where it certainly does not belong. It is not the business of the General Accounting Office to determine on methods of efficiency or economy, but merely to carry out the will of Congress in interpreting the laws and seeing that people do not spend money that they have no right to spend.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BINGHAM. I yield to the Senator from South Carolina.

Mr. BYRNES. I would much rather have the Bureau of Efficiency exist as an independent establishment than to have it transferred to the General Accounting Office, where it would serve no purpose at all.

Mr. BINGHAM. Why, certainly; so would I. It has acted rather well in its present form; but the Bureau of Efficiency was organized before the Bureau of the Budget was established. Now that we have the Bureau of the Budget, whose business it is to see that we are not asked to appropriate more money than is needed, and to cut down things as far as possible, and to effect efficiencies and economies, it seemed to the committee that the best place for this work to be done was by the Bureau of the Budget. Therefore we transferred the files, and so forth, to the Bureau of the Budget.

The amendment proposed by the Senator from North Dakota not only does not save any money but places the bureau

where it has no business to be, namely, in the General Accounting Office.

Mr. JOHNSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from California?

Mr. BINGHAM. Certainly.

Mr. JOHNSON. I am not very clear as to the language of this amendment. As I gather from what has been said in behalf of it here, the design is wholly to abolish and eliminate the Bureau of Efficiency. It no longer shall exist. That is correct, is it not?

Mr. BYRNES. That is correct.

Mr. JOHNSON. All right. Now, with the personnel will go the obligation to perform the duties. That seems to be perfectly obvious. The amendment, however, reads that the bureau is abolished—

and the President is authorized to designate another officer to serve in place of the Chief of the Bureau of Efficiency on any board, commission, or other agency of which the Chief of the Bureau of Efficiency is now a member.

That language I am not clear about.

Mr. BINGHAM. I can explain that to the Senator.

Mr. JOHNSON. I thank the Senator.

Mr. BINGHAM. Under various laws there is made a member of a board or of another agency, ex officio, the Director of the Bureau of Efficiency. Naturally, if we abolish the bureau and the directorship, that position on any particular agency or commission or board would be vacant, and no one would have any authority to fill it. The amendment gives the President the right to designate any officer of the Government as the proper person, in his opinion, to fill that ex officio place on some commission or board.

Mr. JOHNSON. But what I do not exactly comprehend is this: If the bureau is at an end, and if the Chief of the Bureau of Efficiency is no longer of any use, why is it necessary to designate another officer to fill his particular place upon various boards?

Mr. BINGHAM. The President might very well designate the Director of the Budget to do the work on these boards.

Mr. JOHNSON. Could he appoint another official as a sort of bureau of efficiency, too? He has the right here to designate another officer to serve in place of the Chief of the Bureau of Efficiency, and the peculiar language rather nonplussed me. That is the reason for the query that I made.

Mr. SMOOT. Mr. President, I desire to call the attention of the Senate to the fact that the Bureau of Efficiency was created as an independent body, so that no department of our Government should have any power whatever over it. It was an independent agency, with authority to go into the departments of the Government and investigate their operation. Wherever its officials learned of waste, or wherever they learned that a consolidation of activities of our Government could be made without interfering with the efficiency of the work, it was to be done, and they had the authority and power to do it.

If the Senate desires now to abolish the bureau, it means the loss of millions upon millions of dollars. They have saved millions of dollars in the past, Mr. President.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. Just a moment. I will yield just as soon as I finish this sentence. The bureau has saved millions and millions of dollars. It has been an independent body. It goes into the departments to make the examinations; and I know whereof I speak when I say that the amount of money that has been saved by the recommendations of the Bureau of Efficiency in better organization and the elimination of duplication of activities in the Government have been something that I hardly thought the Bureau of Efficiency would be able to do.

Mr. BRATTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I yield to the Senator.

Mr. BRATTON. Speaking not facetiously but seriously, I did not know that we had ever done away with duplication in any department.

Mr. SMOOT. I can tell the Senator, by going over and getting the list, that many, many, many of them have been done away with.

Mr. BRATTON. I should like to see the list.

Mr. SMOOT. There are a great many of them, Mr. President. Duplication in different departments doing the same class of work has been eliminated, and millions of dollars have been saved, through the activities of the Bureau of Efficiency. If the Senate is going to do anything along this line, however, abolish them entirely as an independent body. Do not put them under the jurisdiction of some other activity of our Government.

Mr. NORRIS. Mr. President, will the Senator yield now?

Mr. SMOOT. Yes; I yield to the Senator from Nebraska.

Mr. NORRIS. How long have they been in operation?

Mr. SMOOT. I think 22 years, or 20; I forget which.

Mr. NYE. Since 1914.

Mr. NORRIS. Have they succeeded in eliminating the waste and the duplication that it is claimed exists now?

Mr. SMOOT. Not entirely, but a great deal of it.

Mr. NORRIS. Why have they not done it? Could they not eliminate these bureaus or consolidate them in less than 20 years of study?

Mr. SMOOT. I can tell the Senator that they have abolished certain activities of the Government; and then in some cases in the very next appropriation bill that would pass, money would be appropriated for the very purpose they had just succeeded in having discontinued.

Mr. NORRIS. If that be true, no good has been accomplished by their work.

Mr. SMOOT. That has not been true in all cases. I say, there are a few of those cases. As I say, I prefer to have the bureau abolished than to try to put it under the control of some other agency of our Government.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from North Dakota [Mr. NYE].

The amendment was rejected.

The PRESIDING OFFICER. The question now is on section 15 as modified and amended.

The section as amended was agreed to.

Mr. BINGHAM. Mr. President, I call the attention of the Senator from Oklahoma [Mr. GORE] to the fact that we have now reached that portion of the bill in which he is particularly interested, namely, sections 16, 17, and 18. I believe he has an amendment to offer at this point, which is in order.

Mr. GORE. Mr. President, several days ago I had an amendment printed proposing to strike out sections 16, 17, and 18. I do not know whether Senators have given attention to the amendment or not, or whether they have given critical attention to sections 16, 17, and 18. If they have, I am inclined to believe they would agree to my amendment without discussion.

Mr. BINGHAM. Mr. President, may I say that I have received from the Secretary of the Treasury a very vigorous protest against putting two of these sections into effect on the ground of the probable expense to the Government. The Economy Committee have considered the matter quite carefully since the original report to the Committee on Appropriations, and I think I am within my rights in saying that the committee are perfectly willing to see these sections stricken from the bill.

The PRESIDING OFFICER. Does the Senator from Oklahoma offer the amendment?

Mr. GORE. I offer the amendment.

The PRESIDING OFFICER. The amendment will be reported for the information of the Senate.

The CHIEF CLERK. On page 79, beginning with line 18, section 16, the Senator from Oklahoma proposes to strike out through line 8, on page 82, and to insert in lieu thereof the following:

SEC. —. Section 319 of Part II of the legislative appropriation act, fiscal year 1933, is repealed as of June 30, 1932; and the rate of interest to be allowed upon judgments against the United States and overpayments in respect of internal-revenue taxes shall be the rate applicable thereto prior to the enactment of section 319 of such act.

Mr. GORE. Mr. President, the Senator from Connecticut has just indicated, I believe, that the Secretary of the Treasury is not adverse to this amendment, and is not opposed to the striking out of these sections 16, 17, and 18. I may say that the amendment which I have offered has the approval of the committee on taxation of the American Bar Association.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. McKELLAR. I ask the Senator from Oklahoma if he will accept as a part of the amendment, and, if not, I should like to offer it as an amendment to the amendment, a provision that was suggested by the senior Senator from Pennsylvania [Mr. REED] in regard to tax refunds, at the end of the amendment proposed by the Senator from Oklahoma to insert the following:

*Provided further*, That no refund in excess of $20,000 shall be paid until the determination by the Commissioner of Internal Revenue of the overpayment has been transmitted to and approved by the United States Board of Tax Appeals, under such rules as it may prescribe, and the commissioner shall disallow the part thereof not so approved.

I want to say to the Senator from Pennsylvania that the amendment is offered in exactly the form in which he suggested it to me.

Mr. REED. Mr. President, will the Senator from Oklahoma yield to me?

Mr. GORE. I yield.

Mr. REED. While the amendment offered by the Senator from Tennessee seems to me to be all right, yet I think I should in candor say that it is very sternly opposed by the Senator from Mississippi [Mr. HARRISON] and it hardly seems fair to act on it in his absence.

I would suggest that the amendment of the Senator from Oklahoma, with which I am in warm sympathy, should be adopted first, and that then the Senator from Tennessee should offer his amendment as a separate section.

Mr. BINGHAM. Mr. President, I hope the Senator from Tennessee will do what the Senator from Pennsylvania suggests.

The PRESIDING OFFICER. Does the Chair understand the Senator from Oklahoma to modify his amendment?

Mr. GORE. Mr. President, I would rather not take that course. I shall not resist the amendment offered by the Senator from Tennessee, whether offered as an amendment to my amendment or as an independent section, as suggested by the Senator from Pennsylvania, which latter, I think, would be the preferable course.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. McKELLAR. Will the Senator allow me to offer it as an amendment to his amendment? May I ask the Chair whether it would be in order as an amendment to the amendment of the Senator from Oklahoma?

The PRESIDING OFFICER. It would be in order.

Mr. McKELLAR. If the Senator from Oklahoma will yield to me, I will just offer it as an amendment to his amendment.

Mr. GORE. I yield.

Mr. REED. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Brookhart | Couzens | Gore |
| Austin | Bulkley | Cutting | Grammer |
| Bailey | Bulow | Dale | Hale |
| Bankhead | Byrnes | Davis | Harrison |
| Barbour | Capper | Dickinson | Hastings |
| Barkley | Clark | Fess | Hatfield |
| Bingham | Connally | Fletcher | Hayden |
| Blaine | Coolidge | Frazier | Hebert |
| Borah | Copeland | George | Johnson |
| Bratton | Costigan | Goldsborough | Kendrick |
| Keyes | Neely | Russell | Vandenberg |
| King | Norbeck | Schall | Wagner |
| La Follette | Norris | Schuyler | Walcott |
| Lewis | Nye | Sheppard | Walsh, Mass. |
| Logan | Oddie | Shipstead | Walsh, Mont. |
| McGill | Pittman | Smoot | Watson |
| McKellar | Reed | Steiwer | Wheeler |
| McNary | Reynolds | Townsend | White |
| Metcalf | Robinson, Ark. | Trammell | |
| Moses | Robinson, Ind. | Tydings | |

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

The question is upon agreeing to the amendment proposed by the Senator from Oklahoma [Mr. GORE].

Mr. BRATTON. Mr. President, I understood the chairman of the Economy Committee to say that, so far as sections 17 and 18 are concerned, the amendment of the Senator from Oklahoma is accepted, thereby eliminating those two sections.

Turning to section 16 of the bill, being the other section involved in the amendment offered by the Senator from Oklahoma, the original economy act, approved June 30, 1932, contained this provision:

SEC. 319. Hereafter the rate of interest to be allowed or paid shall be 4 per cent per annum whenever interest is allowed by law upon any judgment of whatsoever character against the United States and/or upon any overpayment in respect of any internal-revenue tax. All laws or parts of laws in so far as inconsistent herewith are hereby repealed.

It will be noted, Mr. President, that law provided that "hereafter the rate of interest to be allowed or paid * * * upon any judgment * * * and/or upon any overpayment" of taxes shall be 4 per cent.

Let me direct attention to section 16 of the pending bill, reading as follows:

SEC. 16. Section 319 of Part II of the legislative appropriation act, fiscal year 1933, shall not apply to any judgment rendered against the United States prior to July 1, 1932, and thereafter becoming final. Appropriations available for payment of such judgments rendered prior to July 1, 1932, as determined by the Comptroller General of the United States, shall be available for payment of interest thereon accordingly at the rate applicable at the time the judgment was rendered.

The difficulty was that in interpreting the original economy act the Comptroller General held that although judgment was rendered prior to June 30, 1932, and the case was affirmed afterwards or the time for payment arrived afterwards, the rate was reduced to 4 per cent, thereby injecting a retroactive phase into the law. Section 16 simply takes out of the law that retroactive phase and allows payment of all judgments rendered prior to June 30, 1932, on the basis of the interest specified in the judgment or law then in force.

Does not the Senator from Oklahoma think that section should stand?

Mr. GORE. I would rather see the proposition submitted by the Senator attached to my amendment as an amendment, because if the section stands as written it would still leave refunds payable on the basis of 4 per cent where allowed prior to June 30 last.

Mr. BRATTON. Then let me suggest to the Senator that after the word "judgment" we insert the words "except for refund of taxes." Then the section would read:

Section 319 of Part II of the legislative appropriation act, fiscal year 1933, shall not apply to any judgment, except for refund of taxes, rendered against the United States prior to July 1, 1932, and thereafter becoming final.

The PRESIDENT pro tempore. Let the Chair understand. According to the print of the amendment proposed by the Senator from Oklahoma now before the Chair, the Senator from New Mexico is proposing more of a change than he has indicated by his words.

Mr. BRATTON. The amendment I suggest is to the committee text, and is not to the amendment offered by the Senator from Oklahoma.

The PRESIDENT pro tempore. Very well.

Mr. BINGHAM. Mr. President, if the amendment is applicable to sections 16, 17, and 18, as I understand it to be, I would offer no objection to it.

Mr. BRATTON. Then the chairman desires to accept the amendment as to all three sections?

Mr. BINGHAM. That is what I endeavored to state.

Mr. BRATTON. And allow the retroactive interpretation of the original act to continue?

Mr. BINGHAM. Having talked it over with the Senator from Oklahoma, I felt there was great justice in the position he took, and did not think the committee would object to his position.

Mr. BRATTON. Very well; if the chairman has given the matter study, which I confess I have not done recently, I shall yield to his judgment in the matter.

The PRESIDENT pro tempore. Therefore the question recurs upon the amendment proposed by the Senator from Oklahoma to the amendment proposed by the Senator from Tennessee.

Mr. GORE. I think the Chair is in error. I offered an amendment, and the Senator from Tennessee offered an amendment to my amendment. That is the parliamentary status.

The PRESIDENT pro tempore. Then, in the first place the question is whether the Senator from Oklahoma accepts the proposed amendment of the Senator from Tennessee to his amendment.

Mr. GORE. Certainly, I have no objection to the amendment offered by the Senator from Tennessee in the form in which he has now presented it. I should like to take advantage of this occasion to say that I voted against the motion to suspend the rule some two or three weeks ago when the Senator from Tennessee offered an amendment upon the same subject to provide that claims for refunds should be sent to the joint committee and tried de novo. The appropriation bill was vetoed on the ground of the constitutionality of that provision. I do not think the amendment now offered is subject to the ground that it is unconstitutional; so I have no objection to it on any ground.

The PRESIDENT pro tempore. Is the Chair to understand that the Senator from Oklahoma, who has control of the language of his amendment, accepts the amendment proposed by the Senator from Tennessee?

Mr. GORE. I have been sparring for the moment to see whether it was going to lead us into a row or not. If it will not, I shall interpose no objection.

The PRESIDENT pro tempore. Then the question is on the amendment as amended by the proposal of the Senator from Tennessee, which will be stated for the information of the Senate.

Mr. McKELLAR. I hope it will be stated.

The PRESIDENT pro tempore. The clerk will read.

The CHIEF CLERK. The Senator from Oklahoma offers the following amendment: Strike out sections 16, 17, and 18 as printed in the bill and insert:

Section 319 of Part II of the legislative appropriation act, fiscal year 1933, is repealed as of June 30, 1932; and the rate of interest to be allowed upon judgments against the United States and overpayments in respect of internal-revenue taxes shall be the rate applicable thereto prior to the enactment of section 319 of such act.

The Senator from Tennessee offers the following modification:

*Provided*, That no refund in excess of $20,000 shall be paid until the determination by the Commissioner of Internal Revenue of the overpayment has been transmitted to and approved by the United States Board of Tax Appeals, under such rules as it may prescribe; and the commissioner shall disallow the part thereof not so approved.

Mr. HARRISON. Mr. President, I am not going to offer any objection to the McKellar amendment because I think we want to expedite the matter, and I understand the conferees will give consideration to the question of letting the approval go to the Joint Committee on Internal Revenue Taxation which is now handling the matter.

In this connection may I say that that joint committee of the Senate and House, which has a very efficient staff, had a meeting last week. We propose to have a meeting at least once a month and possibly twice a month. We are going to look into every one of these propositions. I am very glad the amount has been cut down from $75,000 to $20,000.

With that explanation I am going to offer no objection to the amendment as now drawn, that a refund must receive the approval of the Board of Tax Appeals, although I think that would be a very bad proposition if enacted into law.

The PRESIDENT pro tempore. The Chair understands the Senator from Oklahoma to have accepted the proposal of the Senator from Tennessee, and, therefore, the question recurs upon the amendment proposed by the Senator from Oklahoma as modified by the proposal of the Senator from Tennessee. [Putting the question.] The amendment as modified is agreed to. This title is still open to amendment.

Mr. BINGHAM. Mr. President, I ask to turn to page 82, section 19, and I desire to move, in line 11, that "June 30, 1933," be changed to "June 30, 1934"; that, in line 18, the word "or" be omitted; and, in line 19, after the words "public debt," there be inserted "or other indefinite appropriations under the public debt service," this at the request of the Secretary of the Treasury, in order to carry out the wishes of the committee that appropriations for the sinking fund and public debt service be eliminated from this section.

Mr. McKELLAR. Mr. President, will the Senator state the amendment again?

The PRESIDENT pro tempore. Let the clerk state it for the information of the Senate.

The CHIEF CLERK. On page 82, line 19, strike out "June 30, 1933," and insert "June 30, 1934"; in line 18, strike out the word "or"; and in line 19, after the words "public debt," insert "or other indefinite appropriations under the public debt service."

Mr. DAVIS. Mr. President, do I understand that that strikes out the reference to the fiscal year ending June 30, 1934, and does not interfere in any way with the Federal Board of Vocational Education future appropriations after 1934?

Mr. BINGHAM. Mr. President, if the Senator will permit us to adopt the recommendation of the Secretary of the Treasury, then we will take up the question in which the Senator is interested with regard to vocational education. That does not arise in this connection, except that 1933 is changed to 1934.

Mr. DAVIS. That means that each year after 1934 the Federal Board of Vocational Education will have to get an appropriation for each following year?

Mr. BINGHAM. That would be the meaning of the section along with a great many other appropriations of a similar nature; but will not the Senator permit us to adopt the pending amendment and then we will come to his matter?

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment offered by the Senator from Connecticut.

The amendment was agreed to.

Mr. REED. Mr. President, before we go to the vocational-education item, I have an amendment to propose in line 19, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. The Senator from Pennsylvania offers the following amendment:

In section 19 of the committee print, insert after the first comma, in line 19, page 82, the following: "or to stoppages, fines, forfeitures, and other moneys or funds appropriated by section 4813, Revised Statutes, for the support of the Soldiers' Home."

Mr. REED. Mr. President, just a word of explanation. The Soldiers' Home is not supported by regular appropriations; but under the Revised Statutes from all stoppages or fines adjudged against soldiers by sentences of courts-martial, and all estates of soldiers who have died and the estates remain unclaimed for three years, funds are derived for the support of the Soldiers' Home. It is probable that the language of the amendment as the committee has reported it would not affect the Soldiers' Home, but in order to avoid any doubt about it I have been asked by the authorities of the Soldiers' Home to present this amendment. I take it, the committee has no objection.

Mr. BINGHAM. No; there is no objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. BYRNES. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 82, line 19, strike out all of the section after the word "debt" and insert "or to appropriations of any funds derived from assessments on banks."

Mr. BINGHAM. Mr. President, the amendment will have to be inserted after the amendment of the Senator from Pennsylvania just adopted, instead of at the point referred to by the Senator from South Carolina.

Mr. BYRNES. It should be to strike out after the word "services," then.

Mr. REED. Mr. President, I must make the point of order that the Senate has just adopted an amendment I proposed, which would be stricken out by that proposal.

Mr. BYRNES. My understanding was that it was the amendment of the Senator from Pennsylvania the last word of which is "services."

Mr. REED. No; the last words of my amendment were "Soldiers' Home."

Mr. BINGHAM. The Senator from Pennsylvania offered an amendment following the word "debt." The amendment of the Senator from South Carolina should follow the word "services," because in the first amendment proposed by the committee other words were inserted which made it necessary that his amendment should follow the word "services."

Mr. REED. I had it expressed to follow the first comma, so that whatever the Senator has put in ahead of the comma would precede my amendment.

Mr. BYRNES. The amendment previously adopted would cause the Senator's amendment to follow the word "services," and I think my amendment then should follow the word "home" in the amendment of the Senator from Pennsylvania.

Mr. REED. If the Senator proposes that, it would clearly be in order.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment of the Senator from South Carolina.

The amendment was agreed to.

Mr. BINGHAM. I call the attention of the Senator from Pennsylvania [Mr. DAVIS] to the fact that the words in the last two lines referring to the appropriation for vocational education have been stricken out.

Mr. AUSTIN obtained the floor.

Mr. DAVIS. Mr. President——

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. AUSTIN. I offer the amendment which I filed on January 13, and send it to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 82, line 19, beginning with the word "and," it is proposed to strike out the remainder of the line and all of lines 20 and 21 and insert in lieu thereof the following: "and shall not apply to the permanent annual appropriations for vocational education, colleges for the benefit of agriculture and the mechanic arts, or cooperative agricultural extension work."

Mr. BYRNES. Mr. President, if the Senator will yield to me for a moment, by the amendment which I offered and which was adopted the language to which he refers has been stricken from the section. Of course, that part of the Senator's amendment which seeks to add the direction that these items should not be included would be pertinent, but I call his attention to the fact that the words which he moves to strike out already have been stricken out.

Mr. AUSTIN. That being so, I perfect my proposed amendment by striking from it the words that are duplicated in the amendment suggested by the Senator from South Carolina and already adopted.

The PRESIDING OFFICER. The clerk did not catch the modification of the amendment by the Senator.

Mr. AUSTIN. I understand that in the last amendment adopted there was a clause which struck out the same words which my proposed amendment would strike out; that is, in lines 19, 20, and 21, after the word "debt." Now, therefore, I wish to perfect my amendment by striking out of the amendment that is printed that direction to strike out. Is that clear?

Mr. BINGHAM. In other words, what the Senator from Vermont wants to do is to add some language to the bill; he does not want to strike out anything?

Mr. BYRNES. After the word "banks," which is the last word of the amendment which has been adopted, to add the language that the Senator has offered.

The CHIEF CLERK. After the word "banks," in the amendment heretofore agreed to, it is proposed to insert:

and shall not apply to the permanent annual appropriations for vocational education, colleges for the benefit of agriculture and the mechanic arts, or cooperative agricultural extension work.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont to the paragraph, as amended.

Mr. AUSTIN. Mr. President, I want to say that this proposed amendment contemplates the same objective as that sought by the amendment of the Senator from South Dakota [Mr. NORBECK]. I speak of this because I know that many Senators have received communications relating to the so-called Norbeck amendment, which proposed to strike out certain words so as to leave vocational education free from the limitation of this provision.

Mr. NORBECK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from South Dakota?

Mr. AUSTIN. I yield.

Mr. NORBECK. As I understand, the amendment of the Senator from Vermont is broad enough to include the amendment I originally offered.

Mr. AUSTIN. Yes.

Mr. NORBECK. The Senator has added agricultural colleges, while my amendment covers vocational training only.

Mr. AUSTIN. Yes.

Mr. NORBECK. I like the Senator's amendment very well; I think it is to the point and will be very helpful. I regard the broader amendment as an absolute necessity.

Mr. AUSTIN. Mr. President, in the proposal contained in the committee amendment, the objectionable thing about section 19 from our viewpoint is that it undertakes to change the law so that permanent appropriations for the support of agricultural colleges, the agricultural extension service, and vocational education shall become annual appropriations. On its face that seems to be an innocent proposal, and when it is suggested that its purpose is to have the Appropriations Committee consider these items annually it has plausibility, but when it is considered as a measure of economy one must realize that it deals with general legislation of a very precise and scientific character.

The scheme of cooperative education along the lines of agriculture and the mechanic arts was designed to aid boys and girls who are not so situated in life that they may enjoy high-school education, academy education, or higher education; boys and girls who must work at the same time they are supposed to be in regular schools at regular hours. When we realize that the objective of these measures, embracing the Morrill law, the so-called Smith-Lever Act, and the so-called Smith-Hughes Act, was to train the young folks of our country to be better qualified to support themselves and to support their Government, then we understand that the objective is most beneficent and should have an especially strong appeal to us in a time of distress like the present. In other words, there is no economy in taking away from young men and young women of this country the means of obtaining an education which otherwise they could not possibly enjoy.

Recent surveys by competent authority demonstrate that 9,500,000 boys and girls who ordinarily find the means of education in high schools and other regularly established

schools are denied the opportunity because States and local communities are no longer able to maintain them. When we realize that such a condition, together with the poverty of individuals, operates to render more people unemployed and less competent to be employed, then we know that any measure that would interfere with the cooperative education in which the Federal Government and the State governments combine is not economy but is extravagance. So the provision in the bill is wrong because of its main objective; it is not a measure of economy at all, but is, we claim, a measure of extravagance.

There is, however, a further reason why these appropriations should not be changed from a permanent to an annual basis. In order to insure the efficient administration of these funds and the execution of the purpose intended by their appropriation, Congress created a very delicate and specific piece of machinery, so that the States and local communities could be coordinated with the Federal Government, and so that we would not be appropriating more than necessary and the States would be appropriating sufficient to perform this service.

It will be remembered that the legislatures in many of the States meet biennially, and I understand that the Legislature of the State of Alabama holds its session only once in four years. If these funds are to be appropriated annually and are not to have that stability and permanence which the original design of the plan contemplated, then every odd year the States will not be able to know what funds they are going to receive from the Federal Government because the Federal Government will not have appropriated those funds. So the States will be unable to match the funds as they must do as a condition precedent to enjoying the appropriation. In other words, the whole plan of cooperation between the States and the Federal Government depends upon a permanent appropriation.

The design is carried beyond the legislatures of the States, and, in order to have the scheme function as was contemplated in the minds of the great statesmen who planned to educate the less fortunate children of our States in this manner, communities must cooperate, and boards of education have to be established to coordinate all the work in the several branches of the plan in the various villages and hamlets throughout the States. We reach rural communities in that way; we reach industrial towns in that manner. We find large industries affording evening schools in their plants for the purpose of providing industrial education. We find teachers who are willing to enter into contracts to carry on this work because they have some assurance of stability in that employment. Take away that stability, take away the possibility of planning for a long time, and this whole scheme is ruined.

Furthermore, it is a very inexpedient thing to do. It is wrong in policy; it is not economical; it is destructive; but we say it is also entirely inexpedient. The law which sets up this appropriation as a permanent fund provides that there shall be reported annually by the various State treasurers the amount of money expended under these laws, the details and the manner of its disbursement, and then here in Washington by several of our departments such reports are passed upon, until finally a report is submitted to Congress. The condition upon which any State shall receive aid and cooperation under these funds is that it has made that annual report.

Let me call attention to the provision in the Smith-Hughes Act, which is the vocational-education plan, and which involves altogether $6,663,160, and it will be seen to what I refer:

> On or before the 1st day of January in each year the Federal Board for Vocational Education shall certify to the Secretary of the Treasury each State which has accepted the provisions of this act and complied therewith, certifying the amounts which each State is entitled to receive under the provisions of this act.

Mr. President, it can be clearly seen that when Congress is sitting here in an off year for a State—a year in which a State does not hold a session of its legislature—this plan is entirely unworkable.

In other words, the amendment seems ill-advised because it does not synchronize with the legislation creating these funds; and boldly, by a stroke, to change these funds from permanent funds into annual appropriations without an interchange in this machinery which has been worked out so carefully, and in such detail, creates havoc.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. May I continue in the time allotted on the bill itself?

The PRESIDING OFFICER. The Chair is informed that the Senator from Vermont has not spoken on the bill. The Senator is recognized for 15 minutes.

Mr. AUSTIN. I last mentioned the Smith-Hughes Act. The Smith-Lever Act contained a similar provision. Both of these measures require that the moneys expended under these acts shall be matched by the States.

Mr. President, I wish to be thoroughly understood as being in entire harmony with all plans for economy, both by the Federal Government and by our States. I have sometimes felt that these various schemes requiring States to match Federal funds have a tendency to pull our States into a more expensive course—it may be truly an economic course in the long run, but it puts a greater burden upon the States—than otherwise would be assumed if it were not for these matched funds. So I would not be opposed to having these noble endeavors cut somewhat to fit the condition of depression in this country; and I am perfectly confident that those who are directly in charge of the administration of these funds in agricultural colleges and in these extension services and vocational educational schools would be perfectly willing to have economy practiced upon them as it is practiced in this Congress upon all other activities. I believe the States probably would welcome such a proceeding; so it would not be amiss at all, as a matter of actual economy here, if the appropriations for agricultural colleges and for agricultural extension service were cut accordingly as other activities of this character have been cut heretofore, and that that cut should be in effect so long as the various other appropriations of the Government suffer a horizontal cut.

I mention this because I would not be understood as standing here and resisting a measure of actual economy; but what I urge for the adoption of this amendment is that the measure at which it is aimed accomplishes no economy whatever, and, on the other hand, adds a considerable burden.

Picture the situation with that measure passed, changing these appropriations into annual appropriations, and what will we have here? Those who are so busily engaged in administering these funds out on the mountain sides of our States and in the plains will be obliged to come away from that useful service and come down here to Congress annually to protect their interests, wasting the money which otherwise could be actually applied to the objective of those who conceived these plans.

Mr. KING. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Utah?

Mr. AUSTIN. Certainly.

Mr. KING. Does the Senator understand that when this plan was inaugurated by wise men, as he denominated them, it was contemplated that it should be something in perpetuity?

Mr. AUSTIN. Yes.

Mr. KING. My understanding was that it was an experiment, and that finally the States would see the benefit of it, if it had any benefit—and doubtless it has—and they would then assume the responsibility. They did not believe that a policy which led to the matching by the Federal Government of State activities, or vice versa, would, in the long run, make for the benefit of the country.

Mr. AUSTIN. I took some pains to examine the old RECORDS in order to ascertain the attitude of legislators and educators on this subject; and it gives me great pleasure to refer to the comments of a man whose wisdom and experience in both activities I very much depend upon. I have great confidence in his judgment. I refer to the remarks of the then Representative FESS, made in the Sixty-fourth Congress, second session, volume 54, page 6, pages 81 and 82:

> There are those who think that vocational training should be left to the States. It is argued that it is not a national question. Mr. Speaker, I have stated the general grounds for this new step in our education, and I feel sure every ground argues it a national import. There are States in this Union in which this education would be important but which could not successfully alone carry it on, due to the already overburden of caring for general education. There are States with such widely varying resources that an education to develop them would be a national asset. Labor is so volatile, so mobile that a worker trained in one State is quite likely to devote his energies in other States. A very large per cent of our citizens live in communities other than those in which they were born. In other words, burdens required to train a worker may not be compensated by that worker remaining in the State which assumed the burdens; he may operate in various States; his service is national and his training should be assisted by the Nation. The problem of vocational training frequently takes on a national phase, not only in its comprehensiveness but in its character. The size of the problem is commensurate with the national importance of its proper solution.

And at another point in the RECORD, Representative FESS made this statement:

> Vocational education invites a field of expert study and investigation. We have the rarest facilities here in various Government agencies to conduct these investigations. They can not be made by the States. They can be and should be made by the Nation. In this way the problem can be studied not only as a national one but in all its relations to the various States, with their varied conditions.
>
> The problem is peculiarly national, and while the Nation will not supersede the State in its school system, it must assist the State to reach the results needed and only possible through national assistance.

I interpret that to be the language of a statesman dealing with a fundamental problem which reaches into the future and has an objective which justified making the appropriation for that service a permanent one.

There is nothing in this act that prevents the reduction of the amount of these appropriations at any time that Congress sees fit to make the reduction, and it might see fit to do so this year as it did last year with one of these funds—that is, the one devoted to vocational education; and I am not opposed to that. The thing that I am opposed to is taking from the roll of permanent appropriations these particular things which seem to me a sound, stable basis for planning, because we are dealing with thousands of children; we are dealing with thousands of teachers; and I will ask how we could hope to maintain an educational system of this character, which requires coordination of small villages with States and with the Nation, without some sure understanding as to what the prospect for years would be.

There is another thing about this:

These plans—the Morrill Act, the Smith-Lever Act, and the Smith-Hughes Act—all hold out a continuing representation to the public of the United States to which they reacted through great philanthropists. The gift of those original lands—30,000 acres for every Representative and Senator that a State had in Congress in 1860—as a permanent foundation for an agricultural college, and the appropriation of $50,000 annually as a permanent appropriation, have meant to philanthropists and educators the nucleus for a development in which they were willing to cooperate, because they believed that it was permanent. The whole theory of education necessarily depends upon permanence; and it will be disastrous if we change these appropriations into annual appropriations that call for a condition where even people from small communities will be obliged to watch constantly to see whether Congress is going to afford to them the financial sinews of their lives.

Mr. HATFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from West Virginia?

Mr. AUSTIN. Yes, sir.

Mr. HATFIELD. How long has the policy been in operation?

Mr. AUSTIN. The Smith-Hughes Act was passed in the Sixty-fourth Congress; the Smith-Lever Act in the Sixty-third Congress; the Morrill law in 1860. It was amended in 1890, and then again in 1907. They have all been in operation a long enough time to establish the fact that they are of wonderful service to this Nation.

Mr. HATFIELD. Mr. President, will the Senator yield further?

Mr. AUSTIN. Yes.

Mr. HATFIELD. Surely long enough to establish a permanency in the administration of such a law.

Mr. AUSTIN. Yes, indeed.

Mr. DAVIS and Mr. KING addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. AUSTIN. I yield first to the Senator from Pennsylvania.

Mr. DAVIS. Mr. President, as I understand, there are millions of dollars invested in schoolhouses, and they have recruited practically a million and three-quarters of students, and there are some 25,000 teachers engaged in this work.

Mr. AUSTIN. Thirty thousand.

Mr. DAVIS. Thirty thousand, I should say.

Mr. AUSTIN. Yes.

Mr. KING. Mr. President, will the Senator suffer an interruption?

Mr. AUSTIN. Very gladly.

Mr. KING. The Senator recalls that a few days ago, when there was some criticism of the Appropriations Committee because of its failure to introduce economies and its failure to report bills with sufficient reductions, the reply was made that there were so many permanent continuing appropriations, and the Appropriations Committee had no alternative than to report in the bills these continuing appropriations.

It seemed to me that the attitude of the committee was right and that Congress is to blame for there being so many of these continuing appropriations. It seems to me that these continuing appropriations are a handicap upon Congress, certainly upon the Committee on Appropriations. We bind and chain the Committee on Appropriations. We commit ourselves to appropriations for an indefinite period, though the receipt of income or changes in our economic and cultural situation might call for material changes in some of the instrumentalities and agencies in which the Federal Government and the States cooperate.

Does not the Senator think, without reference to this particular proposition, that it would be much wiser if we would cut out many of these indefinite and continuing appropriations, so that we would not be hampered every year by having the Committee on Appropriations when it meets being compelled to put into the appropriation measures appropriations which practically go back 10 or 15 years for their genesis?

Mr. AUSTIN. Mr. President, I very much admire the earnestness of the Senator from Utah to guard the Treasury of this country, and I sympathize with him in that effort. I believe I am as earnest in the desire to economize as he is, and having that view of the matter, I have to answer his question, no; these appropriations are not cut by this measure. Section 19 does not reduce the appropriations one cent. It adds the expense of having these people come here to Washington to secure appropriations annually.

More than that, Mr. President, it throws the whole plan out of joint. It does not go at the modification of a general law in an intelligent way and adapt the change to the machine.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BINGHAM. Mr. President, with a great deal the Senator from Vermont has expressed I concur. I realize the value and the importance of these appropriations, and there is no desire on the part of the committee to strike out any of them or do away with the authorizations.

The Senator objects that if we do away with the permanent requirement, then, forsooth, the people interested have to come to Washington and ask that we pass their regular appropriations.

Mr. President, eternal vigilance is the price of liberty, and history shows that those institutions which are so endowed that they never have to ask for any money invariably become corrupt in a length of time.

The committee woke up one day to the astonishing discovery that every year the Government is spending money under permanent appropriations which the Congress has not considered for years. We did not realize the money was actually going out. It was not included in the totals of any particular appropriation bill. We were told the Department of Agriculture spent so many million dollars; that was in the regular annual appropriation bill. We did not recall that they also spent $3,000,000 for meat inspection through the Bureau of Animal Industry. We had forgotten that. When the act providing for that was passed, many years ago, it was believed that the packers would oppose that inspection and, therefore, that there should be imbedded in the permanent law a provision for $3,000,000 a year for animal inspection, so that those people interested in pure food would not have to come here every year and ask for that money.

In the course of time that inspection increased, and now in the agricultural appropriation bill Senators will see an appropriation of something over $2,000,000 for animal inspection, and they think that is all we spend on that activity. They do not realize that imbedded in the permanent law is provision for an additional $3,000,000.

Mr. President, all the committee wanted to do in its recommending was to bring before the Congress every year all of the appropriations on which the Government is spending its money, so that we may know, for instance, that we are spending $18,000 on Coos Bay wagon-road grant, of which I venture to say scarcely anyone in the sound of my voice heard. We have spent that money year after year without knowing we were spending it at all.

Furthermore, we discovered that we were spending on the operation and care of canals and other works of navigation $7,695,000, without a dollar of it being reported in the portion of the War Department appropriation bill covering rivers and harbors.

Mr. STEIWER. Mr. President, will the Senator yield to me?

Mr. BINGHAM. I yield.

Mr. STEIWER. The two interesting illustrations to which the Senator just called attention are not included within the purview of the amendment of the Senator from Vermont, who has just presented his proposal on the floor. Am I not right in that?

Mr. BINGHAM. That is news to me.

Mr. STEIWER. I think there is no controversy about matters of the kind to which the Senator from Connecticut has just now alluded.

Mr. BINGHAM. The Senator is mistaken, because the section reads, "All laws providing for permanent annual appropriations (whether specific or indefinite)."

Mr. STEIWER. If the Senator will permit me, of course, the matters to which the Senator has alluded are included in the amendment of the committee under section 19; but they are not included in the proposal of the Senator from Vermont.

Mr. BINGHAM. I understand that; I am merely giving the reasons why the committee proposes this action.

We discovered that there were several hundred laws which had been passed during the past 150 years; but very few, scarcely any that I can recall within the past seven or eight years, calling for annual appropriations, without having to come through the Budget or through the Committee on Appropriations. In previous years it was the custom to pass a bill appropriating so much money each year, but now when such a proposal comes on the floor invariably some one asks that the language be changed to read "authorized to be appropriated."

What the Senator from Vermont proposes to do now is to provide that the money appropriated to the Department of Agriculture and to the Department of the Interior for the Federal Board of Vocational Education, more than $15,000,000, which we appropriate each year, and which we probably will continue to appropriate, should not be brought to our attention in the annual appropriation bills, but should remain concealed, so the people who enjoy the benefit of that legislation need not have to come to Washington each year and ask us to make the appropriation.

It seemed to the committee that it was in the interest of good business that every dollar appropriated for these worthy purposes should be called to our attention every year by the Budget, referring to the law authorizing the appropriation, not reducing it, but calling to our attention the fact that that was what we were spending, so that we and the taxpayers we represent might know what we were spending and not be spending it in the dark.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. BINGHAM. I yield.

Mr. WALSH of Massachusetts. I understand that if section 19 is enacted there will be no change made thereby in any appropriation of any permanent character. It merely will permit the Congress each year to pass upon those appropriations which are now permanent appropriations and not subject to annual study and review?

Mr. BINGHAM. It is not proposed to change the authorizations at all.

Mr. WALSH of Massachusetts. So it is not a question of economy; it is a question of permitting the Congress, if it desires, to exercise economy, but it need not do so unless it chooses.

Mr. BINGHAM. Mr. President, the Senator well knows that no business concern in the world would permit its annual statement of receipts and expenditures to conceal, by making no reference to, a lot of expenditures which had been authorized to go on year after year. This is an effort to bring to our minds the money we are spending.

Mr. WALSH of Massachusetts. It seems to me this is a good time to take the action.

Mr. BINGHAM. This provision is that the amounts now provided in such laws shall not be exceeded, but the amounts which are provided by the authorizations are to remain as before. If these appropriations are of so little general value, if they are of so little real public interest, that they can not stand annual revision by the Budget and the Congress, they ought to be repealed. But we do not propose to repeal them. We merely ask that those proposing them come before the Congress each year and present their case.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. BINGHAM. I yield.

Mr. BYRNES. The only result would be to present to the American taxpayers a picture which would show them for what purpose their taxes are being spent.

Mr. BINGHAM. The Senator is entirely correct.

Mr. VANDENBERG. Mr. President, will the Senator yield to me?

Mr. BINGHAM. I yield.

Mr. VANDENBERG. It occurs to me that there is analogy in banking to the situation which the Senator brings to the attention of the Senate. It used to be a general practice to put notes in the form of demand notes in banks so that they would run on indefinitely without often coming to the attention of the board of directors. The banking authorities of the country found it necessary to issue very stringent instructions to the banks requiring that demand notes be

superseded by time notes so as to bring them under periodical review. I think that is precisely the situation.

Mr. BINGHAM. The analogy is perfect. Before I take my seat—and I do not desire to prolong the debate—may I call the attention of the Senate to the fact that the Budget Director, when invited by the committee to express his opinion in regard to this provision, said:

> It would seem to me that all of the permament specific appropriations could, with benefit, be repealed; and those whose continuance must be provided for, handled on an annual appropriation basis.

That is all the committee proposes.

Mr. LA FOLLETTE. Mr. President, the Senators defending the position of the committee utterly fail to recognize the vital point involved in this proposition, namely, that the educational activities involved are a joint enterprise carried on by the States, the counties, the cities, and the Federal Government. It has taken years to establish the set-up. The moment the continuity of these appropriations is jeopardized, the whole system will be destroyed, and we might just as well face the issue.

This is a flank attack upon these educational enterprises which have been carried on and have been a part of our national policy. At the very time when the educational institutions of this Nation are in grave danger because of ever-diminishing resources of the localities, the States, and the counties, it is proposed to strike a left-handed blow at the splendid work which has been done under these three permanent provisions for appropriations for educational purposes.

Mr. President, there is another very important point in the situation. To-day, with millions of persons unemployed in the United States, this is one of the few great countries of the world which has not recognized the importance of providing educational advantages to those who are thus forced to remain idle. In most of the countries the authorities have recognized that in order to maintain morale it is necessary to expand the educational opportunities offered to the adult instead of to curtail them.

The Senator from Connecticut makes a very plausible argument, in which he mentioned some appropriations for canals and for something that has to do with Coos Bay. I know nothing about those permanent appropriations, but they have no bearing upon this argument. The question Senators should decide to-night is whether or not by indirection they propose to repeal the provisions for the establishment of the agricultural colleges and assistance in their support by the Federal Government, for the establishment of the agricultural extension service and assistance for its support by the Federal Government, and for the establishment of vocational education and its support, in part, by the Federal Government. If section 19 is adopted without the amendment offered by the Senator from Vermont, Senators will have voted to cut off these activities so essential during this critical period.

Mr. President, Senators are familiar with the machinery of State government. Many of them have been governors of their respective States. They know full well that in practice, unless a State government may know definitely the amount of money which is to be provided by the Federal Government in carrying out such a joint, cooperative enterprise, it is impossible for the State to budget its share of the expenditure, and in those States where legislatures meet less often than once every two years it will be a virtual impossibility, unless a special session of the legislature be called, to treat with this one particular problem.

Furthermore, I want to point out to the Senate that in good faith the States, joining this partnership with the Federal Government to carry on this educational work, have appropriated money for buildings and made contracts with teachers which are predicated upon the continuation of support, in part, by the Federal Government. The amendment would jeopardize the continuity of those appropriations, and the States would be confronted with the possibility that if the appropriation is to be upon a basis where it has to be ratified every two years by Congress the support will be cut off at some future time.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER (Mr. DICKINSON in the chair). Does the Senator from Wisconsin yield to the Senator from Georgia?

Mr. LA FOLLETTE. I am glad to yield.

Mr. GEORGE. It is also true that the States were induced to enter into this enterprise of vocational education and the other activities indicated, and it is also true that the States, having entered into those enterprises, spent a good deal of money in anticipation of the continuance of the appropriations permanently or through the period of years fixed in the several acts. If they must come back to the Congress each year, with the uncertainty involved in congressional action, the whole program may be entirely disrupted. It is an act of bad faith upon the part of the Congress to fix an appropriation over a series of years of so many dollars and ask the States to match the appropriation, ask the States to spend their money, and have the States do it, and then, in an indirect way, under cover, decline to carry on those appropriations.

I believe that most of the Senators who are opposing the amendment offered by the Senator from Vermont [Mr. AUSTIN] are Senators who originally were opposed to every feature of those measures, or the principle involved in the measure. It is nothing less than an act of bad faith to induce the States by an appropriation specifying a given amount to be made annually over a definite period of years, and then subsequently to have the Congress in an indirect way like this, when the program is yet in progress, to say, "You must come back every year and see if Congress wants to continue it."

Mr. LA FOLLETTE. I thank the Senator from Georgia for his very succinct statement of the question at issue. Of course, everyone familiar with the attitude of the chairman of the Economy Committee knows he has fought tooth and toe nail against every cooperative enterprise proposed to be undertaken by the several States and the Federal Government. I remember one occasion when he conducted a very effective filibuster against a proposal for a cooperative enterprise in another field.

Mr. President, I am not afraid to face the issue when it is stripped of its economy mask. If Senators want to repeal these laws, let them bring in a proposal to do it and let us have the chance to face the issue on its merits. But it is not fair to attempt to hamstring and destroy these three great educational projects by making the appropriations contingent on action by Congress every two years. Therefore, Mr. President, I trust that the amendment offered by the Senator from Vermont will prevail.

Mr. ODDIE. Mr. President, I agree very strongly with what the Senator from Wisconsin [Mr. LA FOLLETTE] just stated in regard to the amendment of the Senator from Vermont [Mr. AUSTIN]. I have listened carefully to the able and forceful statements of the Senator from Vermont. He has presented this case most convincingly, and I fully agree with him. I also commend the able and interesting statements of the Senator from South Dakota [Mr. NORBECK], also that of the Senator from Georgia [Mr. GEORGE], and I feel that they have been clearly and forcefully stated. The Congress would be breaking faith if it does otherwise than to accept the amendment.

Let me read a letter that has come to me from the president of the University of Nevada, Dr. Walter A. Clark, a very able economist and scholar, as well as a distinguished and able educator and executive. He touches upon this matter in a very clear form. A somewhat similar statement could be made by the president of any of a number of other universities. I think President Clark states the situation in a very clear manner. It applies to other States equally as well. He wrote me as follows:

UNIVERSITY OF NEVADA,
*Reno, Nev., January 17, 1933.*

Hon. TASKER L. ODDIE,
*Senate Office Building, Washington, D. C.*

MY DEAR SENATOR: I know that Director Creel has already wired you with reference to section 19 as proposed by Senate committee amendment to the appropriation bill for the Treasury and Post Office Departments, H. R. 13520.

The effect of this amended section 19, as originally proposed, would be to remove several standing appropriations of which our University of Nevada has been the recipient. Particularly the Morrill fund standing appropriation of $50,000 a year and the standing appropriation under the Smith-Lever Act for agricultural extension. The amendment does not propose absolutely to do away with these grants, but it does propose, from and after June 30, 1933, to take away the permanent character of these appropriations and thereby make them hazardous and uncertain items of the appropriation bill.

So far as the Morrill fund grant is concerned, it is the standing annual grant made to all the colleges of agriculture and mechanic arts in each State which has such a college. It is the very important continuing Federal grant in keeping with the splendid Federal plan started by the Morrill Act of 1862, and continued with supplemental acts, which has built up in nearly all the States of the Union these colleges of agriculture and mechanic arts. In the large and wealthy States this $50,000 a year would be a real loss to the college of agriculture and mechanic arts, but would not be a heavy proportional loss because of their already large sums available for annual use. In the less wealthy States and in the small colleges of agriculture and mechanic arts this $50,000 is a much higher proportion and such institutions would be seriously crippled. Our institution would probably be more crippled than any other in the country, since the $50,000 annual Federal Morrill grant is between 15 and 20 per cent of the entire available money for the operation of our University of Nevada. The annulment of this grant, particularly at this crisis time for Nevada, would very nearly put the university out of commission. The change of this grant from its present permanent status to an annual status would mean for our university annually very serious hazard.

You will have in mind, too, I hope, that it is in connection with the Morrill Act establishments that the military training courses have been an obligation of the land-grant colleges. I believe that if this Morrill $50,000 grant were to be annulled the whole Reserve Officers' Training Corps, important branch of the national-defense plan, would be seriously jeopardized.

The other standing fund which I understand to be imperiled by this proposed amendment is the fund for the support of the Smith-Lever work. In my judgment, the work done under the Smith-Lever Act in the various States, much of it recently done in effective cooperation with the State farm bureau organizations, is some of the best and most important educational work that is being done in the world.

It would be a great pity if at the call of economy, in this stressful hour for the Nation and the world, the Government should withdraw from its long standing, continuing pledge of support to the splendid service work of the land-grant colleges of the country, and from the very remarkable educational service in the betterment of rural living which has been given through the Smith-Lever development.

As a matter very vital to the effective continuation of the University of Nevada and to the agricultural development of Nevada and, in my judgment, as a matter of high importance to all the States of the Union, I urge that this amendment, section 19 to H. R. 13520, should be defeated. In case that you do not deem it practicable to secure the defeat of this amendment I very sincerely urge that you will help secure the adoption of an amendment to this amended section 19, H. R. 13520, which amendment will prevent the damage I have outlined above. I understand that such amendment will be offered either by Senator STEIWER, of Oregon, or by Senator AUSTIN, of Vermont. This amendment will propose to add between the word "education" at the very end of section 19 and the period the following: "agricultural extension and colleges of agriculture and mechanic arts."

I hope, also, that you would help secure the passage of another amendment to be offered by Senator NORBECK to eliminate from section 19 as proposed the words in the last two lines, "during the fiscal year ending June 30, 1934."

The effect of these two amendments to the amendment would be to leave the Senate committee's section 19 then reading at the end of this section, "shall not apply to permanent annual appropriations for vocational agriculture, agricultural extension, and colleges of agriculture and mechanic arts."

No proposed congressional legislation of which I have learned in my years in Nevada would be so damaging to Nevada's State university and to the agricultural development of Nevada after this business crisis has passed as this proposed Senate committee's section 19, H. R. 13520, in its original form. You will be doing our university and our State a stalwart service if you do help defeat these proposals to take away the permanent character of the Federal Morrill fund appropriation and Smith-Lever appropriation.

With best wishes, I am, cordially yours,
WALTER E. CLARK, *President.*

I accept the amendment of the Senator from Vermont and hope it will be agreed to.

Mr. McNARY. Mr. President, I am warmly in accord with the distinguished Senator from Vermont [Mr. AUSTIN] and his statement has been a real contribution to the subject. For many years he has been interested in extension and service work. I am very happy indeed that we have a great friend of agriculture in New England.

There are two factors involved: One is extension service and the other is experimental service. The experimental service is the most vital of all the activities of the Department of Agriculture. The extension service gives to the public the results of the experimental work done by that institution. This proposal of the committee would curtail the work which the States are doing in cooperation with the Federal Government. Simply expressed, as so ably stated by the Senator from Wisconsin, no plan could be devised which would more completely interfere with the progress of this work from year to year.

I have in mind, as chairman of the Committee on Agriculture and Forestry, a great many projects, many of which are dependent upon cooperation with the States. Take the corn borer, for instance. If we did not have a long-time plan, we could not have made the fight to control the corn borer, the gypsy moth, the Japanese beetle, and the white-pine blister which for so many years infected the great desiduous trees of New England. All these projects, even including the cattle tick in the South and the boll weevil and the boll worm, have been based upon work done under the several bills which passed years ago, and finally were consummated in what is known as the Purnell bill of 1929. They all have for their purpose a program of work by the various States and the Federal Government in cooperation on a long-time view.

Now, to-night to adopt an amendment such as the committee has designed, which would end every year the appropriation for these purposes, would be to adopt a plan under which no State could carry on the projects that have so well been undertaken and so well cooperated in for the many years. I think it would be one of the most ruthless things ever known, after we have taken care of the diseases that affect our animals, our fruits, our vegetables, to attempt at this time to eliminate the possibility of continuing that program. I am glad the Senator from Vermont [Mr. AUSTIN], my colleague the junior Senator from Oregon [Mr. STEIWER], the Senator from South Dakota [Mr. NORBECK], the Senator from Nevada [Mr. ODDIE], and the Senator from Wisconsin [Mr. LA FOLLETTE] are cooperating in the matter. If we are going to destroy this work, let us do it by simply adopting the committee amendment. If we are going to continue in the line suggested by the Senator from Vermont we should vote down this proposition of the committee and adopt his amendment.

Mr. FESS. Mr. President, the Senator from Oregon has spoken specifically about the phase that is more particularly identified with agriculture. I would like to say just a word about the origin of the legislation with reference to other subjects than agriculture.

It seems an interesting coincidence that the Senator from Vermont [Mr. AUSTIN] is making the initial fight to continue this particular service, because all who are acquainted with the vocational-education movement will recall that one of his famous predecessors, the late Senator Page, of Vermont, was identified with the movement for 15 years in this body. Everyone familiar with his efforts will recall the Page vocational-education project. But he never could get action from both of the bodies at once. If one body of Congress acted, the other would not.

Finally after 15 years of effort, through the cooperation of a famous Senator from Georgia, Senator Hoke Smith, and a Member of Congress from Georgia, Congressman Hughes, there was a move started for the creation of a commission to study the vocational educational problem in the United States. That commission was appointed by President Woodrow Wilson, and I happened to be honored by being selected one of the members of the commission. Senator Hoke Smith and Senator Page represented the Senate. Representative

Hughes and myself represented the other House. Then, in addition to the four Members of Congress, were seven selected outside of Congress, headed by the famous Charles Prosser, who now, I think, is at the head of the Dunwoody Institute in Minneapolis.

We held hearings for a period of something like six months and assembled a very valuable body of facts. After months of effort a bill was drafted by that commission and introduced in the House of Representatives by the Member from Georgia, Mr. Hughes, and in the Senate by the then Senator from Georgia, Mr. Smith. That law is known as the Hoke Smith law. A fundamental feature of that particular act was the provision for an appropriation, small the first year, beginning about 1918, a little larger the next year, and still larger the next year, until in 1926 the appropriation was to be at least $3,000,000. Thus an annual appropriation was provided for the purpose of education on commercial and economic subjects.

Mr. BINGHAM. Mr. President, on behalf of the committee, I am perfectly willing to acept the amendment offered by the Senator from Vermont.

Mr. FESS. Mr. President, the Senator from Connecticut is not going to take me off the floor on that basis.

Another feature of the bill provided for agricultural education; and an annual appropriation of $3,000,000 from 1926 was provided for that purpose. Further, an appropriation of $1,000,000 was provided for the training of teachers. So the law now provides for annual appropriations of $3,000,000 for commercial and economic education; $3,000,000 for agricultural education, and a million dollars for the training of teachers. Those appropriations were to be permanent for the reasons stated by the Senator from Georgia [Mr. GEORGE].

I agree with the Senator from Wisconsin and the Senator from Georgia, that if we desire to repeal this law we should repeal it; and I am perfectly willing to have brought before us for discussion a proposition to repeal the law and to have that question determined; but, as was stated by the Senator from Georgia, those who are sponsoring this new proposal are the ones who have opposed not only this particular legislation but legislation of a similar character.

I want to call attention to the fact that the Senator from Utah—I regret that he is not present—referred to the purpose of this education as temporary, stating that it was to inaugurate a movement which should be subsequently discontinued. That is not true. If there is any element of permanency in any legislation, it is in this legislation. There is no limit of time at all. The first appropriation in 1918 was small; then it was gradually increased up to 1926, when it reached the maximum, and was to be made annually from that time on, not only to provide education along commercial and economic lines but also along agricultural lines and for the purpose of training teachers. That is the permanent law, and we are making these annual appropriations under the law without any new authorization whatever. If, however, we want to eliminate them, if we have come to the conclusion they ought not to be continued, all right, let us bring the proposal here and ascertain what policy should be adopted.

It is true that the assistance furnished by the Federal Government to promote maternity education was regarded as temporary; that was for a term of years, with the thought that after a certain period it would be discontinued; but that is not true as to vocational education. There is no element of a temporary character in it; it is permanent; and I certainly think this body is not going to reverse the action of Congress upon vocational education.

Mr. CAPPER. Mr. President, I indorse everything that has been said by the Senator from Vermont and the Senator from Ohio about this proposed amendment, and I wish to ask to have printed in the RECORD telegrams from F. D. Farrell, president of the Kansas State Agricultural College; from W. A. Brandenburg, president of the Kansas State Teachers College; and from Ralph Snyder, chairman of the committee of Kansas farm organizations, protesting against the Senate committee amendment.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MANHATTAN, KANS., *January 13, 1933.*

Senator ARTHUR CAPPER:

Am informed Senate committee amendment of section 19 of House bill 13520 proposed to eliminate as permanent items the appropriations made under the Morrill-Nelson, Smith-Lever, and Smith-Hughes laws, and to put these items on basis for annual consideration. The discontinuance of the permanent feature of these items would remove the greatest single factor for stability, orderly development, and effectiveness of the educational activities of land-grant colleges and of vocational education. This stabilizing factor is particularly important because of recurring need in the States to reduce State support temporarily. Trust you will support preservation of permanent feature.

F. D. FARRELL.

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TOPEKA, KANS., *January 9, 1933.*

Senator ARTHUR CAPPER,
*United States Senate:*

Permanent appropriation feature of Smith-Hughes Vocational Education Act very essential to progress in development of program. The fact of permanency gives confidence to boards of education and school superintendents. Has been great thing for Kansas; most popular throughout State. Any change whatever affecting automatic permanency very undesirable.

W. A. BRANDENBURG,
*President Kansas State Teachers College.*

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TOPEKA, KANS., *January 13, 1933.*

Senator ARTHUR CAPPER,
*Washington, D. C.:*

We have information that movement on foot in Congress to cripple experiment stations, vocational schools, and extension work by eliminating permanent Federal appropriations. Surely we should not do this. Other Kansas farm organizations join me in protesting such action.

RALPH SNYDER,
*Chairman Committee of Kansas Farm Organizations.*

Mr. BINGHAM. I ask that the committee's amendment may be amended in accordance with the suggestion of the Senator from Vermont, in order that we may make progress on the bill and not have this question debated any further.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the paragraph reported by the committee is modified accordingly.

Mr. REED. Mr. President——

Mr. BINGHAM. Has section 19, as amended, now been adopted?

The PRESIDING OFFICER. Is there further amendment to section 19? If not, the question is——

Mr. GORE. Mr. President, I merely wish to make one observation before the vote is taken. I think the telegrams just put into the RECORD by the Senator from Kansas [Mr. CAPPER] and the letter read into the RECORD by the Senator from Nevada [Mr. ODDIE] both condemn this character of legislation. They amount to nothing more nor less than lobbying to obtain money out of the United States Treasury for purely local purposes. When once we start this policy we can never stop it. It just shows that when the lips of a State institution are once attached to the udder of the General Government they can not be riven loose. I think those letters are improper in this place and ought not to be admitted into the RECORD.

I have as strong a sympathy as anybody for the agriculture and mechanical colleges, and for the work they have done; but, if the legislation of Congress in aid of vocational education is not temporary, it ought to have been. The only justification for legislation of that kind is to induce the States to appreciate the importance of the undertaking; and, if it be important, the State then can carry on and discharge its own duty to its own people. There is a clear line of demarcation in respect to legislation of this kind. Any system or policy which can be instituted by a single State and carried on with success, not involving cooperation with any other State, ought to be left to the individual State.

There are some policies which can not be successfully carried on by a single State. The cattle tick, the grasshopper, the malarial mosquito fall in this category. The malarial mosquito is not a State rights creature; he has no respect for State boundaries. In order successfully to exterminate that disease and death breeding pest, cooperation is necessary, and cooperation between the General Govern-

ment and the local governments is not only justifiable but necessary. Are not the individual States qualified to maintain vocational education if they find it necessary to the welfare or the progress of their people? Why should the General Government perform a purely local function of that character?

The policy of matching dollars on the part of the General Government with the State governments is a dangerous policy. It breeds extravagance; it encourages excessive appropriations and expenditures; and we have witnessed here to-day the danger of embarking upon such policies.

I would not have Senators feel so much concern lest these appropriations be revoked or diminished. That would be contrary to all human precedent and to all human experience. Who ever economized? Who will economize? Economy is a virtue preached by all and practiced by none. Everybody wants to economize with respect to some appropriation in which he feels no concern. Here come the president of a State university and the president of an A. and M. college, urging the Congress of the United States, charged with administering the National Treasury—a treasury now empty—not to permit a reduction? No; not that; for no reduction is proposed. The only suggestion is that these appropriations, which are now permanent, should be provided for each year so that the Congress may know what it is doing. One of our appropriation bills carries $2,000,000 a year for one of the purposes referred to by the Senator from Connecticut, namely, for meat inspection. In addition to this there is a permanent appropriation of $3,000,000. Many a Senator was unconscious of that, perhaps. There would be less demand to increase temporary appropriations if the permanent appropriations were known and were before the eyes of Senators when we are making these appropriations.

Mr. President, when and where shall we begin to economize and to relieve the deficit in the Treasury, which threatens destruction to the American taxpayer? Every concern, every institution, every individual that seeks money out of the Treasury of the United States has champions on this floor, has champions on the other floor. Who stands up to defend the taxpayer when these raids on the Treasury are made?

Mr. REED. I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 82, after line 21, it is proposed to insert a new section, as follows:

SEC. —. Section 322 of Part II of the legislative appropriation act, fiscal year 1933, is amended by adding at the end of the section the following proviso: "*Provided further*, That the provisions of this section as applicable to rentals shall apply only where the rental to be paid shall exceed $2,000 per annum."

Mr. REED. Mr. President, I am offering this amendment at the request of the Senator from Rhode Island [Mr. HEBERT], who is compelled to be absent to-day. Section 322 of last year's economy bill provides that the Government in renting property shall not pay over 15 per cent of its appraised value. That appears to be a sound principle; but the Department of Justice has found, for example, that in Alaska, where it is necessary to have a lock-up or jail in a remote and distant region, it is impossible to rent a log cabin because there is nobody in the neighborhood except a deputy marshal who is interested, and the Indians, who are scarcely qualified to be appraisers, and the Comptroller General will not permit such a cabin to be rented, although the rent may be only a couple of hundred dollars a year, without first having an appraisal made, and it would cost a thousand dollars or more to get a white man out to that distant place and appraise the property. That is one difficulty.

Another is that it has been found, in renting a single room in an office building—and several cases were given us where that has been done—a single room can not be rented until the value of that room has been appraised and certified to the comptroller; and he will not accept an appraisal of the entire office building as evidence of the value of one room, and there is nobody in the world who knows how to appraise the fee of a single room in an office building.

While the 15 per cent restriction is eminently proper, and I would not think of asking to have it changed, yet it is obviously senseless to require an appraisal to be made—and in a large city these appraisals cost from $250 up—where sometimes the rent does not amount to as much as the appraisal fee. So, for practical purposes, it has been suggested by representatives of the Department of Justice that this limitation be put in.

Mr. BLAINE. Mr. President, will the Senator yield for a question?

Mr. REED. I yield.

Mr. BLAINE. As I understand, the 15 per cent limitation does not apply until the rental is $2,000 per annum or over.

Mr. REED. It begins to apply when the rental reaches $2,000.

Mr. BLAINE. Heretofore it applied no matter what the rental might be?

Mr. REED. Yes; and in these small rentals it has been found extremely embarrassing.

Mr. BINGHAM. Mr. President, I have discussed this matter with the junior Senator from Rhode Island [Mr. HEBERT], who explained it, and I think there is no objection to it.

The PRESIDING OFFICER. The Chair understands that the Senator offers it as a new section.

Mr. REED. Yes.

The PRESIDING OFFICER. The vote will come first on the amendment offered by the Senator from Vermont [Mr. AUSTIN].

Mr. REED. The Senator from Vermont has not offered any amendment to my amendment.

The PRESIDING OFFICER. No; but the negative vote was not taken. The Senator from Oklahoma was recognized. The question is on the amendment offered by the Senator from Vermont [Mr. AUSTIN] to the paragraph, as amended.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now comes on the new amendment offered by the Senator from Pennsylvania to the paragraph, as amended.

The amendment to the amendment was agreed to.

Mr. BINGHAM. Mr. President, I should like now to revert to section 12, on page 77, which was passed, and reconsidered at the request of the Senator from Oregon [Mr. MCNARY], because the Senator from Pennsylvania was not here. It concerns assignments of officers to our stations in the Philippines, China, Hawaii, Puerto Rico, and the Panama Canal Zone for not less than four years instead of two years, as at present.

May I say to the Senator from Pennsylvania that when this matter was considered by the Appropriations Committee it was clearly understood that if the matter went to conference the representatives of the Army and Navy would be heard in conference to see whether there was any reason in their minds as to the inadvisability of the 4-year period, which will save the Government about $750,000.

Mr. REED. Mr. President, I think I can answer the inquiry, and I am going to try to endear myself everlastingly to the Senate by being brief.

The War Department appropriation act passed in March, 1915, put a maximum limit of two years on these tropical details.

Shortly thereafter, or about the same time, the chief surgeon general of the Philippine Department had reported that experience in the Philippine Islands had shown that after about two years of continuous residence a great majority of the people, even if they do not become actually ill, seem to undergo physical and mental deterioration. He added that that was particularly true of the women and children of the families of our troops who were stationed in those possessions. He summarized the reasons—I am not going to read the long report—as follows:

In addition to considerations of health, morale, and welfare of personnel are also major elements in efficiency. The following factors, usually inherent in a prolonged tour of foreign service, are among those which produce discontent, hardship, and lowered efficiency—

And some of these, I am sure, have not occurred to the Senate—

(1) Long separation from the United States, where all interests are centered; (2) inability to provide suitable schools for children without painful and long family separation and material expense; (3) separation from relatives of advanced age; (4) inability to attend to financial or property interests; (5) absence of normal companions, amusements, and recreations which keep the mind normal at home; (6) the continuous irritation of the heat, the rain, the natives, the insects, the artificial life, and innumerable minor environmental and psychological factors.

Then he goes on to tell us the effects on the health, the growing despondency, the breaking down of the vigor and the energy that the officer or enlisted man had when he went.

As I say, it was in response to that study that in the Army appropriation bill for the fiscal year 1916 we fixed the maximum limit at two years without the officer's consent.

Mr. McKELLAR. Mr. President——

Mr. REED. I yield to the Senator from Tennessee.

Mr. McKELLAR. While this amendment does fix the limit at four years, and while there is a great deal in what the Senator says, as I remember when the matter came up before in 1915, yet this bill provides that—

No such officer shall be transferred to duty in the continental United States before the expiration of such period unless the health of such officer or the public interest requires such transfer, and the reason for the transfer shall be stated in the order directing such transfer.

Mr. REED. That is very true.

Mr. McKELLAR. It seems to me that cures the very vice that the Senator points out. In other words, if the health of the officer was such as the Senator stated, or if there were reasons of public interest, the Army, in the conduct of its own affairs, would have justice done.

Mr. REED. I do not believe it could be said to be in the public interest, if one's wife and children were taken ill, that the officer himself should be returned. It does not concern his health and it does not concern the effectiveness of the Army, except most indirectly, to keep his wife and children there beyond the time when they can stay healthy. His father or his mother may be advanced in years, and the fact that they are in their declining years has nothing to do with his health and nothing to do with the public interest. He may have business affairs that demand his presence here. That has nothing to do with health or with the public interest.

The long and short of it is, Mr. President, that it is a downright cruelty to keep these officers there for longer tours of duty than the 2-year period that we have at present. For that reason I earnestly implore the Senate not to adopt this section; and I move to strike it from the amendment offered by the committee.

Mr. BINGHAM. Mr. President, there are a good many white people in the Philippines who live there right along without its doing them any harm. There has been established at Baguio, in the mountains north of Manila, a beautiful resort at an elevation of about 4,500 feet above the sea, where a climate prevails which requires open fires every night, in the heart of the Tropics. To that hill station, as it is called in India, officers can frequently repair—and there is abundant room there also for their families—in order to get a change of climate.

As far as the China station is concerned, it is well known that the climate of Peiping is a healthy climate. Peiping and Tientsin are where most of our officers are in China. Neither of those places is really tropical, and they are not detrimental to health.

I almost blush to see the Senator from Pennsylvania asking that the tour of duty in the paradise of the Pacific, Hawaii, be limited to two years, for fear lest officers lose their health if they stay longer than that period of time.

As far as Puerto Rico is concerned, that is also a healthy country, and individuals living there for years and years suffer no inconvenience at all in health.

It seems to me that the situation has been well taken care of by the provision that unless the health of such officers or the public interest requires it their tour of duty shall be not more than four years. I do not believe there is any cruelty in that. I believe we have provided that where it is necessary it may be done, and I trust that the motion of the Senator from Pennsylvania will not prevail.

Mr. REED. Mr. President, just one word.

The first captain I ever had in the Army was an officer who had been stationed in Puerto Rico. He was taken to Walter Reed Hospital not long ago, a complete nervous wreck, and the reason assigned was that he had been kept in Puerto Rico too long.

I know about Baguio. I have been in the Philippines; and it is very soft for the officers who are stationed at Fort McKinley who are able to go up there conveniently. But if you are stationed down in Mindanao, or at some distant post in the Philippines, you can not get anywhere near Baguio, nor can your family; and the benefits do not apply to everybody out there.

Down in Panama we who have been there know from our own observation how demoralizing it is to both officers and men, how soft they get, how thin their blood gets, how corrupting are the influences of the Panamanian towns of Panama and Colon. Four years is a long sentence, and we ought not to force it on our troops.

I grant what the Senator says about Hawaii. I should be perfectly willing to leave this provision in the bill if it applied only to Hawaii; but it is utterly unfair to the people who are serving our country bravely, for small pay, to keep them on long station in these foreign and tropical posts.

The PRESIDING OFFICER. The Chair will state to the Senator from Pennsylvania that a negative vote on section 12 would accomplish the result he seeks. The Chair will put the question on adopting section 12.

Mr. REED. Very good. Then if my position is sustained it will be by a vote of "no"?

The PRESIDING OFFICER. Yes.

Mr. REED. I shall vote "no."

The PRESIDING OFFICER. The question is on the adoption of section 12. [Putting the question.] The "ayes" seem to have it.

Mr. REED. I call for a division, Mr. President.

Mr. BINGHAM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Copeland | Johnson | Reynolds |
| Austin | Costigan | Keyes | Robinson, Ark. |
| Bailey | Cutting | King | Robinson, Ind. |
| Bankhead | Dale | La Follette | Russell |
| Barbour | Davis | Lewis | Schuyler |
| Barkley | Dickinson | Logan | Sheppard |
| Bingham | Dill | McGill | Shipstead |
| Black | Fess | McKellar | Steiwer |
| Blaine | Frazier | McNary | Townsend |
| Bratton | George | Metcalf | Trammell |
| Brookhart | Goldsborough | Moses | Tydings |
| Bulkley | Gore | Neely | Vandenberg |
| Bulow | Grammer | Norbeck | Walsh, Mass. |
| Byrnes | Hale | Norris | Watson |
| Capper | Harrison | Nye | Wheeler |
| Clark | Hastings | Oddie | White |
| Connally | Hatfield | Pittman | |
| Coolidge | Hayden | Reed | |

The PRESIDING OFFICER. Seventy Senators having answered to their names, there is a quorum present.

Mr. REED. Mr. President, if I may have the attention of the Senate, the question is on the retention of section 12 of the bill, which Senators will find at the top of 77. That section would require——

Mr. BINGHAM. Mr. President, a point of order. The Senator has spoken on this amendment once.

The PRESIDING OFFICER. The Senator from Pennsylvania can speak on the bill, having already spoken on the amendment.

Mr. REED. Very well, Mr. President; I move to strike out in lines 5, 6, and 7, the words "in the Philippines, on the Asiatic Station, or in China, Hawaii, Puerto Rico, or the Panama Canal Zone," and to insert in lieu thereof the word "Hawaii." I will speak on that amendment, but not for 15 minutes, because I think that would be too long to take the time of the Senate at this time in the evening.

The section would require officers and soldiers to remain on the tropical stations indicated for not less than four years. The present law requires that officers and soldiers shall be moved after two years' service on those stations. In other words, after a full report by the Surgeon General, Congress fixed two years as the maximum tour of duty in those posts.

Now the Economy Committee throw that policy to the winds and fix a minimum of a four years' tour of duty in the same tropical posts, and they have taken no evidence from the Surgeon General. There is a report by the Surgeon General on file which states that two years is the proper maximum. The Economy Committee do not consider that at all. The chairman of the Economy Committee admits that when they adopted the section they did so with the understanding that the conference committee should call in Army and Navy representatives to tell them the opinion of those departments. In other words, the Senate is expected to legislate on the recommendation of a committee which admits it has made no study whatsoever of the merits of the proposal.

Mr. President, I submit that it is not the proper way to legislate to abdicate our entire authority over the subject and transfer it to the committee on conference, which, among all its other pressing duties, will be required to call in experts to inquire whether we have done something that is sensible or unwise.

I called attention, before the quorum call was made, to a report of the Surgeon General made in 1916, in which he stated, in effect, that in practically every individual case there was a distinct deterioration of the nervous system observable after a two years' tour of duty in those places.

Hawaii is the only exception; that is quite healthful. But the other stations, which I am proposing to strike out, are uniformly unhealthful, and we have seen it demonstrated over and over again in our experience. Two years is all the time an officer or soldier should be required to stay in Panama, for example, or in the southern Philippines. The health conditions are bad; it means a cruel separation from one's family; schooling of children is impossible; the officer goes there and lives a hermit life, among alien peoples, and it is only a merciful thing to give him a respite from that duty after two years of it.

Mr. BINGHAM. Mr. President, I trust that the amendment offered by the Senator from Pennsylvania will not prevail. I shall not take the Senate's time again to explain what I said before, that lines 9 and 10 provide that if the health of the officer requires it, or if the public interest necessitates it, exceptions may be made. The only requirement is that the reason for the transfer under four years shall be stated in the order directing it.

Mr. BLAINE. Mr. President, just a word. I am not familiar with military service in any of the territory or Territories mentioned in this section except with respect to Panama. I had an opportunity to observe the camp of a detachment of our Army in Panama which had charge of certain properties, and I was convinced from the standpoint of a layman that two years' service under the tropical sun, with the environments surrounding those men and officers, was a maximum period for such service. It would seem to me that if we require a service of four years, the small saving we will accomplish in the matter of transportation will amount to practically nothing, and we will find ourselves building another Gorgas hospital in Panama to take care of those men, and possibly the immediate families of some of the men. I think the proposal is shortsighted policy from the standpoint of economy.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Pennsylvania [Mr. REED].

Mr. REED. I ask for a division.

On a division the amendment was agreed to.

The section as amended was agreed to.

Mr. BINGHAM. Mr. President, on page 72 there are two sections of a formal nature which will not require any discussion. I ask that they be read. I refer to section 9 (b) and 9 (c).

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 72, beginning with line 14, the committee proposes to insert the following:

(b) All acts or parts of acts inconsistent or in conflict with the provisions of such sections, as amended, are hereby suspended during the period in which such sections, as amended, are in effect.

(c) No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application, as provided in this section, of such sections 101, 102, 103, 104, 105, 106, 107, 108, 109, or 112, as amended, unless such suit involves the Constitution of the United States.

The sections were agreed to.

Mr. GEORGE. Mr. President, I desire to submit an amendment, which I think is in order.

Mr. BINGHAM. Mr. President, will not the Senator permit us to complete the Army amendments? The Senator from Pennsylvania was absent this afternoon when they were taken up. The first one comes on page 70, section 2, and I invite the attention of the Senator from California to it.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 70, line 4, the committee proposes to insert the following:

(2) Section 104 (b) and section 106 are amended by striking out "(except enlisted)"; section 104 (b) is amended by striking out "does not include the active or retired pay of the enlisted personnel of the Army, Navy, Marine Corps, or Coast Guard; and"; and section 105 (b) is amended by adding at the end thereof the following new paragraph:

"(8) The enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard."

Mr. JOHNSON. Mr. President, while I am interested in the entire section, and hope subsequently to have some amendment made respecting it in its entirety, I am interested particularly in the retired enlisted men.

To my attention there has been brought by certain gentlemen in southern California the fact that the particular amount that is charged against them as retired enlisted men is unjust, discriminatory, and, in reality, a breach of faith on the part of the Government. When the representations thus were made to me, I wrote to the Chief of Staff of the Army stating that such representations had been made, that an amendment had been suggested to remedy what was thought to be the injustice, and asking his views upon that particular amendment. Because of his response, and my investigations, which seem to support the representations made, I propose the following amendment, on page 70, line 5, strike out the words "except enlisted," and in lieu thereof insert the words "except retired enlisted;" in line 6 strike out the words "active or," and in line 10 add the word "active" after the article "the" and before the word "enlisted."

Now that I may not unduly take the time of the Senate, permit me to read the letter that has come to me upon my request from the Chief of Staff:

Your letter dated January 10, 1933, with reference to the provision of the economy bill which seeks to include enlisted men, both retired and active, in the class to which the 10 per cent pay cut will be applied, was received by me late yesterday.

You state that an amendment is proposed that will exempt retired enlisted men—

And that is all that I am referring to in the present amendment—

from this cut the same as civil-service personnel are now exempted. You request my views respecting the above provision for use in connection with the proposed amendment.

At the outset I may say that I am strongly opposed to a cut in the pay of enlisted men, both retired and active. The reasons are based upon somewhat different considerations; but, as I view the matter, they are equally compelling.

As to retired enlisted men, the most important considerations may be listed as follows:

They are debarred from receiving any pension, compensation, or disability allowances, even though totally disabled from war service.

The retired civil-service personnel receive no cut; however, they are permitted to draw pension, compensation, and disability allowance, even though their military service was no longer than 90 days and their disabilities arose as much as 30 years after the war in which they served.

The pay of retired enlisted men has been earned. It has always been considered and is a part of their pay for services already rendered. To take from them a portion of this pay is a positive breach of faith.

I submit to the Senate that if the statement thus made by the Chief of Staff be correct, even the talismanic word "economy" is not sufficient justification.

Military personnel have received since 1908 an average increase of only about 11 per cent, while the increase of civilian employees has been much greater, in some instances well over 100 per cent.

It is just, proper, and equitable that retired civil-service personnel should be exempted from the pay cut, but this is equally true as to retired enlisted men. In the case of the former a direct contribution in cash was made by them to their retirement fund. In the case of the latter their retired pay was taken into consideration when fixing their active-duty pay, resulting in the lowest scale of pay in the Government service. In both cases. contributions to the respective retirement funds result, the only difference being that one is direct, the other is indirect.

As to active enlisted men, I view this proposed cut with the gravest concern.

This, however, is apart from the present amendment, but it will be subsequently presented unquestionably by the Senator from Pennsylvania [Mr. REED], and I am sympathetic with him.

The men to whom the cut will apply generally are men of long service, holding positions of responsibility that in civil life or in civil positions of the Government would command much higher pay than they receive. They are key men in our national defense. The effect upon the morale of these key men would be very detriment to our national defense in these troublous times, when that morale should be kept at the highest possible point.

Accordingly I strongly recommend that section 4 (a) (2) be amended by striking out that portion which reads:

"Section 104 (b) and section 106 are amended by striking out '(except enlisted)'; section 104 (b) is amended by striking out 'does not include the active or retired pay of the enlisted personnel of the Army, Navy, Marine Corps, or Coast Guard; and'."

That is what I am endeavoring to do.

This, Mr. President, constitutes all the case I offer in behalf of the amendment presented. But that it may be presented in another form as well, I wish to ask as a part of my remarks that there may be printed a communication from Mr. J. H. Hoeppel, who has just been elected to Congress from the twelfth California district, which explains in detail as well and gives better than I could give here the reasons why this cut should not be made.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

HOUSE OF REPRESENTATIVES,
*Washington, D. C., February 6, 1933.*

DEAR SIR: Attached hereto is an amendment which I respectfully request you present to the Senate in connection with the economy bill, H. R. 13520, now before your honorable body.

* * * * * * *

It is considered just and proper that retired civil-service personnel should be excepted from a pay cut; but is it not equally fair and just that retired enlisted men be also excepted from a pay cut?

Retired enlisted men, aged and enfeebled with physical disabilities incurred in action and other hazards of service, served long, hard years at as low as $13 per month. This small pay was accepted and these men denied themselves the comforts of home and the opportunity to gain a competence in the assurance that they were building up for themselves an annuitable credit for their old age, in event they survived combat and the vicissitudes of 30 years of service.

With increasing infirmities (many are bedridden and several blind) they are prohibited by law from entering a soldiers' home, except the one here in Washington, and if they enter it they alone must pay for their maintenance.

Because of their advanced years they have more than the average medical bill in their efforts to find surcease from pain or affliction incurred in service.

Retired civil-service personnel who are exempted from a pay cut while in active employment and in retirement are permitted to draw pension, compensation, and emergency officers' retired pay or disability allowance, even though their military service was only 90 days and their disabilities arose years after the war.

Enlisted men in active service and on the retired list, even though they have service-connected disabilities, are debarred from either of these benefits; yet it is proposed to cut their pay and not reduce the pay of civil-service retired men who receive two pays.

In the interest of men who served 30 years in the milftary or naval service, I appeal to you to save them from a pay cut in their last days.

Thanking you for your consideration, I am,

Sincerely yours,

J. H. HOEPPEL, *Congressman Elect.*

P. S.—Senator JOHNSON and others assure me they will support this amendment.

Mr. JOHNSON. Mr. President, I hope the amendment will be adopted.

Mr. BINGHAM. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Connecticut?

Mr. JOHNSON. Certainly.

Mr. BINGHAM. The opinion is expressed among some of our very able legislative counsel that the language of the Senator's amendment does not do what he wishes to do. May I suggest that we vote on the amendment striking out from this section everything connected with retired pay of the enlisted men and let the clerks fix up the actual wording of the amendment?

Mr. JOHNSON. That is my only purpose, and in any way it may be phrased I am perfectly willing to vote upon the subject matter.

Mr. REED. Mr. President, I am in full sympathy with everything said by the able Senator from California. I hope his amendment will be adopted. But more than that we should do. It seems to me the entire subsection from lines 4 to 11, both inclusive, page 70, should be stricken out.

When we come to consider the pay of a soldier we must remember always that he gets very small pay in money. If one of us were to enlist to-morrow, then for the first four years of our service as a private under the presently prevailing pay scale our pay would be $21 per month in money, about 65 cents a day, whereas common labor, exposed to no military risk, is paid many times as much.

Mr. BINGHAM. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Connecticut?

Mr. REED. Certainly.

Mr. BINGHAM. The Senator realizes that the economy act does not affect in the slightest degree the pay of the enlisted man during his first four years?

Mr. REED. Oh, quite so. I will show in a moment just how the enlisted man is affected. In addition to the 65 cents a day, or $21 a month, that we pay this man, we give him his housing in a barracks, where privacy is the last thing one finds. We give him his uniform—clothing issued to him by the quartermaster. We provide for him his food. The scale on which he is fed can be pretty well guessed from the fact that in 1929, at the height of the boom, his ration allowance was 52 cents a day. All his food had to be provided for him within an allowance of 52 cents a day. That food allowance, or ration allowance, is a part of his compensation, and we have already cut that. We have already cut that for every enlisted man. The Senator from Connecticut says these economy provisions do not touch the private, but I want him to bear in mind that the private's ration allowance has been cut from 52 cents a day to 33 cents a day. So the private, receiving 65 cents a day in money and 52 cents a day in food, or $1.17 altogether, has had his pay cut actually by 19 cents, or about 18 per cent.

I am sorry the Senator from Connecticut is not hearing what I am saying, because I am sure it would arouse his sympathy. If I may have the attention of the Senator from Connecticut——

Mr. BINGHAM. Mr. President, I listened to the Senator a little more than he thought I did. May I remind him that one reason why the allowance for food of the enlisted man has been cut is that to-day they no longer desire to eat as much beef and pork as they did. That amount has been cut and there have been added more vegetables, and one egg a day, which is more in accordance with the normal

healthy appetite of the citizen to-day. This, together with the lower cost of commodities, has resulted, as the Senator said, in a reduced cost of living for the private.

Mr. REED. The Senator has that right. We have cut our own pay 10 per cent because of the reduced cost of living. We have cut the enlisted man nearly 20 per cent for the same reason. The amendment recommended by the committee would cut the oldest and the best of our enlisted men still further. It would reach the master sergeants, the first sergeants, who, after all, are the backbone of any army, and the staff sergeants, and especially the ordinary sergeants of longest experience—those who have had over 16 years of service in the Army.

Furthermore, if any of them had one high rating and the pitiable little extra pay of $5 a month that is given to a man for becoming an expert in gunnery, that would be taken from him, too. In our effort for economy we are going to take away that pitiful little prize won by superb skill in gunnery in the Artillery or in marksmanship in the Infantry, and we call that economy. We would take these men, whose pay in food we have already cut, and we would superimpose upon that a 10 per cent in the pitiful little money pay that they have by serving their country faithfully for 16 years.

I submit, Mr. President, that the suggestion is cruel, and I hope the lines will be stricken from the bill.

Mr. BINGHAM. Mr. President, we have taken from the pay of Government employees, under Title I of the economy act, during the past year about $93,000,000. We left out any reduction in pay of enlisted men of the Army, Navy, Marine Corps, or Coast Guard. We felt, however, under the continued pressure for the necessity for economy in relieving the taxpayer, that there would be no real hardship to them any more than to any other Government employee in including them, at least those of them who get more than $1,000 a year in cash, and giving them the same kind of a cut that is accorded the civilian employees.

The provision we are now discussing and which the Senator from Pennsylvania moves to strike out will save, it is estimated conservatively, a little over $7,000,000—$7,633,000 to be exact. I realize that that is not a very great saving, but it seems to me, in view of everything which went on in connection with this matter as well as others in connection with pay cuts, that it will not cause any serious hardship. Most enlisted men will not feel it at all. It is true that those who have been a long time in the Army and have given us the best years of their lives, the higher petty officers and noncommissioned officers, will get a cut in their pay, and so will those of that grade who have retired and who get more than $1,000 a year in retired pay. It is very little that each one of them gives up. In the maximum it saves the taxpayer $7,633,000.

Furthermore, in view of all the other Government employees who are giving up a portion of their pay, it seems to me only fair that they might be asked to do the same.

Mr. McKELLAR. Mr. President, there is no cut provided unless the soldier gets more thn $1,000 a year. In addition to his pay he gets, as we know, his rations, his clothing, and also his lodging, which makes his compensation considerably more than $1,200 a year.

If we cut down the pay of civilian employees who are getting $1,200 or more, surely the Army and naval employees who get $1,200 or more ought to be treated in exactly the same way. That was the view of the committee; that is the fair view to take of it.

In addition to that, we all know that one can buy as much for $900 this year as he could buy for $1,000 last year. The proposal does not interfere with the contract of the soldier or the sailor or the marine. Of course, if we are going to be fair to all the employees—and that is what we ought to be; we ought to treat them all alike or just as nearly alike as we can—I see no reason on earth why this provision should not remain in the bill, and I hope very sincerely that it will remain in the bill.

Mr. ROBINSON of Indiana. Mr. President, I have no desire to prolong this discussion. I am rather under the impression that it is not necessary to do so because I have so much confidence in the fairness and sense of justice of the Senate, but I do want to read to the Senate from a communication which I have on the subject which undertakes to give a few of the details. I understand the figures which I shall read come from the Veterans' Administration.

In the Regular Establishment most of those that would be affected would be men who have had long and honorable service and who are really the backbone of the Army, Navy, Marine Corps, and Coast Guard.

May I suggest that they are the backbone of any army? If we raise an army, Mr. President, and send it out into the field, we must have it bolstered up with old noncommissioned officers who have been faithful to their trust and to the duty imposed upon them throughout many years and have learned the game of war. They are the backbone of the Army. They are the enlisted men, the underpaid men, if men ever were underpaid. Therefore I am certain the Senate will not penalize these old, faithful, loyal noncommissioned officers in the various armed services of the country. Allow me to proceed further—

And who, in most cases, are married and have families to support.

Loyal citizens all, and married, with families, dependent on a grateful Government that will at least live up to its contract, expressed and implied, and see that they are retired and that they receive retirement pay.

Undoubtedly these proposed pay slashes would have a bad effect on the morale of the combined services. Of the retired enlisted men, all are retired for service, and very few of them are qualified to go into civil life.

Very few of them, we all know, are qualified to go into civil employment after having spent 30 years as enlisted men in the United States Army.

More especially at this time, when several million are unemployed. The physical condition of practically all retired service men is such as will not permit them to pursue a gainful occupation, and practically all have families to support.

Mr. President, I understand that in the Army there are on active duty 9,155 who would be affected; retired, 6,103; in the Navy, active duty, 19,019; retired, 3,089; Marine Corps, active duty, 932; retired, 388; reserves, 75; Coast Guard, active duty, 4,500; retired, 356.

Mr. President, I am in hearty sympathy with the amendment of the Senator from California, and I am in full accord with the stand he takes. As I said at the beginning, I rely on the sense of justice and of fair dealing of the United States Senate in this matter, and I trust the Government will keep faith with these enlisted men.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator from Tennessee a question. I understand that last year under the economy bill we reduced the salaries of all civilian employees approximately 10 per cent, and we exempted from reduction all officers and enlisted men of the Army, Navy, Marine Corps, and Coast Guard. Is that correct?

Mr. McKELLAR. That is correct.

Mr. WALSH of Massachusetts. Now, it is proposed by the Economy Committee that the same principle of reduction shall be applied to all enlisted men and officers of the Army, Navy, Marine Corps, and Coast Guard whose salaries are in excess of a thousand dollars?

Mr. McKELLAR. That is right.

Mr. WALSH of Massachusetts. Mr. President, I should like to know on what principle we can face the army of civilian employees, our stenographers and clerks and secretaries, married men and single men, married women and single women, and say "You have got, in the interest of economy, to take a reduction of 10 per cent, but officers and enlisted men in the Army, Navy, and Marine Corps shall suffer no reduction?"

Mr. REED. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Pennsylvania?

Mr. WALSH of Massachusetts. I yield.

Mr. REED. This has nothing whatever to do with officers; they have already had a 10 per cent cut.

Mr. McKELLAR. Officers got the cut last year but enlisted men did not.

Mr. WALSH of Massachusetts. Pardon me; the Senator misinformed me.

Mr. McKELLAR. I misunderstood the Senator; I am sorry.

Mr. WALSH of Massachusetts. So then this proposal before us applies only to enlisted men?

Mr. McKELLAR. To enlisted men getting over $1,000.

Mr. WALSH of Massachusetts. And how many enlisted men are there getting over $1,000?

Mr. BINGHAM. The total saving on the active list would be about $5,500,000, and on the retired list about $2,000,000.

Mr. WALSH of Massachusetts. The same principle applies. I should like to inquire what right have the enlisted men in the Army, the Navy, the Marine Corps, or the Coast Guard to be treated any differently than the men in our offices, the other employees of this Government, who receive over $1,000?

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. JOHNSON. Is there any cut made in all the personnel of the civil service?

Mr. WALSH of Massachusetts. Certainly; every employee in the civil service, as I understand, has had his or her salary reduced.

Mr. JOHNSON. Very well. Is there any difference in the salaries of civil-service employees and those who have served for a long period of time in the Army?

Mr. WALSH of Massachusetts. I do not consider there is.

Mr. JOHNSON. The Senator does not. Very well.

Mr. WALSH of Massachusetts. I think, when we come to consider all the provisions made by the Federal Government in the shape of living quarters, food, clothing, and salary, what the enlisted men receive compares very favorably with the pay which we are providing for our own clerks in the building across the way. Were we not informed last year of the exceedingly large number of civilian employees receiving less than $1,000 per year?

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Indiana?

Mr. WALSH of Massachusetts. I yield.

Mr. ROBINSON of Indiana. I should like to suggest to the Senator from Massachusetts that many of the enlisted men received only $15 a month as their base pay while they were going along in the service and building up the American Army and training officers really as well as enlisted men. They are old "noncoms," noncommissioned officers.

Mr. WALSH of Massachusetts. And they are now receiving a thousand dollars, are they not?

Mr. ROBINSON of Indiana. The point is it takes them 30 years to get up to a position where they can retire and receive this retired pay, and unquestionably a part of the consideration for their enlisting and reenlisting time and again throughout the years and giving up all opportunities in civil life was the very fact that they relied on being retired ultimately on this basis of pay which now an attempt is being made to reduce to the extent of 10 per cent. The point I suggest to the Senator—not to take too much of his time—is that there is a contractual relationship existing between the Government and these very modestly paid enlisted men.

Mr. WALSH of Massachusetts. Mr. President, there are women and there are men whose backs are bent, whose muscles are stiff, and some of whom are emaciated because of long years of toil and work for the Federal Government, and we have not hesitated to reduce their salaries. Let us be on the level; let us be fair with all classes and all groups, and let this salary cut, which is a most unpleasant duty, apply to every man and woman who is receiving over a thousand dollars, wherever they work, whatever their occupation may be, whether it is in the Army, the Navy, or the Marine Corps, or whether it is in any civil position. I can not see the reason for any distinction, for any separation, for any special protection to this class. I do not think they work any harder; I do not think they make any greater contribution to the public welfare than do the stenographers who are working 10 hours and sometimes 12 hours a day in our offices day after day and week after week.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Oklahoma?

Mr. WALSH of Massachusetts. I yield.

Mr. GORE. The Senator from Massachusetts has painted a vivid and lurid picture of Federal employees in the civil service whose backs are bent, whose forms are emaciated notwithstanding their Federal salaries. I should like to put in the RECORD at this place that there are a great many taxpayers in the United States whose backs are bent, whose children are hungry, who are paying taxes to pay Federal salaries in excess of $1,000 a year. Ten or twelve million American citizens are out of employment, unable to obtain work to feed themselves or their families.

Mr. WALSH of Massachusetts. May I say to the Senator that is the very reason why I have been asking that the principle of equality be observed in dealing with the reduction in the wages of Government employees?

Mr. GORE. I think the Senator is entirely right.

Mr. WALSH of Massachusetts. I am glad to learn the Senator agrees with me.

Mr. GORE. And unless there is something done to relieve the taxpayers, these salaries may be discontinued entirely.

Mr. WALSH of Massachusetts. Let me say one word in conclusion. I have stood for and supported a reasonably strong Army and Navy, but I do not propose to vote for, and will not allow, if I can prevent it, the favoritism that was manifested a year ago to go on any longer. If we are going to talk economy and practice economy, the Army, the Navy, the Marine Corps, and the Coast Guard have got to face present conditions, and they have got to accept the verdict of the American people who are demanding economy all along the line.

These reductions are not to our liking. No one desires to reduce salaries or wages. I am urging that this unpleasant task be done equitably if at all. If we are to continue reduction of wages that we commenced last year, then let us apply this particular principle of economy to all, both military and nonmilitary.

Mr. BYRNES. Mr. President, I will add only a few words to what has been said by the Senator from Massachusetts. Of course a very appealing argument can be made about the old noncoms and about the other enlisted men who have served for a number of years; but let us understand exactly what is to be the result of the adoption of this amendment. The Senator from Maine, with his knowledge of naval affairs, stated a few moments ago that after 16 years' service a man, although suffering no disability, can go into the reserve and be retired. If a young man enters the service at 18, 16 years later, or at the age of 34, he may be retired, and go out into the world and there earn a living. In every community we can find such men earning a living.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield for a moment?

Mr. BYRNES. I yield.

Mr. WALSH of Massachusetts. Within three days I drove in a taxicab to this building, and the man who drove the cab told me he was 33 years of age and was a retired enlisted man of the Army, drawing $75 a month.

Mr. BYRNES. If he was drawing $75 a month, not one dollar of his retired pay would be touched by this amendment, but if he draws over $1,000 all we ask is that the same 10 per cent cut that applies to the woman with a family to support, who is working in a department, and is required by this bill to give up 10 per cent, shall be applied to the man driving a taxicab and earning a living, and drawing $1,000 for no service rendered at all.

Mr. NORRIS. Mr. President——

Mr. BYRNES. I yield to the Senator.

Mr. NORRIS. For information I desire to ask the Senator whether the officials in the Army drawing high salaries—we have had illustrations of them here; the Senator from

Indiana [Mr. ROBINSON], I remember, gave us quite a list a few days ago—have had their pay reduced only 10 per cent.

Mr. BYRNES. Does the Senator mean those on the retired list or those on the active list?

Mr. NORRIS. I do not care which. It does not make any difference to me.

Mr. BYRNES. So far as those in the active service are concerned, according to their statement to this committee as to the operation of this bill, some of them assert that they have been cut as high as 28 and 30 per cent. As to the accuracy of the statement I am not prepared to say, because the cut applies not only to the 10 per cent but to allowances, and in that way they complain.

Mr. NORRIS. I should like to get, if I could, accurate information. I think there is much in the argument which the Senator is making and the argument which the Senator from Massachusetts [Mr. WALSH] made, but it does not appeal to me that a cut of the same percentage should be made on the fellow who is getting only $1,500 a year as on the man who is getting $20,000 a year.

Mr. BYRNES. I will say to the Senator that, of course, we revert to the argument which we had last year in the consideration of this bill. There are two interesting schools of thought on the subject. The thought underlying this bill and the thought that was beneath the bill last year was that by this action we would not disturb the relative situation of the employees in the Government service; that it did not seek to change the basic law as to the pay of any individual; that it simply applied a 10 per cent cut to every person employed in the service on the theory that the man who to-day receives $90 a month can with that $90 purchase more than he could have purchased with $100 two years ago. The thought is that this 10 per cent cut applies only temporarily; that it does not seek to change the compensation that is to be paid to the employee; that at the end of this emergency he will revert to the compensation provided by the law, but that because of the change in conditions a 10 per cent cut would not be a hardship; that a man could buy just as much as he could with $100 two years ago if this year he received $90.

Mr. NORRIS. Mr. President, will the Senator yield further?

Mr. BYRNES. I yield.

Mr. NORRIS. It seems to me the mistake in the theory is that we do not take into consideration what a man has left after the cut is made. A 10 per cent cut to a man who is getting $1,200 a year is an entirely different proposition from a 10 per cent cut to a man who is getting $100,000 a year. The one does not feel it. It does not affect his living. If he did not know the cut was made, he probably never would find it out by his expenses or his living; but to the one who is getting a very small salary a very slight cut would mean the difference between making a living and going on charity.

Mr. BYRNES. Mr. President, of course if there is a graduated cut anywhere, it would affect the relative compensation of the various employees of the Government.

As to the $100,000 mentioned by the Senator, under the bill adopted last year there was a limit of $10,000 in the amount to be paid to any employee of the Government, as the Senator remembers; and the 10 per cent cut then applied to the $10,000 no matter what position the official is now in, with the exception, I think, of the Director of Veterans' Affairs and the members of the Cabinet.

The 10 per cent cut here, though, does not apply to any man who receives retired pay of less than $1,000. If he is not working for the Government, if he is rendering no service at this time, and he is drawing $1,200, and by this cut his compensation as retired pay is reduced to $1,080, I do not think it is such a hardship as would justify making an exception, particularly if we are to continue the cuts that are provided for the civilian employees.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Indiana?

Mr. BYRNES. I yield to the Senator from Indiana.

Mr. ROBINSON of Indiana. I agree with the Senator perfectly that there should be no slashing of the pay of a Government worker receiving $1,000 a year, and I voted against it constantly and worked against any such policy. I think it is too small for the United States Government and means utterly nothing in connection with balancing the Budget, as everybody knows—a $4,000,000,000 Budget. I shall continue to vote against slashing the pay of Government workers, but I submit to the Senator and to my esteemed friend from Massachusetts also that two wrongs do not make a right.

These enlisted men have entered into a contractual relation with the United States Government; and part of the consideration for their service was this retirement pay which was to come later, which they hoped to enjoy. Then, again, the Senator from Massachusetts [Mr. WALSH] suggested that he rode in a taxicab the other night with one of these old "noncoms," an enlisted man who was retired and was receiving $75 a month. If he had followed that through, the chances are about a thousand to one that that old enlisted man has a large family, finds it impossible, after having given the best years of his life to the United States Government, to keep his family on the meager sum the Government has allowed him after all that service and finds it necessary to work at anything he can get to do to eke out an existence.

Furthermore, in addition to that, the service man, the enlisted man, is in the most hazardous line of work anyone knows. He enlists to become possible cannon fodder, and in the case of an emergency that is exactly what he is. He never knows how long he may go without facing war and an armed enemy. Therefore, he should be treated with special consideration and certainly should be given a living wage.

Personally, I think it is amazingly small to penalize a man of that kind.

Mr. BYRNES. Mr. President, I do not exactly understand the question that was propounded to me by the Senator from Indiana. [Laughter.]

Mr. ROBINSON of Indiana. I was under the impression that the Senator had yielded the floor. I am very sorry.

Mr. BYRNES. I yielded to the Senator from Indiana very readily; and I was only stating at the end of his statement that I did not know whether the Senator had propounded a question.

Mr. ROBINSON of Indiana. No; I wanted to make an observation while the Senator had the floor, and I understood he yielded the floor just now, and then if I had any time left I wanted to use that time.

The PRESIDING OFFICER. The Senator from Indiana has already spoken on the amendment. He can not speak a second time.

Mr. JOHNSON. Mr. President, I desire to perfect the amendment. I perfect the amendment by asking only that the words "active or," in line 6, page 70, be stricken out of the particular section.

And now, speaking on the bill for just one minute, I do not yield to the Senator from Massachusetts [Mr. WALSH] or the Senator from South Carolina [Mr. BYRNES] in feeling for the governmental employees of the United States in the matter of pay cuts. I voted against permitting any pay cut of any woman whose muscles were weakened or any man whose body was bent in the employment of the United States Government who receives a salary of $1,500 or less. I would vote against it again. I do not believe in it, and I think that the Government of the United States does an evil thing when it cuts the pay of those who have little.

I am not standing here appealing for officers who receive a great salary from the Government or men of epaulets who have great sums of money coming to them from retirement pay or otherwise. I am speaking for the private enlisted man, who receives a sum that is disproportionate to the service that he has rendered to his Government. When these gentlemen speak to me about the harshness of making

somebody else in the Government service spend a part of his money while these men should not spend a part of theirs in paying a cut that the Economy League directs, I say to them, I would not cut any of them that receive $1,500 or less.

I have stood upon this floor and said that thing before when the economy bill was before the Senate on a previous occasion. I say it now, and I say about the enlisted private in the United States Army who entered his service under the contract and the promise of his Government that he should have retired pay, that he ought not to be cut. I say in addition to you, sir, that there is a vast difference between him and the civil-service employee in the privileges that each class receives.

The one receives, as I read to you from the letter of the Chief of Staff, many, many things that the other, serving his country and wearing its uniform, can not have. To say that you will take 10 per cent of his $1,200 salary, and give to him $1,080 thereafter, and that you are doing a generous thing to him, I deny. It is not a generous thing. It is worse than wicked for a Government to promise that he shall have a certain sum if he enlists and wears a uniform, and then thereafter break that promise and take from him a pittance that may be necessary absolutely for the subsistence of himself and his family.

The PRESIDING OFFICER. The question is on the amendment, as modified, offered to the paragraph by the Senator from California [Mr. JOHNSON], which will be stated.

The CHIEF CLERK. On page 70, strike out lines 4, 5, 6, 7, 8, 9, and 10, and insert:

Section 104 (b) is amended by striking out "active or"; and section 105 (d) is amended by adding at the end thereof the following new paragraph:

"(8) The active enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard."

Mr. BINGHAM. Mr. President, a parliamentary inquiry. What became of the substitute amendment offered by the Senator from Pennsylvania [Mr. REED]?

Mr. JOHNSON. I did not understand that he offered a substitute.

The PRESIDING OFFICER. The amendment has to be perfected first. The Senate will have to vote on this first. The question is on the amendment, as modified, offered by the Senator from California to the paragraph. [Putting the question.] By the sound the "noes" seem to have it.

Mr. JOHNSON. I call for a division.

Mr. ROBINSON of Arkansas. Let us have the yeas and nays, Mr. President.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the amendment, as modified, offered by the Senator from California [Mr. JOHNSON] to the paragraph. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I have a pair with the Senator from Nebraska [Mr. HOWELL], who is necessarily absent, and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. REED], which I transfer to the junior Senator from Mississippi [Mr. STEPHENS], and vote "nay."

Mr. WHEELER (when his name was called). On this vote I have a general pair with the junior Senator from Idaho [Mr. THOMAS]. I transfer that pair to the junior Senator from West Virginia [Mr. NEELY] and vote "nay."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the junior Senator from California [Mr. SHORTRIDGE] and allow my vote to stand.

Mr. WATSON. I transfer my general pair with the senior Senator from South Carolina [Mr. SMITH] to the junior Senator from New Mexico [Mr. CUTTING] and vote "yea."

Mr. BINGHAM (after having voted in the negative). I have a pair with the junior Senator from Virginia [Mr. GLASS], but I am informed that that Senator would vote as I have voted, and therefore I am free to vote, and permit my vote to stand.

Mr. HATFIELD (after having voted in the affirmative). I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. On account of that Senator being absent, I withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG];

The Senator from Illinois [Mr. GLENN] with the Senator from Virginia [Mr. SWANSON];

The Senator from Missouri [Mr. PATTERSON] with the Senator from New York [Mr. WAGNER];

The Senator from New Jersey [Mr. KEAN] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from Connecticut [Mr. WALCOTT] with the Senator from Alabama [Mr. BLACK];

The Senator from Minnesota [Mr. SCHALL] with the Senator from Alabama [Mr. BANKHEAD];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD]; and

The Senator from Idaho [Mr. BORAH] with the Senator from Tennessee [Mr. HULL].

Mr. METCALF (after having voted in the affirmative). Has the Senator from Maryland [Mr. TYDINGS] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. METCALF. Then I shall have to withdraw my vote, as I have a general pair with that Senator.

Mr. CAPPER. Mr. President, I have a pair with the senior Senator from Texas [Mr. SHEPPARD], but I learn that if he were present he would vote as I shall vote, and I therefore am at liberty to vote. I vote "nay."

Mr. BAILEY. I have a general pair with the junior Senator from Rhode Island [Mr. HEBERT]. I transfer that pair to the senior Senator from Florida [Mr. FLETCHER] and vote "nay."

Mr. BRATTON. I transfer my pair with the junior Senator from Nebraska [Mr. HOWELL] to the junior Senator from Massachusetts [Mr. COOLIDGE] and vote "nay."

Mr. WHEELER (after having voted in the negative). In view of the fact that the junior Senator from West Virginia [Mr. NEELY] has returned to the Senate, I transfer my pair to my colleague the senior Senator from Montana [Mr. WALSH] and allow my vote to stand.

Mr. TRAMMELL. On this question I have a special pair with the Senator from North Dakota [Mr. FRAZIER], which I transfer to the Senator from Texas [Mr. SHEPPARD] and vote "nay."

The result was announced—yeas 22, nays 31, as follows:

YEAS—22

| | | | |
|---|---|---|---|
| Austin | Goldsborough | McNary | Townsend |
| Barbour | Grammer | Nye | Vandenberg |
| Brookhart | Hale | Oddie | Watson |
| Copeland | Hastings | Robinson, Ind. | White |
| Dale | Johnson | Schuyler | |
| Davis | Keyes | Steiwer | |

NAYS—31

| | | | |
|---|---|---|---|
| Bailey | Capper | Harrison | Reynolds |
| Barkley | Clark | Hayden | Robinson, Ark. |
| Bingham | Connally | Kendrick | Russell |
| Blaine | Dickinson | King | Shipstead |
| Bratton | Dill | McGill | Trammell |
| Bulkley | Fess | McKellar | Walsh, Mass. |
| Bulow | George | Neely | Wheeler |
| Byrnes | Gore | Pittman | |

NOT VOTING—43

| | | | |
|---|---|---|---|
| Ashurst | Fletcher | Logan | Smith |
| Bankhead | Frazier | Long | Smoot |
| Black | Glass | Metcalf | Stephens |
| Borah | Glenn | Moses | Swanson |
| Broussard | Hatfield | Norbeck | Thomas, Idaho |
| Caraway | Hebert | Norris | Thomas, Okla. |
| Carey | Howell | Patterson | Tydings |
| Coolidge | Hull | Reed | Wagner |
| Costigan | Kean | Schall | Walcott |
| Couzens | La Follette | Sheppard | Walsh, Mont. |
| Cutting | Lewis | Shortridge | |

So Mr. JOHNSON's amendment to the paragraph was rejected.

The PRESIDING OFFICER. The question now is on the adoption of the paragraph.

Mr. JOHNSON. Mr. President, I merely want to call attention to the fact that the Senator from Pennsylvania had an amendment or a motion to offer.

Mr. BINGHAM. He wishes the motion not to prevail.

The PRESIDING OFFICER. The result accomplished by a motion to strike out can be reached by a negative vote.

Mr. BINGHAM. Those in sympathy with the Senator from Pennsylvania will vote in the negative.

The PRESIDING OFFICER. The question is on adopting the paragraph.

The paragraph was agreed to.

Mr. BINGHAM. Mr. President, I desire now to return to page 71, paragraph 7, lines 21 to 25, which were passed over at the request of the Senator from Colorado. I have been informed by him since that he has no objection. The provision would reduce the reduction for night work differential, which at the present time is one-half, and would make it one-third. This would increase the expense of the Government by $300,000, but the committee believed it was fair to do that.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Connecticut to section 4, at the bottom of page 70, which was passed over.

Mr. BINGHAM. But we are now taking up page 71.

The PRESIDING OFFICER. The question is on the paragraph.

The paragraph was agreed to, as follows:

(7) Section 211 (a) (2) is amended to read as follows:
"(2) Wherever by or under authority of law compensation for night work (other than overtime) is at a higher rate than for day work, such differential shall be reduced by one-third."

Mr. BINGHAM. Mr. President, now all that remains of the committee amendments is the pay cut of 1⅓ per cent in its various ramifications and title 4, under section 20, the reorganization. The next thing which the committee would like to take up is the so-called Bratton amendment, which is to be offered as an economy section on all appropriation bills.

Mr. GEORGE. Mr. President, will not the Senator permit me to offer an amendment at this time which probably will not lead to much discussion, before we get into the controverted question to which he refers? I have sent an amendment to the desk, which is appropriate at this time.

The PRESIDING OFFICER. The clerk will report the amendment for the information of the Senate.

The CHIEF CLERK. On page 74, after line 14, the Senator from Georgia proposes to insert the following:

Section 212 (b) of the legislative appropriation act, fiscal year 1933, is amended to read as follows:
"(b) This section shall not apply to any person whose retired pay plus civilian pay amounts to less than $3,000; *Provided*, That this section shall not apply to regular or emergency commissioned officers retired for disability incurred in service and directly connected and not by legal presumption with such service."

Mr. GEORGE. Mr. President, the only change in existing law that is suggested is in the latter part of the amendment read. Under the economy act of last year any holder of a civilian office, or holder of a position under the Government, appointive or elective, whose retired pay, if he was a commissioned officer enumerated in the pay adjustment act of 1922, and his salary amount to $3,000 or more, had to elect which he would receive, that is, his salary or his retired pay, or he could not receive, if I may put it the other way, more than $3,000.

We made one exception:

That this section shall not apply to regular or emergency commissioned officers retired for disability incurred in combat with an enemy of the United States.

The amendment which I offer proposes to change that definition, and for the reason which I will briefly state, so that it may read now, "retired for disability incurred in service and directly connected and not by legal presumption with such service."

Mr. BINGHAM. Mr. President, I have no objection to that.

Mr. GEORGE. I do not think there could be any objection when the purpose of it is considered.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BULKLEY. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. The Senator from Ohio proposes, on page 71, after line 6, to insert the following:

(5) Section 105 is amended by adding at the end thereof the following new subsection:
"(f) When no additional expense is entailed annual leave of absence with pay not to exceed 24 days, not including Sundays and holidays, may be granted to officers or employees of the Government, otherwise entitled to less than 24 days annual leave of absence with pay, whose compensation has been reduced by this section."

Mr. BULKLEY. Mr. President, for the purpose of cutting pay the economy act of last year divided Government employees into two grades. One grade provided for by section 101 of that act suffered no decrease in rate of pay, but was compelled to accept one month's furlough of 24 working days without pay. Leave with pay for those employees was suspended by section 103 of the act. The other group of employees whose compensation was reduced by section 105 had a direct reduction of 8⅓ per cent in their pay, but no change in annual leave of absence. Leave of absence of all employees generally, however, had been reduced to 15 days by section 215 of the act. This results in an unfair discrimination, which I am assured by members of the Economy Committee was inadvertent.

The employees covered by section 101 have a reduction of 8⅓ per cent in their compensation, but have 24 days annual leave. Those covered by section 105 have the same 8⅓ per cent cut in their pay, but only 15 days annual leave. My amendment seeks to equalize this discrimination and to make it possible for the employees whose compensation is reduced under section 105 to receive 24 days leave with pay when that can be done without additional cost to the Government. The amendment has been submitted to members of the Economy Committee and to the Comptroller General. I do not think there is any controversy about it.

Mr. BINGHAM. Mr. President, the Senator is quite correct. The Economy Committee has considered it and has no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BRATTON. Mr. President, may I have the attention of the chairman of the economy committee? Two or three Senators now absent expressed a desire earlier in the evening to be present when the amendment which I offered, and which is lying on the table, is considered. I wonder if it would suit the Senator's convenience to let it go until tomorrow morning and let it be the pending amendment at that time?

Mr. BINGHAM. Mr. President, I have agreed with the leader on the other side of the aisle, who requested very earnestly that we continue until 10 o'clock to-night, and I should not like to break that agreement.

Mr. BRATTON. I told each Senator who spoke to me about the matter that I would not offer the amendment unless all other matters ahead of it were disposed of and it became necessary for me to offer it for that reason.

Mr. BINGHAM. So far as I know everything has been taken care of except Title IV, the question of reorganization, and the three sections which bear upon the pay cut, namely, the addition to the furlough, the addition to the direct pay cut, and the cut of pensions and compensation of veterans.

Mr. CONNALLY. Mr. President, I have an amendment which I have sent to the desk. I want to call that to the attention of the Senator from New Mexico. I can take that up at this time, if the Senator wishes.

Mr. BRATTON. Very well.

Mr. CONNALLY. I offer the amendment which I have sent to the desk.

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from Texas.

The CHIEF CLERK. The Senator from Texas offers the following amendment: On page 71, line 25, insert:

Section 212 is amended by adding at the end of paragraph (a) the following:

"*Provided*, That no retired officer of the Army, Navy, Marine Corps, or Coast Guard, who in private life receives from any corporation, partnership, association, or individual an income, salary, compensation, or bonus for personal services at a rate of pay equal to or in excess of $10,000 per annum, shall receive during the period of such employment any retired pay from the Government of the United States. Nor shall any officer on the active list receive any compensation from any corporation the majority of the stock of which is owned by the United States, or from any department of the United States Government or from the municipal government of the District of Columbia, any compensation in excess of the salary and allowances of such officer as an active officer of the respective services."

Mr. CONNALLY. Mr. President, in section 212 of the economy act of last year, which is not amended by this act, it is provided that a retired officer of the Army, Navy, Marine Corps, or Coast Guard who receives as much as $3,000 in civil employment under the United States Government combined with his retirement pay shall not be entitled to retain both compensations, but may choose the one that is most remunerative.

The Senator from Georgia [Mr. GEORGE] offered an amendment a moment ago which amended subsection (b) of section 212, and my amendment ought to be carried in the bill at the same point as that of the Senator from Georgia.

But I desire to call the attention of the Senate to the injustice in restricting the retired officers who are in the Government employment to a maximum of $3,000 a year and permitting retired officers who are out in private life, many of whom are earning very large and handsome salaries from corporations and other organizations, to receive retirement pay without any restriction.

A very glaring example of that is the case of General Harbord. General Harbord is chairman of the board of the Radio Corporation of America. I am simply using him as an illustration. I have no personal feelings against General Harbord whatever. General Harbord now draws retired pay from the Government of the United States in the sum of $6,000 annually, and I am told that his salary as president of the Radio Corporation of America is a very large one indeed.

It seems to me that if the Congress is to make any distinction it ought to make a distinction in favor of those officers who still remain in the Government in some other capacity and give to the service of the Government the benefit of the training and education and experience which they obtained in the Army. But to permit retired pay under conditions that invite an officer to leave the service at the earliest possible moment and to reap large rewards for his services in private life certainly does not conduce to the best interests of the Government.

My amendment, of course, would only operate so long as those individuals draw that compensation. If their compensation in private life were discontinued, their retired pay would be revived. General Pershing, as a retired general of the Army draws retired pay of $21,500 a year. Of course it was reduced temporarily by the economy bill. He will draw retired pay for life. Under ordinary circumstances as a major general he would receive only $6,000 per annum retired pay, but because by special act of Congress he was made a full general for life because of his war services, he is drawing $15,500 more than an ordinary major general of the Army, simply because he happened to have been the commander of the expeditionary forces.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. BINGHAM. The Senator does not desire to do General Pershing an injustice. He gets a 20 per cent cut under the bill.

Mr. CONNALLY. I thought so too, but the Comptroller General advises me that he gets 12 per cent reduction, although the bill as I read it would give him 20 per cent. That may be because of the allowances. The $21,500 is not all salary. Under the act creating him a general the President had the right to give him such allowances as he might see fit, and it may be because of the operation of that fact that he does not get a 20 per cent cut. But that is just temporary. I have no animus against General Pershing. I am merely indicating him as an illustration of the injustice of some of the provisions in the existing law.

A little while ago the Senate adopted an amendment reducing the pay of enlisted retired men in the Army. But what justification can we offer for reducing the pay of the retired enlisted man by 10 per cent and in the same act permitting a general, such as General Harbord, to go out into private life and draw retired pay of $6,000 a year and at the same time earn a munificent salary, as he is doing as president of the Radio Corporation of America?

General Pershing, General Harbord, and others who are enjoying these great emoluments, are now petitioning Congress to reduce the compensation and allowances of crippled and maimed soldiers of the World War. As members of a so-called Economy League they are urging upon the Congress economy, economy, to cut down the allowances of the enlisted men, maimed and wounded veterans of the World War; and yet with these generals drawing these enormous sums from the Treasury, the Senate and the Congress hesitate to put the axe where the axe ought to be applied.

Mr. HALE. Mr. President, will the Senator yield?

Mr. CONNALLY. In just a moment. I received the other day a letter from a disabled veteran who had been an enlisted man. He said he was disabled, out of employment, and wanted a job. He was getting $18 per month in the form of a disability allowance or pension because of his physical disability. He is one of those whom General Pershing and General Harbord and others want the Government to cut off from the pension rolls without a cent. The plea of General Pershing and General Harbord to cut the veterans, while they draw large pensions themselves, does not appeal to me. I yield now to the Senator from Maine.

Mr. HALE. The Senator from Texas has asked what business we have to cut down the retired pay of enlisted men and then allow retired general officers to go out and get employment outside. I would call the Senator's attention to the fact that the officer's pay is cut down just as the enlisted man's pay is cut down. Also the enlisted man can go out and get any employment he may seek. We have nothing to do with it. It is none of our business. It is the same with the officer. He has a right to his retired pay and he has a right to go out and get any other job he may be able to get.

Mr. CONNALLY. To be sure; but the Government has a right, if it sees fit, to discontinue his retired pay.

Mr. HALE. But I can not see the difference in principle in the matter. It seems to me the principle is exactly the same with the officer as it is with the enlisted man. The question is whether we shall pay them their earned retired pay. Beyond that, they can do what they want. If the amendment goes through it will be a slap in the face of a very distinguished soldier. Everybody will know why the amendment goes through.

Mr. CONNALLY. It will cover anybody. General Harbord is not the only one. I referred to him simply as an example.

Mr. HALE. Yes, the Senator used General Harbord as an illustration.

Mr. CONNALLY. I did. I so stated. The Senator from Maine, if he were in the Chamber and heard me, could not have any doubt as to what I said. He is not the only officer who would be affected. There are hundreds of other Army officers throughout the country who are similarly situated. Admiral Cone of the Shipping Board draws retired

pay of $6,000. The Senator from Maine has already voted for and approved a provision which says that Admiral Cone, because he happens to work for the Government, can not draw that retired pay. He has to give up his retired pay because his retired pay and his civilian pay as an officer of the Shipping Board amount to more than $3,000. If that is fair and just, why is it not fair and just to say to the man who leaves the Government service and takes a large salary in private employment, that for the time being he ought to have his retired pay discontinued if with his civilian pay it exceeds $10,000 a year? I should vote to cut it to $3,000 per year instead of $10,000, but I fear the Senate would not adopt the amendment with that figure. It ought to be $3,000 in both cases.

Mr. HALE. The distinction is that the retired officer who works for the Shipping Board is getting another job with the Government, and that is a thing we can stop.

Mr. CONNALLY. I understand that; certainly.

Mr. HALE. But why we should stop outside jobs or why we should change the pay on account of officers getting outside work, I can not see.

Mr. CONNALLY. The Senator has a very clear manner of stating that which is the obvious. Of course, the officer is getting pay from the Government, and, as I pointed out a little while ago, that sort of policy encourages Army officers to leave the Government service and to go out into private employment. I think the man who stays with the Government is entitled to as much consideration as the man who goes out and auctions his service to private corporations and private interests throughout the country. Of course the Senator from Maine will not vote for this amendment. The Senator is chairman of the Naval Affairs Committee.

Mr. HALE. No, Mr. President; I am not chairman of the Naval Affairs Committee; I was chairman of that committee.

Mr. CONNALLY. I beg the Senator's pardon. The Senator was chairman of the Naval Affairs Committee, and it is well known how men who occupy positions as chairmen frequently acquire an exaggerated view as to the needs of such services. They lose the common touch; they can not see the poor ragged fellow back yonder at home who is paying taxes to support these retired officers in luxury, who leave the Government service just as soon as they can be retired and go on some private pay roll, getting large emoluments there. I submit, Mr. President, that this amendment ought to be adopted.

I leave the minimum at $10,000 a year, not $3,000, as is done in the case of Government employment. I would prefer $3,000, but I fear the defeat of the amendment. If retired officers are now drawing over $10,000 in private life as compensation for personal services, it does not affect their income from savings; but if for personal service they are drawing as much as $10,000 in private life, then, in the period of this emergency, the Government ought to withdraw from them their retired pay and let them subsist on the $10,000 which they are drawing in private life. Retired pay is a pension, and nothing but a pension. If these members of the Economy League are so anxious to reduce the pensions or compensation or disability allowances of crippled, or sick, or maimed and disabled veterans who were enlisted men, they ought not complain at a reduction of their own pensions.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. I am in sympathy with the principle discussed by the Senator from Texas, but I am somewhat disturbed over this feature: Presumably and theoretically all these retired officers are drawing compensation which they have earned. It is not simply a gift, but it was the theory of Congress in awarding it that the character of their service and the length of their service entitled them to retired pay as a matter of right and not simply as a matter of courtesy or gift. Now, if that——

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. BARKLEY. I will ask for recognition in my own right.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. If that theory is correct, ought there to be any distinction made between a man who happens to retire and receive this reward as retirement compensation and who goes into private employment, and the man who, working for the Government while drawing retirement pay, is also drawing a salary for the work which he does? Is there any distinction, in other words, between a retired officer who goes into private enterprise and who receives whatever compensation he can obtain and the one who remains on the Government pay roll and at the same time is receiving retirement pay?

Mr. CONNALLY. Let me ask the Senator——

Mr. BARKLEY. I have asked the Senator a question.

Mr. CONNALLY. I beg the Senator's pardon.

Mr. BARKLEY. That is all right; the Senator may ask me one.

Mr. CONNALLY. If the Senator is correct in that, if he thinks they ought to be treated similarly, how does he justify his own vote for limiting the retired officer who works for the Government to $3,000, and not limiting the man who works in private employment? If the retirement pay is a vested right which he has earned, how does the Senator justify his vote a few moments ago in cutting down the retired pay of enlisted men 10 per cent?

Mr. BARKLEY. If it is justified at all—and I rather take that slant of it—it is on the ground that a man ought not to be drawing from two sources in the Government beyond a certain amount of money. The fact that he retires entirely and separates himself from the Government and then goes out into private life and receives private compensation for whatever he does, if he earned his retirement pay in the beginning, makes, it seems to me, a distinction. I find it a little difficult to square that with the situation about which the Senator has been talking. I am really seeking information rather than seeking to give any, because I am trying to get the Senator's reaction.

Mr. CONNALLY. If an officer has earned any retirement pay, what difference does it make whether he works for the Government or for private parties; would he not be entitled to the full pay on either job?

Mr. BARKLEY. That is the question I asked the Senator.

Mr. CONNALLY. I can not see any difference.

Mr. BARKLEY. The Senator's answer then is yes?

Mr. CONNALLY. I can see no difference. That is why I am offering the amendment—to try to put those in private employment on an equality with those in Government employment.

Mr. BINGHAM. Mr. President, this amendment has not been considered by the committee; it is a little bit complicated; it does not seem to be in line with our policy, and I hope it will not be adopted.

Mr. CONNALLY. Mr. President, will the Senator yield for a question? I have not any time remaining.

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Texas?

Mr. BINGHAM. I yield.

Mr. CONNALLY. I want to indicate to the Senator that there is another feature in this amendment, which provides that no officer on the active list shall receive any compensation from any Government corporation or other Government agency in addition to his full active pay. My information is that some officers in the Army are drawing their full military pay and, because they happen to be connected with some Government corporation, are also getting a salary from such corporation. This amendment, if adopted, would prevent that.

Mr. BINGHAM. Mr. President, I wish the Senator had presented his amendment to the committee. It is a little late at night to analyze a new amendment, and I hope the amendment will not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BRATTON. I ask that the amendment I offered and had printed be now laid before the Senate.

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from New Mexico.

The CHIEF CLERK. On page 82, after line 21, it is proposed to insert a new section, as follows:

SEC. 20. The head of each executive department and independent establishment is authorized and directed to make such reductions in the expenditures from the appropriations made by the regular annual appropriations act for the several purposes of his department or establishment for the fiscal year ending June 30, 1934 (except, in the case of the Treasury Department, appropriations for acquisition of sites for and construction of public buildings and the appropriation for addition to the cumulative sinking fund pursuant to sec. 308 of the emergency relief and construction act of 1932), as will in the aggregate equal at least 5 per cent of the total amount so appropriated for his department or establishment for such year (excluding, in the case of the Treasury Department, the appropriations specified above). Such reductions shall be made in a manner calculated to bring about the greatest economy in expenditures consistent with the efficiency of the service.

Mr. BRATTON. Mr. President——

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. COSTIGAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COSTIGAN. Last Saturday a similar amendment was offered by the able Senator from New Mexico. Subsequently an amendment offered by me to that amendment was presented and adopted by a substantial vote. The original amendment of the Senator from New Mexico related merely to the bill under consideration. The amendment now tendered would extend the principle he sought to apply to all the departments and not merely to the two departments covered by the pending bill. My inquiry is as to the effect of this amendment, if adopted, upon the earlier amendment.

The PRESIDING OFFICER. The Chair does not recall definitely what was done with the amendment as amended. Let the Chair ask the Senator from New Mexico whether the amendment that he offered, and which was afterwards amended on motion of the Senator from Colorado, and adopted, has been reconsidered as yet?

Mr. BRATTON. A motion to reconsider was lodged and is pending. Disposition has not as yet been made of the motion to reconsider.

The PRESIDING OFFICER. Is the amendment the Senator is now offering a substitute for the original amendment?

Mr. BRATTON. No; it comes in a different place in the bill. It deals with the same subject matter, but is an independent proposal.

The PRESIDING OFFICER. It will have no effect whatever upon the amendment offered by the Senator from Colorado?

Mr. COSTIGAN. Is my 15 minutes' allotment of time passing?

Mr. BLAINE. Mr. President, I do not want to take the Senator's time, but if he will yield, and in my own time, if that be possible, let me say that, as I recall, late on Saturday afternoon the Senator from Connecticut [Mr. BINGHAM] withdrew his motion to reconsider the Bratton amendment that was adopted to the appropriation bill for the Post Office Department and the Treasury Department. Therefore the amendment stands without a motion to reconsider, and, as I understand the rule, two days have expired and the amendment has not been reconsidered.

Mr. BINGHAM. No; Mr. President, the Senator is mistaken. I asked unanimous consent to take up the matter, and that was denied by the Senator from Colorado [Mr. COSTIGAN], and there the matter rests.

Mr. BLAINE. I should like, in my own time, to refer to the RECORD of Saturday. I am quite sure that the Senator withdrew the motion.

Mr. BINGHAM. Oh, no, no, Mr. President! I will refer the Senator to the Senator from Colorado.

Mr. COSTIGAN. Mr. President, my recollection is in accordance with that of the Senator from Connecticut.

Mr. BLAINE. I notice this on page 3384. I may have reference to the wrong motion:

Mr. BINGHAM. I am perfectly willing to do that. I ask unanimous consent that the motion which has been pending may be withdrawn.

That is the motion to reconsider the vote by which the Bratton amendment was adopted.

The PRESIDING OFFICER. The Chair is unable to decide that question.

Mr. BRATTON. It is my memory that the Senator from Colorado objected to the unanimous-consent request of the Senator from Connecticut and that the motion was not withdrawn.

The PRESIDING OFFICER. In that case the motion to reconsider is still pending.

Br. BLAINE. Mr. President, a point of order.

Mr. BRATTON. Mr. President, is this being taken out of my time?

The PRESIDING OFFICER. It is not.

Mr. BLAINE. I said to the Senator that I am glad to have it taken out of my time.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. BLAINE. As I have pointed out, the Senator from Connecticut, after having discussed the motion to reconsider the vote by which the Bratton amendment was adopted, and after some suggestion was made by the Senator from Kentucky [Mr. BARKLEY], said:

I ask unanimous consent that the motion which has been pending may be withdrawn.

Mr. BINGHAM. That was the motion in regard to the pay cut, Mr. President; not the motion with regard to reconsideration at all.

Mr. BLAINE. I did not so understand it.

The PRESIDING OFFICER. That is the statement of the clerk at the desk, that it refers to the pay cut. Consequently, the motion entered for reconsideration is still alive. The Senator from New Mexico is recognized.

Mr. BRATTON. Mr. President, the subject matter involved in this amendment was discussed at length last week. Accordingly it will be unnecessary to discuss it in detail now.

The two amendments which were offered and considered and adopted together confine the 5 per cent reduction to the Treasury and Post Office Departments. This amendment extends that to the head of each department; it directs the head of each executive department and independent establishment to make such reductions in the expenditures from the appropriation made by the regular annual appropriation act for the several purposes of his department or establishment for the fiscal year ending June 30, 1934, as will in the aggregate equal at least 5 per cent of the total sum appropriated.

Mr. President, according to an estimate furnished me by the clerk of the Committee on Appropriations, this amendment will save the Government slightly more than $140,000,000 during the next fiscal year. In my opinion, that sum is well worth challenging the attention of the Senate. We talk about economy. We exert ourselves to effect economy. We cut the appropriation bills and still they exceed by far what we should like the sum to be.

I have not the slightest doubt, Mr. President, that the head of an executive department, with his inside knowledge of the affairs of the department, with the assistance of his chiefs and his aides, can devise ways and means of economizing at least 5 per cent below the figures fixed in the appropriation act without sacrifice to his department.

The Senator from Colorado [Mr. COSTIGAN] offered an amendment to the amendment adopted last week, and I am informed that he will offer a similar proviso to this amendment. If adopted, it is my belief that it will not prevent the department from making the 5 per cent reduction. If the head of the department is compelled to go into personnel in order to do that, he must proceed by way of dismissals instead of additional furloughs or cuts in pay.

Perhaps that is the best way to do it. It may be that if the time has come when the Government must save in its salary rolls, it is advisable to make the saving by way of permanent dismissals rather than additional furloughs

or cuts in pay. It is believed by some eminent Members of this body that under this provision, without an amendment such as the Senator from Colorado doubtless will offer, the head of a department can not reduce the rates of pay to employees.

As I stated the other day, in response to a question directed to me by the Senator from Michigan, I am not so sure of that position. I am not so certain but that it can be said with reason and justification that a provision of the kind I now offer amends or modifies existing law with respect to wage scales so that the head of a department could scale down wages, because the amendment expressly provides, in the concluding sentence, that such reductions—

shall be made in a manner calculated to bring about the greatest economy in expenditures consistent with the efficiency of the service.

If the head of a department should determine that that could be done best by reducing the scale of wages, I am not so certain but that such interpretation could be sustained, because this being the later act, would perhaps modify earlier legislation; but the Senator from Colorado doubtless will offer his proviso eliminating that question. Mr. President, I think the time has come when we must economize more and still more. Now permit me to talk to the Senate briefly about the number of employees in Government service.

According to an article appearing in the Washington Evening News of January 21, at the end of December, 1932, we had 564,915 persons in Government service. We had that number of persons on the Government pay roll. It is far more than is actually needed. There can be substantial dismissals and still every department in the Government can function.

It has been my own belief, however, that during this critical period, during this crisis, it would be better for a Government employee or a given number of Government employees to have additional furloughs than to be dismissed permanently, because it would be infinitely better for an individual, particularly the head of a family, to have some income than to have none at all. But, Mr. President, I said before, and I repeat now, that in my opinion a wise and a humanitarian administration of this proposal can save the 5 per cent without affecting personnel. I repeat that belief with confidence and with assurance. The proposal involved contemplates a reduction of more than $140,000,000 in the expenditures of next year. That is the simple but important issue confronting the Senate.

I am not going to take the time of the Senate to debate the matter at length. I am as anxious as is any other Member of the Senate to hasten this bill along. It is my belief that this is the most scientific way of effecting further economy. The overburdened taxpayers of this country have reached the breaking point; they demand with perfect justification a reduction in taxation, a reduction in expenditures, a reduction in expenses.

We have curtailed. The Budget sent us this year cut under the expenditures of last year. After that message reached the Congress, further cuts under that sum total have been effected. I have not the slightest doubt that the heads of the several departments can make still further economies of at least 5 per cent, totaling slightly more than $140,000,000, without sacrifice to the efficiency of any branch of the service.

Mr. President, we talk about economy. There has been more preaching about economy during the last 12 months than perhaps any other subject, and yet we have not economized very much. We must do more of it. The country demands it. Congress must respond.

The legislatures of the several States are leading the way now. It behooves us to follow. If we are unable to lead in the process, let us follow the legislatures of the several States. They are leading the way. They are cutting 15 and 20 and 25 per cent. In this Chamber we have Members who hold their hands high in dread of the suggestion of a 5 per cent cut under the figures in the several bills.

Mr. President, let us try this; and if a department comes here in December and says that every effort has been made to reach the reduction and that it is utterly impossible to do so, and can convince Congress of that fact, we shall have an opportunity to correct through a deficiency appropriation whatever irreparable injury may have been done. But we are never going to economize so long as we shrink and flee from a proposal of 5 per cent—only 5 per cent—under the appropriations made in the several bills.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. BRATTON. Yes.

Mr. McKELLAR. I was out of the Chamber temporarily, and the Senator may have already referred to this matter; but the Senator will recall that in all the bills last year we had an interchangeable 10 per cent allowed to the department heads to move from one department or one section or one division to another. That will make it easier for the department to make the saving of the 5 per cent.

Mr. BRATTON. Yes; of course. The two provisions can operate together. The provision to which the Senator from Tennessee refers was incorporated in the economy bill of last year. It is still in force, and it will be in force during the next fiscal year, so that in making this 5 per cent cut the head of each department may employ the interchangeable provision contained in the economy act.

Mr. President, to my mind it is wholly untenable to say that with such leeway, and with the aid of the chiefs and the heads of the various services within a department, a saving of 5 per cent can not be made.

Let me make this suggestion, Mr. President: Whenever Congress undertakes to cut an appropriation, it must get its information from those who represent the spending department in question—that is, the executive department. We sit across the table from those who spend the money, and we ask them to tell us how to cut down the appropriations so that they will have less and less to spend. Of course, it will be recognized immediately that we do not get the wholehearted support that we will have if we place the mandate upon the head of the department, and require him to call in his aides and his chiefs, and say, "It is obligatory to reduce these expenditures 5 per cent. Let it be done in the best and most constructive way." That, Mr. President, is the manner through which we will economize with the least sacrifice to service.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. BRATTON. Yes; I yield.

Mr. WALSH of Massachusetts. The Senator has stated the amount of the saving that may be effected if his amendment is adopted.

Mr. BRATTON. Slightly more than $140,000,000.

Mr. WALSH of Massachusetts. I understood that was the sum. May I inquire of the Senator whether any of this saving will come through reduction of wages?

Mr. BRATTON. If the amendment which the Senator from Colorado intends to offer is adopted, none of it will come from reduction of wages. Part of it may come from dismissals from service, but not from reductions.

Mr. WALSH of Massachusetts. It is possible for this sum of money to be saved to the Public Treasury without any reduction of wages?

Mr. BRATTON. I think so. I have not the slightest doubt about it.

Mr. WALSH of Massachusetts. I thought that during the colloquy between the Senator from Colorado and the Senator from New Mexico when he offered his amendment a few days ago the Senator from New Mexico stated that wages could not be reduced without a specific act of Congress. Am I correctly informed as to that colloquy?

Mr. BRATTON. I expressed that view, but I am not entirely certain about it. This is a later act, and it might be construed as a modification of earlier acts. I am not so sure about that.

Mr. WALSH of Massachusetts. The Senator from South Carolina has said repeatedly that it can not be done.

Mr. BRATTON. The Senator from South Carolina is of that opinion, and several other Senators whose opinion is entitled to great respect believe that.

Mr. WALSH of Massachusetts. I voted the other day for the Senator's amendment——

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. BRATTON. I will take my time on the bill.

Mr. WALSH of Massachusetts. I voted the other day on the Senator's amendment with the expectation that the 5 per cent cut would involve consolidations of departments and reductions in the number of employees who are unnecessary, but I did not think it went so far as to reach reduction in wages.

Mr. BRATTON. Mr. President, I think it can be administered without reduction in wages.

Mr. ASHURST. Mr. President, may I ask the Senator from New Mexico a question?

Mr. BRATTON. I yield to the Senator.

Mr. ASHURST. The statement which the learned Senator from New Mexico has just made will undoubtedly determine how I shall vote upon this proposition. If the adoption of this amendment will reduce neither wages nor salaries I am going to vote for it. I want the Senator's opinion, because I have a high opinion of his judgment.

Mr. BRATTON. I do not think it will bring that about. I think it may result in some dismissals from the service.

Mr. BINGHAM. How can that be done without a reduction of 100 per cent in salary?

Mr. ASHURST. I am opposed to salary reduction. I think that is not the way out of the swamp and morass into which this country has drifted. I think reducing salaries is the worst thing we could do. I am not interested in the dismissal of supernumeraries, I am not at all interested in the dismissal of those persons whose services are not needed by the Government.

Mr. BRATTON. The Senator will please bear in mind that I am speaking under a limitation of time.

Mr. ASHURST. I beg the Senator's pardon.

Mr. BRATTON. Again let me refer to the number of persons in the Government service. Last year, after we had enacted the economy bill, the number of employees in the Government service was reduced by 7,353. That was the total reduction in the number of employees, but at the close of the year we still had 564,915 persons in Government service. That is an unbearable load during these times. If it is the plan to cut the number rather than to impose additional furloughs, then I think we must approach the problem from that angle.

Mr. President, I have consumed all the time I desire to take in presenting this amendment. I believe it is the best way in which to approach the subject of economy. It is a sad day if the heads of the departments can not save the people of this country the slight sum of 5 per cent in the bills carrying the enormous appropriations which we have passed from year to year. So I propose and submit to the Senate that the principle declared in the amendment we wrote in the bill the other day now be expanded and applied to the several departments alike, requiring the head of each of them to cut his expenditures at least 5 per cent under the total appropriation in the bill.

Perhaps this amendment should have been offered at the outset instead of the two which were proposed to the bill under consideration. The Senator from Nebraska made the suggestion that it should be done in this way. I readily accepted his suggestion. I think it is the constructive way to act, and I see no reason why the 5 per cent should be applied to the Treasury Department and to the Post Office Department without applying it to the other departments. This amendment would apply it to the others as well. It expands the principle and applies it to the several departments. It will save slightly more than $140,000,000 during the next fiscal year.

Mr. COPELAND. Mr. President, I desire at this time to enter a motion that the vote by which the Connally amendment was agreed to be reconsidered.

The PRESIDING OFFICER. That motion will be entered.

Mr. COSTIGAN. Mr. President, there is at the desk an amendment to the amendment offered by the Senator from New Mexico. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Colorado proposes the following amendment to the amendment of the Senator from New Mexico, to add at the end thereof another sentence reading:

In making any reductions in expenditures provided for in this section no wage cuts, other reduced compensation, or furloughs shall be ordered.

The PRESIDING OFFICER. Does the Senator offer that now?

Mr. COSTIGAN. I offer it now.

The PRESIDING OFFICER. Then that is the pending amendment.

## MERGER OF DISTRICT STREET-RAILWAY CORPORATIONS

Mr. VANDENBERG. Mr. President, I want to bring to the attention of the Senate from the Committee on Enrolled Bills a matter which should have immediate consideration in order to overtake an error that was made in the enrollment of the District street railway merger joint resolution.

At page 910 of the RECORD it will be found that the Senate voted to insert the words, "either directly or through subsidiaries," at line 6 on that page of the bill. When the joint resolution was enrolled, through some error which it is needless to attempt to locate, these words were inserted in line 7 instead of line 6. By the insertion in line 7 the meaning of the phrase is entirely changed. There is no controversy on the subject. I am authorized to say by the Senator from Vermont [Mr. AUSTIN], who, the Senate will remember, was interested upon one side, that he agrees that the correction should be made immediately, and the Senator from Wisconsin [Mr. BLAINE], who is interested upon the other side, will state for himself that the correction should be made immediately. Therefore, purely for the purpose of correcting the record and bringing it unquestionably in line with the action of Congress itself, I am reporting, from the Committee on Enrolled Bills, the joint resolution which I send to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be read for the information of the Senate.

The joint resolution (S. J. Res. 248) to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, was read the first time by its title, and the Chief Clerk proceeded to read it the second time at length.

Mr. ROBINSON of Arkansas. Mr. President, I suggest that the Secretary suspend the reading of the joint resolution. If the statement made by the Senator from Michigan is corroborated by those who are familiar with the subject, I think the correction should be made without delay.

Mr. BLAINE. Mr. President, the statement of the Senator from Michigan is absolutely correct, and in order to have in the RECORD information respecting the matter, I ask that there may be printed a letter from the Public Utilities Commission of the District of Columbia.

Mr. ROBINSON of Arkansas. Very well.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA,
*Washington, February 4, 1933.*

Hon. ARTHUR CAPPER,
*Chairman Senate District Committee,*
*United States Senate, Washington, D. C.*

MY DEAR SENATOR CAPPER: Your attention is invited to the fact that lines 8 to 11 of section 2 of Public Resolution No. 47, Seventy-second Congress, entitled "Joint resolution to authorize the

merger of street-railway corporations operating in the District of Columbia, and for other purposes," as approved January 14, 1933, are not in accordance with the bill as passed by the Senate.

As approved by the President the lines read:

"* * * operate directly transit properties within the District of Columbia and in adjacent States, including the power to acquire, own, and either directly or through subsidiaries operate the properties to be conveyed to the new company in accordance with this agreement * * *."

Reference to page 910 of the CONGRESSIONAL RECORD of Thursday, December 22, 1932, will show that the lines were intended to read:

"* * * operate directly transit properties within the District of Columbia and either directly or through subsidiaries in adjacent States, including the power to acquire, own, and operate the properties to be conveyed to the new company in accordance with this agreement * * *."

The plain intent of the lines as they were intended to read and as they should have read is that the new company must operate all property, however acquired, directly if within the District of Columbia, but may operate either directly or through subsidiaries in adjacent States.

Apparently the only way in which correction can be made will be by a new act of Congress. The commission is, therefore, forwarding to you with this letter such a proposed act and recommends that it be passed.

In preparing this proposed measure it has been thought best and simplest to redraft the whole of section 2 of the above-mentioned measure.

The commission therefore requests that this proposed legislation be introduced and, if it meets with the approval of your committee, that it be enacted into law at the earliest possible date.

Very truly yours,

MASON M. PATRICK, *Chairman.*

Mr. BINGHAM. Mr. President, the Senator from Michigan asks that the unfinished business be temporarily laid aside, did he not?

The PRESIDING OFFICER. As this proceeding is by unanimous consent, it is not necessary to lay aside the unfinished business. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.,* That paragraph second of the preamble of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, is hereby amended to read as follows:

"Second. The new company shall be incorporated under the provisions of Subchapter IV of Chapter XVIII of the Code of Law of the District of Columbia and pursuant to an act of Congress entitled 'An act to permit the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved March 4, 1925, with power, subject to the approval of the Public Utilities Commission, to acquire, construct, own, and operate directly transit properties within the District of Columbia and, either directly or through subsidiaries in adjacent States, including the power to acquire, own, and operate the properties to be conveyed to the new company in accordance with this agreement, and to acquire and own the stock and/or bonds of said companies and of any other company or companies engaged in the transportation of passengers by street railway or bus in the District of Columbia and adjacent States with the power to mortgage its property, rights, and franchises, and to conduct such other activities as may be useful or necessary in connection with or incident to the foregoing purposes, including the power to buy, sell, hold, own, and convey real estate within and without the District of Columbia. Said new company, when incorporated, shall become and remain subject, in all respects, to regulation by the Public Utilities Commission of the District of Columbia or its successors to the extent of the jurisdiction now or hereafter vested in it or them by law over corporations engaged in the transportation of passengers by street railway or bus within the District of Columbia: *Provided,* That before they are recorded, the articles of incorporation and/or any amendments thereto shall be approved by the Public Utilities Commission."

SEC. 2. That Congress hereby expressly reserves the right to alter, amend, or repeal this resolution.

## WHAT'S WRONG WITH CONGRESS?

Mr. CAPPER. Mr. President, in the New York Times of yesterday there appeared an able article by the senior Senator from Maryland [Mr. TYDINGS] on the subject "What's Wrong with Congress?" His remarks were so timely and so illuminating that I think they should have wider circulation, and I ask unanimous consent to have the article printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sunday, February 5, 1933]

WHAT'S WRONG WITH CONGRESS?—A SENATOR STATES HIS VIEWS—TYDINGS, OF MARYLAND, PRESENTS SOME OF THE REASONS WHY THE LAW-MAKING MACHINERY FAILS TO FUNCTION EFFECTIVELY

By MILLARD E. TYDINGS

What's the matter with Congress? Why doesn't it function? These queries are the daily utterances of hundreds of thousands; they are found in thousands of letters now pouring into Washington. And candor compels the admission that the expressed impatience and displeasure on the part of the people with the Congress are not infrequently justified.

It is not my purpose to parry the disgust of the man in the street with these delays, but rather to set down here some of the causes for the inability of the National Government to function and, so, to let the facts speak for themselves.

### THE PRINCIPAL OBSTACLES

To summarize, these are the chief impediments to reasonable legislative alacrity:

1. The large number of problems demanding solution and treatment.
2. The clash of sectional interests due to the physical vastness of the country, to its diverse conditions and backgrounds, and to its heterogeneous peoples.
3. Lack of authoritative leadership in the White House.
4. The necessity for a knowledge of the international as well as the national point of view on many conditions and propositions.
5. Lobbies.
6. Selfishness on the part of group interests.
7. The system—that is, the rules of the Senate, the size of the House of Representatives (435 Members), the technic of getting reelected, and so on.

Taking up these impediments in order, one finds that this 80-day session of Congress is faced by more diverse and ramified problems than, I dare say, have ever confronted any other. There are at least 20 major matters crying for attention; there are hundreds of minor ones which, to those most concerned about them, seem of equal importance.

### GREAT QUESTIONS TO BE FACED

There are the questions of war debts; of world-wide tariff barriers with the consequent loss of world trade and its problems of surpluses of both farm and factory; of disarmament; of depreciated currencies of silver-standard countries and the appreciated currency of the United States; of unemployment; of deficits and unbalanced budgets of the national debt, now again over $20,000,000,000; of agricultural surpluses carried over to 1933, among them cotton, which now amounts to one year's world supply; of railroads, banking reform and relief; of bankruptcy reform, the eighteenth amendment, beer, taxes, the breakdown of State and municipal governments in cases; of private debts, the World Court, public works, veterans, imminent change of administrations, and rehabilitation of confidence.

Any one of those questions could well consume a solid week of debate in order that all points of view might be considered and sound legislation adopted; and all the while, with trade stagnated and economic chaos in the offing, the need is for the right solution of all problems quickly. But men, sections, and interests differ sharply and heatedly about the right solution. Hence the debate on a single problem goes on and on; tempers break, nerves crack, and the man in the street asks: "What's the matter with Congress?"

### THE WORLD'S "FOUR HORSEMEN"

Moreover, many of these problems are not within the scope of congressional authority. They will not respond to congressional treatment. The four horsemen of world depression—tariffs, depreciated currencies, debts, and disarmament—can not be roped and broken in the senatorial arena. They ride unchecked in the international pasture. They must be handled through the medium of either diplomacy or a world conference, for no nation can solve them alone; and, until they are dealt with, any recovery can be but a partial recovery. Again, in instances, several of these matters must be considered in concert.

Yet Members of Congress, and understandably so, do not hesitate to speak about them on the floor, even though no question touching them is pending in either branch of the National Legislature. This takes time and in turn, on occasion, draws into the discussion others who had resolved to wait until such matters were more pertinent before entering the controversy. Thus, time passes under the bridge of international despair.

Related to the foregoing is the clash of sectional interest. The Representative from the cotton States wants the cotton surplus considered first; the urban Senator speaks about the need for unemployment legislation; the industrial States' spokesman arises and gravely asserts that a new tariff is needed on such and such an item. In the meantime, prohibition, beer, taxes, and the like are not overlooked; they are debated pro and con when no bill is pending which even remotely touches any of them. Days pass rapidly by and time has not been employed in discussing an actual bill seeking to remedy a definite situation.

Perhaps, if the lame-duck amendment had been adopted two years earlier, there would be now the direction of Congress which is so apparently lacking. With a President in the White House who has been overwhelmingly defeated, and with a President elect overwhelmingly chosen, who is not yet in office, there is no sound,

directing authority at the helm. The crew is all captains; the captains may direct the crew, but the crew knows that neither has too much right nor too much authority. And time flits by while the ship of state lolls in the doldrums.

COMPLEXITIES OF OUR PROBLEMS

To pass upon the larger questions now, more than ever, requires some substantial measure of familiarity with the problems and conditions of other countries as well as with one's own. To consider currency legislation requires a knowledge of India's gold-standard venture, the debasing of silver in Belgium, Great Britain, and France, and how this has affected not only our own currency and trade but those of China, Mexico, and South America. So it is with other questions. Research into such matters, not normally important enough to require much consideration, now must be made, for without such examination the solution will be of no avail. This condition frequently delays the projection of many solutions and, when they are projected, prevents their speedy consideration and adoption.

Lobbies contribute no little part to the legislative jam. These, through pressure, cause comparatively unimportant matters to supplant pressing ones. Let there be a project to reduce this or that appropriation, or to tax this or that person or commodity, or to establish this or that policy, and at once the lobby goes into action. First, it insists on long and tedious hearings, which are, quite often, but a parade of obvious facts surrounded by a labyrinth of rhetoric. Then interviews with each Member of Congress are sought, followed by a deluge of inspired telegrams and letters from persons who, too frequently, have no knowledge at all about the pending legislation.

BURDEN OF OUTSIDE DUTIES

These communications take time to read, analyze, and digest as well as to answer. This keeps Members busy in their offices when they should be on the floor of Congress. Hence many quorum calls are necessary to rally enough Members to legislate and, when the legislation is about to be voted on, a delayed Member further postpones its consideration by asking questions which, during his absence, have been abundantly discussed. Lobbies frequently glorify an issue out of all proportion, and Congress debates and considers it at great length because the lobby has planted the germ in the people's minds and they write their Congressmen demanding its immediate consideration.

Group interests and, on occasion, purely selfish interests often become so engrossed in their own problems that they lose all sense of perspective and proportion—and this when the plight of that group is no worse, and in cases better, than that of the remainder of the people. I recall one Senator who made an hour's speech every day during the whole session about the agricultural situation in his State. When he arose other Senators, familiar with these tactics, left the Senate and went back to their offices to work. A group seeking some particular piece of legislation fights only for it and will demand, if possible, that all other matters, regardless of their importance, be laid aside until it is disposed of.

THE INTOLERANT GROUPS

Then, too, racial and religious groups lose all sight of the essential tolerance necessary in legislation in such a country as the United States. In such matters it takes days of strenuous effort to avert such silly and prejudiced attempts as the Force act of the last century from being enacted into law.

The veterans, the farmers, the industrialists, the bankers, etc., often seem oblivious of the national welfare in their zeal for their own concerns. The unemployed may starve, war may hover on the horizon, surpluses may stagnate, but the groups demand that their matter be attended to, pronto. The man who writes one day demanding a reduction in national expenditures wires the next asking that there be no reduction in his subsidy or compensation. These contrary demands tend to keep the national legislature in a turmoil.

The Member of Congress must be callous to these undisguised exhibitions of selfishness. It seems that few—oh, so very few—ever come forward with a proposition of unselfishness.

And selfishness is not the least element in keeping the United States in the throes of unrest while needed legislation is pulled and hauled by the interested parties. A banker writes demanding that we reduce the outlay for veterans. I answer that there is room for proper retrenchment in veterans' expenditures, that it will have my support; I point out, as well, that the interest charge on our national debt, a part of which is soon to mature, is $750,000,000 annually and won't he be glad to surrender his 4½ per cent Liberties for securities (the best in the whole world) bearing 2 or 2½ per cent, so that we can reduce the necessary taxation to care for interest also. This was done in a patriotic campaign in Great Britain.

He replies that that will not be practical, because * * *. But the banker's refusal to be unselfish makes the Congressman less sympathetic to other needed reductions in other expenditures. Hence, no retrenchment at all occurs, for each group is organized to protect what it already has or enjoys. In the end the banker's refusal to be unselfish is the real explanation of his high income-tax brackets. The poorer man, who likewise refuses, forces the imposition of tobacco and other commodity taxes upon all other citizens.

SENATE RULES OBSOLETE

Finally, the Senate rules permitting unlimited debate are, to my view, archaic and anachronistic. I see no reason why the rules of any business discussion should not apply to the Nation's business. Debate, except on certain special days, should be confined to the pending matter, and not, as now, open to every subject from the spread of hog cholera in Kansas to slavery in Abyssinia. A majority of the Senate should be able to bring any proposition to vote at any time, at least in periods of national emergency.

The 435 memberships of the House of Representatives are too many, in my opinion, and a total of 300 Members would make that body more useful. Its present size compels its managing force, the Rules Committee, to make drastic limitations on the right of debate and amendment. An amendment to the country's Constitution has been passed with only an hour's debate (for the entire 435 Members to share) and with no right of amendment at all.

OFFICE BOY OR LEGISLATOR?

The Member of Congress is too frequently forced to decide whether he is going to be a glorified office boy, attending with great punctiliousness to his mail, calling on departments for little favors for his constituents, and the like, or whether he is going to be a legislator. He can not be both. If he selects the former course, he must make sacrifices in time and capacity of the latter, and vice versa. Too often the man who devotes himself and his time to the problems of government finds he has been defeated for reelection, while he who cares for each separate request for his attention and energies, to the exclusion of the demands of his real job, is elected.

Therefore the lack of a truer test of a legislator's fitness than that which is, alas, all too often now employed by the man with the ballot is another reason why Congress does not function. In justice, much of the failure of Congress is due, in the final analysis, to the man who elects it. He demands in one way or another the very things which in the end impel him to berate his Government. For the voter demands of this congressional representative a higher standard of service in a smaller capacity than is demanded of him in the larger and more important field of legislation.

After all, legislation is the reason for the existence of Congress, but sometimes the Congressman wonders if it really is. The pique of a constituent desiring to see his Representative when told the Congressman is "on the floor" or "in committee" is such that he marks his Representative, there and then, for defeat at the next election.

While the Senate, the House, and the committees try to formulate legislation which, on occasion, touches the pocketbook or the welfare of every person in the land, the Congressman is asked to sit in his office listening to a constituent who wants him to go at once to such and such a department and ask personally Mr. So-and-So why it is that the constituent's son did not get a raise in pay last June. And if he goes he will not be on hand to vote in the committee or upon the floor; and if he does not go he may not be on hand to vote at all after the next election.

Expedition in legislative matters would be greatly assisted if it were impossible to call Members of Congress from the floor during sessions. I know certain Members who, in answer to requests for interviews during the session, spend over half the time in their offices and in the reception room talking with constituents while within the Chamber no less a proposition than a billion-dollar tax bill is being debated, amended, and adopted.

HANDICAPPING THE CONGRESSMAN

Obviously, no superman can follow the course of a bill, the contents of which are being changed hourly, and spend over half his time outside the Chamber. The regret is that generally these much-sought-after interviews are matters which could have been handled to the complete satisfaction of the constituent if his request were contained in a short letter.

Quite frequently, when the congressional Representative says he must remain upon the floor, the disappointed constituent berates him with having a "swelled head" or of getting "high-hat" since election.

A colleague of mine, a recently elected Democrat, has shown me a copy of a letter which he has just written to a political friend in his own State. It portrays vividly what I have just related as regards those seeking, for the most part, patronage interviews. I quote from it:

"When your letter came I was ill, having been very badly broken down by the overwhelming demands upon me for the last several months. I have tried to be democratic and have made myself available at all hours to all who desire to see me. I have given a great deal of personal attention to my correspondence, and my breakdown occurred upon a final effort to keep up, by way of staying here in my office until midnight dictating letters.

"I am glad to say that I am recovering, but I entertain no great hopes of being able to get through with this situation. It is indescribable. I am not permitted to write letters by reason of visitors; I am not permitted to go to sleep until after midnight by reason of visitors and long-distance calls; I am not permitted to sit in my seat in the Senate and hear discussions by reason of cards coming in from the lobby, not from Wall Street but from friends; I am not permitted to read the daily papers, and for the first time in many years I have not read for 10 days.

"If I thought it was all behind me I would be more hopeful, but I realize that this is just the beginning. I had at one time hoped to do some good work this year on the floor of the Senate and in the committee, but certainly, if I am to do so, I shall have to close my doors to visitors and abandon my democratic attitude with respect to callers.

"I left last night some 10 people in my office wholly because I was worn out and felt utterly unequal to seeing another human being. This is the first time I have tried to shield myself."

This extract indicates strongly that without being a "high-hat" or a sluggard a Member of Congress may be unable to see all those constituents who want interviews with him if he is to accomplish any of the duties obligatory under his oath.

These, briefly, are a few reasons why "Congress fiddles," and I feel sure, while Congress itself is in no small part to blame, that the judicial reader must concede that quite often the critic does not enter the controversy with too clean hands.

RECESS

Mr. BINGHAM. Mr. President, I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 9 o'clock and 52 minutes p. m.), under the order previously entered, took a recess until to-morrow, Tuesday, February 7, 1933, at 12 o'clock meridian.

# HOUSE OF REPRESENTATIVES

## MONDAY, FEBRUARY 6, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, whose glory flames from sun to star, yet to each loving heart how near Thou art, to-day sustain us by Thy holy presence, for we are walking the way checkered with light and shadow, with joy and tears. Do Thou soften sorrow, invest painful memories with grace, and make fruitful in peace the ashes of affliction. One has left the heart of our Nation. The fetters of sense were stricken from his soul, and he left in the glory and promise of eternal morning. We thank Thee, our heavenly Father, that when we sound the depths of experience that earth is not the boundary line of our vision. We praise Thee for Him, who is the Rock of our faith. Upon His emptied and angel-filled tomb the glow of the eternities will never fade away. Let us exult in Him of whom are all things, by whom are all things, and to whom are all things. To Him be glory forever. Amen.

By unanimous consent, the reading of the Journal of Saturday was postponed until Tuesday, February 7, 1933.

MEMORIAL SERVICES FOR CALVIN COOLIDGE

The program of arrangements by the joint committee of the House and the Senate follows:

ORDER OF PROCEEDINGS

OPENING

The House of Representatives will convene at 12 o'clock m. and will be called to order by the Speaker, the Hon. JOHN N. GARNER.

Prayer by the Chaplain of the House, Rev. James Shera Montgomery, D. D.

Arrival of the Senate, preceded by the Vice President of the United States, the Hon. CHARLES CURTIS, and its Secretary, Sergeant at Arms, and Chaplain.

The Speaker of the House of Representatives will relinquish the gavel to the Vice President, who will assume the Speaker's chair as the presiding officer of the joint session of the two Houses of Congress.

The Speaker of the House will occupy a seat at the left of the Vice President.

ARRIVAL OF GUESTS

The following officials and invited guests of honor will be announced by the Doorkeeper and escorted to the seats assigned to them, in the following order:

The Chief Justice and Associate Justices of the Supreme Court of the United States.

The ambassadors, ministers, and chargés d'affaires of foreign governments.

The General of the Armies; the Chief of Staff of the Army; the Chief of Naval Operations of the Navy; the Major General Commandant of the Marine Corps; and the Commandant of the Coast Guard.

The Commissioners of the District of Columbia.

The chief justice of the Supreme Judicial Court of Massachusetts, escorted by the joint committee on arrangements of the Senate and House of Representatives.

The President of the United States and the members of his Cabinet.

JOINT MEETING

O Love That Will Not Let Me Go (Albert L. Peace) will be rendered by the Interstate Male Chorus, Commissioner Clyde B. Aitchison conducting.

Invocation by the Chaplain of the Senate, Rev. Z@Barney T. Phillips, D. D.

The Presiding Officer will present the Hon. Arthur Prentice Rugg, chief justice of the Supreme Judicial Court of Massachusetts, who will deliver the memorial address.

Crossing the Bar (William L. Thickstun) will be rendered by the Interstate Male Chorus.

Benediction by the Chaplain of the House of Representatives, Rev. James Shera Montgomery, D. D.

The Presiding Officer will then declare the joint session of the two Houses of Congress dissolved.

RETIREMENT

The Doorkeeper will escort the invited guests from the Hall of the House in the following order:

The President of the United States and the members of his Cabinet.

The Chief Justice and Associate Justices of the Supreme Court of the United States.

The ambassadors, ministers, and chargés d'affaires of foreign governments.

The General of the Armies; the Chief of Staff of the Army; the Chief of Naval Operations of the Navy; the Major General Commandant of the Marine Corps; and the Commandant of the Coast Guard.

The Commissioners of the District of Columbia.

The joint committee on arrangements will escort the orator of the day from the Hall of the House.

Upon retirement of the invited guests, the Senate will return to its Chamber.

The House of Representatives will resume its regular session.

THE JOINT COMMITTEE ON ARRANGEMENTS

For the Senate: DAVID I. WALSH, of Massachusetts; JAMES E. WATSON, of Indiana; JOSEPH T. ROBINSON, of Arkansas; REED SMOOT, of Utah; and GEORGE H. MOSES, of New Hampshire.

For the House: CLIFTON A. WOODRUM, of Virginia; WILLIAM J. GRANFIELD, of Massachusetts; WILLIAM N. ROGERS, of New Hampshire; WILLA B. ESLICK, of Tennessee; CARL E. MAPES, of Michigan; CARROLL L. BEEDY, of Maine; and ALBERT E. CARTER, of California.

The Doorkeeper, Mr. Joseph J. Sinnott, announced the Vice President and the Senate of the United States.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The Speaker relinquished the gavel to the Vice President, who, as the Presiding Officer of the joint session of the two Houses, called the session to order.

The Doorkeeper announced the following guests, who were escorted to the seats assigned to them:

The Chief Justice and the Associate Justices of the Supreme Court of the United States.

The ambassadors and ministers and chargés d'affaires of foreign governments.

The Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard.

The Commissioners of the District of Columbia.

The chief justice of the Supreme Judicial Court of Massachusetts, escorted by the Joint Committee on Arrangements of the Senate and House of Representatives.

The President of the United States and the members of his Cabinet.

The Interstate Male Chorus sang, O Love That Will Not Let Me Go.

The VICE PRESIDENT. The two Houses of Congress, with their invited guests, have assembled to pay tribute to the memory of a great man, a popular President, a man who was loved and mourned by all the people of our Nation, Calvin Coolidge.

The Rev. Z@Barney T. Phillips, D. D., Chaplain of the Senate, offered the following

PRAYER

O God, who art the light of every heart that sees Thee, the life of every soul that loves Thee, the strength of every mind that seeks Thee, keep us ever steadfast in Thy holy love, that we may face with utter confidence the mysteries alike of life and death, daring to live as worthy sons of God. Sanctify to us the meaning of this hour in which the guardians of our Nation's destiny, though pressed by thronging duties, have foregathered here with honored friends from the great family of nations to pay united tribute to the memory of him who as private citizen, trusted servant of his Commonwealth, and President of these United States

never failed in his devotion to his family, his country, and his God; that we and every citizen of this Republic emulating his simplicity, integrity, and rectitude of personal conduct may ever thank Thee for the privilege of these mortal years which are but the earnest and pledge of life that shall endless be. We ask it in the name of Jesus Christ our blessed Lord and Savior. Amen.

The VICE PRESIDENT. I present to you Hon. Arthur Prentice Rugg, chief justice of the Supreme Judicial Court of Massachusetts, a man who was graduated from the same college and was a warm personal friend of the lamented President Calvin Coolidge. Chief Justice Rugg will now deliver the memorial address.

MEMORIAL ADDRESS IN HONOR OF THE LATE PRESIDENT COOLIDGE

The Honorable Chief Justice Rugg then delivered the following address:

"In a moment, in the twinkling of an eye," Calvin Coolidge passed from this life on the fifth of last month. No warning foreshadowed his going. He appeared to be in full strength when stricken. The Nation was stunned by this sudden and unexpected event. The people of the country realized at once that a calamity had befallen them. They would no longer be able to receive his wise counsel or to rely on his understanding heart. His ripened experience, singular insight, and rare sagacity with respect to pending problems would not now be available for the public welfare. The sorrow was universal. Partisan conflicts were stilled in the presence of such bereavement. The chosen representatives of the Government, to which he was so faithful, gather to commemorate his "life, character, and public service" and to demonstrate the gratitude of the Republic for patriotic endeavor in its station of highest honor. The physical presence of the thirtieth President of the United States will be with us no more. He survived by less than four years the expiration of his term. He was but threescore years of age.

The true place in history of those who have occupied exalted public office can not be fixed finally by friends and contemporaries. The perspective of time is required before a generation can arise with a wide vision, unwarped by interest and free from bias, able to appraise his achievements at their true worth. But those who knew him and loved him can not help paying their tribute of esteem and loyalty. The judgment of his neighbors is no insignificant test of the intellectual power and moral fiber of any man. It is with full consciousness of the limitation and the high privilege that attempt will be made in this august presence to portray some of the faculties of the man we mourn.

There can be no adequate estimate of the qualities of anyone without some knowledge of his birth and inheritance. The Puritan immigrants from England were in the main the humble of their native land seeking on the wild and unsettled shores of Massachusetts liberty to worship God according to their own conscience. In that solitude they built their homes and churches. Among them, in 1630, came John Coolidge, who settled in Watertown. About 1780 his descendant of the same name went as a pioneer to what was then a difficult frontier at Plymouth, Vermont. There he and his descendants lived until the future President was born on the birthday of the Nation in 1872. His mother came partly from the old New England stock and partly from Scotch, with a mixture of Welsh. She had keen appreciation of the beauty of nature and the grandeur of the firmament. She spent her waning strength upon her children, lavished on them the love of a wonderful woman, and gave up this life when the son was twelve years old. As he has said:

> It seemed as though the rich green tints of the foliage and the blossoms of the flowers came for her in the springtime, and in the autumn it was for her that the mountain sides were struck with crimson and with gold. * * * The greatest grief that can come to a boy came to me. Life was never to seem the same again.

His father was the chief man of the town—farmer, storekeeper, deputy sheriff, representative and senator in the State legislature. He was a good business man and skilled in all the trades essential for an isolated country community. He was economical, thrifty, silent. Honesty and fidelity were native in his being. He had great strength of character. The people of the region sought and followed his advice in purely personal as well as in practical affairs. For him the son had profound respect and deep affection. When the father married a second time the son found in this wife all the motherly devotion and intelligent help that she could have bestowed on her own child, and he in turn gave her the filial attention of a most dutiful and loving son.

It was a plain farm in a tiny hamlet in the Green Mountains where he was reared. It was miles from railroad or telegraph. It yielded a living only to those who worked hard. Its owner was the product of a struggle for nearly three centuries to wrest a livelihood from the soil in the climate of New England. The son was brought up to be industrious, thrifty, trustworthy. He shared in all the toil of the farm, the stated daily tasks, and the variety of work necessitated by the changing seasons. In the store he acquired the elementary principles of business.

Faithfulness over a few things was the exercise of every day. The stillness of the mountains impressed its lesson. The freedom of the out-of-doors was always at hand. The atmosphere of the town meeting was around him, where education and other local affairs were discussed by any voter who desired to speak, where officers were elected, and where taxes were raised. His was a home where example taught honor, character, high ideals. The Bible was read and quoted. It became the model of his language. The training of the district school in his town and of the country academy in his State were his.

He attended Amherst College at the cost of some sacrifice at home. He was graduated in 1895. He went there to learn. He cherished deeply its advantages. He took pains to acknowledge his indebtedness to the instruction and inspiration it brought to him. He was unobtrusive and hard working. At commencement he was grove orator, a distinction given by his classmates to the one who combined capacity and humor. In college he was stimulated by contact with several remarkable teachers. He frequently paid special tribute to Charles E. Garman, whom he described as one insisting upon the necessity of distinguishing between the accidental and the essential, and of perfecting human relationships in accordance with the law of service. Thus his philosophy of life was in no small measure engendered and shaped.

He studied law with leading lawyers in Northampton, only six miles from Amherst, and maintained his home and office there the rest of his life. His work as a lawyer was that natural to one of his character in a shire town of that size. He became counsel for a newly organized savings bank, settled estates, drafted legal papers, and tried some cases. His almost continuous service in public offices prevented the attainment of preeminence in the profession, which otherwise doubtless would have been his.

Within two years after beginning practice he was elected a member of the city council. In quick succession and for brief periods, in no instance exceeding two years, he was city solicitor, representative in the State legislature, and mayor of his city. He was appointed clerk of courts for a few months to fill a vacancy. Although the office was important and honorable and carried a salary much in excess of his income from clients, he declined to be a candidate for election. These offices show the nature of his early education in public business. They brought a variety of experiences involving companionship with plain men. They offered unrivaled opportunity for the study of government in application to practical affairs and for learning methods of influencing men in and out of official station to cooperate for the accomplishment of the best attainable ends. They speak of growing realization by those who knew him of his capacities for public service. Beginning in 1912, he was annually elected to the Senate of his adopted State for four

consecutive years. For the last two of these years he was president of that body. Thus he was brought into a wider field of responsible activity.

The impression made upon all who came in touch with him was that here was a man, modest in spirit and in demeanor, diligent in the business of legislation, striving solely for the common good. His address to the Senate on first being elected its president disclosed to the people of the Commonwealth the type of man he was. Two paragraphs reveal the ruling forces of his nature:

Do the day's work. If it be to protect the rights of the weak, whoever objects, do it. If it be to help a powerful corporation better to serve the people, whatever the opposition, do that. Expect to be called a stand-patter, but don't be a stand-patter. Expect to be called a demagogue, but don't be a demagogue. Don't hesitate to be as revolutionary as science. Don't hesitate to be as reactionary as the multiplication table. Don't expect to build up the weak by pulling down the strong. Don't hurry to legislate. Give administration a chance to catch up with legislation. * * *

Statutes must appeal to more than material welfare. Wages won't satisfy, be they never so large. Nor houses; nor lands; nor coupons, though they fall thick as the leaves of autumn. Man has a spiritual nature. Touch it, and it must respond as the magnet responds to the pole. To that, not to selfishness, let the laws of the Commonwealth appeal. Recognize the immortal worth and dignity of man. Let the laws of Massachusetts proclaim to her humblest citizen, performing the most menial task, the recognition of his manhood, the recognition that all men are peers, the humblest with the most exalted, the recognition that all work is glorified. Such is the path to equality before the law. Such is the foundation of liberty under the law. Such is the sublime revelation of man's relation to man—democracy.

His course demonstrated that these were no empty words but were underlying principles of his conduct. He supported measures designed to promote social service and the welfare of labor. But he was no specialist in legislation. He studied every problem in the light of the promotion of the general welfare as he conceived it to be.

In 1915 he offered himself as candidate for lieutenant governor. This was his first appeal to the voters in a statewide contest. He was elected and served three years. That office afforded occasion for intimate knowledge of various administrative departments and State institutions and for relief to the governor in numerous ways during the stress of the Great War. Every privilege for service of this nature was fully utilized.

In November, 1918, he was elected governor. His administration was notable in many respects. By recent amendment to the State constitution it became necessary to reorganize and consolidate the executive and administrative work of the Commonwealth from many over a hundred departments into not more than twenty. He pressed for legislation to make quickly effective this mandate of the people and became obligated to appoint the heads of these new departments, a work of momentous importance fraught with much political danger but performed to general satisfaction. He interposed a veto to several measures supposed to possess a wide popular appeal but which he believed to be unsound on unanswerable grounds. One event of his administration so overshadows all others in significance that, weighty as they are, they seem on this occasion not to require discussion. The causes of the police trouble in Boston need not be rehearsed. They have been often stated. Three-quarters of the force abandoned their posts of duty and left the public well-nigh unprotected. The governor was obliged to call out the entire State guard to preserve the public safety. Alluring voices warned him that adherence to his views would mean his defeat and political ruin in the election then not sixty days away. He replied that it was not necessary that he should be reelected. There were many suggestions for concession and settlement. Touching those suggestions, he said in the course of a brief proclamation:

The authority of the Commonwealth can not be intimidated or coerced. It can not be compromised.

In these circumstances the statement was made by the governor in a reply to a telegram from a leading official of organized labor:

There is no right to strike against the public safety by anybody, any time, anywhere.

The conciseness of this statement, its compelling verity, its matchless clarity challenged nation-wide attention. It was received with nation-wide acclaim. Its truth is instantly obvious. It becomes more impressive the longer it is pondered. It is not confined to any one class. No association, individual, corporation, or combination is omitted from its sweep. No particular kind of strike is specified. Protection of the public safety under the law is supreme and regnant over everything else. The chief executive of a sovereign State capable of making that statement in the situation confronting him inevitably and at once became a national figure. The impending campaign for governor, in which he was a candidate to succeed himself, was fought chiefly on the issue of the Boston police strike. The result was reelection by a huge majority—about seven times larger than that of the previous year over the same opponent. Such a triumph at the polls in those conditions was signal. It has a vivid significance in political history from the fact that Woodrow Wilson, then President, sent Mr. Coolidge this message:

I congratulate you upon your election as a victory for law and order. When that is the issue, all Americans stand together.

There was nothing in the utterances of Governor Coolidge in connection with the police strike not foreshadowed in his earlier papers and addresses. His convictions respecting government, obedience to law, and the duties of public officers and citizens were well known. His action in that crisis was but the inevitable application of his principles to a new and unprecedented state of affairs. The police strike did not make him; it "only revealed him." It tried him; he was not found wanting. It merely disclosed his power. He was prepared to meet the emergency. When opportunity came he was ready. He established anew confidence in government.

It was the inescapable result that he should be thought of widely for nomination as candidate for President at the convention of his party in June, 1920. Expressions of that nature were made in different sections of the country and were impressive in his home State. The movement gathered considerable momentum, and plans for an organization for a general campaign to that end were taking shape. When he gave serious attention to the matter he was convinced that he ought not to become engaged in such a contest, involving, as it apparently would, rivalries for delegates in his own State. Therefore, early in January, 1920, he announced that he was unwilling to appear as a candidate and would not enter his name in any contest at the primaries. Thus he was left in a position where no risk was run of exposing him to criticism in the great office of governor, and where it would be guarded and protected, so that the people might know it was being administered, not for his benefit but for their benefit, and where no other imputation would be possible. Nevertheless, some activity was kept up, and there was considerable circulation of his book of speeches entitled "Have Faith in Massachusetts." His name was presented for nomination as candidate for President, but he received comparatively few votes. After the main selection had been made by the convention his name was offered as candidate for Vice President by a delegate from Oregon. There was no prearrangement. But by spontaneous action there was a stampede in his favor, and he was nominated by a large majority. He became Vice President on March 4, 1921. Then, for the first time in our history, the President invited the Vice President to attend all meetings of the Cabinet. Coming thus to the field of national affairs, he had the opportunity as Presiding Officer of the Senate of observing the transaction of business by the Congress and also the operation of the executive department of government as revealed in the deliberations of the Cabinet.

In the summer of 1923 Mr. Coolidge went to his father's home to spend the vacation period amid the scenes of his childhood. He shared, as usual, in the work of the farm. President Harding made a trip to Alaska in order to see for himself its wonders and its resources and to gain personal knowledge of its needs. During the journey he suffered an illness, and there were alarming reports of his condition.

Then the news was so reassuring that the Vice President believed that all danger was past. During the night of August 2 he was awakened by his father in a voice trembling with emotion, who told him that President Harding had just passed away. The message had been brought over the road by motor vehicle and messenger to the little cottage by the roadside. He was aroused from the peace, the plain duties, the simple pleasures of the farm to assume the most responsible position in the Republic. Before leaving his room he knelt down in prayer and asked God to bless the American people and to give him power to serve them. Then, in the sitting room, by the light of the kerosene lamp, with the Bible of his mother lying at his hand on the table, the oath of office as President was administered to him by his father in his capacity as notary public. There were present besides his wife, Senator DALE, who happened to be stopping a few miles away, his stenographer, and his chauffeur. The ceremony took place a little before three o'clock in the morning Never was there such a transition. From the simplest surroundings he went to the office of greatest power. The aged father, plain farmer as he was, administered the oath to his son for the highest office in the Nation. The scene is most dramatic. It is symbolic of American institutions. It exemplifies the opportunity open to all in our country. It will thrill every child, no matter how humble his birth. It will inspire every citizen. It is the memorial of honor crowning merit. The place where it occurred has become a shrine.

The new President first sent a message of condolence to the bereaved widow of his predecessor. He issued a proclamation to the American people. Before leaving for Washington that morning he turned aside and made a brief devotional visit to the grave of his mother. With punctilious care he attended to arrangements for the obsequies of the deceased President. He declared his purpose to maintain the continuity of the administration and to carry out the policies of his predecessor. All members of the Cabinet were retained. It would be vain to undertake to recount all the important measures of his administration. It is practicable to mention only those of outstanding significance.

No discussion of domestic or foreign problems was made until his first message to the Congress in December, 1923. That document aroused widespread interest. It was couched in such plain language that everybody could comprehend its meaning. It disclosed a clear understanding of the issues which the country faced. It was not too long. It avoided nothing that ought to be met. It covered the field. It was courageous. He stated unequivocal opposition to the bonus in a single sentence. It was well received by the people. Its main weight was placed upon a program of economy to the end that taxation be made lighter and the public debt be reduced. He perceived that the welfare of the country required action tending to afford relief in these directions. This was his initial recommendation. But it continued throughout his administration to be one of his major policies. In his first message to the Congress his purpose was stated to be to strive toward financial stability as the first requisite of sound government and to restore national finances to a secure and endurable position so far as permitted by the inevitable results of the economic disorders following the Great War. He declared that the paramount service to be rendered the country was the reduction of taxes as much as prudence would permit and a corresponding reduction of expenditures. He approached the financial operations of government, not so much to find and raise revenue, whether from old or new sources, as to conserve the expenditure of revenue. In the pursuit of this end he declared that the

> greatest emphasis should be placed on constructive economy. Merely to reduce the expenses of the Government might not in itself be beneficial. Such action might be only the discontinuance of a wholly necessary activity. * * * The underlying spirit of economy is to secure better education, wider administration of justice, more public order, and greater security from conflagration, all through a superior organization which will decrease the unit of cost. It is all reducible to a question of national efficiency.

Constructive economy

is an effort to enrich the lives of the people we serve. There could be no nobler purpose.

Again he said:

> I favor the policy of economy, not because I wish to save money but because I wish to save the people. The men and women of this country who toil are the ones who bear the cost of government. Every dollar that we carelessly waste means that their life will be so much the more meager. Every dollar that we prudently save means that their life will be so much the more abundant. Economy is idealism in its most practical form.

In his last annual message to the Congress, in December, 1928, he recounted briefly some of the financial accomplishments during his administration:

> Four times we have made a drastic revision of our internal-revenue system, abolishing many taxes and substantially reducing almost all others. Each time the resulting stimulation to business has so increased taxable income and profits that a surplus has been produced. One-third of the national debt has been paid, while much of the other two-thirds has been refunded at lower rates, and these savings of interest and constant economies have enabled us to repeat the satisfying process of more tax reductions. * * * That is constructive economy in the highest degree. It is the cornerstone of prosperity. It should not fail to be continued. This action began by the application of economy to public expenditure. If it is to be permanent, it must be made so by the repeated application of economy. * * * The country is in the midst of an era of prosperity more extensive and of peace more permanent than it has ever before experienced. But, having reached this position, we should not fail to comprehend that it can easily be lost. * * * The actions of the Government must command the confidence of the country. * * * We must extend to other countries the largest measure of generosity, moderation, and patience. In addition to dealing justly, we can well afford to walk humbly. * * * Our country has been provided with the resources with which it can enlarge its intellectual, moral, and spiritual life. The issue is in the hands of the people. Our faith in man and God is the justification for the belief in our continuing success.

This policy was adopted and urged, not under the pressure of economic depression but during a period of increasing prosperity, when there might have been incitement to easy spending of public money. It was his steadfast purpose, without impairing the efficient operation of all the functions of government, to relieve the country from its enormous public debt and to diminish taxes. His vetoes were in part to the same end, although they were based upon his belief in the fundamental unsoundness of the bills to which they were directed.

A most remarkable achievement of his administration was the carrying home to the minds and hearts of his countrymen an unfaltering faith in his capacity and intention to do what was right under all circumstances. His nomination and election as Vice President were due in no small measure to belief in his courage, his simplicity, and honesty of purpose. This confidence among the people steadily grew.

One example serves to emphasize this fact. Within a few months after he became President there were startling revelations tending to show corruption in the leasing of Government oil lands. Officials in high station of his own party, as well as others, were under odious suspicion. With calmness and firmness he declared that, while everybody was entitled to the presumption of innocence until proven guilty, he should not flinch in securing the enforcement of the law; that he proposed to follow the path of justice and without hue and cry to undertake immediate, adequate, nonpolitical and unshrinking prosecution, criminal and civil, to punish the guilty and to protect every national interest. He called upon all the people to support his course for speedy and effective execution of the laws without fear or favor and regardless of consequences. His action forthwith added force to his statement. Proceedings were instituted and prosecuted with energy. Although final results in punishment of the guilty and recovery of Government property were not reached for several years, the response of the people to his attitude and his appeal was instant. Confidence in the President was established; it was widespread; it endured. Reliance upon his integrity of purpose and faculty to carry that purpose into execution was unquestioning. The nobility and strength of his character were beyond doubt. He

was wise in statesmanship. The public faith was shown by his nomination and election to the Presidency by a startlingly large majority over very active opposition in 1924. He became, as was aptly said, his own platform. The impregnable nature of the faith reposed in him as President was given unmistakable proof. This incident well might have been thought capable of wrecking the dominant party and the President. In truth, it became an important factor in making certain his power as a leader of the people. His simple words and straightforward conduct carried conviction that he was worthy of the highest trust.

In international affairs his policy was to promote throughout the world peace and good will based on a sense of justice and fair dealing, and guided by patience and tolerance. This was perhaps best made manifest in his address to the Pan American conference at Habana. It was enforced on other occasions. It received striking illustration in the conduct of diplomatic relations with Mexico whereby misunderstandings were cleared away and a spirit of cooperation, friendship, and charity was established.

Adherence to the Permanent Court of International Justice received his early and constant advocacy. He believed that our country would be safer and meet its duties better by supporting it and making every possible use of it. He was confident that such action

> would make a greater America, that it would be productive of a higher and finer national spirit, and of a more complete national life * * *

and

> would add more securities to human rights and more guaranties to international tranquillity.

The negotiation of the Pact of Paris was doubtless the signal feature of his administration in the field of foreign relations. It was signed in Paris in August, 1928, by the representatives of sixteen nations, including those of greatest power. It was ratified by the Senate in January, 1929. The contracting nations thereby condemned recourse to war for the solution of international controversies and renounced war as an instrument of national policy in their relations with one another; they agreed that the settlement or solution of all disputes or conflicts arising among them should never be sought except by pacific means. Whatever else may be said concerning this multilateral treaty, it is at least a most solemn declaration of the nations against war and in favor of peace. It seems likely to nourish a spirit of international accord and fraternity, and to kindle an understanding whereby charity and good will may be cherished. In times of international disagreement it turns the thoughts of people toward peace rather than war. It creates a tendency to establish means for use in times of stress for the composition of differences without appeal to arms. It has set up a new standard, around which can rally the enlightened opinion of the world to prevent outbreaks of hostility. The scourge of war has been the theme of orators and poets from early times. It has been burned into the consciousness of the present generation by the frightful sacrifices of the Great War. Peace has been one of the loftiest moral aspirations of the race. It was the burden of the angel song on the night of the Nativity. The adoption of the provisions of the treaty by so extensive an international agreement constituted a realization of practical idealism of transcendent importance.

When, in 1927, Mr. Coolidge made to the country his famous announcement, "I do not choose to run for President in 1928," it was the general sentiment that he was at the zenith of popularity. His nomination and reelection as President, if he were willing, appeared to be beyond reasonable doubt. No personal ambition tarnished that great office. He renounced what seemed to be a certainty. He returned from the White House to his humble home. Having come out from among the plain people to serve them greatly, he became one of them again after the performance of his official work.

In the comparatively brief time left to him his conduct was an example of the best that an ex-President may be. Complete propriety characterized his bearing. He declined all offers of highly remunerative business and other connections. He served as a director in a great life insurance company with the thought of encouraging thrift and protecting the savings of many policyholders. He became president of the American Antiquarian Society because of his genuine sympathy with its design to cultivate study in the sources of American history and to assemble a rich store of material for that purpose. He contributed articles to magazines, some of which were gathered into his autobiography. Beginning with July 1, 1930, for a year on each secular day he wrote a brief article, syndicated and published widely in newspapers throughout the country. These were short comments upon matters of general interest. They were of notable value in promoting sound thought touching public affairs among all the people. At the time of his death he was engaged with a committee of eminent citizens in the difficult study of transportation problems of the country.

No estimate of Mr. Coolidge rightly can omit reference to the extraordinary felicity of his home life. It was in the early days of his practice of law that there came the crowning fortune of personal life in being wedded to the woman of his choice. The half of the two-family wooden house on Massasoit Street, in Northampton, was rented. That remained the home until some time after he ceased to be President. Shortly after leaving the White House he wrote of their marriage in these words:

> From our being together we seemed naturally to come to care for each other. We became engaged in the early summer of 1905 and were married at her home in Burlington, Vermont, on October 4 of that year. * * * We thought we were made for each other. For almost a quarter of a century she has borne with my infirmities, and I have rejoiced in her graces.

Vivacity and intelligence were combined with gracious simplicity in her rare natural charm. Accurate intuition and correct judgment marked her every act. She contributed in no small measure to the hold of her husband upon the people. The whole Nation was a growingly enthusiastic witness to the unaffected kindness and inimitable attractiveness of the first lady. The life of these two joined in one has been the American ideal. They have shared the exquisite joy of the birth and nurture of children. Sorrow has befallen them and bound them closer. They presented perfect illustration of his own words:

> The destiny, the greatness of America lies around the hearthstone. If thrift and industry are taught there and the example of self-sacrifice oft appears, if honor abide there and high ideals, if there the building of fortune be subordinate to the building of character, America will live in security. * * * Look well, then, to the hearthstone; therein all hope for America lies.

A great statesman is the product of heredity, endowment, education, and the times. Mr. Coolidge was the son of generations inured to toil and discipline amid the mute eloquence of mountain and valley, inspired by the strength and beauty of nature, trained by association with the keen witted, honest, industrious inhabitants of the sparsely settled country. He typified the characteristics of the race from which he sprang. He was not given to emotion. He was shy. His path was steep; it could be scaled only by unyielding determination. In no small measure he had clearness of perception, retentiveness of memory, soundness of judgment. He applied these faculties with the greatest perseverance to whatever required his attention. Industry was his early training. It grew with his years. Thrift was the habit of his life. It was applied not alone to material affairs but to time, speech, energy. His intellectual resources were directed unwaveringly but without waste to the accomplishment of his main aims. He was not infrequently termed silent. This was one aspect of the shrewdness of his nature. No one understood better than he that the unspoken thought never wounds, never harms, never needs to be modified or withdrawn. When speech was required, he never failed. His tastes and manner of living were simple. Many examples

of his keen and kindly wit found their way into the common knowledge of his countrymen.

His talents were extraordinary. His ability in statecraft was of the highest order. His vision of the needs of the country was wide, profound, unclouded. His opinion as to what could be accomplished was sure. His judgment was true. The power of his mind was capable of dealing with any exigency. There accompanied his every act a reserve force susceptible of coping successfully with a more extreme need. His humility and quiet may have obscured these great qualities to the unthinking. They were clear to those who knew him. They were sensed by the mass of the plain people and supported their confidence in him.

Few Presidents have made imperishable contributions to literature. Some utterances of Mr. Coolidge may be thought to reach close to that height. Rarely is a sentence more moving than his reference to the love he bore to the State of Vermont:

> Here I first saw the light of day; here I received my bride; here my dead lie pillowed on the breast of the everlasting hills.

His address on the three hundredth anniversary of the landing of the Pilgrims on Plymouth Rock compressed into two printed pages of genuine eloquence the meaning of that great event. In another connection occurs a touching reference to the birthplace of the great:

> Men build monuments above the graves of their heroes to mark the end of a great life, but women seek out the birthplace and build their shrine, not where a great life had its ending but where it had its beginning, seeking with a truer instinct the common source of things not in that which is gone forever but in that which they know will again be manifest. Life may depart, but the source of life is constant.

These are but selected illustrations. They appeal to common impulses of mankind. They are memorable, if not indeed unfading. He was a scholarly man. The science and administration of government were the dominant subjects of his attention and investigation. But after studying law he read numerous books in French and the whole of Dante in the original Italian. His interest in education caused him to serve as a trustee of his college for the last decade of his life. He was the embodiment of the strongest and best in character. His own words concerning others describe himself. He was endowed with "the highest type of intellectual power—simplicity and directness; the highest type of character—fidelity and honesty." "An all-embracing intellectual honesty saved him from deceiving himself." He was a deeply religious man, constant in his attendance upon public worship. References to this need in national and personal life were not infrequently on his lips. He declared it to be his

> conviction that our Government rests on religion; that religion is the source from which we derive our reverence for truth and justice, for equality and liberty, and for the rights of mankind.

The years of the twentieth century preceding his presidency had seen much political agitation and change and had witnessed the upheaval of the Great War and the disillusionment following its close. The country needed an opportunity to readjust itself. The people wanted to attend to their own affairs. They were reassured to know that in the office of President was a man of rugged honesty, calmness, wisdom; who was reticent, modest, courageous, experienced; to whom no duty was trifling or obscure; who had broad sympathy and deep understanding of his fellow men. The depth and breadth of his nature, the acuteness of his mind, the soundness of his moral purpose, the resources of his wisdom were sufficient for every day and for any emergency. His capacity, his temperament, industry, simplicity were adapted to the times and to the work to be done.

The people responded to his ability to discern their thoughts and needs. They looked to him, not for new and startling theories of government, economics, or politics, but for expression of their inmost spiritual longings and aspirations. They were not disappointed. They could understand him. They thought of him as one of their own kin. They bestowed on him in steadily increasing measure deep, constant, unshaken confidence. They paid most illustrious honor, not so much to what he had done but to what he was. They showed thorough appreciation of his noble character. He was the incarnation of the ideal of the America of his day.

These lines, which appealed to his own soul, may be the message of his life:

> O heart, be strong!
> Be radiant to do battle for the right;
> Hold high truth's stainless flag, walk in the light,
> And bow not weakly to the rule of wrong.

The Interstate Male Chorus sang Crossing the Bar.

The VICE PRESIDENT. The benediction will be pronounced by the Chaplain of the House, Doctor Montgomery.

Dr. James Shera Montgomery, Chaplain of the House of Representatives, pronounced the benediction, as follows:

BENEDICTION

And now unto Him who is able to keep you from falling and to present you faultless before the presence of His glory with great joy, unto the only wise God, our Savior, be glory and majesty, dominion and power, both now and ever. And now may grace, mercy, and peace from God the Father, Son, and Holy Spirit abide with us and keep us always. Amen and amen.

The VICE PRESIDENT. The joint session of the two Houses is now dissolved.

Thereupon the President and his Cabinet, the diplomatic corps, the Chief Justice and the Associate Justices of the Supreme Court, the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Commandant of the Marine Corps and the Commandant of the Coast Guard, the Commissioners of the District of Columbia, and the Vice President and the Senate retired.

The SPEAKER resumed the chair.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that the proceedings of to-day be printed in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 14 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 7, 1933, at 12 o'clock noon.

## COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Tuesday, February 7, 1933, as reported to the floor leader:

WAYS AND MEANS

Subcommittee (10 a. m.)

Hearing on H. R. 6017, to amend trading with enemy act relative to alien property.

## EXECUTIVE COMMUNICATIONS, ETC.

914. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a report from the Chief of Engineers, pursuant to the rivers and harbors act approved July 3, 1930, on preliminary examination and survey of Chickasaw Creek, Mobile County, Ala., was taken from the Speaker's table and referred to the Committee on Rivers and Harbors.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII,

Mr. RAYBURN introduced a concurrent resolution (H. Con. Res. 48) to print 2,000 copies of Regulation of Stock Ownership in Public Utilities Other Than Railroads, which was referred to the Committee on Printing.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of California, memorializing Congress to pass Senate bill No. 1197, known as the farmers' farm relief act; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Montana, memorializing Congress to enact legislation which will reimburse the Blackfeet Indians for the loss of lands known as the ceded strip in northwestern Montana; to the Committee on Indian Affairs.

Memorial of the Legislature of the State of Idaho, memorializing Congress to immediately pass Senate bill No. 3606; to the Committee on Coinage, Weights, and Measures.

Memorial of the Legislature of the State of Wisconsin, memorializing Congress relative to agricultural relief; to the Committee on Agriculture.

Memorial of the Legislature of the State of Wisconsin, memorializing Congress to propose an amendment to the Constitution repealing the eighteenth amendment and to promptly legalize the sale and manufacture of beer; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10206. By Mr. AYRES: Petition of 104 residents of Wellington, Kans., relative to the continuation and enforcement of the eighteenth amendment; to the Committee on the Judiciary.

10207. By Mr. CAMPBELL of Iowa: Petition of the Woman's Christian Temperance Union of Early, Iowa, urging that the eighteenth amendment be not repealed or modified, and that adequate appropriations be made for law enforcement and a campaign of education in law observance; to the Committee on the Judiciary.

10208. Also, petition of the Woman's Christian Temperance Union of Superior, Iowa, urging that the eighteenth amendment be not modified or repealed; to the Committee on the Judiciary.

10209. Also, petition of the Woman's Christian Temperance Union of Orange City, Iowa, urging that the eighteenth amendment be not modified or repealed; to the Committee on the Judiciary.

10210. Also, petition of John C. Ball and 197 other residents of the District of Columbia, opposing the return of beer, the repeal of the eighteenth amendment, and the return of the liquor traffic in the District of Columbia in any form whatever; to the Committee on the District of Columbia.

10211. By Mr. COLTON: Memorial of the State Legislature of the State of Utah, memorializing the President and Congress of the United States to support or initiate a movement to stabilize the monetary and credit bases, so as to improve world commodity prices; to the Committee on Ways and Means.

10212. By Mr. HOWARD: Memorial in the nature of a resolution, memorializing the Congress of the United States to act favorably upon all legislation which may restrict and limit the perennial influx of cheap Mexican labor which seeks admission to the United States as proposed by the Senate of the State of Nebraska in the forty-ninth regular session; to the Committee on Labor.

10213. By Mr. LEWIS: Petition of Janet Montgomery Chapter, Daughters of the American Revolution, opposing any reductions in present appropriations for military purposes; to the Committee on Appropriations.

10214. By Mr. MURPHY: Petition of 13 citizens of Lisbon, Ohio, and vicinity, urging the adoption of the Sparks-Capper resolution concerning stop-alien representation; to the Committee on the Judiciary.

10215. By the SPEAKER: Petition of citizens of the District of Columbia, opposing enactment of Sunday closing law for the District of Columbia; to the Committee on the District of Columbia.

# SENATE

## TUESDAY, FEBRUARY 7, 1933

*(Legislative day of Tuesday, January 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 487. An act for the relief of Herbert G. Black, owner of the schooner *Oakwoods,* and Clark Coal Co., owner of the cargo of coal on board said schooner;

S. 2200. An act to authorize presentation of a medal of honor, posthumously, to the late Henry Clay Drexler and the late George Robert Cholister;

S. 4509. An act to further amend the act approved February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain; and

H. R. 13607. An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress.

### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Schall |
| Austin | Dale | Keyes | Schuyler |
| Bailey | Davis | King | Sheppard |
| Bankhead | Dickinson | La Follette | Shipstead |
| Barbour | Dill | Lewis | Shortridge |
| Barkley | Fess | Logan | Smith |
| Bingham | Fletcher | McGill | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Swanson |
| Borah | Glass | Metcalf | Thomas, Idaho |
| Bratton | Glenn | Moses | Townsend |
| Brookhart | Goldsborough | Neely | Trammell |
| Bulkley | Gore | Norbeck | Tydings |
| Bulow | Grammer | Norris | Vandenberg |
| Byrnes | Hale | Nye | Wagner |
| Capper | Harrison | Oddie | Walcott |
| Caraway | Hastings | Patterson | Walsh, Mass. |
| Clark | Hatfield | Pittman | Walsh, Mont. |
| Connally | Hayden | Reed | Watson |
| Coolidge | Hebert | Reynolds | Wheeler |
| Copeland | Hull | Robinson, Ark. | White |
| Costigan | Johnson | Robinson, Ind. | |
| Couzens | Kean | Russell | |

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present. The Senate will receive a message from the President of the United States.

### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who announced that the President had approved and signed the following acts:

On February 3, 1933:

S. 5484. An act to extend the time during which certain provisions of the act of February 27, 1932, relating to improving the facilities of the Federal reserve system to meet the needs of member banks in exceptional circumstances, shall be effective.

On February 4, 1933:

S. 5160. An act to provide for loans to farmers for crop production and harvesting during the year 1933, and for other purposes.

On February 6, 1933:

S. 433. An act to authorize the posthumous award of a distinguished-flying cross to Eugene B. Ely;

S. 2058. An act for the relief of William C. Rives; and

S. 4381. An act authorizing the President to transfer and appoint Lieut. Morris Smellow, United States Navy, to the grade of passed assistant paymaster, with the rank of lieutenant, in the Supply Corps of the United States Navy.

PETITIONS AND MEMORIALS

Mr. ROBINSON of Arkansas presented the following joint resolution of the Legislature of the State of Arkansas, which was referred to the Committee on Agriculture and Forestry:

House Joint Resolution No. 10

Whereas there is now pending in the Congress of the United States a bill known as the Glenn-Smith bill, providing for the refunding by the National Treasury of all levee and drainage district bonds, said disbursement of the Treasury to be repaid over a period of 30 or 40 years at a small rate of interest; and

Whereas this great burden on the farmers of large areas of our State is causing an abandonment of thousands of acres of the most fertile and productive lands within our State; and

Whereas said Glenn-Smith bill provides for the purchase by the Government of the bonds of the various levee and drainage canal districts at a rate no higher than said bonds are selling on the open market; and

Whereas great and lasting benefits would accrue to many thousands of farmers of our State at no cost ultimately to the National Government by the enactment of said Glenn-Smith bill: Therefore be it

*Resolved by the house of representatives of the forty-ninth general assembly (the senate concurring therein)*, That the National Congress be, and it is hereby, memorialized to give precedence to a consideration of said Glenn-Smith bill, to the end that relief from a great portion of their burdens may be speedily extended to a suffering and worthy portion of our population.

LITTLE, *of Mississippi County.*
HARRIS, *of Crittenden County.*

Official copy.

JAMES R. CAMPBELL, *Chief Clerk.*

Mr. BLAINE presented a joint resolution of the Legislature of the State of Wisconsin, favoring the adoption by Congress of a resolution proposing an amendment to the Constitution repealing the eighteenth amendment thereto, and also to legalize the manufacture and sale of beer, which was ordered to lie on the table.

(See joint resolution printed in full when laid before the Senate on yesterday by the Vice President, p. 3422, CONGRESSIONAL RECORD.)

Mr. BLAINE also presented a joint resolution of the Legislature of the State of Wisconsin, favoring the passage of the so-called farm allotment bill, the Frazier farm relief bill, and also "to moderately increase the currency with the end in view of relieving mortgagors and other debtors from having to repay, in terms of purchasing power, a great deal more than they borrowed," which was referred to the Committee on Agriculture and Forestry.

(See joint resolution printed in full when laid before the Senate on yesterday by the Vice President, p. 3421, CONGRESSIONAL RECORD.)

Mr. CAPPER presented resolutions adopted by the congregation of the Methodist Church of Burdett and the Woman's Christian Temperance Union of Bloomington, in the State of Kansas, protesting against the repeal of the eighteenth amendment of the Constitution or the repeal or modification of the national prohibition law, which were ordered to lie on the table.

He also presented resolutions adopted by local chapters of the Woman's Christian Temperance Union of Burdett, Kiowa, and Cedar Vale; and the Wesleyan Methodist Sunday school, the congregation and Sunday school of the Christian Church, the Young Women's Christian Association, the Sunday school of the Methodist Episcopal Church, the congregation and Sunday school of the Presbyterian Church, and the Presbyterian Missionary Society, of Miltonvale, all in the State of Kansas, favoring the passage of legislation to regulate and supervise the motion-picture industry, which were ordered to lie on the table.

Mr. BROOKHART presented petitions numerously signed of sundry citizens of the State of Iowa, praying for the passage of legislation to regulate and supervise the motion-picture industry, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. KEYES, from the Committee on Public Buildings and Grounds, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 5530. An act to provide for placing the jurisdiction, custody, and control of the Washington City post office in the Secretary of the Treasury (Rept. No. 1157); and

S. 5588. An act authorizing the acceptance of title to sites for public-building projects subject to the reservation of ore and mineral rights (Rept. No. 1158).

Mr. THOMAS of Idaho, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 5382) providing for an exchange of lands between the Colonial Realty Co. and the United States, and for other purposes, reported it without amendment and submitted a report (No. 1159) thereon.

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the joint resolution (S. J. Res. 236) to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933, reported it with an amendment and submitted a report (No. 1160) thereon.

PRINTING OF PROCEEDINGS OF THE MEMORIAL SERVICES IN HONOR OF CALVIN COOLIDGE

Mr. WALSH of Massachusetts. Mr. President, from the Committee on Printing, I report back favorably, without amendment, Senate Concurrent Resolution 42. It is merely a formal matter relating to the printing of bound volumes of the address of Hon. Arthur Prentice Rugg on the occasion of the Calvin Coolidge joint congressional memorial exercises yesterday in the House. The number of copies is the same as has been designated in previous resolutions relating to the printing of the proceedings in memory of deceased Presidents. I ask unanimous consent for its immediate consideration.

Mr. BINGHAM. Mr. President, I trust there will be no objection.

The concurrent resolution (S. Con. Res. 42) was read, considered by unanimous consent, and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the oration delivered by Hon. Arthur P. Rugg in the House of Representatives during the exercises held in memory of the late President Calvin Coolidge on February 6, 1933, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

ENROLLED BILLS PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on to-day, February 7, 1933, that committee presented to the President of the United States the following enrolled bills:

S. 487. An act for the relief of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the cargo of coal on board said schooner;

S. 2200. An act to authorize the presentation of a medal of honor, posthumously, to the late Henry Clay Drexler and the late George Robert Cholister; and

S. 4509. An act to further amend the act approved February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

A bill (S. 5593) granting a pension to Nancy Jane Ruffin (with accompanying papers); to the Committee on Pensions.

By Mr. FRAZIER (by request):

A bill (S. 5594) to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.; to the Committee on Indian Affairs.

By Mr. JOHNSON:

A bill (S. 5595) authorizing the sale of portions of the Pueblo lands of San Diego to the city of San Diego, Calif.; to the Committee on Military Affairs.

A bill (S. 5596) for the relief of Lieut. Commander Arthur A. Lee, Supply Corps, United States Navy (with accompanying papers); to the Committee on Claims.

By Mr. BANKHEAD:

A bill (S. 5597) amending the emergency relief and construction act of 1932; to the Committee on Post Offices and Post Roads.

By Mr. WALSH of Massachusetts:

A bill (S. 5598) for the relief of Lieut. Thomas O'C. McCarthy, United States Navy (with accompanying papers); to the Committee on Claims.

By Mr. BROOKHART:

A bill (S. 5599) authorizing the appointment of John A. Crow as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. HULL:

A joint resolution (S. J. Res. 249) proposing a reduction in interest rates on Government loans; to the Committee on Banking and Currency.

By Mr. TYDINGS:

A joint resolution (S. J. Res. 250) proposing an amendment to the Constitution of the United States, reducing the membership of the House of Representatives; to the Committee on the Judiciary.

### PURCHASE AND SALE OF COTTON—AMENDMENT

Mr. SMITH submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 5122) to provide for the purchase and sale of cotton under the supervision of the Secretary of Agriculture, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

### AMENDMENT TO LEGISLATIVE APPROPRIATION BILL

Mr. GEORGE submitted an amendment intended to be proposed by him to House bill 14562, the legislative appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 4, line 7 (in the item for clerks to the Senate Committee on Civil Service), to strike out "assistant clerk, $2,220" and insert "two assistant clerks at $2,220 each."

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that, pursuant to House Concurrent Resolution 44, the Speaker had appointed Mr. LAMAR JEFFERS a teller on the part of the House to count the electoral vote on February 8, 1933, vice Mr. PATRICK J. CARLEY, resigned.

### GOVERNMENT ACCOUNTING AND AUDITING SYSTEMS

Mr. WHEELER subsequently said: Mr. President, I send to the desk a resolution and ask that it may be read. Then I am going to ask unanimous consent for its immediate consideration. I wish to say that I do not think it will require any discussion. The resolution merely calls upon the Comptroller General to point out before the 15th of April how certain economies may be effectuated in the accounting department.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The resolution will be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 350), as follows:

*Resolved*, That the Comptroller General of the United States be, and he is hereby, directed to submit, on or before April 15, 1933, to the Senate of the United States a detailed report of the savings that may be effected through the reorganization, centralization, consolidation and/or elimination of accounting records, accounting and audit procedures, disbursing and collecting officers, and purchasing and warehousing activities of the Governments of the United States and the District of Columbia.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. FESS. Mr. President, I think I am in favor of the resolution, but will the Senator from Montana let it go over until to-morrow?

Mr. WHEELER. Very well.

Mr. FESS. The only reason why I make the request is that I should like to make a little investigation as to what sort of an effort it would require and whether it is going to entail any considerable expenditure. I should like to have the Senator let it go over and I assure him that I will not attempt to delay its consideration. I merely wish to ascertain, by an examination of the resolution, exactly what he wishes to accomplish by it.

The PRESIDING OFFICER. The Chair understands the Senator from Ohio to object, and the resolution goes over under the rule.

### REPORTS ON DEPARTMENTAL FUNCTIONS

Mr. WHEELER. Mr. President, I send to the desk another resolution of a similar nature calling upon the heads of the different departments for certain information along the same line. I ask to have it read and I presume it also will go over under the rule.

The PRESIDING OFFICER. Let the resolution be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 351), as follows:

*Resolved*, That the heads of all departments, independent establishments, and Government owned and/or controlled corporations be, and are hereby, directed to submit on or before April 15, 1933, to the President of the United States and to the Senate of the United States, a detailed report of all functions, including accounting, disbursing, collecting, purchasing, and personnel, performed by said departments, establishments, and corporations, together with the authority for the performance of each function and the annual cost thereof.

The PRESIDING OFFICER. Without objection, the resolution will be received and lie over under the rule.

### TREASURY AND POST OFFICE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado [Mr. COSTIGAN] to the amendment of the Senator from New Mexico [Mr. BRATTON], which will be reported for the information of the Senate.

The CHIEF CLERK. The Senator from Colorado proposes the following amendment to the amendment of the Senator from New Mexico, to add at the end thereof another sentence reading:

In making any reductions in expenditures provided for in this section no wage cuts, other reduced compensation, or furloughs shall be ordered.

Mr. BINGHAM. Mr. President, I should like to ask the Senator from Colorado whether it would be possible to interpret his amendment so as to prevent 100 per cent wage cuts?

Mr. COSTIGAN. Mr. President, as I understand the committee proposal—that is, the proposal of the Senator from New Mexico [Mr. BRATTON], supported by the Senator from Connecticut [Mr. BINGHAM]—complete authority is vested in the heads of departments to make dismissals, order furloughs, and deal otherwise with the personnel. The language of the amendment of the Senator from New Mexico authorizes the heads of departments to make reductions in expenditures which in the aggregate will equal at least 5 per cent of the total amount appropriated for such departments.

From the beginning of the discussion of this question I have pointed out that I fear that under the language used reductions even to the extent of 100 per cent—or equivalent to dismissals—are permissable. I am therefore hoping that during the course of our discussion the Senator from New Mexico will be willing to withdraw the words "at least."

Mr. BINGHAM. The Senator did not reply specifically to my question, although I imply from his answer that his amendment would mean that no one's salary should be reduced 100 per cent; in other words, that there could be no dismissals under his amendment.

Mr. COSTIGAN. That is not what I was endeavoring to say to the Senator from Connecticut.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Connecticut yield?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Arkansas?

Mr. BINGHAM. Certainly.

Mr. ROBINSON of Arkansas. The language of the amendment has relation to reductions in expenditures. It does not relate to dismissals from the service, and I do not think there is anyone who would construe the amendment as affecting the right to remain in the service or the right of the head of a department to dismiss someone from the service.

Mr. COSTIGAN. Does the able Senator from Arkansas refer to the language of the Bratton amendment?

Mr. ROBINSON of Arkansas. I refer to the language of the Costigan amendment, which was the subject of inquiry by the Senator from Connecticut.

Mr. BINGHAM. Mr. President, the views expressed by the Senator from Arkansas and the Senator from Colorado are exactly in accordance with my own. I merely wanted to get it definitely of record that adoption of the amendment means the dismissal of hundreds, if not thousands, of Government employees.

I realize perfectly well that there are organizations in the country whose devotion to a certain standard of wage is such that they are perfectly willing to see the number of unemployed increased in order to maintain that standard of wage. The effect of the amendment, if adopted, will be to increase greatly the hardship and the unemployment among the people of the United States. Let there be no question about that whatsoever. In order to prevent any administrative furloughs, any further legislative furloughs, the Senator from Colorado prefers to see dismissals, because that is the only way in many departments in which a 5 per cent cut could possibly be accomplished.

Mr. ROBINSON of Arkansas. The Senator must have misunderstood me. I said that, in my judgment, the language of the amendment of the Senator from Colorado has no relationship to the subject of dismissals from the service. It does not affect dismissals.

Mr. BINGHAM. No; except that, in connection with the amendment offered by the Senator from Colorado, it encourages and forces dismissals. There are departments in which practically all the appropriation is used for personal services.

Mr. COUZENS and Mr. COSTIGAN addressed the Chair.

The VICE PRESIDENT. Does the Senator from Connecticut yield; and if so, to whom?

Mr. BINGHAM. I yield to the Senator from Michigan, who, I think, rose first.

Mr. COUZENS. Mr. President, let me ask the Senator from Connecticut if the real situation which he describes could not be avoided by rejecting both these amendments?

Mr. BINGHAM. Certainly, I think it could.

Mr. COUZENS. We ought to reject both the Bratton amendment and the Costigan amendment, and then there would be no situation arising either about dismissals or cutting wages.

Mr. BINGHAM. I intend to join with the Senator in voting against both amendments; but I want to point out to the Senator at this time, while we are considering the Costigan amendment, lest there be any misunderstanding about it, that, in my opinion, it is better for a family to get along with 5 per cent less in their income than with 100 per cent less. I believe that the amendment, if agreed to, will greatly increase the suffering. We were told this morning in the Appropriations Committee by the Assistant Secretary of State that the adoption of the pending amendment and the Bratton amendment would mean in regard to the Foreign Service officers of the United States a dismissal of 50 out of 750, which is a very large percentage, and those men with families, or without, as the case may be, will be simply out of employment. Here in Washington there are Government offices containing 200 clerks. Under the Bratton amendment, without the Costigan amendment, it will be possible to reduce the salary of each of those clerks 5 per cent to meet the demands of the Bratton amendment; but under the Costigan amendment it will be necessary to dismiss 5 per cent of the employees. That is the only way the saving could be effected.

Mr. COSTIGAN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator yield to the Senator from Colorado?

Mr. BINGHAM. Yes; Mr. President.

Mr. COSTIGAN. I suggest to the Senator from Connecticut that if there are departments in which that would be the result, it would be undoubtedly easy for the Senator to provide for an exception with respect to those departments. May I further say that the Senator also apparently disagrees with the author of the original amendment, the Senator from New Mexico [Mr. BRATTON], who last night positively stated:

> I said before, and I repeat now, that, in my opinion, a wise and a humanitarian administration of this proposal can save the 5 per cent without affecting personnel. I repeat that belief with confidence and with assurance.

Mr. BINGHAM. That is a very convenient belief to have. I have no doubt the Senator is entirely sincere in it. If I could believe that also I would not now be speaking, but, from my study of matters in the Appropriations Committee during the past five years, I do not agree with the Senator's belief. The Appropriations Committee is endeavoring from time to time to make reductions. Last year, under the orders of the Senate, we made reductions of 10 per cent in the appropriations for a number of the departments including the Departments of State, Justice, Commerce, Labor, and, I think, Interior; those departments were affected by that 10 per cent cut. In our efforts to meet that demand it was utterly impossible for us not to cut the appropriations for personal services. If the Senator from New Mexico should change his amendment so as to make it permissive and advisory and not directory, then I agree that it might be possible to get along without wholesale dismissals and without wholesale reductions in salaries; but I call the Senator's attention to the fact that the amendment now offered by the Senator from New Mexico is directive; a department has no choice but to make at least a 5 per cent reduction. That will cause in the State Department alone, from the little State Department, which is one of the smallest departments in Washington, the dismissal of 50 persons from the Foreign Service of the United States. Those are not large figures, but I give them because they were given to us fresh this morning. It is impossible in many of the departments to effect, without dismissals, the kind of cut that the Senator from New Mexico wants.

Yesterday the Senator from Arizona asking a question expressed his entire willingness to see unnecessary bureaus wiped out and supernumerary employees discharged. With the Senator's position in ordinary times I should have no dispute whatever, but these are not ordinary times, and I dislike to see at this time, in view of the necessity for economy, any additional Government employees thrown out on the streets with no jobs at all and no chance of getting any. I think that the average Government employee if he would think the matter over, and not be guided entirely by the opinion of his leaders and the union, would agree with me that it were better that they all should take a 5 per cent cut, if a cut be necessary, rather than 5 per cent of them should be thrown out on the streets.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado to the amendment offered by the Senator from New Mexico.

Mr. COSTIGAN. Mr. President, all of us, I assume, are profoundly interested in the humanitarian aspects of the pending amendment. Unwisely, however, in my judgment, the Bratton proposal disregards those aspects, since it proceeds in a fashion which permits indiscriminate wage and salary cuts, furloughs, and dismissals. As I declared Saturday, when a similar amendment was proposed by me, prior to its decisive adoption by the Senate, it appears clear that the approval of the Senate can not be secured to eliminate, as I should be happy to do, the possibility under this 5 per cent clause of any further dismissals than those already authorized by law. The purpose of my amendment is to save

reasonable wage and decent living standards for Federal employees. As drafted, it is designed to prevent, under the so-called 5 per cent cut, wage or salary reductions or any further furloughs. If the Senate desires to include dismissals, no one in the body will be happier to welcome an amendment of that kind than myself.

Personally, I am opposed to the Bratton amendment in part, because it permits uncontrolled dismissals. I am opposed to it because it includes unlimited furloughs and wage cuts in an additional 5 per cent or greater reduction, when the commander of this ill-considered drive concedes that neither wage cuts nor furloughs nor dismissals will be necessary to effect a 5 per cent saving under humanitarian departmental heads. I wonder whether the Senate realizes that we already have in the law a furlough provision applicable to other economy features of the law? That provision is not affected by my amendment. It is section 216 of the original economy act, which is continued in the pending bill. Under that provision for administrative furloughs many employees have been given indeterminate furloughs, which are, in effect, dismissals, and we are to-day confronted with precisely the same kind of a situation against which the Senator from Connecticut at this moment appears to be protesting. Before the day has gone it surely is to be hoped that the Senator from Connecticut and other Senators who are protesting against dismissals may be given some opportunity to vote upon the question whether or not they favor banning dismissals at this time.

The amendment before us is confined to furloughs and wage cuts and other salary reductions in the 5 per cent bracket. It does not affect wage cuts and dismissals and furloughs which have already been put into effect by the Government.

The Senator from New Mexico, with his usual candor, last night advised the Senate that he believed it entirely possible to put into effect this additional 5 per cent cut without any reduction in personnel. I agree with him and have been hoping that he might this morning be willing to modify his amendment so that there will be no danger of further salary reductions or further furloughs under his proposal.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Massachusetts?

Mr. COSTIGAN. I yield.

Mr. WALSH of Massachusetts. I did not understand the Senator from New Mexico, in reply to my question, to say that his amendment would prevent reductions in personnel. He did say it would, in his opinion, prevent reductions in wages; but I understood him, in fact, to say that it would probably bring about reductions in personnel.

Mr. COSTIGAN. May I say to the Senator from Massachusetts that he doubtless failed to hear that portion of the address made last evening by the Senator from New Mexico which I read a few moments ago, as follows:

> I said before, and I repeat now, that, in my opinion, a wise and a humanitarian administration of this proposal can save the 5 per cent without affecting personnel.

Mr. WALSH of Massachusetts. May I read from the RECORD along this line a question and the response to the question?

Mr. COSTIGAN. May I finish the quotation?

Mr. WALSH of Massachusetts. Certainly.

Mr. COSTIGAN. The Senator from New Mexico continued:

> I repeat that belief with confidence and assurance.

Mr. WALSH of Massachusetts. On page 3478 I inquired of the Senator from New Mexico, as follows:

> It is possible for this sum of money to be saved to the Public Treasury without any reduction of wages?
> Mr. BRATTON. I think so. I have not the slightest doubt about it.

Mr. COSTIGAN. May I say to the Senator from Massachusetts that the quoted statement of the Senator from New Mexico is merely confirmatory of the one just read, confined in this instance to the subject of wages? The Senator from New Mexico is present and may correct me if I am in error.

Mr. BRATTON. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. COSTIGAN. I yield.

Mr. BRATTON. I intended to say definitely last night that, in my opinion, the 5 per cent may be saved without going into personnel, but if I should be in error in that, and it should be necessary to go into personnel, then that could be done by dismissals. Under the amendment of the Senator from Colorado it would be done by dismissals rather than by additional furloughs or cuts.

Mr. COSTIGAN. My argument the other day was, in part, inspired by the statement of the Senator from Michigan [Mr. COUZENS], who urged, if there are to be further wage cuts, that they be authorized by Congress and not left to the administrative discretion of the heads of departments. Under the amendment of the able Senator from New Mexico the head of a department is given unlimited discretion in making at least a 5 per cent cut, and no one knows how much farther the head of the administrative department may desire to go through reductions in wages, dismissals, and additional furloughs. The unwisdom of that course ought to be manifest to everyone in this Chamber.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Montana?

Mr. COSTIGAN. I yield to the Senator from Montana.

Mr. WHEELER. If the Senator from New Mexico is correct—and I believe he is—in the view he takes that department heads can cut wages if his amendment is adopted without the Costigan amendment being attached thereto, then it would place in the hands of the heads of the different departments the right to cut the wages of one group of employees 10 per cent, another group 15 per cent, and another group 20 per cent, in order to reach the maximum of 5 per cent. Likewise it would mean that, for instance, the Agricultural Department might cut their employees 7½ per cent, the Treasury Department might cut some of their employees 20 per cent, and some other department might cut their employees 15 per cent. The result of it would be that we would have chaos, it seems to me, with reference to the wage situation throughout the Government bureaus.

Mr. COSTIGAN. Mr. President, the able Senator from Montana is entirely right. Last Saturday I pointed out to the Senate that in the case of postal employees, because of certain fixed expenses in the department, the 5 per cent provision for reduction would amount to a reduction in employees' salaries of approximately 7¼ per cent.

I have before me a statement with reference to the Office of Education in the Interior Department which further illustrates some curious inconsistencies which will result from the course the Senate is now taking.

A memorandum in my hands indicates that under the three different proposals now under consideration by the Congress—the Department of the Interior bill, the Bratton amendment, and the economy bill—total salary cuts in the Office of Education which employees will bear, if the pending legislation passes, will aggregate 23.3 per cent.

I ask to have this memorandum incorporated in my remarks.

The VICE PRESIDENT. Without objection, that order will be made.

The matter referred to is as follows:

SUMMARY

*Salary cuts for 1933–34 provided for in bills now pending before the Senate*

The following data show how the salary cuts provided for in bills pending before the Senate (February, 1933) would affect the bureau.

Salary cuts for every employee in the Office of Education are provided for in three bills now before the Senate, as follows:

| | Per cent |
|---|---|
| 1. In the Department of the Interior bill now in the Appropriations Committee: | |
| (a) Legislative furlough (4 weeks) | 8.3 |
| (b) Cut in salary budget which will result either in dismissals or necessitate 4 weeks' administrative furlough (this cut was made in the House) | 8.3 |
| 2. In the Bratton bill (at least) | 5.0 |
| 3. In the economy bill | 1.7 |
| Total salary cuts which every employee will receive if pending legislation passes | 23.3 |

Mr. COSTIGAN. Mr. President, it is not my intention to pursue this subject much farther; but, since there has been some misunderstanding of the effect of my amendment and some obvious misconception of the fact that it should save to Federal employees something which is in no wise protected under the Bratton amendment, I appeal to Members of the Senate to give attention to what leaders of responsible organizations representing Federal employees have to say about the pending amendment.

I direct attention first to a letter from President William Green, of the American Federation of Labor, written yesterday. He says:

WASHINGTON, D. C., *February 6, 1933.*

Hon. EDWARD P. COSTIGAN,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR: I am writing to advise you that I am pleased to extend my approval to the amendment which you have prepared to offer to the Treasury-Post Office bill, and which reads as follows:

"In making any reduction in expenditures provided for in this section no wage cuts, other reduced compensation, or furloughs shall be ordered."

It is my understanding that this amendment provides that in the event appropriations provided for in the Treasury-Post Office bill are reduced 5 per cent, that the wages and salaries of Government employees will not be reduced and that no additional furlough will be imposed because of the 5 per cent reduction in general appropriations.

It is my understanding that this amendment meets with the approval of the representatives of Government employees' organizations. I am glad to join with them in extending personal and official approval.

Appreciating very much the interest you have shown in Government employees and the splendid efforts you are putting forth to maintain decent American standards of living, I beg to remain,

Sincerely yours,

WM. GREEN,
*President American Federation of Labor.*

Here also are two other letters from other representatives of Federal employees.

The first is from the National Federation of Federal Employees, dated February 3. The president, Mr. Luther C. Steward, says, referring to the substantially similar amendment adopted last Saturday:

NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
*Washington, D. C., February 3, 1933.*

Senator EDWARD P. COSTIGAN,
*United States Senate, Washington, D. C.*

DEAR SENATOR COSTIGAN: We desire to express thorough accord with the purpose of the amendment offered by you and adopted by the Senate yesterday placing a limitation on the 5 per cent additional savings authorized in the Bratton amendment. On page 72, lines 1 to 8, of the bill now under consideration by the Senate there appears language continuing the existing provision for administrative furloughs, which will afford ample latitude for administrators to effect economies without resort to dismissals. We feel that the effect of your amendment is to place the emphasis on the possibility of savings from sources other than personnel.

Very truly yours, LUTHER C. STEWARD, *President.*

The third letter is from the National Federation of Post Office Clerks. It is signed by Mr. Thomas F. Flaherty, the secretary-treasurer of the federation. It is dated February 3, 1933, and reads:

NATIONAL FEDERATION OF POST OFFICE CLERKS,
*Washington, D. C., February 3, 1933.*

Hon. EDWARD P. COSTIGAN,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR: Your amendment to exclude wage cuts and furloughs from the application of the Bratton amendment is workable so far as the Postal Service is concerned, and I trust it will be finally enacted into law.

The pending postal appropriation bill carries a total of $717,033,378. Of this amount, $435,872,981 covers the wages of the personnel, leaving a total of $281,160,397, from which the 5 per cent saving can be effective without the impairment of contracts or the efficiency of the service.

For instance, $100,000,000 is appropriated for railroad and messenger transportation under contracts that are subject to immediate revision.

Other transportation costs, including star routes, ocean and air mail subsidies, aggregate $50,850,000, and can be scaled downward under existing or new contracts at considerable saving.

Rents, fuel, and lighting charges amount to $16,000,000, and there are ample opportunities for savings here because of lowered rental costs and material prices.

Thus the savings contemplated by the Bratton amendment can be made without reducing wages or adding additional furloughs and consequently your amendment will serve its purpose and prevent undue hardships upon the employees.

My hope is the Senate will not enact the Bratton amendment without the safeguard of your amendment, because in its original form it will result in wage reductions and enforced furloughs.

Sincerely appreciating your interest, I am

Very truly yours,

THOS. F. FLAHERTY,
*Secretary-Treasurer.*

The VICE PRESIDENT. The time of the Senator on the amendment has expired. He has 15 minutes on the bill.

Mr. COSTIGAN. The remaining time will be taken on the bill.

The VICE PRESIDENT. The Senator has 15 minutes on the bill.

Mr. COSTIGAN. Mr. President, it is unnecessary for me to add anything to what has been read. These noteworthy representatives of Federal employees know best the problems of their fellow men and women. I merely desire to suggest that it will be singularly unfortunate if the Government of the United States, in this period of widespread unemployment and general economic chaos, adds to the general catastrophe such results as are latent in the pending proposals. Certainly it is to be hoped that we here, in an hour when increased purchasing power and employment are supremely needed, will not sanction wage reductions which will be taken by industry as justifying like wage reductions everywhere. Surely every sound and humane impulse requires us to guard against new disasters while correcting the old, and building as rapidly as possible toward a new and better era.

I appeal to the Senate to see that the Bratton amendment is so improved in form that if the Senate later regrettably decides to adopt it, the amendment will do the least possible harm to the overwhelming majority of employees of the Federal Government whose faithful years of service ought to receive the most thorough and intelligent consideration of which we are capable.

Mr. President, concluding my remarks, I request that there be inserted in the RECORD an editorial from the Federal News, of Saturday, February 4, 1933, entitled "Congress Should Defeat Efforts to Crush Standards."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS SHOULD DEFEAT EFFORTS TO CRUSH STANDARDS—REHABILITATION CAN NOT BE ACHIEVED THROUGH WAGE CUTS, WHOLESALE DISMISSALS, AND CURTAILMENT OF ESSENTIAL SERVICES

The way to improved economic conditions does not lie in further slashing meager Federal wages.

The way to sounder Government finances is not to be found on a road signposted by increasing deflation of pay rates.

The solution to the acute unemployment problem, which the Government itself is endeavoring to solve, does not consist in adding to the total of jobless by dismissing essential Federal personnel.

There is no wisdom in a policy which would deprive the people of the country of vital constructive services at a time when those services are most needed.

These are inescapable truths which Congress should bear in mind.

They are truths which every intelligent citizen recognizes. They are truths which legislators should have the courage to face squarely.

No sound economist favors Federal pay cuts. Each additional cut sinks us deeper in the mire of deflation, retarding the return of normal conditions.

The demand for Federal pay cuts comes not from the average citizen, the average wage earner, but from the selfish special interests, who are convinced they stand to reap large profits by permanently wrecking the whole American wage standard.

No intelligent observer, in Congress or out, contends that Federal wage cuts provide a saving in any degree proportionate to the wrongs they bring and perpetuate.

Yet it is on the specious grounds of "balancing the Budget" that the Federal wage scale has been reduced. And it is upon those grounds that it is being attacked now.

At a time when the Nation looks to Washington for moral courage and guidance, when the rank and file of employers are looking for a stiffening of their resolve to carry on under the American standard of wages and working conditions, Congress should not set an example of supine weakness.

Now, as never before, Congress should stand four square by the principles under which we have prospered and progressed.

* * * * * * *

Proposals which would arbitrarily dismiss hundreds and thousands of workers, ruthlessly and with virtually no regard for the value of the services they are rendering to the whole people, have no more merit than the wage-slash program.

By what stretch of the imagination can such dismissals prove of benefit to the American people?

Is there any constructive end to be gained by adding to the unemployment roll?

Is anything to be gained by putting the Federal Government in the same class as the so-called "big" industrialist whose first thought in a crisis always has been to throw overboard the human beings who made possible his success?

The legislator errs who believes that the wage earners of this country want him to use his influence to place the Federal Government in that category. He errs also if he believes that in setting such an example the Federal Government would be aiding in leading the country out of the depression.

At no time should the Federal Government maintain surplus employees. The National Federation of Federal Employees always has been a firm advocate of the highest efficiency and the greatest possible degree of sound economy in the executive establishments.

But these objectives are not obtained by arbitrarily dismissing so-and-so many workers. In addition to being a brutal, inhuman practice, it is rankly bad personnel policy.

Like all bad policies, it will prove definitely costly in the long run.

Wage cuts, wholesale dismissals, radical curtailment of essential services. These are the ends which selfish special interests now are inducing the Congress to attain in increasingly large degree.

Wage cuts, wholesale dismissals, curtailment of essential services.

They are the big three of deflation, depression, disaster.

Upon the highway trod by "big business" since 1929 the names of these three are writ in giant letters. No one need be told what they have brought in their wake.

Yet, with full knowledge of that holocaust of suffering, interests blinded by their own greed are demanding that Congress force the Federal Government to lead the grim procession of despair.

Wage cuts, wholesale dismissals, curtailment of essential services.

Is there a man or woman on Capitol Hill who believes that these three offer a solution to the vast problems of national economy and Federal finances?

There can be but one answer. Statesmanship will dictate but one position.

The time is ripe for statesmen to take that position and to hold it steadfastly.

Mr. COUZENS. Mr. President, I desire to take only a few minutes to point out the absurd circle in which we are going. It is my judgment that the Congress has gone literally mad over economy.

I do not mean to imply that there is not room for more efficiency and a better regulation of government; but this is no time to undertake the solution of the problem at the sacrifice of human beings.

Congress has recently appropriated $650,000 for feeding the bread lines in the District of Columbia. Now, there is a proposal, not only in the Bratton amendment but in other amendments that are being considered, to lay off thousands of Federal employees or reduce them to the point where they will have to have Federal assistance.

Not only that, but there has come to my attention the fact that there are thousands and thousands of Federal employees who are keeping their relatives out of the bread lines in the cities back home.

Is this a time when Congress should lose its head over an economy drive and sacrifice every principle that we have established in trying to maintain decent and respectable incomes for Federal workers?

Mr. President, everyone sympathizes in principle with the proposal of the Senator from New Mexico [Mr. BRATTON]. Everyone would like to do what he proposes to do; but we are going in a vicious circle. We are laying off employees, we are cutting wages, and at the same time we are appropriating hundreds of millions to feed them in the bread lines.

Not only have we appropriated $650,000 to feed the bread lines in the District of Columbia, but a subcommittee of the Banking and Currency Committee yesterday approved an appropriation of $300,000,000 more to contribute to the States to aid the bread lines to feed the distressed.

The Senator from Colorado [Mr. COSTIGAN] and the Senator from Wisconsin [Mr. LA FOLLETTE] have a joint bill now on the calendar providing an appropriation of another $500,000,000.

Is it not silly that we should spend our time discussing taking off 5 per cent of somebody's salary, or laying off some poor devil who is getting a couple of thousand dollars a year, and at the same time appropriating and proposing to appropriate billions of dollars to feed them in the bread lines? Can any sane person approve of such a proposal?

A very distinguished professor in my home city made a speech the other day in which he said that the people of the United States are absolutely going crazy. I concur in that view; and the craziness is emanating from the top and not from the bottom. For some absurd reason those in the most powerful positions are the ones who are conducting this terrific drive further to depress the incomes not only of Federal Government workers but of all other governmental workers, whether in States or other political subdivisions. We are responding to that drive, and at the same time we are in the absurd situation of having bills pending here for $800,000,000 to feed the very persons whom we are going to discharge and thereby save $100,000,000.

I am unable to comprehend such an economic heresy as is involved in a proposal of that kind.

Not only that, but if we reduce the salaries of the Federal employees, or lay them off, under the Bratton amendment, more thousands of people back in the States will be added to the bread lines, and we will be appropriating hundreds of millions of dollars more to feed them.

Mr. President and Senators, I submit that such an idea is an economy heresy, and that neither of these proposals should be adopted.

Mr. HALE. Mr. President, a day or two ago, on motion of the junior Senator from Utah [Mr. KING], we cut off from the Customs Bureau of the Treasury Department $2,500,000 and from the Internal Revenue Bureau $1,000,000. I have received word from the department that 92 per cent of the cut in the case of the internal revenue and 93 per cent in the case of the customs must fall on the personnel of those particular bureaus.

Everybody wants to economize, but it looks to me as though, in our efforts to economize, we were entirely losing sight of the fact that if we adopt the methods proposed we will be turning people out on the world, with no possibility of getting jobs and no possible means of existence. The Bratton amendment only makes the case worse; it would make it obligatory to refrain from administrative furloughs and to keep wages where they are. It forces dismissals.

We have the assurance of the Senator from New Mexico that we could readily make a cut of 5 per cent without interfering with the personnel. I have no such information in my possession, and no such suggestion has been made to the Committee on Appropriations. I do not believe it is in any way possible to do anything of the sort. But depending on the assurance that it can be accomplished under the amendment of the Senator from New Mexico we are called upon to make the 5 per cent cut absolute.

The amendment of the Senator from Colorado [Mr. COSTIGAN] would prevent the use of the furlough which would allow all employees, if they did not get their full salaries, still to get something, still to get enough to live on.

In what kind of a situation do we find ourselves? Obviously, if the amendment of the Senator from New Mexico shall be adopted, we will have to make the cut provided, and if we can not make it in the way of furloughs or by reduction of salaries, obviously we will have to dismiss the men and women in the service whose numbers will be high up in the

thousands. I shall speak later on the Bratton amendment, and I shall go into it more at length at that time.

Mr. President, it looks now as though we could get through with the pending bill to-day, and if Senators will assist we can certainly accomplish that. I think we ought to stay in session until we are through with the bill, and unless we get through by the end of the afternoon I shall ask the Senators in charge of the bill to hold the Senate in night session to-night.

Mr. TYDINGS. Mr. President, on the floor of Congress for all of this session a great many Members have been talking about the need for inflation. They have projected the viewpoint that the dollar now is valued at $1.56, in other words, that it has appreciated in value 50 per cent.

If that is true, may I ask if the Government employee who takes a 10 per cent cut can not buy more with the 90 cents out of the dollar than he or she could have bought with $1.25 four or five years ago? Certainly, we can not rise on this floor and say that the dollar has gone up so high that it will buy 50 per cent more than it would have bought four or five years ago, and then refuse to make adequate economies in the conduct of the Government. Let us take one horn or the other of the dilemma. Let us not say that they can buy more with this money and then say that they are not as well off, if we cut this appropriation 5 or 10 per cent, as they were four years ago.

Mr. WHEELER. Mr. President, I agree with what the Senator from Maryland says to the effect that the dollar has gone up in value, but what he is proposing to do by cutting salaries and cutting wages is to make it go up more in value rather than to bring it down. Whether or not the dollar goes up in value or whether it goes down in value depends to a large extent upon the velocity with which money circulates. The trouble to-day is that money is not circulating, that the velocity of money has been lost, practically, except with people who are being paid wages. When people are thrown out of work, or the amount of money they are receiving is cut down, the velocity of money is further slowed up, and consequently there is further deflation, instead of an attempt to inflate.

That is the very reason why I am opposed to further and continued deflation. I am heartily in accord with the views expressed by the Senator from Michigan [Mr. COUZENS]. I contend that there is positive hysteria throughout the country with reference to cutting down expenses of governments and with reference to taxes. But the attack on the situation is entirely from the wrong end.

I dare say everybody will concede that we are right at the crossroads. We must determine upon a positive policy for the Government to follow. Either we will have to follow the policy the Senator from New Mexico has inaugurated, of cutting wages and cutting wages, thereby bringing down the standards of living of American working people and the American farmer to the present low levels of Europe, or we will have to start in with positive inflation.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Montana yield to the Senator from Maryland?

Mr. WHEELER. I yield.

Mr. TYDINGS. I am not taking issue with the Senator on the basic proposition.

Mr. WHEELER. I understand that.

Mr. TYDINGS. Of course, I realize that there is a great disparity between money and commodities, but I did not rise to argue that. I am only going to observe in passing that one of the best ways to cure the depression would be to double everybody's salary. That would speed the velocity of money. But what I am wondering is whence the money is to come with which to do that.

I want to say this: That I will be very much surprised if any economy is effected. I know it is useless to make a fight for economy, and I now issue the challenge to any man in the Senate to point out where $100,000,000 of economy can be effected, and I say that because, even though everybody talks about economy, nobody votes for it, and until we begin voting for it, I suggest that we stop talking about it.

Mr. WHEELER. Mr. President, I think there are ways in which we can economize in our Government expenditures and can save money. I do not agree that we can save such a tremendous lot as has been estimated by some, but I do say that the thing we ought to try to do is to put people to work so that the velocity of the currency would increase, so that commodity prices would come up, rather than take people off the pay roll and cut the pay roll down.

It seems to me that it is perfectly asinine for men to stand here on the floor of the Senate and talk about balancing the Budget while commodity prices are continuing to fall, because the Budget can not be balanced, and anybody who has any sense at all ought to know that it can not be balanced, while commodity prices are continually falling and falling. It might be balanced for to-day, but it can not be balanced and kept balanced while that condition exists. Any economist of note at all, or with any intellect at all, will agree with the statement which I have just made.

Mr. President, the unfairness, the inequality, that is to be perpetrated if the Bratton amendment is agreed to without the amendment of the Senator from Colorado must be apparent to the simplest minds in this Chamber, and I will explain just what I mean. Suppose I am the Secretary of the Interior, or the Secretary of Agriculture, or Secretary of some other department; it would simply mean, if I have to reduce 5 per cent, that I may be able to cut out some things in my department to the extent of 2 per cent without reducing salaries, but I will have to make up the balance of the reduction by cutting salaries. Consequently, I will have to cut salaries in the Interior Department, we will say, 7½ per cent. But the Secretary of Agriculture may say, "I can not cut out this function of my department, and consequently, in order to make a saving of 5 per cent, I will have to cut wages in my department 10 per cent." The Secretary of the Treasury may say, "I can not cut out this function, and in order to effect the 5 per cent saving in my department I will have to cut wages 15 per cent."

Mr. President, if the Congress of the United States wants to cut wages, there is one way to do it, and there is only one way to do it, it seems to me, in fairness to all of the departments, and that is to say that we are going to cut the wages of employees in all branches of the Government 5 per cent or 10 per cent, or whatever in the wisdom of the Congress of the United States we think they should be cut. I am opposed to that, myself. I think it is wrong. But if that is to be done, if that is to be the policy of the Government, let us not leave it up to the heads of the departments to say they will cut 7½ per cent in this department and in that department 5 per cent and in some other department possibly 20 or 25 per cent. It is not the scientific way to legislate; it is not the scientific way to go about wage cutting; it is not the scientific way to effect reductions in Government expenditures.

Mr. President, for the reasons I have stated I am opposed to the Bratton amendment. It would place in the hands of the executive branch of the Government a power which it should not possess. They could say that one group of employees should be cut 20 per cent, that another group in the same department should be cut 5 per cent, and another one 2 per cent. Is there any fairness in that proposition at all? Is there any justice in it? We would simply be saying to them, "Go in and cut your department expenses 5 per cent," and it would be entirely up to them as to how they should do it.

Mr. President, there are some on this side of the Chamber who argue that the heads of the departments would not be permitted to cut wages at all. I do not agree with them in that view of the matter. But if that is the correct view, and they could not cut wages under the Bratton amendment, then why not adopt the amendment offered by the Senator from Colorado and indicate that we do not intend that they should have the power to cut wages as a result of our action?

Mr. NORRIS. Mr. President, I dislike very much to be compelled to oppose the amendment offered by the Senator

from Colorado [Mr. COSTIGAN]. When I disagree with that Senator on questions of this kind I always hesitate with some fear that I myself must be wrong. I know that in his study of such questions as are involved in wage scales, and so forth, he is an expert; that he is not only an expert, but that he is absolutely conscientious in his belief; so that I have some fears of my own judgment when I find myself in disagreement with him on questions of this kind.

As I look at it, the amendment of the Senator from Colorado, to a great extent, will nullify the amendment of the Senator from New Mexico. I am in favor of the amendment offered by the Senator from New Mexico. He has offered it now at a place in the bill where, if it is agreed to, it will apply to all departments alike. That is the reason why I objected to it the other day when it was offered where it would only apply to one or two departments and let the others escape.

The Senator from Colorado has offered an amendment which will make it impossible, in carrying out a reduction in expenses, to reduce any salary. I believe there is a great deal in the argument made that if the head of a department is driven by this law to reduce expenses somewhere and is unable to do so without cutting wages, then if the amendment of the Senator from Colorado is in the law he will not be allowed to cut wages and as a last resort will be compelled to dismiss employees. Senators have been arguing against both amendments on the ground that it would bring about a dismissal of employees. The amendment of the Senator from Colorado, in my humble judgment, will bring about that very thing unless it is found possible to make all of the necessary decreases in other branches of any particular department, and I confess I do not believe that can be done.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. NORRIS. I yield.

Mr. COSTIGAN. Does not the Senator from Nebraska agree that under the Bratton amendment, if not further amended, it will be possible to make dismissals, order furloughs, and reduce wages?

Mr. NORRIS. That is probably true, Mr. President. When we adopt the Bratton amendment we have conferred upon somebody authority to do what Congress has been trying to do for over a year and found itself unable to do. I concede that it is not the most efficient way to bring about economy. I readily admit that the proper way to do it is to enact laws by which particular reductions are brought about. That is what ought to be done. I argued that in the last Congress and voted against the straight cut, but I found that however desirable and proper and efficient that way was, yet in practice it is an impossibility, and Congress ought to know that by this time.

It is unnecessary to discuss the reasons for it, it seems to me. I believe it will be conceded that two large legislative bodies like the Senate and the House are going to find it impossible by legislation to do what we all believe ought to be done to bring about economy. This provision delegates to the heads of departments the authority to make the reductions that we as a legislative body are unable to make.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. NORRIS. I yield.

Mr. COUZENS. I was wondering if the Senator would not believe that the humane time to do this job is when there is opportunity to find work elsewhere?

Mr. NORRIS. My theory is that if the Bratton amendment is agreed to without the Costigan amendment tied to it, this is what will happen. Reductions will be made, but no dismissals except in cases where an employee is doing some useless work or where two employees are overlapping in work and doing the same work. What will occur will be reductions, of course, of that kind, either because of useless work or because of two employees overlapping on the same kind of work; but in my opinion, much as I regret it, though I believe it necessary, it will mean a reduction in salary and not dismissal if the Costigan amendment is rejected.

Mr. COUZENS. I would like to ask the Senator from Nebraska if he can find any authorization in the amendment to that effect? In other words, the head of every department will be able to discharge anybody he sees fit to discharge, to cut the salary of anyone whom he does not like, and to punish them in any way he chooses.

Mr. NORRIS. I admit that. I admit that is the danger. I would like to avoid it by direct legislation, but, as I said, I believe that is an impossibility and that we are going to do something here that is not done in the most efficient way. We must trust somebody to do it. My idea is that above all heads of the departments will be the President of the United States, that he and they will meet and agree on some method of reduction that will apply alike to all departments. I am not in favor of having a clerk doing some work in the Agricultural Department and getting less pay than a clerk in the Navy Department who is doing identical work. I do not believe that will occur. Over and above all these departments is the President, with the deciding power of course, and in order to carry out a law which Congress has made mandatory they will agree upon the method of carrying it out.

I can easily imagine how, if they did not want to carry out the law in good faith, all kinds of difficulties would occur, the difficulties pointed out by various Senators, that under this amendment it would be possible for a department to dismiss all of the stenographers, for instance. That is true, but who thinks for a moment that would occur? If we are not going to do it ourselves and if we trust it to somebody else to do, it must be on the theory that they are going to do the job properly, that they are going to do it efficiently and fairly, that they are not going to disregard human nature and everything else and discharge people without cause. It is conceded that if two women are doing the same work in different departments which one could do that they are overlapping and that there ought to be a discharge in that kind of a case, even though it would create a hardship, and I concede that it would.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. NORRIS. Certainly.

Mr. TYDINGS. I agree with all that the Senator has said. With 12,000,000 unemployed, to keep one person who is not needed in a position at a high salary simply because that one person has a preferential position over the other 12,000,000 is not proper, and if he is not needed we ought to have the same rule applied.

Mr. NORRIS. I think so, and I thank the Senator for his interruption. That reminds me that we are compelled to do it not because we want to, but from the very condition in which we find our country to-day. I want to say to the Senate—and I am in earnest about it, although it is a repetition of what I have said before—that I would rather save the country from a catastrophe, perhaps even from ruin, even though to do it I had to bring about changes that I believe in ordinary circumstances would be absolutely inexcusable, and I think that is the position we are in now as a nation.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Montana?

Mr. NORRIS. I yield.

Mr. WHEELER. Of course, I do not agree at all with the Senator's statement, and I want to ask if the Senator wants to reduce wages, if he does not want to avoid any inequalities?

Mr. NORRIS. I just said that.

Mr. WHEELER. But the amendment would enable one department to reduce wages 5 per cent and another one 10 per cent, and so on.

Mr. NORRIS. I think the Senator did not hear what I said or he would not have asked the question. I have ad-

mitted that. I concede that would not be right. I do not want it to occur. I concede, when we give these gentlemen authority, that if the persons to whom the authority is given want to abuse it and not act in good faith they could do those very things. I admit all that, and I am only urging it to be done because, so far as I am able to reason the thing out, there is no other way to do it.

Mr. BRATTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. Certainly.

Mr. BRATTON. The Senator has voiced my feeling in exact language. I see no escape. We are in perfect accord about that.

Mr. NORRIS. I thank the Senator.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. NORRIS. Certainly.

Mr. COSTIGAN. I merely rise to ask the Senator from New Mexico how he justifies his statement and reconciles his last statement with his other statement that it is not necessary to make dismissals or reduce wages?

Mr. BRATTON. I did not say that. I do not recede from my previous statement one iota.

Mr. NORRIS. Mr. President, I can not yield to one Senator to ask another Senator questions in my time. How much time have I remaining?

The PRESIDING OFFICER. The Senator has three minutes remaining.

Mr. NORRIS. Very well; I yield the floor.

Mr. SMOOT. Mr. President, the other day my attention was called to a survey made in different sections of the country as to the cost of commodities used within the home. That survey showed that, including rent, clothing, and all that is used in the ordinary home, the cost is 22 per cent less to-day than it was three years ago. I have not had time to check that survey. I do not know whether it is true or not, but it was made by a reliable organization. I was very much surprised to see that all those items, including rents and the necessities of the home, are 22 per cent less in cost to-day than they were three years ago.

Mr. LOGAN. Mr. President, I have only a few words to say. I deem it proper to say a few things about the amendment proposed by the Senator from New Mexico and the amendment proposed by the Senator from Colorado to the amendment of the Senator from New Mexico.

I agree with the Senator from Maryland [Mr. TYDINGS] that we are not going to do anything about economy at this time. A good many years ago the people in a school district down in the country decided that they wanted to build a new schoolhouse. The people wanted it, but the trustees did not want it very much, so they adopted a resolution and wrote it on their books providing that there should be a new schoolhouse, that it should be built on the exact site of the old schoolhouse, but that the old schoolhouse should not be taken down or removed until the new schoolhouse was completed. [Laughter.]

That is exactly the kind of economy proposals we have here. If some Senator proposes a worth-while law or amendment to a bill that would bring about real results, then some other Senator proposes something that would provide that the first provision should not go into effect. I do not believe that we are going to make any saving worth while until the time comes, and it will come soon, when our Government securities, our Government bonds begin to go down. When they reach 70 or 75, because we have failed to balance the Budget, then the Congress of the United States will become panic-stricken and will rush through legislation that will do a real injustice, a great injustice to the Federal employees. In my humble judgment he is no friend to the Federal employee who advises him not to submit to any reasonable readjustment, although it may cause the dismissal of some and a reduction in salary of others.

What is the amendment of the Senator from New Mexico? It simply leaves to the head of the department the authority to reduce by 5 per cent the amount of money authorized. No one can do it as well as the head of a department. That is the only feasible plan to follow, because we do not know, and we can not find out, just what can be done.

It is suggested that the departments may adopt different rules, and that there may be a greater cut in some than in others. Perhaps that may prove to be true. We are living in an imperfect world; we must take things as they are and not as we would have them, but when we reach the point in our governmental life that we can not trust anyone, then we had as well abandon all efforts to carry on governmental affairs. Authority must be placed in some particular person or group of persons, and that person or group of persons must be held responsible for carrying out the authority in a way that will be for the best interest of all the people. So I regard as puerile the suggestion that the heads of departments would be unfair.

Mr. President, I have no objection at all to the amendment proposed by the Senator from Colorado. The objection which is urged to it by some—that it does not allow dismissals—is, in my judgment, not sound. In my opinion, if we are going to eliminate governmental activities—and that is what is necessary—it follows, as a matter of course, that employees will be dismissed because their services will not be necessary to carry on the governmental activities which have been eliminated. So it seems to me that it is an argument advanced without thinking when we say that we will cut an appropriation, that we will eliminate certain work, that such action must be taken, but we will provide that no employee shall be dismissed. That means, of course, that we are required to carry on the pay roll employees whose services are not necessary.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Kentucky yield to the Senator from Montana?

Mr. LOGAN. I do.

Mr. WHEELER. The Bratton amendment does not provide that there shall not be dismissals.

Mr. LOGAN. No.

Mr. WHEELER. Neither does the Costigan amendment.

Mr. LOGAN. Neither does the Costigan amendment; and, therefore, I have no objection to the Costigan amendment; but if we provide in the law that there shall not be dismissals, then we force the reduction of governmental activities along certain lines and compel the retention on the pay roll of employees who ought to be dismissed.

There is another side to it, as suggested by the Senator from Michigan. I am a friend of the Federal employees; I do not want to see their salaries reduced below what is reasonable; but the argument that if we dismiss some one it will increase unemployment is a fallacious argument; it is not supported by any good reason. Those who are on the Federal pay roll must be supported by those out in the country who are now suffering, who are now without food to eat or clothes to wear. They must help to support those who are to be retained on the Federal pay roll when there is no necessity for their services. But, as I said a while ago, I agree fully with the suggestion of the Senator from Maryland that we will probably make no real reduction in governmental expenses until the hour of our calamity comes, although the danger may be seen on every side in deficits piling up day after day and no effort being made to balance the Budget. Some more learned Senators than myself say that it is not necessary to balance the Budget, but I know that if a condition like that shall prevail for a year or two longer there must be a crash. If the bonds of the Government depreciate very greatly in value, then we will have more bank failures and the failures of more financial institutions than we have ever dreamed of.

Mr. DILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Washington?

Mr. LOGAN. I do.

Mr. DILL. I have noticed that, despite the deficit, the value of our Government bonds is higher to-day than it has been at any time during recent years.

Mr. LOGAN. May I call the attention of the Senator to a truth that he knows as well as I: That a little more than a year ago, in September, 1931, the Treasury of the United States sold a billion dollars of Government bonds, and in less than 90 days they were selling around 84. What was the reason? What was the cause of it? Of course, Government bonds are now rather high because the Federal Reserve Board has been buying them. I am quite sure that the Senator recalls that the Federal Reserve Board has been purchasing $50,000,000 or a hundred million dollars of Government bonds a week. Why? To peg the price of the bonds. But the Federal Reserve Board can not continue that indefinitely.

Mr. DILL. They had not been buying Government bonds for several months until last week.

Mr. LOGAN. Last week they commenced to buy them again.

Mr. DILL. And the price of bonds has gone up to around 110.

Mr. LOGAN. Can the Senator give any good reason why the price of Government bonds should go up, when we have a bonded debt now amounting to nearly $21,000,000,000 and a deficit increasing at the rate of about $6,000,000 a day?

Mr. DILL. I think the reason is that people are putting their money into tax-exempt securities, because they think their money is safe there, and they do not put it into industry or into ordinary commercial business.

Mr. LOGAN. Does not the Senator think that the time will soon come when the money, such as the people have, will all be invested in such bonds, and they will begin to slide down?

Mr. DILL. It will then be necessary to have some inflation, perhaps.

Mr. LOGAN. I think so, but what are we going to do? Just sit still and wait until the Government is destroyed before we attempt to do anything, and "mouse track" as we have been doing for some time?

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Montana?

Mr. LOGAN. I yield.

Mr. WHEELER. Let me call the Senator's attention to the fact that during the World War we did not balance the Budget, and no attempt was made to balance the Budget, and yet, as a matter of fact, after that war Government bonds went down at a time when we were supposed to be in the most prosperous condition in the history of the country and when we were not only balancing the Budget but when we were paying off money that we had previously borrowed. The reason bonds went down at that time was because of the fact that the people were making more money and putting their money into industrial concerns and getting a higher rate of interest. The fact of the matter is, the question of balancing the Budget does not affect our bonds very much, unless we should go to the point where our country would become bankrupt; and certainly the Senator does not think if we do not adopt a 5 per cent cut and do not decrease the salaries of employees that this country is going to be bankrupt. It never will be saved from bankruptcy in that particular way.

Mr. LOGAN. I do not think that it will be necessary at all to cut the salaries of Government employees by reason of the adoption of the Bratton amendment; but I do very seriously disagree with the Senator from Montana when he says that the Government can not go bankrupt. Other governments down through the ages have gone bankrupt; other governments have failed; governments are failing in modern times; and if we continue collecting less than around two and a half billion dollars a year and spend $5,000,000,000 or more a year, with $200,000,000,000 of debts, public and private, resting on the backs of the people, it seems to me that it may not be long until the Government will be at least very seriously impaired so far as its financial affairs are concerned.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield further to the Senator from Montana?

Mr. LOGAN. I yield.

Mr. WHEELER. I was going to say that I think the Senator will agree with me that the cutting of wages and further deflation is not the way to solve the problem which confronts us, and that what we should be doing, rather than further deflating conditions in the country, is to attempt to inflate and bring up commodity prices, thereby putting more people back to work and increasing the velocity of the money that is in circulation. In that way we could balance the Budget, because the people would have greater incomes.

Mr. LOGAN. I agree with the Senator. But we are not going to do that, and I do not think that we will do anything until action is forced upon us by a calamity which will necessitate our doing things which will result in injustice to a great number of people.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Ohio?

Mr. LOGAN. I yield the floor.

Mr. FESS. Mr. President, a very distinguished statesman once said that it is a condition, not a theory, that confronts us. That is what we have to-day. I assume that all must agree that we must cut to the bone the expenditures of the Government. I do not think anyone will question that statement; it is so obvious. The Government's income is constantly diminishing, and its outgo, unless we proceed to reduce expenditures, will remain stationary, if it shall not increase. So it seems to me that it can not be disputed that we must cut the expenditures of the Government.

I agree precisely with the Senator from Maryland [Mr. TYDINGS] and the Senator from Kentucky [Mr. LOGAN], who has just spoken, that we are not going to decrease the cost of government unless we proceed along the line suggested, and by proceeding along this line we are not going very greatly to reduce expenditures.

I recognize that there are vices in the so-called Bratton amendment; there are elements in it that none of us like. I do not like the idea of delegating to the heads of the departments the discretion which is written into the amendment that, under the compulsion of reducing expenditures 5 per cent, they may have such latitude as to make it possible for them to take it all off one particular unit, or to grade it, so as to impose a reduction of a certain per cent on one and a different per cent on another, and still a higher per cent on another. I do not like that feature of the proposal any better than do those who have submitted it, but I do not see any other way unless we proceed by legislation to make the direct cuts, which everybody knows we are not going to do. Every one knows that if that is not impossible it is impracticable. So we are left to the alternative of giving some discretion to the heads of the departments or else confess our inability to do anything. While, as I have said, there are elements in the Bratton amendment that I do not like, there is more to be gained from it than to be lost; and for that reason I intend to vote for it, recognizing that it has in it certain features which we wish it did not contain.

I can not vote for the amendment offered by the Senator from Colorado [Mr. COSTIGAN]. It puts the heads of the departments, in my judgment, in a position in which it would be cowardly on our part to place them. It proposes to turn over to them authority to do a thing and then cripples them in the main field in which they would have to operate.

In the case of the Post Office Department salaries are understood and admitted to represent 90 per cent of its expenditures, and to say that we are compelling the department to reduce 5 per cent on the sum total appropriated or authorized but that the Postmaster General must not touch the great field where the reduction will have to come, is not an honest position for us to take. I see what is going to happen if the Costigan amendment shall be adopted.

Senators will go to the head of the department and demand that certain things be not done, although the Post-

master General is authorized to have them done, and it will be said: "It was stated on the Senate floor that you could do this without doing that; it was the intention of Congress you should do this and not do that." There will be terrific pressure exerted, not only by Senators but by the friends of the employees. When this amendment begins to take effect there will be terrific pressure from the very sources where the authority was given, against the one on whom the authority operates, not to do what he was authorized and compelled to do. That is the situation that is coming; and we will find that under the compulsion of the cut the heads of the departments will be besieged by all the friends of the individual on whom the law operates not to do that thing because it was not intended, and it was openly stated that it was not intended.

Let us be fair about this matter. When I vote for the Bratton amendment, I know that it means cuts in salaries; and I am not going to try to let anybody believe that the people who are going to be operated upon by this law are not going to feel the effects of it. There must be the application of this amendment, in certain departments, upon the personnel.

I am assuming that the head of each department will act in the spirit of the statement of the Senator from New Mexico and endeavor equitably, to the best of his ability, to secure governmental efficiency upon an economic basis. I must assume that the head of the department will do that. As I stated, I regret to have to give him that discretion; but I do not see what else we can do unless we confess that we can not make any reduction, and I do not want to confess that. Therefore I shall vote for the Bratton amendment. Then I certainly shall vote against the Costigan amendment, which in operation will nullify the Bratton amendment in a degree, if it is to be approved.

So, Senators, hard as it is for us all to do, we are simply compelled to proceed on the basis of reducing these appropriations to the best of our ability consistent with efficiency in service and on an economic basis.

It is a hard task, one that I wish we could avoid, but really it seems to me there is no choice left. I shall vote for the Bratton amendment in the hope that something in the way of savings can be effected without undue hurt. I shall also vote, when it comes to that particular part of the bill to give to the President authority in the matter of consolidation and transfer; but when I do that, I do not propose to embarrass the President and the department head by going down and saying to him, "Do not remove this man. He is my friend. He is my appointee. I did not intend for you to do that when I voted for this amendment. I do not want you to remove people from Ohio. They are efficient. They are needed."

When I vote for this amendment, I vote with my eyes open, knowing that these changes must be effected; and I am going to be man enough not to find fault with the department for effecting the thing that I authorized it to do. I make that statement because I happen to know the pressure that will go down to the departments after we put this burden upon them.

Mr. COPELAND. Mr. President, I shall detain the Senate but a moment. Because of what the Senator from Ohio [Mr. FESS] stated just now, I desire to say a word.

I am glad he feels as he does about title 4 of this bill. In that section of the bill we are going further than the Congress has ever gone before, except in war times. We are justified in doing so. The conditions that face this country are just as bad as they could possibly be if we were at war with the world. We are at war with unemployment and distress and sickness and human misery. If there ever was a time when we were authorized by conditions to take such action as this, we are in that time to-day.

Mr. President, I have confidence that the Executive will carry out the declaration of policy and the plans proposed in title 4. If I had any doubt about it I should scan more carefully the measures which are now pending before us. But I know that the President will have ample authority under title 4 to do all those things that are necessary to be done, and without impairing seriously the necessary functions of government.

Mr. President, for myself I am unwilling to go further in the matter of reductions and furloughs and dismissals until somebody in executive authority has studied the question more closely, with all the needs of the Government under consideration at the same time, and a decision has been rendered after such a study.

I appreciate what has been done by the Senators who have been members of the Economy Committee. They have devoted time and energy and worry to the solution of a problem. But when it comes to dealing with human beings, when it comes to the question of placing more unemployed in the ranks of that growing army of unemployed, when it comes to a material reduction in the standard of living of the employees of this Government, I do not want action taken until the Chief Executive has made a study of the subject and has said to the Congress and to the country that those changes must be made.

It is because I feel that way about the matter and because I have implicit confidence in Mr. Roosevelt that I take the position I do. I know the manner of man he is as well as anybody in this Chamber could possibly know. I know that he will face courageously, and with kindness of heart as well, all the problems placed upon him by the almost dictatorial powers proposed by this bill. When he comes to us and says that we must make reductions in numbers of employees or in salaries, I shall be satisfied to follow his lead; but until that time I am unwilling to go further than we have gone.

From the letters I have had from employees of the Government in my State I know what these enforced furloughs have done. I know the suffering we have already caused; and I am quite unwilling to have further action along that line taken by the Congress until the President elect himself has had an opportunity to study the question.

Therefore, Mr. President, I intend to vote for the Costigan amendment and to vote against the Bratton amendment as modified, as I hope it will be, at least to the extent of the amendment offered by the Senator from Colorado.

Mr. GORE. Mr. President, a few moments ago the Senator from Ohio [Mr. FESS] said that it is a condition that confronts us, not a theory.

I would amend that in one particular: It is an empty Treasury, it is a famished Treasury, it is famished taxpayers that confront us—not a theory. It is a tragedy. I speak figuratively now, but these words may come true. It is a tragedy that confronts us, not a theory.

In so far as the Bratton amendment contemplates or would result in dismissals, I should regret such a consequence. I do not favor dismissals from the employment of the Government. I do not desire to recruit the army of unemployed; but in so far as the Bratton amendment proposes to reduce the salaries of Federal employees along with other expenditures, I feel bound to favor the proposal. I would rather cut down pay than to cut down pay rolls. If we do not cut down the one we may be compelled to cut down or cut out both. I do not see how Senators can resist a proposal so obviously just and so self-evidently necessary.

I think I will offer an amendment to the pending amendment proposed by the Senator from New Mexico: "*Provided*, That the salary of no Federal employee shall be reduced without his consent in writing." [Laughter.] I do not think we ought to rely merely upon the spoken word. That might be misleading. Whenever a Federal employee, in writing—perhaps it might be well to require it to be verified—will petition Congress to reduce his salary, then Senators might well win the favor of such employee by complying with such petition. [Laughter.]

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Kentucky?

Mr. GORE. I yield.

Mr. BARKLEY. The Senator now is not speaking in behalf of the paper and ink manufacturers of this country; is he?

Mr. GORE. I do not know, Mr. President; but if we could put a tax on red ink we could meet the deficit in the Treasury. [Laughter.]

Mr. President, the Senator from Colorado [Mr. COSTIGAN] has placed in the RECORD a letter from the president of the National Association of Federal Employees protesting against a cut in Federal salaries. I was astonished that this high official of this organization should oppose the reduction of Federal salaries.

The Senator from Colorado placed in the RECORD a letter from the National Federation of Post Office Clerks protesting against a cut in their pay. Just what the Senator's motive was I do not know. He is a man of eminent ability, and seldom in this body does he elaborate the obvious.

Imagine an organization of Federal employees protesting a reduction in their own pay! The Constitution of the United States committed the keeping of the sword to the executive department. It committed the keeping of the purse to the legislative department. Under the Constitution we levy taxes and ordain the expenditures of this Government; but, sir, we have abdicated that high constitutional power. We have surrendered it, it would seem, to employees' associations. We obey their behest instead of serving the interests, the overpowering necessities, of the taxpayers of this country.

Mr. President, I think that every human being who is on the Federal pay roll to-day ought to rejoice in his good fortune. Those employees have good places, they have good pay, and, up to date, secure pay. They have a life tenure. They have retirement pay. They have, as they ought to have, comfortable working conditions, and if any human being in the service of the United States to-day is displeased either with his place or his pay, he has the right to resign. Any human being in the employment of the United States to-day who complains of his place or his pay ought to be removed from the position which he now fails to fill.

Mr. President, there are a million hungry men and women in this country who would sacrifice years of their lives to hold these places, and to receive one-half the compensation. Let these people resign. Let the forgotten man have but a chance, and 16 to 1 for every place will make application, and I doubt not will fill these places with high efficiency, uncomplaining about the rate of their pay.

Some one has said the Federal employees now spend one-half of their time discussing whether or not they can get a raise in their pay, and the other half discussing whether or not if they can not obtain an increase, it will reduce their morale. As suggested by the Senator from Utah a few moments ago, the cost of living in this country has declined in the last four years 22 per cent, retail prices have declined 22 per cent, commodity prices—the more is the tragedy—have declined 50, 60, 70, even 80 per cent. Farmers are selling their hogs at 3 cents a pound, selling their cotton at 5 cents a pound, selling their corn at 10 cents a bushel. We have here a Treasury running behind $5,000,000 a day. In order to balance the Budget, we are asked to levy a sales tax on these farmers, and make them pay taxes out of the wretched proceeds of their products to pay the unreduced salaries enjoyed by the favorites and the pet children of this Republic.

Senators may not comprehend how widespread and how deep-seated is the sentiment in this country in favor of retrenchment, not, if I may use the phrase, mere lip service to economy. We will have to cut down expenses, or will have to raise taxes. We may have to do both. We will increase taxes. We will heap up the burden on the bended backs of the American taxpayer, and make him pay through the nose; yet Federal employees' associations communicate with Senators protesting against bearing their share in the reduction of public expenditures.

Mr. President, I will vote to protect the right of these people to resign, protect them in their constitutional right to resign if they are dissatisfied with their pay, but I think they ought to rejoice that they are on the pay roll, and I think it would be a tribute to their patriotic devotion if they would consent without protest to this necessary reduction in the interest of necessary retrenchment, and, sooner or later, unavoidable economy.

Mr. WALSH of Massachusetts. Mr. President, I have supported the so-called Bratton amendment, and I intend to support it when a vote is taken to-day. It is a definite and absolute way of reducing expenses. The debate, however, has pointed out some possible objections and consequences which lead me to support the Costigan amendment, because I believe it perfects the Bratton amendment.

The debate has raised a serious issue, as to whether or not the department heads would have authority, under the Bratton amendment, to reduce salaries. The Senator from South Carolina [Mr. BYRNES] says that, in his opinion, there would be no such authority in any department head, and that salaries or wages could not be reduced without a specific act of the Congress. The Senator from Colorado insists, and other Senators insist, that under the Bratton amendment it would be possible to reduce salaries and wages.

If that is so—and there is a doubt about it—one thing is certain, that department heads would have the authority to reduce wages beyond the point to which we have reduced our own compensation. We have reduced our own salaries 10 per cent, and I am not going to vote for a reduction in wages of any employee of this Government which would amount to more than 10 per cent until we reduce our own salaries further. Therefore, in view of the doubt raised, first, as to whether or not the Bratton amendment would justify a department head in reducing wages, and, secondly, if it is construed to give that authority, the possibility of a department head reducing wages beyond the reduction we have made in our own salaries, I intend to support the Costigan amendment to the Bratton amendment.

Mr. President, a year ago it was proposed in this Chamber that we levy these reductions on a graduated scale, beginning at 5 per cent and reaching 15 per cent. The proposal was defeated in this Chamber because 15 per cent would apply to the Members of the Congress. Senators were willing to go as high as 10 per cent, they were willing to have a flat reduction of 10 per cent, but beyond that, because it would reach the pay of the Members of the Congress, this body refused to go. Now, it is proposed, if the contention of the Senator from Colorado is true, in an indirect and subtle way to permit department heads to reduce salaries, and to reduce them, not merely 10 per cent but 15 per cent or 20 per cent or more, if they see fit. I am assuming now that the contention of the Senator from Colorado is correct.

In the matter of reducing salaries, Mr. President, I suggest that we do it in the open, that we call the roll. I will go as far as anybody, but we must begin with our own salaries, and we must reduce our own a little more than those of the employees who are receiving a scant $2,000 or $1,000, or less.

Mr. BINGHAM. Mr. President, will the Senator yield to me?

Mr. WALSH of Massachusetts. I yield.

Mr. BINGHAM. We were told this morning in the Committee on Appropriations by a representative of the State Department that officers of the Foreign Service at the present time have had their pay reduced not less than 25 per cent, and some of them as high as 33 per cent. The lowest-paid officers in the Foreign Service of the United States Government have had their incomes for the past year reduced 25 per cent.

Mr. WALSH of Massachusetts. What act of Congress brought about that reduction?

Mr. BINGHAM. It was pursuant to the economy act.

Mr. WALSH of Massachusetts. When?

Mr. BINGHAM. Passed last year.

Mr. WALSH of Massachusetts. Where is the language in the act that justifies a reduction of 25 per cent in the salaries of the employees of the State Department?

Mr. BINGHAM. In the first place, they get a definite reduction in their pay; in the second place, they get a very great reduction in post allowances; in the third place, they

must pay an income tax on their salaries, which they did not pay before. All of these combined result in a reduction of 25 per cent in the compensation of the lowest-paid officers of the Foreign Service.

Mr. WALSH of Massachusetts. I thought there were some explanation other than the fact that we had passed any act in the Congress reducing their salaries more than 10 per cent. It is true that we have reduced the allowances heretofore granted to them. But, if I may say to the Senator publicly what I said to the Senator from Montana when he made a statement about the number of employees of the State Department being reduced, if we do make such reductions, we will not begin to go to the extent to which almost every other government in the world has gone in the way of reducing the number of employees in their foreign services, or to which every other government in the world has gone in the way of reducing salaries. Some of the representatives of some of the foreign countries in Washington have informed me that the reductions in their allowances and salaries have amounted to as much as 40 per cent of what they have been in normal times.

Mr. BINGHAM. Mr. President, will the Senator yield further?

Mr. WALSH of Massachusetts. I yield.

Mr. BINGHAM. The only point I was trying to make was that the reduction in Senators' salaries amounted to 10 per cent, the reduction in the salaries and allowances of Government clerks in Washington at the present time totals 8⅓ per cent, whereas for persons employed in our Foreign Service the reduction amounts to not less than 25 per cent.

Mr. WALSH of Massachusetts. Mr. President, I thought I made it clear that I understood the contention of the Senator from Colorado to be that if the Bratton amendment were adopted it would be possible for a department head not only to increase the amount of the reduction in wages and salaries from 8⅓ per cent but to go up to 15 or 20 per cent if he saw fit to. Is that the contention the Senator from Colorado has been making?

Mr. COSTIGAN. It is, Mr. President; and I rise to say to the Senator from Massachusetts that it is my understanding that the Senator from New Mexico last night practically took the same position.

Mr. WALSH of Massachusetts. I do not follow the Senator to that extent. I had a colloquy with the Senator from New Mexico last night, and his reply to my questions seemed to indicate that he did not think that his amendment would permit a department head to reduce wages beyond the point authorized directly by act of Congress last year.

Mr. BRATTON. Mr. President——

Mr. WALSH of Massachusetts. I am glad to yield to the Senator from New Mexico.

Mr. BRATTON. I said that was my opinion. I said I was not certain about it. Others in this Chamber differ with me. But that is my opinion. I said that in my opinion the 5 per cent could be saved without going into the personnel. I am at a loss to understand why the Senator from Colorado still undertakes to state my position as reflected in my own language of last evening.

Mr. WALSH of Massachusetts. In justification for what the Senator stated——

Mr. COSTIGAN. Mr. President, let me interrupt the Senator from Massachusetts merely to say that I so understood his remarks of last evening.

Mr. WALSH of Massachusetts. Let me read from yesterday's CONGRESSIONAL RECORD, at page 3478, as follows:

Mr. WALSH of Massachusetts. May I inquire of the Senator whether any of this saving will come through reduction of wages?

Mr. BRATTON. If the amendment which the Senator from Colorado intends to offer is adopted, none of it will come from reduction of wages. Part of it may come from dismissals from service, but not from reductions.

Mr. WALSH of Massachusetts. It is possible for this sum of money to be saved to the Public Treasury without any reduction of wages?

Mr. BRATTON. I think so. I have not the slightest doubt about it.

Mr. WALSH of Massachusetts. I thought that during the colloquy between the Senator from Colorado and the Senator from New Mexico when he offered his amendment a few days ago the Senator from New Mexico stated that wages could not be reduced without a specific act of Congress. Am I correctly informed as to that colloquy?

Mr. BRATTON. I expressed that view, but I am not entirely certain about it. This is a later act, and it might be construed as a modification of earlier acts. I am not so sure about that.

Mr. WALSH of Massachusetts. The Senator from South Carolina has said repeatedly that it can not be done.

Mr. BRATTON. The Senator from South Carolina is of that opinion, and several other Senators whose opinion is entitled to great respect believe that.

Anyway, there is some doubt about the authority bestowed. My position is this: Let us reduce salaries, but let us reduce our own first, and let us reduce our own somewhat more than we reduce the salaries of the employees in the smaller salaries on the Federal pay rolls. Because there is a doubt about this power, and in view of the colloquies that have taken place here, I am not going to vote to give department heads general authority to reduce salaries. I should like to know how many men on this side of the Chamber would be voting to give that authority if the new administration on the 4th of March was going to be Republican.

Mr. FLETCHER and Mr. COSTIGAN addressed the Chair.

The VICE PRESIDENT. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. WALSH of Massachusetts. I will yield in just a moment. I would not vote to give that authority to new department heads if the new administration were going to be Republican, and I am not going to vote to give it to department heads who will be Democrats, though naturally I have more confidence in their judgment and discretion than I have in Republicans. However, the principle for which I contend is that it is bad policy; that this is a power that ought not to be intrusted to department heads. It is contrary to the whole policy of our Government, under which we in our appropriation bills specifically name and designate salaries and wages. We do this even with our own clerks. We fix the amount they may receive and how many clerks we shall have. Now, it is proposed to nullify all that and let the department heads use their discretion in fixing wages—for the power to reduce is the power to establish wages.

I yield now to the Senator from Florida.

Mr. FLETCHER. Mr. President, I feel inclined to agree with the Senator from Massachusetts, but there is one thing I can not understand. These reductions, it seems to me, ought to be uniform. How is it our people in the Foreign Service are reduced 25 or 30 per cent, as the Senator from Connecticut [Mr. BINGHAM] states? How does that come about when other reductions are only 10 per cent or 8⅓ per cent? How is it worked out that reductions in the Foreign Service are so excessive?

Mr. BINGHAM. Mr. President, will the Senator from Massachusetts yield to me to reply to the Senator from Florida?

Mr. WALSH of Massachusetts. Very well.

Mr. BINGHAM. It is because we have done it in an underhanded manner without realizing that we have taken away from them that much. We allowed them for rent, heat, and light. We have taken away their allowances for various other things, and then we have placed an income tax on them which we did not place on them before. So, everything considered, we have reduced their salaries and allowances by about 25 per cent, while the clerks in Washington have not had their salaries decreased more than 8⅓ or 10 per cent.

Mr. WALSH of Massachusetts. The Senator is following the example set by Congress last year in the case of State Department employees by continuing an underhanded way of reducing wages of other employees. This proposal would permit a department head to reduce wages, and that would be doing it in the dark and without us knowing anything about it, just as the Senator from Connecticut states was done last year in the State Department through indirect methods.

The VICE PRESIDENT. The time of the Senator from Massachusetts has expired.

Mr. BARKLEY obtained the floor.

Mr. COSTIGAN. Mr. President——

Mr. BARKLEY. I do not want to consume more than 15 minutes.

Mr. COSTIGAN. Will the Senator permit me to make one statement in my own time?

The VICE PRESIDENT. The Senator from Colorado has already exhausted his time.

Mr. COSTIGAN. It is not my understanding that I have exhausted my time on the bill. When I concluded I was speaking on the bill.

The VICE PRESIDENT. The Senator has spoken once on the bill, and under the unanimous-consent agreement he may not speak more than once.

Mr. BARKLEY. I will yield to the Senator from Colorado if he will not take more than two minutes.

Mr. COSTIGAN. I thank the Senator from Kentucky.

In support of what I said to the Senator from Massachusetts about the position of the Senator from New Mexico I wish to read the following statement of the Senator from New Mexico, appearing on page 3478 of the CONGRESSIONAL RECORD of Monday, February 6:

> The amendment expressly provides, in the concluding sentence, that such reductions—
> "shall be made in a manner calculated to bring about the greatest economy in expenditures consistent with the efficiency of the service."
> If the head of a department should determine that that could be done best by reducing the scale of wages, I am not so certain but that such interpretation could be sustained, because this being the later act would perhaps modify early legislation.

Mr. BARKLEY. Mr. President, I expressed a few days ago my views on the amendment offered by the Senator from New Mexico [Mr. BRATTON] when it was offered at another place in the bill, and I have no hope that anything I could say at this time would change anyone's vote. I hesitate to occupy as much as 15 minutes of the time of the Senate, and I would not do so except for the fact that I have reached a solemn conclusion that no good is coming out of this session anyway between now and the 4th of March, and I suppose therefore we have a perfect right to talk, because that may be the least harmful thing that may come out of the balance of the session.

In the outset I want to say that I am not frightened by the declaration or the suggestion that as the first item in our economy program we ought to vote to reduce our own salaries. One reason why I am not frightened by any such threat or suggestion is that when this matter was up a year ago I voted on a roll call to reduce our own salaries 25 per cent. Not only that, but in another body, when I was a Member of that body, I voted against increasing the salaries of Members of Congress from $7,500 to $10,000. But, Mr. President, if all of our salaries were wiped out entirely and we were compelled to serve the public for nothing the saving would not pay the interest on the public debt one day out of the 365 days in the year. I mention that only to emphasize the fact that we are not going to balance the Budget by any reduction in salaries here or anywhere else.

But there is on the part of some of us, it seems to me, a complete loss of perspective. We have had a new expression coined in recent weeks and months and that is described as a state of mind known as tax consciousness. We had a friendly controversy here the other day about who is and who is not a Democrat. I am of the opinion that Democracy is a state of mind and everyone lives in his own state. I think that the same thing is true of economy. We have reached the point where I am very much reminded of the little quatrain where the daughter rushes in to her mother and asks if she may go to swim.

> "Mother, may I go out to swim?"
> "Yes, my darling daughter.
> Hang your clothes on a hickory limb,
> But don't go near the water!"

[Laughter.]

We have all got our clothes on a hickory limb. If we do not know it, I think everyone else in the United States does. But we are not willing to go near the water! [Laughter.]

This question of tax consciousness is not an American phenomenon. It is a world-wide situation. A year or two ago there was an attack threatened against the House of Lords in England because of a proposal to raise taxes on the English people. In all the cities throughout Germany there have been protests against increased taxes and against increased expenses. The struggle between the farmers and the tax collectors in at least six nations in eastern Europe has well-nigh brought on in some of them open revolt and revolution. In all the nations of South America where there has been a revolution—and I do not like to use that word because of its implications; but there have been in South America revolutions which ran out of the country its President, who in some cases sought refuge on a warship and in other cases in other nations. Those revolutions were not political; they were economic. They were brought about by a desire on the part of the people to better their economic condition in the hope that a new administration might not only bring about improvements in the economic life, but also might bring about a reduction in expenses that are reflected in taxes.

A year ago in the city of Philadelphia the people marched on the city hall in protest against an increase of 35½ cents tax on every $100 worth of property in that city. The people of New York made an unavailing protest last year against the $631,000,000 annual budget of that city. This year they have been more successful, and that very situation threatens to bring about a very interesting contest in the municipality of New York in the coming election to decide who may control the destinies of that city.

It may not be worth much to restate the increases in government expenses in this country. It has been done frequently. But in order that I may put in the RECORD what I am talking about I wish to recite a few figures.

I remember something about conditions in the country in 1890 and 1891, when I was a boy in knee trousers in a country school in Kentucky. I remember that my father sold his wheat crop for 35 cents a bushel, but it did not require very much money then to support the family. In that year, 1890, the entire output of the American people for government expenses, National, State, county, and city, was only $855,000,000. By 1913, 23 years later, it had mounted to $4,919,000,000. Ten years later, in 1923, it had mounted to $9,920,000,000. In 1932, only nine years later, it had mounted to the enormous sum of $15,090,000,000. So that to-day, Mr. President, with a total national income of only $40,000,000,000, which has been reduced in three years from $85,000,000,000 down to $40,000,000,000, we are expending $15,000,000,000 to pay for government in the United States of America.

Men may have their peculiar theories about what is the matter with this country and what is the matter with the world, but the heaviest loads that bear down upon the backs of the people and upon our economic system, threatening the very stability of government itself, are debts and taxes. In the United States to-day the farmers owe a total of over $12,225,000,000. The railroads of the United States to-day owe more than $12,700,000,000. Public agencies, Federal, State, and local governments, owe to-day more than $30,000,000,000. Private corporations to-day owe a total of $74,660,000,000. Individuals owe a total of over $6,000,000,000. So there to-day is a total debt, Federal, State, county, municipal, agricultural, railroad, private corporation, and individual, of more than $154,000,000,000. On that $154,000,000,000 of indebtedness there is an annual interest charge of $8,600,000,000. In other words, Mr. President, out of a total annual income of $40,000,000,000 our governmental expenses and our annual interest charges amount to more than $23,000,000,000. More than one-half of all the money the American people are making to-day goes to pay for government and interest on what they owe.

We have been for weeks holding hearings in the appropriate committee of the Senate, seeking to devise some way by which there may be a voluntary or other scaling down of the debts of our people so that they may have more money and longer time to dig themselves out of the ditch in which they find themselves; and yet we debate here as if it were a fundamental, vital question, involving the sta-

bility of our institutions and the life of civilization itself, whether we shall reduce, 5 per cent, the expenses of Government departments.

I have no desire to see any Federal employee's salary reduced; there is nothing malicious in the vote that I am going to cast; but I feel that I owe a duty to somebody else in this country as well as to those who are employed by the Federal Government. I can not lose sight to-day of the hundreds of thousands of American farmers who are about to lose their homes under foreclosure; I can not lose sight of the fact that there are hundreds of thousands, if not millions, of farmers to-day who can not pay their taxes, who are not making enough money not only to pay the interest on their debts or to reduce their debts but who can not even preserve their homes from the sheriff or the tax-gatherer, and who to-day are confronted with the probability, if not the certainty, of having their homes sold from over their heads, unless Congress, by some emergency measure passed between now and the 4th of March, shall make provision for a kind of moratorium to preserve the homes of the American people. I can not forget the millions of laboring men in this Nation upon whose labor rests the support of all our institutions, and the 12,000,000 who have no work at all.

I can not forget the millions of small business and professional men in this land whose business and whose income have disappeared, and I can not forget the millions of depositors whose life savings have been swept away in this great catastrophe. All of them would rejoice to-day if only 5 per cent had been taken from the value of their incomes.

I like the spirit manifested by the new Governor of Indiana, who, within three weeks after his inauguration, called both houses of the Indiana Legislature together and in a joint caucus bound them to a proposal, suggested by him, to take 168 bureaus in the government of Indiana and combine them into eight departments under his control. They have done that, the bill for that purpose having been signed by the governor and being now the law of the State of Indiana. Yet we quibble here, we take up days, talking about whether a Cabinet member or a department chief shall be authorized to bring about economies in his department that will at least result in saving 5 per cent to the tax-ridden, downtrodden, distressed taxpayers of the United States.

I am opposed to the amendment offered by the Senator from Colorado [Mr. COSTIGAN] and am enthusiastically for the amendment offered by the Senator from New Mexico [Mr. BRATTON].

The VICE PRESIDENT. The Senator's time has expired.

The question is on agreeing to the amendment of the Senator from Colorado to the amendment of the Senator from New Mexico.

Mr. COSTIGAN. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Kendrick | Schuyler |
| Austin | Dale | Keyes | Sheppard |
| Bailey | Davis | La Follette | Shipstead |
| Bankhead | Dickinson | Lewis | Smith |
| Barbour | Dill | Logan | Smoot |
| Barkley | Fess | McGill | Steiwer |
| Bingham | Fletcher | McKellar | Swanson |
| Black | Frazier | McNary | Thomas, Idaho |
| Blaine | George | Metcalf | Townsend |
| Borah | Glass | Moses | Trammell |
| Bratton | Glenn | Neely | Tydings |
| Brookhart | Goldsborough | Norbeck | Vandenberg |
| Bulkley | Gore | Nye | Wagner |
| Bulow | Grammer | Oddie | Walcott |
| Byrnes | Hale | Patterson | Walsh, Mass. |
| Capper | Harrison | Pittman | Walsh, Mont. |
| Caraway | Hastings | Reed | Watson |
| Clark | Hatfield | Reynolds | Wheeler |
| Connally | Hayden | Robinson, Ark. | White |
| Coolidge | Hebert | Robinson, Ind. | |
| Copeland | Hull | Russell | |
| Costigan | Johnson | Schall | |

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

Mr. BORAH. Mr. President, I would like to ask the Senator from Colorado [Mr. COSTIGAN] a question. The amendment now pending, as I understand, is identical with the amendment which was offered by him a few days ago at the time I raised the same question I am now about to raise.

As I understand, the effect of this amendment would be in making any reduction in expenditures provided for in this section to prevent wage cuts, other reduced compensation, or furloughs, and the amendment would apply regardless of the amount of wage or salary a given employee was drawing.

In so far as this amendment would protect the small wage earner or the employee who is drawing a small salary, I would be thoroughly in favor of it; but would the Senator be willing to accept an amendment—I can not offer to amend the amendment because a further amendment would be in the third degree—to the effect that the prohibition against wage cuts or salary reductions shall apply only to employees who are not paid in excess of, say, $1,500?

Mr. COSTIGAN. Mr. President, I fear that the figure suggested by the Senator may be low.

Mr. BORAH. It may be low, but——

Mr. COSTIGAN. May I ask the Senator, in return, whether there is a definite line of demarcation between wages and salaries which the Senator from Idaho has in mind?

Mr. BORAH. No; I do not have that in mind. What I had in mind was the amount which an employee is drawing, whether in wages or salary. It seems to me that we might, under the extraordinary circumstances confronting us, be willing to put a limit beyond which wages and salaries might be reduced 5 per cent; but I do not want to go so low as actually to interfere with the living possibilities of an employee who is drawing a small amount.

Mr. COSTIGAN. Mr. President, may I say to the Senator from Idaho that the Senator from West Virginia [Mr. NEELY] the other day attempted to put a limitation of $2,000 on wage reductions, and the Senate rejected his amendment? I fear to encumber the amendment with any such definite proposal.

Mr. BORAH. Mr. President, this amendment, it seems to me, will have some votes against it on the ground that a salary may not be cut although it may be as high as $5,000 or $6,000. Of course, I can not offer an amendment because of the degree; but I wish the Senator might see his way clear to give us an opportunity to vote on a limitation of $1,800, so that no salaries below that amount could be cut.

Mr. COSTIGAN. Mr. President, I should like to do anything within my power to accommodate the Senator; but I fear that a definite figure might result in the defeat of the amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Colorado [Mr. COSTIGAN] to the amendment proposed by the Senator from New Mexico [Mr. BRATTON].

Mr. COSTIGAN. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I transfer my pair with the junior Senator from Nebraska [Mr. HOWELL] to the junior Senator from Utah [Mr. KING], and will vote. I vote "nay."

Mrs. CARAWAY (when her name was called). On this question I have a pair with the senior Senator from New Jersey [Mr. KEAN]. I do not know how he would vote if present; but if I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. MOSES (after having voted in the negative). I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. He is absent, and I can not obtain a transfer. Therefore I withdraw my vote.

Mr. HATFIELD (after having voted in the affirmative). I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. Not being able to secure a transfer, in his absence I withdraw my vote.

Mr. FESS. I have been requested to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG]; and

The Senator from California [Mr. SHORTRIDGE] with the Senator from Mississippi [Mr. STEPHENS].

Mr. NORRIS. I desire to announce the absence of my colleague the junior Senator from Nebraska [Mr. HOWELL] on official business of the Senate.

The result was announced—yeas 52, nays 30, as follows:

YEAS—52

| | | | |
|---|---|---|---|
| Ashurst | Costigan | La Follette | Russell |
| Austin | Couzens | Lewis | Schall |
| Barbour | Dale | Logan | Schuyler |
| Black | Davis | McGill | Shipstead |
| Blaine | Dickinson | McNary | Smith |
| Borah | Dill | Neely | Steiwer |
| Brookhart | Frazier | Nye | Swanson |
| Bulkley | George | Oddie | Townsend |
| Bulow | Goldsborough | Patterson | Wagner |
| Capper | Hayden | Pittman | Walcott |
| Clark | Johnson | Reed | Walsh, Mass. |
| Coolidge | Kendrick | Reynolds | Wheeler |
| Copeland | Keyes | Robinson, Ind. | White |

NAYS—30

| | | | |
|---|---|---|---|
| Bailey | Fletcher | Hebert | Thomas, Idaho |
| Bankhead | Glass | Hull | Trammell |
| Barkley | Glenn | McKellar | Tydings |
| Bingham | Gore | Metcalf | Vandenberg |
| Bratton | Grammer | Norbeck | Walsh, Mont. |
| Byrnes | Hale | Robinson, Ark. | Watson |
| Connally | Harrison | Sheppard | |
| Fess | Hastings | Smoot | |

NOT VOTING—14

| | | | |
|---|---|---|---|
| Broussard | Hatfield | Long | Stephens |
| Caraway | Howell | Moses | Thomas, Okla. |
| Carey | Kean | Norris | |
| Cutting | King | Shortridge | |

So Mr. COSTIGAN'S amendment to Mr. BRATTON'S amendment was agreed to.

The VICE PRESIDENT. The question now is on the amendment of the Senator from New Mexico, as amended.

Mr. REED. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from Pennsylvania offers the following amendment:

On page 1, line 2, strike out the words "and directed," and insert:

And, except in the case of the War Department and Navy Department, is directed—

Mr. REED. Mr. President, the purpose of the amendment is to leave in effect the authority to the Secretary of War and the Secretary of the Navy to make the 5 per cent reduction in their departments, but to take away from those two departments the compulsion which otherwise would rest upon them to make the cut.

I can explain, I think, in a moment, where that necessity arises.

The appropriations for the military activities of the War Department have been cut down more than 20 per cent under similar appropriations two years ago. Those cuts have been made in every place in which the department itself, or the Director of the Budget or the Appropriations Committee of the House or the Appropriations Committee of the Senate, has been able to invent a possible saving.

At the present time in the Army appropriation bill, which stands upon the calendar awaiting action, the appropriations that are carried for the pay of the Army and the pay of the National Guard and the pay of the West Point cadets aggregate $147,000,000, out of a total appropriation for the military activities of about $275,000,000; that is to say, about 55 per cent.

It is hard to talk down a Democratic caucus, Mr. President.

Mr. GORE. Mr. President——

Mr. REED. I yield to the Senator from Oklahoma.

Mr. GORE. I will say publicly what I said privately to the Senator from New Mexico—that the Senator's amendment should be amended by inserting "except everybody."

Mr. REED. That would be ideal, Mr. President.

Mr. GORE. Yes, sir.

Mr. REED. I am going to vote that way myself when the amendment is offered.

Mr. GORE. I have no doubt of that.

Mr. REED. Mr. President, out of the total appropriation for the military activities of the Government, 55 per cent is made up of those three items.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. REED. Yes.

Mr. GLENN. Just for information, what pay do the West Point cadets receive?

Mr. REED. My recollection is that it is $50 a month, but I am not sure. That is what it used to be—about five or six hundred dollars a year. I am not sure of the exact amount.

Those three items constitute 55 per cent of the military appropriations. Obviously, if a 5 per cent cut on the whole is to be made, the burden of the whole 5 per cent must fall on the remaining 45 per cent, because all of these salaries and pay rates are statutory and can not be reduced; and if they could be reduced it would be wicked to make the reduction. We have already reduced the officers' pay. The enlisted men receive such a tiny pay in money that it would be sheer cruelty, and utterly unwise, to make any further reduction against them.

Obviously, any sane Secretary of War will have to throw the burden of the whole 5 per cent reduction on the 45 per cent of the appropriation which does not deal with the pay of those three elements of the services. That is to say, we are requiring a cut of one-ninth in the appropriations for clothing and subsistence and barracks and quarters and ammunition and ordnance supplies where those items have already been cut down to the very bone.

Now, armies can function in bare feet. The best armies this country ever saw were those of Sherman and Lee in 1865; and about half of each army was walking barefoot and in rags. I do not believe, however, that the American people to-day, even in the present condition of Government expenses, want to see our Regular Army and our National Guard reduced to that pinch of poverty.

The present appropriations allow the issue of only one uniform per man per year, and it can not be cut down much below that. Therefore, Mr. President, it seems to me to be wholly reasonable to allow these two departments to make this reduction, but not to compel them to do it, if the efficiency and morale of our two services are not to suffer.

No man knows when we will have to call upon the Navy to serve as our first line of defense. Any thinking man who reads his newspapers thoroughly to-day is far from tranquil in his mind as to the possible need for that Navy, and to cut them down by the proposed action below the point of their utmost efficiency would seem to me to be wholly unwise.

Mr. WALSH of Massachusetts. Mr. President, if the Senator will yield, I do not know as much about the situation at the Military Academy at West Point as about the situation at the Naval Academy at Annapolis. There are hundreds of young men at Annapolis whom we are educating free of cost, for whom we will have no commissions when they graduate. This year I think we will be able to commission less than a third of those who will graduate. It is my judgment that the United States Government should not single out for higher education, either in the Military Academy or the Naval Academy, or any other academy, any group of young men. I inquire if that is not an item where there could be a reduction of expenses by reducing the number of students in the academies?

Mr. REED. Mr. President, I speak with better knowledge of West Point than of Annapolis, because my contacts are the reverse of those of the Senator from Massachusetts. The number of students both at West Point and at Annapolis, I think, has been reduced in the last few years. The naval conference of 1922 was expected to result in a reduction of the number of cadets at Annapolis.

Mr. WALSH of Massachusetts. It is my impression the reduction has been very slight.

Mr. REED. My impression is that whereas there used to be four cadets for every Member of Congress, we now have but three, and the plan is to reduce the number to two. I am sorry I mentioned the cadets at all, because their appropriation forms a very small part of the appropriation

involved. The total appropriation for the pay of cadets at West Point is less than $590,000. That is trivial compared with the pay of the Regular Army, which is about $128,000,000, and the pay of the National Guard, which aggregates about $18,000,000. So that I really need not have mentioned the cadets at all.

Mr. COUZENS. Mr. President, one way to secure what the Senator is trying to accomplish would be to vote down the Bratton amendment.

Mr. REED. That is true. But for fear the Bratton amendment would be agreed to, I have offered this amendment, to make sure that the cut, if made, will not be made where it would injuriously affect the efficiency of our military services.

Finally, Mr. President, this matter will be wholly in the hands of the new Democratic administration, which will undoubtedly work in full accord with the Senator from New Mexico, and with a vast majority of the next Senate and the next House of Representatives. If those Democratic gentleman, in their zeal for economy—and they have promised the country economy beyond the bounds of possibility, in my judgment—if in their zeal for economy they can save 5 per cent from the military services, the Bratton amendment, as amended, I hope, by my suggested change, will give full authority to the incoming Cabinet officers to make the reductions, because the effect of my amendment would be to authorize the cut, but not to compel it; in other words, to allow them to do it if they can, but not to force them to do it against the best interests of the country.

Mr. SWANSON. Mr. President, I think I ought to make a short statement in regard to the Navy. Japan has built 100 per cent of what she was authorized to build under the London treaty, Great Britain has built 87 per cent, and the United States has built less than 60 per cent. I fully concur with the Senator from Pennsylvania that we ought to make the proposed action an authorization and not a direction. Complications might arise which would make it necessary for us to use our Army or our Navy in some disturbed condition in the world, and I think that, with the amendment of the Senator from Pennsylvania, the amendment of the Senator from New Mexico ought to be agreed to.

Mr. President, I think the defense of our country is an obligation the Federal Government has made to the States. It is a constitutional obligation. It is an obligation we can not shirk. It was understood when the Federal Constitution was adopted that the Federal Government alone would be looked to for Federal defense. It is the duty of the General Government to see that every State is safe from naval attack or military invasion. Consequently I think the amendment of the Senator from Pennsylvania should prevail.

The incoming administration will be devoted to economy, and it does seem to me that an authorization along the line suggested would be almost equal to a direction. It has been said that the word "authorized" is almost a mandate, unless the thing authorized is an impossibility, and I do believe that, in the disturbed conditions now existing in the world, the exception proposed by the Senator from Pennsylvania ought to be made, especially when we are now party to a conference where we are trying to get a reduction, under which we would not build up any more. I remember that as a result of the Washington conference $179,000,000 worth of our ships, on which we had spent vast sums of money, were sunk or rendered unavailable as warships; Great Britain destroyed about $2,000,000 worth, Japan about $11,000,000 worth, and we have been trying at the Geneva conference to get those countries to make the same sacrifice we made at the Washington conference.

Up to this time, Mr. President, we have not been successful, but those who were present at the conference were hopeful. I do think that at this time we should make the exception proposed and leave it to the incoming President to determine whether our line of defense shall be reduced comparatively or left as it is, as the circumstances might determine.

Mr. PITTMAN. Mr. President, will the Senator from Virginia yield?

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Virginia yield to the Senator from Nevada?

Mr. SWANSON. I yield.

Mr. PITTMAN. I would like to have the opinion of the Senator as to whether or not the 5 per cent saving could not be effected by a cessation in the building of residences, quarters, and so forth, for the Army?

Mr. SWANSON. I think that all the building the Army and the Navy expect has taken place. I understand the appropriation bills contain no provisions for building. If there are such provisions, and the work is unnecessary, the provisions ought to be excluded.

Mr. PITTMAN. I am seeking information.

Mr. SWANSON. The naval appropriation bill has not yet come to the Senate.

Mr. PITTMAN. I would not want to vote for anything that would impair the efficiency of the Army or the Navy at present; nevertheless, if there are those things which are in the nature of luxuries, or something that would afford more convenience than they now have, which might absorb the 5 per cent, I would be in favor of doing away with the luxuries, as other people are doing away with them.

Mr. REED. Mr. President, will the Senator yield?

Mr. SWANSON. I yield.

Mr. REED. The Army appropriation bill, now on the calendar, not only does not authorize any additional building of barracks or quarters, but it revokes and repeals the outstanding appropriations for building recreation halls, gymnasiums, post exchanges, and buildings of that sort at various Army posts. We not only do not authorize any more of it, but we have cut out from appropriations authorized in former bills at every point possible. There is no room for making any cut in that item.

Mr. HALE. Mr. President, the annual appropriation bills, as estimated by the Bureau of the Budget, exclusive of permanent appropriations of about $1,400,000,000, amount to substantially $3,000,000,000. The amendment of the Senator from New Mexico [Mr. BRATTON] would apply to that $3,000,000,000. Five per cent of $3,000,000,000 would be $150,000,000. Owing to the fact that the amendment leaves out certain Treasury appropriations for building, I think the figures now indicate that the amendment would effect a saving of $146,000,000.

Mr. REED. Mr. President, will the Senator yield for a statement at that point?

Mr. HALE. I yield.

Mr. REED. The Army bill, as reported to the Senate this year, all by itself carries $105,000,000 less than the Army bill last year carried. I submit to the Senate that we have been loyal in our efforts to make reductions.

Mr. HALE. Mr. President, included in this $3,000,000,000 are substantially $840,000,000 for the Veterans' Bureau, which, under existing law, we have to pay. Therefore no cut could come out of that.

Also included in the $3,000,000,000 are about $600,000,000, as given to us by the Bureau of the Budget, of obligations which the Government has to meet, which can not be reduced. That leaves a little over half of the $3,000,000,000 on which this amendment must have its effect; that is to say, instead of being a 5 per cent cut in all of the appropriations, it is substantially a 10 per cent cut.

That means that certain of the departments where there are no Government obligations existing would have a 5 per cent cut. Other departments where there are obligations existing would have a 10 per cent cut, or might have a 15 or 20 per cent cut.

Let me call the attention of the Senate to the case of the Veterans' Bureau. Our appropriations for the Veterans' Bureau, according to the estimates, are $940,000,000. Of these $940,000,000 there are obligations amounting to $830,000,000 which we have to meet under existing law. But, under the amendment of the Senator, there would be a 5 per cent reduction in the entire Veterans' Bureau appropriation. All of this cut would have to come out of the running expenses of the Veterans' Bureau; and when I say

"running expenses," I mean the administrative expenditures, the expenditures for medical aid, for hospitals, and for domiciliary purposes, such as the soldiers' homes.

The cut, under the amendment of the Senator from New Mexico, would be nearly $50,000,000; that is to say, we are to make a cut of almost 50 per cent in the items for hospitalization, medical treatment, and general administration.

Mr. President, obviously that is not a fair proposition. Obviously we could not do anything that would be more injurious to the veterans' appropriations than just that. I do not think the Senator from New Mexico wants to see anything of that sort happen. I do not think the Veterans' Bureau could possibly carry on with that cut that would be obligatory under the Senator's amendment. I am going to suggest as a modification of the amendment of the Senator from Pennsylvania that he exclude also the Veterans' Bureau, along with the Army and the Navy, and in perfecting his amendment I ask that he include those words.

Mr. REED. Mr. President, I think we had better settle the questions one at a time. I would rather have them voted on one at a time.

Mr. BORAH. Why not include them all and just quit?

Mr. HALE. I am not in favor of the amendment, if that is what the Senator from Idaho means. I think it is in the highest degree unwise.

The Senator from Pennsylvania has spoken about the effect of the amendment on the Army. I know more about the Navy than I do about the Army, and I would like to say a few words about the effect of this amendment on the Navy.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. HALE. I yield.

Mr. TYDINGS. Does the Senator approve of an emergency officer who is retired with pay of $218 a month, in addition drawing $600 from the Federal Government by virtue of his connection with the National Guard, and in addition to that drawing a salary as a State official, and practicing his profession as well? Does the Senator think there should be no retrenchment there?

Mr. HALE. I do not at all approve of that, Mr. President, but if we are going to take care of that situation we ought to legislate. We are not going to legislate, as the Senator knows.

Mr. TYDINGS. If the Senator will yield, we will never legislate until fixing on a sum of money forces us to legislate. I am of the opinion that nobody, no committee, and certainly not the Senate, is going into this abuse of emergency officers' retirement pay until we cut down the money appropriated and are forced to make the reduction.

Mr. HALE. That can not be done on this bill and the Senator knows it. I do not think the Senator wants to cut down on hospitalization.

Mr. TYDINGS. No; I do not. Now, if the Senator will yield further——

Mr. HALE. I yield for a question, but I should like to proceed.

Mr. TYDINGS. I think the Senator will concede that no legislation touching these abuses is likely to come to the floor of the Senate.

Mr. HALE. I think that is quite true.

Mr. President, so far as the Navy is concerned, the most desirable thing in the eyes of every naval officer in the country is to keep up the personnel of the Navy and to keep up the ships of the Navy. Every effort of the Navy is expended to bring about this result. Last year we had to cut down very materially in the expenses of the Navy Department. This year we have had to cut down a great deal more. The Budget estimates are $30,000,000 less than the estimates submitted by the department. In all probability the House will cut down the Budget estimate when the bill, which has not yet reached them, comes before them.

Mr. President, every possible cut has been made in the Navy, with a view to keeping up the number of enlisted men and keeping up the ships of the Navy. No further cuts can be made without absolutely impairing the efficiency of the Navy. We have reached the limit in that regard. What kind of a Navy have we now? At the close of the World War we had a Navy which, if we had rounded it out, would have been able to meet all of the navies of the world combined. But gradually, by treaty agreement and by not building up our Navy, we have lost that position. We are now the second Navy in the world and fast becoming the third. Also, my friends, the two lesser treaty powers, France and Italy, are rapidly gaining on us. Before long we may find ourselves in a third or fourth or fifth position. I submit to the Senate that world conditions do not warrant us in getting into any such situation so far as our first line of defense is concerned. But that is where we are getting. Any cuts that are made in the Navy will mean that the Navy will have to cut down in personnel or will have to cut down in the ships that we keep in commission or that we are building.

With the appropriations that we have now we are not able to keep our full Navy in commission. We are not able to keep up the force that it is estimated we need to hold our position in the world. We can provide only 85 per cent of the crews for the ships that we keep in commission and we can keep in commission only 80 per cent of the ships that we ought to keep in commission. The rest are put on a basis of part commission and are not immediately available in case of trouble.

The prime requisite of the Navy is that it be able to strike, and to strike instantly when it is needed. This we can not do under present existing circumstances. If we cut the Navy down further another $15,000,000 we are going to find ourselves just so much worse off in the times that are to come. I hope very much that the amendment of the Senator will not prevail.

Mr. CONNALLY. Mr. President, I want to inquire of the Senator from Maine where he thinks we ought to cut? The Senator from Maine, of course, is an expert on naval affairs, and when anybody proposes a cut in the Navy he holds up his hands in horror. Where ought we to cut? Let the Senator from Maine tell us.

Mr. HALE. By legislation.

Mr. CONNALLY. Tell us some legislation now.

Mr. HALE. In all probability we ought to cut down the veterans a certain amount. We ought to cut down a number of other activities.

Mr. CONNALLY. The Senator knows we are not going to do that.

Mr. HALE. I know we are not, and therefore there is no point in slashing the appropriation bills and impairing the efficiency of the Government when we are not succeeding in what we ought to do. We are not going to balance our Budget by any such proceeding as that. If the Senator wants to know what I think we ought to do, I think we ought to pass the appropriation bills substantially as they passed the House of Representatives. Then, when the Democratic Party comes into power it can reorganize the bureaus and offices of the Government and can cut down expenditures if it is found possible to do so. If we do that, we can get the appropriation bills through in this session of Congress and can give the Democrats a clear field in the extra session.

Mr. CONNALLY. Mr. President, I am not surprised at the Senator from Maine. He proposes to let somebody else do it. He would let the next administration do it. The next administration must cut expenditures, and if the next administration does not cut them we are going to be in about as bad a fix as the Senator and his party were in the elections last year, because the people of the United States are demanding that these expenditures be reduced.

Mr. HALE. I hope the Senator and his party will get them reduced.

Mr. CONNALLY. I am what we call a big-Navy man. I have always voted for a big Navy. But I do not believe the world and the country are in any such condition as the Senator from Maine pictures and that we are going to get whipped somewhere by somebody or somehow unless we go on building new ships and carrying on the great expenditures in behalf of the Navy.

Mr. HALE. Mr. President——

Mr. CONNALLY. I should like to proceed, if the Senator please.

Mr. HALE. I thought I had the floor, but I am glad to yield to the Senator from Texas.

The PRESIDING OFFICER. The time of the Senator from Maine had expired and the Chair has recognized the Senator from Texas.

Mr. CONNALLY. I thank the Senator from Maine for his proposal to yield to me. I take his wish for the act.

Mr. President, I have always voted for the biggest Navy possible. I believe the United States ought to have a Navy equal to that of any nation on earth, not because I want war, but because I believe it is the only way to prevent war. We have gone through two or three processes of disarmament and each time we disarm we find that we have disarmed, but the other nations do not disarm. After junking a great many battleships, then the Senator from Maine and others come before the Senate and want us to build back our Navy to the treaty basis. Ultimately we may have to do that.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Missouri?

Mr. CONNALLY. Certainly.

Mr. CLARK. Is it not a fact that the United States is spending more money on its Navy right now than any other nation in the world?

Mr. CONNALLY. I am sure that is true, although I have not the figures available. The Senator from Maine does not deny it and I assume therefore it is true.

Mr. HALE. I do not deny it because I can not go into the details at this time. I do not say anything about it because it is very complicated and too much of a question to go into in the time available to me now.

Mr. REED. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Pennsylvania?

Mr. CONNALLY. Certainly.

Mr. REED. There are two factors that explain it, and they can be stated very shortly. In the first place, our rates of pay for our sailors are materially higher, almost double those of any other power on earth.

Mr. CONNALLY. Yes; I know it.

Mr. REED. In the second place, the only comparable Government with ours is the British; and in that Government they have no expenses whatever for the air force, because, having a separate air force, they conceal that expense or subtract it from their navy budget.

Mr. CONNALLY. All the Senator from Pennsylvania says is true, but that does not change the statement of the Senator from Missouri that we are spending more money to-day on our Navy than any other great nation on earth is spending on its navy. Why can not we in these times reduce some of the expenses of our Navy? What power is threatening the United States? Can we not stop and get our breath for a few minutes before we go on loading onto the back of the people more and more money for armament? The Senator from Pennsylvania has just pointed out that we are paying our naval officers——

Mr. REED. I said our enlisted men.

Mr. CONNALLY. Our enlisted men. I am satisfied the Senator from Pennsylvania would make that suggestion. The officers of the Navy never get too much. The enlisted men do get too much.

Mr. REED. Mr. President, will the Senator yield further?

Mr. CONNALLY. Certainly.

Mr. REED. I have been fighting in this session to prevent any cut in the pay of these same enlisted men. They do not get enough.

Mr. CONNALLY. The Senator says our enlisted men in the Navy get more than the enlisted men of any navy on earth, and yet he is fighting any cut in their pay.

Mr. REED. Mr. President, will the Senator yield further?

Mr. CONNALLY. If I have sufficient time.

Mr. REED. I will gladly give the Senator some of my time.

The PRESIDING OFFICER. The Senator from Texas has five minutes remaining.

Mr. CONNALLY. I give the Senator one minute of my time.

Mr. REED. Take the French Navy, for instance. Their men enlist in the navy to avoid compulsory military service in the army. They are paid about 5 cents a day. Would the Senator recommend that for the United States?

Mr. CONNALLY. Oh, no. The Senator does not recognize that we have no draft laws here in times of peace. The Senator from Pennsylvania, though, by asking the question can not avoid the responsibility for answering my question in his own mind. If we are spending more money for the Navy to-day than any other great power, with no threat from abroad, with no danger from abroad, the taxpayers of America are entitled to some of the reductions in naval and military expenditures of the Government.

Senators seems to be worrying about the poor enlisted men in the Navy and in the Army. I am thinking of some enlisted men down in my State and in your State who have not a good Government place to sleep at night, who do not get a pay check from the Government on the first of every month, but who are out of jobs, and who are hungry and who are unsheltered. I am thinking of others who are perhaps not in quite that plight, but there are people whose incomes are shriveled, whose resources have almost disappeared through this gigantic depression, but who are still being required to pay burdensome and onerous taxes.

The Senator from Maine [Mr. HALE], of course, means to put more taxes on them, because he says we must balance the Budget. The result is we will keep up these Navy expenditures, and then we will turn around and pass some other kind of a tax bill, and go down and search out the last hole in the pockets of these people for more money to balance the Budget.

The Budget balancing is all on one end. We have got to start balancing the Budget right now by cutting every dollar that can be spared. Let some of the rest of the services bear a part of the burden. Let them make some of the sacrifices. We ought in this session to economize to the uttermost. In the next Congress, unless our administration does better than the administration of the Senator from Maine [Mr. HALE] and better than the administration of the Senator from Pennsylvania [Mr. REED], the country is going to condemn our administration. We must reorganize the departments. We must cut and slash expenses. But whenever we undertake to cut and slash expenditures and we touch the Navy, the Senator from Maine will be here holding up his hands in horror; and, when we cut the Army, the Senator from Pennsylvania will rush onto the floor of the Senate with alarm in his face and terror in his voice with exclamations that we are destroying our national defense.

We have got to defend this country from somebody besides foreign governments. We have got to defend this country from want and suffering and misery. We have got to defend the taxpayers of this country a part of the time. The taxpayers have been defending the country through the Army and the Navy for a long time. We have got to put up some breastworks and some fortifications in behalf of the people of the country who are bearing the burdens of government. If we go on down the line, the gentlemen at the head of the respective departments will be found saying, "You must not cut here and you must not cut there."

It reminds me of the preacher who went to a community and began to preach against drinking whisky. One of the deacons called him off to one side and said, "Brother, you must not talk about those that drink whisky. Brother Jones is one of our deacons and he likes a little liquor on the side." Then he went to preaching against horse racing. He was called aside again and told not to preach against horse racing. He was told that "Brother Smith likes to go to horse races and he contributes liberally to the church, so you must not talk about horse racing." Then he began to talk about

card playing and was told that Sister Brown was quite a card player, and so he had to stop talking about card playing. Finally another brother came to him, after he had denounced some other practice to which he objected, and said, "You must not talk about that." He replied, "Well, what can I talk about, then? I can not talk about liquor and gambling and cards and horse racing; who must I denounce?" He said, "Well, suppose you denounce the Jews; there ain't any of them here."

So, Mr. President, every chairman of a committee wants to cut expenditures, but he wants the cut to be made in some other department, in some other division of the Government. "Do not touch my child. This is mine. The Army is mine. The Navy is mine. The Department of Agriculture is mine. Do not cut mine." I want this Congress to cut everywhere that cutting can be done without destroying the absolutely necessary vital services of the Government, and I hope that the amendment of the Senator from New Mexico will be adopted, and we shall tell the administrative heads of the Government that expenditures must be reduced. They know where the cuts can be made. If they do not, they have got no business holding their jobs. They know where economies can be put into effect. If they do not know, they have had four years of idleness and inattention to their duties, and let us tell them where to apply these cuts.

Mr. REED. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Pennsylvania?

Mr. CONNALLY. I yield.

Mr. REED. The Senator is talking about the present department heads who have had four years of experience. They will be out of office long before the appropriations provided by this Congress shall become available.

Mr. CONNALLY. And we shall have others in their places who will know how to put the reductions into effect during the next four years. [Laughter.]

Mr. REED. We should be glad to have the Senator tell us who they are going to be.

Mr. CONNALLY. They will not be selections of the Senator from Pennsylvania. [Laughter.] But, in all kindness, let me say to the Senator from Pennsylvania that his administration has been in office for four years; they have not been able to economize and they have not economized; they have not cut down, and whoever the Democrats put into power can not make conditions as bad as they have been in that respect during the last four years.

Mr. REED. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Texas yield further to the Senator from Pennsylvania?

Mr. REED. Just for a question.

Mr. CONNALLY. I yield.

Mr. REED. Does the Senator know that the Army appropriation bill reported yesterday carries $105,000,000 less than last year's Army bill. Does not the Senator call that a saving?

Mr. CONNALLY. I do call that a saving, but most of that is in the nonmilitary activities of the department, is it not?

Mr. REED. I beg the Senator's pardon.

Mr. CONNALLY. What is the biggest item of saving?

Mr. REED. All the Army housing is cut out, and there are reductions all along the line.

Mr. CONNALLY. I asked the Senator what was the biggest item of saving.

Mr. REED. The biggest single item is in rivers and harbors.

Mr. CONNALLY. Oh, to be sure; that is just what I knew. I said that the biggest saving was made in the nonmilitary activities. When I pin the Senator down he admits that it is in river and harbor items where the saving is made. Exactly. And I am informed that the Senate committee which the Senator from Pennsylvania controls raised the House figures in that regard.

Mr. GLENN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Illinois?

Mr. CONNALLY. I yield.

Mr. GLENN. If my memory serves me correctly, it was only a year or so ago, when the Army bill was before the Senate, that it was said that it was impossible to cut it, but the Senator from Pennsylvania says it is now cut by $105,000,000.

Mr. CONNALLY. When?

Mr. GLENN. I say the chairman of the Committee on Military Affairs [Mr. REED] has just said that the Army appropriation bill carries $105,000,000 less than the bill of last year. My recollection is that when the last Army appropriation bill was under consideration it was said very emphatically that it could not be cut at all.

Mr. CONNALLY. The Senator from Illinois simply corroborates and confirms the conclusion I have already reached.

The PRESIDING OFFICER. The time of the Senator from Texas on the pending amendment has expired.

Mr. CONNALLY. A parliamentary inquiry. Have I not some time on the bill?

The PRESIDING OFFICER. The Senator may be recognized on the bill.

Mr. CONNALLY. I merely wish to use five minutes on the bill.

The PRESIDING OFFICER. The Senator can not save his time. He is permitted to speak only once on the bill and once on an amendment.

Mr. CONNALLY. Then I reserve my right to speak on the bill later.

Mr. BRATTON. Mr. President, this attack in which the Senator from Pennsylvania and the Senator from Maine join is no surprise to any one; it was contemplated from the start. Every time it is sought to affect a service by reducing its cost those who champion the particular service urge economy somewhere else. The 5 per cent cut applied to the Navy is slightly more than $15,000,000; the 5 per cent cut applied to the War Department is slightly more than $17,000,000, or about $32,000,000 in all.

The Senator from Pennsylvania and the Senator from Maine would have the country believe that that difference is the difference between safety and danger. They would have the country believe that a $15,000,000 cut in the appropriations for the Navy and a $17,000,000 cut in the appropriations for the Army would endanger the entire Nation and undermine self defense, and military preparedness. Mr. President, everybody knows that if an emergency should arise, such as the Senator from Pennsylvania and the Senator from Maine suggest, the nominal sum involved in the reductions in the two departments could be provided in a deficiency bill in two hours' time. Yet they will hold that up as a controlling reason why the Senate should refrain from touching the appropriations for the two departments involved.

Mr. HALE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Maine?

Mr. BRATTON. Yes; I yield.

Mr. HALE. Does the Senator think if that amount were added to a deficiency bill it could be used at once, to remedy immediately some lack in the national defense? If he does, he is very wide of the mark.

Mr. BRATTON. Yes, Mr. President, in the judgment of the Senator from Maine anyone is wide of the mark whenever he suggests any reduction in the appropriations for the Navy. The Senator is sincere in that and no one criticizes him, but I have not any doubt at all that a 5 per cent cut in the naval appropriation bill would not endanger the Government. I would shrink from endangering the Government as quickly as would the Senator from Maine, and he would do so as quickly as I would; but the suggestion that a $15,000,000 cut in a $300,000,000 bill would undermine national safety and security is wholly untenable. Again and again, whenever retrenchment in expenditures is suggested, those who are particularly interested and enthusiastic about a given service argue repeatedly that we must economize, but not do it here.

Mr. HALE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield further to the Senator from Maine?

Mr. BRATTON. Just a moment. The Senator from Pennsylvania and the Senator from Maine suggest that this retrenchment should not be accomplished now but should wait until the incoming administration shall assume power; let it retrench. The solicitude of the two Senators for the incoming administration will challenge the attention of every Member of the Senate.

Mr. President, I entertain no doubt that a nominal cut of $15,000,000 in one case and $17,000,000 in the other can be borne without any sacrifice or danger to the two branches of the armed forces of the country.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. REED] to the amendment proposed by the Senator from New Mexico [Mr. BRATTON].

Mr. WALSH of Massachusetts. Mr. President, in view of the question I propounded to the Senator from Pennsylvania a few moments ago, I have been making some inquiry about the situation with respect to the midshipmen at the Naval Academy at Annapolis. I find that there are in the graduating class 435 midshipmen and that under existing law only about 200 of them will be commissioned. That means that we have for four years been educating 200 or more midshipmen at the Naval Academy who will not be given commissions in the naval service. As the expense of educating each one of these young men is $15,000 for the four years it means that we have expended $3,000,000 upon these 200 young men who will not be inducted into the naval service.

Of the class of young men who will graduate in June of this year each of them has received each year out of the Public Treasury a salary of $780. Therefore, 200 or more of them, in addition to being boarded and schooled at the expense of the Federal Government, have been paid $780 a year, making an aggregate of $624,000.

I submit these figures as indicating that there appears to be some opportunity for retrenchment in reducing the number of midshipmen at least at the Naval Academy, and also in reducing the number of officers assigned there and the number of civilian professors with paid salaries who are instructing these young men.

As I said before, I know nothing about the situation at the Military Academy at West Point, but it is not a very good picture to present to the American public of our efficiency or the efficiency of the Navy Department when we continue to burden the taxpayers of the Nation with this particular expense.

Mr. SWANSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Virginia?

Mr. WALSH of Massachusetts. I will yield in a moment.

If we are going into the business of providing higher education for our young men, well and good. As a member of the Board of Visitors to the Naval Academy a few years ago, I remember that a motion was actually made—and almost carried—that the Naval Academy be expanded to its full capacity and that we be permitted to send young men there to be educated at public expense, though they were never going to enter or become a part of the naval service. That is what we are doing without declaring so.

What right have we to use public funds for the higher education of any man unless he is to become a part of the naval or military forces of the United States? If we make a departure from that policy, then we have opened the floodgates, and every young man in every State everywhere has a right to demand four years of education at the expense of the Federal Treasury, involving $780 annual pay and a cost for his four years of education of $15,000.

As I said before, I do not know the situation at the Military Academy at West Point. Perhaps the situation is different there; but it does seem to me that here is a field for investigation and inquiry into whether or not we shall be able to save some funds by reducing the number of students at these institutions in view of the fact that they can not be commissioned.

Mr. SWANSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Virginia?

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. SWANSON. The Navy Department is not responsible for the number of appointees who are sent to the academy. It is Congress that is responsible. Congress gives each Senator and each Representatives the privilege of sending so many appointees there. I think the Navy Department have recommended that the number be reduced, saying that they have more officers than they can give places to; but Congress refuses to reduce the number.

Mr. WALSH of Massachusetts. I used the word "we"; and the Senator knows that in the Committee on Naval Affairs I actually moved that we reduce the number, and have advocated and talked in the committee as I have here.

Mr. SWANSON. So far as that is concerned, that could not be done until Congress changed the law. Each Senator has so many appointments. Every Representative has so many appointments. It takes so much money to take care of them; it takes so many professors; and the law ought to be changed.

Mr. WALSH of Massachusetts. Then I will withdraw any insinuation that the Republican Navy Department is in any way responsible, and I will make the accusation that the Congress itself has been negligent and derelict in its duty to the public in maintaining upon its pay rolls and giving free education to young men whose services are not needed by the Government. Whatever justification could be urged in the past for these expenditures, present conditions no longer justify them.

Mr. FRAZIER. Mr. President, last year, when proposals were made to reduce the various appropriation bills, there was a great deal of sentiment for reduction, and they were reduced. When it came to the War and the Navy appropriations, however, great objection was raised against reducing those appropriations; and the same thing is true this year.

I note by the report of the Military Affairs Committee on this year's bill that they increased the House appropriation bill by $1,660,630. It seems to me that if there is any place in the appropriations of the United States Government that should be cut down, where there is a chance to make a real saving, it is in the War and Navy Departments.

It was stated on the floor of the Senate a few minutes ago that we were appropriating more money for our Navy than any other country in peace times on the face of the globe. That is true. We are also appropriating more money for the War Department in peace times than any other nation on the face of the globe. We claim that we are trying to promote peace and bring about disarmament, and yet we are appropriating more money than any other nation on earth for war and navy purposes.

It seems to me that this amendment of the Senator from New Mexico should apply to the War and Navy Departments if it is going to apply to any department; and I hope the amendment of the Senator from Pennsylvania will be rejected.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Pennsylvania [Mr. REED] to the amendment of the Senator from New Mexico [Mr. BRATTON].

Mr. BRATTON. I call for the yeas and nays.

The yeas and nays were ordered.

Mr. BANKHEAD. I suggest the absence of a quorum.

Mr. McNARY. May the amendment be stated, please?

The PRESIDING OFFICER. The Senator from Alabama has suggested the absence of a quorum.

Mr. REED. May we not have the quorum call before the amendment is stated?

The PRESIDING OFFICER. That will be done.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Bankhead | Bingham | Borah |
| Austin | Barbour | Black | Bratton |
| Bailey | Barkley | Blaine | Brookhart |

| | | | |
|---|---|---|---|
| Bulkley | George | McGill | Smith |
| Bulow | Glass | McKellar | Smoot |
| Byrnes | Glenn | McNary | Steiwer |
| Capper | Goldsborough | Metcalf | Swanson |
| Caraway | Gore | Moses | Thomas, Idaho |
| Clark | Grammer | Neely | Townsend |
| Connally | Hale | Norris | Trammell |
| Coolidge | Harrison | Nye | Tydings |
| Copeland | Hastings | Oddie | Vandenberg |
| Costigan | Hatfield | Patterson | Wagner |
| Couzens | Hayden | Pittman | Walcott |
| Cutting | Hebert | Reed | Walsh, Mass. |
| Dale | Hull | Reynolds | Walsh, Mont. |
| Davis | Johnson | Robinson, Ark. | Watson |
| Dickinson | Kendrick | Robinson, Ind. | Wheeler |
| Dill | Keyes | Schall | White |
| Fess | La Follette | Schuyler | |
| Fletcher | Lewis | Sheppard | |
| Frazier | Logan | Shipstead | |

Mr. NORRIS. I desire to announce the absence of my colleague, the junior Senator from Nebraska [Mr. HOWELL], on official business of the Senate.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present. The yeas and nays have been ordered on the amendment of the Senator from Pennsylvania [Mr. REED], which will be stated.

The CHIEF CLERK. The Senator from Pennsylvania [Mr. REED] offers the following amendment to the amendment of the Senator from New Mexico [Mr. BRATTON]:

On page 1, line 2, strike out the words "and directed," and insert:

and, except in the case of the War Department and the Navy Department, is directed—

So that, if amended, the amendment will read:

The head of each executive department and independent establishment is authorized and, except in the case of the War Department and the Navy Department, is directed to make such reductions in the expenditures—

And so forth.

The VICE PRESIDENT. On this amendment the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I transfer my pair with the Senator from Nebraska [Mr. HOWELL] to the Senator from Louisiana [Mr. BROUSSARD], and will vote. I vote "nay."

Mrs. CARAWAY (when her name was called). On this question I have a general pair with the senior Senator from New Jersey [Mr. KEAN]. Not knowing how he would vote, I withhold my vote.

Mr. HATFIELD (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. He being absent, and not knowing how he would vote, I withhold my vote. If at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Mississippi [Mr. STEPHENS]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Utah [Mr. KING].

The result was announced—Yeas 34, nays 47, as follows:

YEAS—34

| | | | |
|---|---|---|---|
| Austin | Hale | Metcalf | Swanson |
| Bailey | Hastings | Moses | Thomas, Idaho |
| Barbour | Hayden | Oddie | Townsend |
| Bingham | Hebert | Pittman | Wagner |
| Copeland | Johnson | Reed | Walcott |
| Davis | Kendrick | Robinson, Ind. | Watson |
| Fletcher | Keyes | Schall | White |
| Goldsborough | Lewis | Schuyler | |
| Grammer | Logan | Smith | |

NAYS—47

| | | | |
|---|---|---|---|
| Ashurst | Byrnes | Dickinson | Hull |
| Bankhead | Capper | Dill | La Follette |
| Barkley | Clark | Fess | McGill |
| Blaine | Connally | Frazier | McKellar |
| Borah | Coolidge | George | McNary |
| Bratton | Costigan | Glass | Neely |
| Brookhart | Couzens | Glenn | Norris |
| Bulkley | Cutting | Gore | Nye |
| Bulow | Dale | Harrison | Patterson |
| Reynolds | Shipstead | Tydings | Walsh, Mont. |
| Robinson, Ark. | Smoot | Vandenberg | Wheeler |
| Sheppard | Steiwer | Walsh, Mass. | |

NOT VOTING—15

| | | | |
|---|---|---|---|
| Black | Hatfield | Long | Stephens |
| Broussard | Howell | Norbeck | Thomas, Okla. |
| Caraway | Kean | Russell | Trammell |
| Carey | King | Shortridge | |

So Mr. REED's amendment to Mr. BRATTON's amendment was rejected.

The VICE PRESIDENT. The question now is on agreeing to the amendment offered by the senior Senator from New Mexico [Mr. BRATTON] as amended.

Mr. BRATTON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I transfer my pair with the junior Senator from Nebraska [Mr. HOWELL] to the junior Senator from Utah [Mr. KING], and vote "yea."

Mrs. CARAWAY (when her name was called). I have a general pair with the senior Senator from New Jersey [Mr. KEAN]. I do not know how that Senator would vote if present. If I were voting, I would vote "yea."

Mr. HATFIELD (when his name was called). Repeating my previous announcement respecting my general pair with the senior Senator from Oklahoma [Mr. THOMAS], I withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). I desire to announce the absence of my colleague, the junior Senator from Nebraska [Mr. HOWELL] on official business of the Senate. I ask that this announcement may stand for the day, and be included with each roll call.

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Mississippi [Mr. STEPHENS]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 50, nays 33, as follows:

YEAS—50

| | | | |
|---|---|---|---|
| Austin | Connally | Harrison | Sheppard |
| Bailey | Coolidge | Hastings | Smith |
| Bankhead | Cutting | Hebert | Swanson |
| Barbour | Dickinson | Hull | Thomas, Idaho |
| Barkley | Dill | Kendrick | Trammell |
| Black | Fess | Lewis | Tydings |
| Borah | Fletcher | Logan | Vandenberg |
| Bratton | Frazier | McKellar | Wagner |
| Bulkley | George | Norris | Walsh, Mass. |
| Bulow | Glass | Nye | Walsh, Mont. |
| Byrnes | Glenn | Patterson | White |
| Capper | Goldsborough | Pittman | |
| Clark | Gore | Robinson, Ark. | |

NAYS—33

| | | | |
|---|---|---|---|
| Ashurst | Grammer | Moses | Smoot |
| Bingham | Hale | Neely | Steiwer |
| Blaine | Hayden | Oddie | Townsend |
| Brookhart | Johnson | Reed | Walcott |
| Copeland | Keyes | Reynolds | Watson |
| Costigan | La Follette | Robinson, Ind. | Wheeler |
| Couzens | McGill | Schall | |
| Dale | McNary | Schuyler | |
| Davis | Metcalf | Shipstead | |

NOT VOTING—13

| | | | |
|---|---|---|---|
| Broussard | Howell | Long | Shortridge |
| Caraway | Kean | Norbeck | Stephens |
| Carey | King | Russell | Thomas, Okla. |
| Hatfield | | | |

So Mr. BRATTON's amendment, as amended, was agreed to, as follows:

On page 82, after line 21, to insert a new section, as follows:

"SEC. —. The head of each executive department and independent establishment is authorized and directed to make such reductions in the expenditures from the appropriations made by the regular annual appropriations act for the several purposes of his department or establishment for the fiscal year ending June 30, 1934 (except, in the case of the Treasury Department, appropriations for acquisition of sites for and construction of public buildings and the appropriation for addition to the cumulative sinking fund pursuant to section 308 of the emergency relief and construction act of 1932), as will in the aggregate equal at least

5 per cent of the total amount so appropriated for his department or establishment for such year (excluding, in the case of the Treasury Department, the appropriations specified above). Such reductions shall be made in a manner calculated to bring about the greatest economy in expenditures consistent with the efficiency of the service. In making any reductions in expenditures provided for in this section no wage cuts, other reduced compensations, or furloughs shall be ordered."

Mr. BINGHAM. Mr. President, I ask that the clerk now report the amendment on page 69, lines 20 to 24, and lines 1 to 3, on page 70.

The VICE PRESIDENT. The clerk will report the amendment.

The CHIEF CLERK. On page 69, after line 19, the committee proposes to insert the following:

(1) Section 101 is amended by adding at the end thereof the following new subsection:

"(d) The rate of compensation of each officer and employee to whom subsection (a) or (b) applies shall be reduced by 1⅔ per cent."

And section 101 (c) is amended by striking out "subsections (a) and (b)" and inserting in lieu thereof "subsections (a), (b), and (d)."

Mr. BINGHAM. Mr. President, we have estimated that this provision will save $17,832,000. Since the Costigan amendment to the Bratton amendment was agreed to, and the Bratton amendment as amended was agreed to, no additional pay cut is provided. In fact, any additional pay cut is forbidden under the Costigan amendment. Therefore the committee feels that this amendment should be agreed to, increasing the pay cut from 8⅓ per cent to 10 per cent. If it should be agreed to, it would mean that all salaries from the Government of $12,000 and under would be cut at the rate of 10 per cent, although if it is agreed to, there will be another section providing a straight pay cut. This applies only to those who now have the furlough.

Mr. COSTIGAN. Mr. President, may I ask the Senator from Connecticut to state once more the effect of the proposed amendment?

Mr. BINGHAM. The effect of the proposed amendment, as I stated the other day, would be in lieu of the President's suggestion in his Budget message that, in addition to the furlough, there be a pay cut of 11 per cent. The committee unanimously recommended an additional pay cut of 1⅔ per cent.

The argument against this amendment the other day, advanced by the Senator from Colorado, if I remember correctly, was that unless his amendment were agreed to, and the amendment of the Senator from New Mexico were agreed to, the total cut might add up to some 17 per cent. But since the amendment of the Senator from Colorado has been agreed to, and no additional pay cuts are provided, this would only mean an additional pay cut of 1⅔ per cent. Nevertheless, the saving would be about $17,800,000.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. BINGHAM. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mrs. CARAWAY (when her name was called). Making the same announcement as before, I withhold my vote. If I were allowed to vote, I would vote "nay."

Mr. HATFIELD (when his name was called). Again announcing my pair with the senior Senator from Oklahoma [Mr. THOMAS], I withhold my vote. If permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. BRATTON. Transferring my pair with the junior Senator from Nebraska [Mr. HOWELL] to the junior Senator from Utah [Mr. KING], I vote "yea."

Mr. GLENN (after having voted in the affirmative). I am informed that the senior Senator from Virginia [Mr. SWANSON], with whom I have a general pair, has not voted. Therefore, I withdraw my vote.

Mr. HATFIELD. I am informed that my general pair the Senator from Oklahoma [Mr. THOMAS] would vote as I am about to vote, and I, therefore, am at liberty to vote. I vote "nay."

Mr. NORRIS. I desire to announce the absence of my colleague the junior Senator from Nebraska [Mr. HOWELL] on official business of the Senate. I ask that this announcement may stand for the day and be included with each roll call.

Mr. FESS. I wish to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the junior Senator from Louisiana [Mr. LONG];

The Senator from California [Mr. SHORTRIDGE] with the Senator from Mississippi [Mr. STEPHENS]; and

The Senator from South Dakota [Mr. NORBECK] with the senior Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 39, nays 44.

YEAS—39

| | | | |
|---|---|---|---|
| Bailey | Fess | Hebert | Smoot |
| Bankhead | Fletcher | Hull | Steiwer |
| Barkley | George | Kendrick | Thomas, Idaho |
| Bingham | Glass | McKellar | Trammell |
| Borah | Goldsborough | Metcalf | Tydings |
| Bratton | Gore | Moses | Vandenberg |
| Byrnes | Grammer | Norris | Walcott |
| Clark | Hale | Patterson | Walsh, Mont. |
| Connally | Harrison | Robinson, Ark. | Watson |
| Dickinson | Hastings | Sheppard | |

NAYS—44

| | | | |
|---|---|---|---|
| Ashurst | Costigan | La Follette | Robinson, Ind. |
| Austin | Couzens | Lewis | Russell |
| Barbour | Cutting | Logan | Schall |
| Black | Dale | McGill | Schuyler |
| Blaine | Davis | McNary | Shipstead |
| Brookhart | Dill | Neely | Smith |
| Bulkley | Frazier | Nye | Townsend |
| Bulow | Hatfield | Oddie | Wagner |
| Capper | Hayden | Pittman | Walsh, Mass. |
| Coolidge | Johnson | Reed | Wheeler |
| Copeland | Keyes | Reynolds | White |

NOT VOTING—13

| | | | |
|---|---|---|---|
| Broussard | Howell | Long | Stephens |
| Caraway | Kean | Norbeck | Swanson |
| Carey | King | Shortridge | Thomas, Okla. |
| Glenn | | | |

So the amendment was rejected.

REMOVAL OF SERGEANT AT ARMS DAVID S. BARRY

Mr. NORRIS. Mr. President, on behalf of and under instructions from the Committee on the Judiciary, I rise to submit a privileged report.

The Committee on the Judiciary have had under consideration the matter which the Senate referred to them regarding what action, if any, should be taken upon the case of the Sergeant at Arms for the writing of an article published in the February issue of the New Outlook. After due consideration the committee have directed me to report to the Senate that we recommend to the Senate the adoption of the resolution which I send to the desk.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 352), as follows:

*Resolved*, That David S. Barry be, and he is hereby, removed from the office of Sergeant at Arms and Doorkeeper of the Senate.

Mr. NORRIS. Mr. President, on behalf of the Committee on the Judiciary, I move the adoption of the resolution. I believe upon this motion we ought to have the yeas and nays, and therefore I ask for them.

The yeas and nays were ordered.

Mr. LOGAN. Mr. President, is the resolution open to discussion?

The VICE PRESIDENT. It is.

Mr. LOGAN. Then if I have that privilege, I desire to say a few words upon it.

Probably no one will agree with me about this matter, but I do not know that that makes any difference. In the first place, I doubt that the Senate has any right to adopt the proceeding or take the steps which it has taken. I do not know where the Senate gets the authority to do this. It is true I have not made an investigation of the matter. I have not had time to do so.

Down in my State if some organization should proceed in the way we are proceeding here we would call it mob law. It is a very sacred right that a man has to be heard when

he is charged with a crime or when he is charged with a violation of any law, whether it amounts to a crime or not.

Here is a man with a lifetime of honorable service behind him. It appears to be admitted that he has no black mark against his character. We are preparing, almost without discussion, almost without a hearing, to enter a death sentence, as it were, against him, because it is better, probably, to take the life of a man than to take his good name.

I am frank to confess that after having read the article I do not place the construction upon it that has been placed upon it by many of the Senators. He was tried, it is true, without any charge being made against him; in fact, no charge has ever been made against him yet. There has been no orderly procedure of any kind. It seems to me that if he had transgressed the rules of the Senate or if he had done anything which subjected him to be dealt with by the Senate and if the Senate had the power to deal with him, the first thing would have been to prepare and submit charges.

But that was not done. The senior Senator from Indiana [Mr. WATSON] came into the Chamber and read a paragraph from an article and then Mr. Barry was sent for and put on trial without an opportunity to think, without an opportunity to employ counsel until after he was in here. Then it was said, "If you want to get somebody to advise you, of course, you may do so." But what chance did he have, an old man with 96 angry Senators lined up against him?

It seems to me that if we expected to proceed against him, probably we should have proceeded by impeachment. It is the general rule of law, as I understand it, that where a man is elected to office for a fixed time the power that elects him has no right, unless it is specifically given by law, to remove him at will. I do not know whether the law gives the Senate the right to remove one of its officers at will or not. I do know the Constitution gives no such right. I know we have the right to proceed against our own Members and, if two-thirds concur, we may expel a Member. But there is no such authority in the Constitution to proceed against an officer of the Senate; at least, if there is, I do not know anything about it.

Frankly speaking, every citizen, however humble he may be, and although he may have been an employee of this great body, has the right to be heard and generally, before the appointing power may remove him, unless there be specific power in the law, a court must determine that he has violated some law; a court must determine that there are reasons for his removal.

Here we sit as a jury, a jury that has been offended. In the civil courts or in the criminal courts of this Nation I undertake to say that none of us would be qualified to sit on the jury to hear the charges. But we are sitting to try the man that we say has libeled us or slandered us in some way. He has not libeled me. He did not mean me.

I want it thoroughly understood that I do not believe if I should place the construction on the language that some Senators have placed on it that I would say what I am saying, but I do not believe that Mr. Barry meant to charge that any Member of the Senate or any Member of the House or any Member of the present Congress was corrupt. I do not think that the language which he used is susceptible of that construction. It is true we brought him here before the Senate and cross-examined him. It reminds me somewhat of a hare with the hounds after him—dozens of hounds and one poor little innocent hare. Of course, he did not know what to say. But we have read the article. Let me call attention to it, if I may briefly, and then tell the Senate what I think about it and what I think is a reasonable construction of all that Mr. Barry has said.

I am glad that I do not think my reputation so frail as to be damaged because some one makes a suggestion such as is found in this article. Let us examine it just for a moment. Here is a man trying to defend the Congress of the United States against the very charges that are in the minds of the public everywhere, because, I regret to say, that the public seems now to believe that all public officials are crooked. It is an unfortunate thing; it is a sign of the decay of our Republic.

Here is a man who knows what public opinion is; who knows that men and women from one end of this country to the other are saying that the Congress of the United States is corrupt. We receive letters almost every day from our constituents, some of whom probably we do not know, in which they suggest that all public officials, from the President down to the humblest officer of the United States, are susceptible to improper influences. Any man knows that to be a more or less widespread sentiment, unless, perchance, he has been in the Senate so long that he has forgotten what the public thinks.

Now, what did Mr. Barry say?

> Contrary, perhaps, to the popular belief, there are not many crooks in Congress; that is, out-and-out grafters, or those who are willing to be such. There are not many Senators or Representatives who sell their vote for money, and it is pretty well known who those few are; but there are many demagogues—

Do we really believe that Mr. Barry when he wrote that had in mind the Members of the present Congress of the United States? I do not. He was looking at Congressmen as a class, from the beginning of this Government down to the present time, looking at them as they passed before his vision. It was true he was writing in the present tense, but if you have not forgotten, Mr. President, under the old rules of rhetoric which you learned when you went to school in the old days, that is permissible. The vision rises before him of a long list of Congressmen, and he says contrary to popular opinion, they are a very few—"not many," he says—Representatives or Senators who sell their votes for money. He says "a few." If we go back in the history of our Nation I dare say that we will find that his statement is literally true, if he will look at it in that way. I think in the old days that men have been expelled from the Congress because they sold their votes for money. I am not sure about it; I have not looked up anything; I had little thought of saying anything; but it arouses all the indignation that I have when I see the greatest body in the world carried off its feet because they say, perchance, some clerk or sergeant at arms has libeled its Members. I remember back in the old days the Crédit Mobilier scandal. It seems to me that some were convicted and removed from office, and that others resigned.

I suppose from time to time in all legislative bodies, from the days of the old Roman Senate down to the present, that there have been occasionally men who sold their votes. I do not believe that there is any such man in this body; I do not believe there is any such man in this Congress, and I do not believe that Mr. Barry had any intention of saying there were; but I dare say that there are none of us, Mr. President, who would be willing to say that there is no such man among the 531. We may say that we do not know that there is any such man, and that we do not believe there is any such man, but if we consider the past and judge the present by the things that have happened in the past, we would hesitate before we would underwrite the statement that there are no such men. I do not think there are, and I am glad that I do not think so, but I would not remove a man from office in his old age when he has done nothing more than to call the attention of the American public to the fact that there are not many corrupt men in Congress, when the public thinks all of them are corrupt. That is the gist of it all.

If you say, Mr. President, he referred to this Congress, what are you going to do with the remainder of the article, because I believe it is a rule announced by the courts—and it is a safe rule—that one can not pick out a certain sentence from its context and judge the whole by that particular sentence; it is necessary to take the whole paper. Immediately after what I have quoted, he goes right at once into a discussion of demagogues and demagoguery.

He says:

But there are many demagogues of the kind—

In this he is writing in the present tense—

that will vote for legislation solely because they think it will help their political and social fortunes.

Then what does he do? He goes back and refers to the amendment for the election of United States Senators by direct vote of the people. Did this Congress pass on that amendment? No. We had just as well say that he was referring to this Congress when he said there were demagogues that voted to submit that amendment. I do not think he was. I favored that amendment and would have voted for it if the opportunity had been afforded.

Then he refers to the woman's suffrage amendment and the eighteenth amendment, writing in the present tense about all of them, and saying there were demagogues who voted for them. We very well know, however, that he was not referring to the present Congress. Neither do I believe he was referring to the present Congress when he said there were not many who sold their votes.

It is difficult to get a group of 531 men elected by all classes of people and to have all of them entirely above suspicion. Jesus Christ attempted to select 12 disciples. After a very thorough examination and after having spent two years with them, he selected 12, but he found 1 in that number—and he was the best business man in the group and was elected treasurer of the little band—who turned out to be a man who was willing to accept a bribe.

According to the view of some Senators Mr. Barry was referring to the present Senate; but even assuming that he was referring to the present Senate, do you think, Mr. President, that we ought to disgrace him and whip him out of the Senate with whips of scorpions because he said that there are not many Members of the Congress who would sell their votes or because he held the opinion that among 531 perchance there might be one who would sell his vote for money, or there might be two? Senators may take action of that kind if they want to; they have the power—I take it for granted that they are going to do it—but I want to proclaim here and now, in the RECORD so that everyone may know, that I can not indorse their action in removing him because of the article which he has written; and, although I may stand alone, I shall vote "no" when the vote is taken on the resolution.

Mr. NORRIS. Mr. President, to begin with, all the Senators heard the testimony of Mr. Barry taken in open Senate last Friday. The Senate at that time voted to refer the matter to the Judiciary Committee and that in the meantime Mr. Barry should stand suspended from office. The Judiciary Committee again heard Mr. Barry testify. On his own request he came before the committee and testified yesterday and to-day. Two witnesses were called after he had finished because of references he had made to those gentlemen in defense of what he had said. Let me say that he was heard at length. He was not refused permission to make any statement he saw fit; he used his own time before the committee. There was no such thing as urgency. Never once has Mr. Barry, or anyone in his behalf, asked for further time, notwithstanding the Senator from Kentucky says that this matter was rushed through. From the time he plead guilty to the charges——

Mr. LOGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. NORRIS. I yield.

Mr. LOGAN. He plead guilty, as I understand, to having written the article, but did he plead guilty to the construction which the Judiciary Committee have placed upon his language?

Mr. NORRIS. No; he plead guilty to having written the article; and now the Judiciary Committee—as, I take it, the Senate did last Friday—has put its own construction upon the article, and I think the only construction that can be put on it, although in saying that I have to disagree with the eminent Senator from Kentucky, who seems to put a different construction on it. I want to say further that the construction he is trying to place on it now, that Mr. Barry had reference to some past conduct, is not the construction that Mr. Barry himself placed upon the article.

Mr. LOGAN. Mr. President——

Mr. NORRIS. At no time either in his testimony here or before the Judiciary Committee did Mr. Barry for himself ever claim that kind of a construction. He referred in all his testimony to the present existing Congress. So that it seems to me that it is rather far-fetched for somebody else now to try to put a construction on these words that, in the first place, they will not bear, and, in the second place, a construction that Mr. Barry himself has never put upon them. I now yield further to the Senator from Kentucky.

Mr. LOGAN. Is it not true that Mr. Barry last Friday tried to explain that he meant something else, but Senators would not allow it? And is it not true that the Senator said he was guilty, that he had plead guilty, and would not listen to any explanation that Mr. Barry might offer?

Mr. NORRIS. No; we did listen to every explanation that he had to make. He had unlimited time; he has never for a moment protested that he has not had all the time he wanted, and no one suggested a limitation. He did say in the Senate, and he said before the committee, that he thought he was defending the Senate. That is a construction that in my judgment and in the judgment of the committee—in fact, I think, in the judgment of every fair, unbiased mind—the language will not sustain.

Mr. LOGAN. Mr. President——

Mr. NORRIS. I will yield in just a moment; I myself want to say a few words.

The construction the Senator would now place upon the article, that Mr. Barry was defending the Senate, is not borne out by the article itself. The Senator himself says, in giving a construction to a part of the article, that we ought to consider all the article. Do that in this case, and from beginning to end we find that it is a condemnation of Congress; there is not one single word of defense. In the very next sentence, after the one quoted in which he charged some of the Senators sold their votes for money, he said:

There are not many Senators or Representatives who sell their votes for money, and it is pretty well known who those few are; but there are many demagogues of the kind that will vote for legislation solely because they think that it will help their political and social fortunes.

And then he goes on to use this language:

This is what passed the constitutional amendment providing for the popular election of Senators, it is what passed the amendment giving suffrage to women, it is what passed the prohibition amendment, and it is what has made possible the almost successful attempt to hang the bonus on the American taxpayers.

That is, demagogues. Is that a defense of the Senate? Can we give any construction of that kind by reading the balance of the article? All the way through it is critical.

I concede that Mr. Barry had a right to criticize the Senate. I am not finding fault because he did that; but in the first sentence he says there are some of us who are crooks, that we sell our votes for money, and he says those few are well known.

Mr. LOGAN. Mr. President——

Mr. NORRIS. We gave him an opportunity here and he had another opportunity before the Judiciary Committee to tell who they were. He could have cleared his skirts completely if he had named the Senators and investigation had shown that they were selling their votes for money. That is one of the things the Judiciary Committee and the Senate wanted him to tell; but he not only did not tell it, but he said flatly that he had no evidence of anyone selling his vote, either in the Senate or in the House.

Mr. Barry is different from an outsider, Senators. I can conceive of a newspaper making the same charge and our not paying any attention to it. He, however, is an employee of the Senate, elected by the Senate by ballot, by roll-call vote, to serve the Senate as its Sergeant at Arms. He has access to the floor of the Senate, the same as a Senator. When such an officer, one of the highest officers of the

Senate, said to the world, "There are crooks in Congress; they sell their votes for money, but there are not very many of them; the balance of them are just demagogues," it would be a stretch of reason and logic to say that such language was a defense of the Senate or the House. Even though the writer said it was, that does not make it so.

Here we have, then, an officer of the Senate. The question is raised by the Senator from Kentucky [Mr. LOGAN] whether we have a right to remove him from office. I think our right is so evident that I am not going to go into any detail to discuss it. We elected him. We have the right to remove him, with reason if we want to, or without reason if we choose. We have the supreme right to remove him. In this case we went to the precaution—which, to my mind, was unnecessary after he had, in effect, plead guilty—of referring the matter to the Judiciary Committee; and when it was referred to the Judiciary Committee, Mr. Barry was notified when we were going to meet and asked if he wanted to appear before the committee. He said he did. He appeared, was sworn, and presented a carefully compiled and written statement in which he went over practically the same ground that he did when he was before the Senate on last Friday. Then he was questioned by the members of the committee, and at no place did he deny that he wrote the words that we complained of. At no place did he claim that any change was made.

You know, there was some intimation of that kind here. Senators said that perhaps the language was changed; but at the direction of the committee Mr. Barry secured the copy that he retained when he wrote the article, and the copy was identical with the printed article as far as these words were concerned. The publishing company had taken out two or three paragraphs at the beginning of the article; and when you read the record taken before the committee, you will find just what they were, where they were placed. As is conceded even by Mr. Barry himself, they in no way modified or changed the meaning of the words that were left in the article. So he is admitting that they were printed just word for word as he wrote them; and incidentally, he got $250 for doing it. That, I think, is proper to take into consideration.

The question raised by the Senator from Kentucky is, Have we any right to remove Mr. Barry? I think it is so self-evident that we have that I am not even going to answer it. We have the right to remove any officer of the Senate that we elect. If we have not, then the Senate has no authority on earth to purge itself of any improper or dishonorable employee.

What position would we be in if we did not take notice of this? Then it would be heralded all over the country, "Why, here is a man who by his very office is entitled to go into the secret sessions of the Senate. He is entitled to the privilege of the floor of the Senate. He is its principal officer. He says the Senators are crooks, and they do not do anything about it. They have confessed that they are crooks." Would not that be the logic of it, and would not that be heralded from one end of the country to the other?

So in self-defense, in defense of its honor and its integrity, it seems to me the Senate can do no less than to remove from office such an unworthy employee.

SEVERAL SENATORS. Vote! Vote!

Mr. GLENN. Mr. President, it seems to me this is a matter of such importance that a little of the time of the Senate may be devoted to a discussion of it, when so much time has been wasted at this session in the discussion of things of less importance.

I have not been present in the Senate for the past two or three days, and was not here when the Sergeant at Arms of the Senate came before this honorable body. It may be that I am not as thoroughly familiar with this situation as I should be in order to discuss it fully and intelligently before this body, but there are some things which appeal to me and which I desire to present rather briefly.

I do not challenge the right of the Senate to remove any of its officers or employees. I do not make that point. It may be well taken, but I shall not press it. But as I look about the circumstances and the conditions under which this article was written, and the time in which it was written, I see this Capitol and those in it not in the ordinary, usual routine of affairs in the body and in the country and in the Capital of the Nation; but I find those here, employees and Members and officers of the Senate, in an unusual and extraordinary situation and in an unusual and extraordinary frame of mind; not in a normal but in an abnormal frame of mind.

It has been stated to me by veterans in this body that in all their long and useful years of service they have never experienced a time so critical, so full of trial, so full of stress, so full of strain as the present session. It was largely true at the last session of the Congress, but it has been a growing condition and a growing strain. I feel that that abnormal situation is not confined to the Members of the Senate but that it reaches all who are intimately connected with this body.

So I see this organization and all its officials and all its employees under severe strain, perhaps not normal; and I see everywhere a spirit of criticism, not only among the officials of the body and its employees but in the public press, in the newspapers, in the magazines, in written and published books, and in the spoken word in person, and on the air throughout the country. Everywhere, for months and months and months, there has been a growing spirit of criticism, of abuse, of exaggeration, of vituperation, of condemnation; and if we are ourselves to condemn and convict all who criticize the Members of this body, there will not be many people left in the United States unscathed.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. GLENN. I yield.

Mr. NORRIS. Does not the Senator draw a distinction between those who are employees of the Senate and outsiders?

Mr. GLENN. I draw a distinction; yes. I think it is a more serious offense in a way. I think the officials of this body owe it a duty, of course, and I think there has been a violation of that duty here; but I am seeking, if I may, to draw a picture of some of the circumstances surrounding it.

Mr. Barry is not alone in this thing which he has done. Everywhere we see it, from the press gallery and elsewhere. What do we see in the newspapers every day when we pick them up? What is it? Condemnation, abuse, attacks.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Ohio?

Mr. GLENN. Yes.

Mr. FESS. In that connection, will the Senator allow me to read just one paragraph from a great newspaper and from a very distinguished correspondent?

Mr. GLENN. I shall gladly yield.

Mr. FESS. Speaking of this general attitude of the country and in Washington, he says:

> They undoubtedly account for the ferocity with which some of them—

Meaning the Senators—

> joined in the attempt to tear the aged and unfortunate Mr. David Barry limb from limb on Friday, and will be satisfied with nothing short of his heart's blood to-morrow.

Mr. GLENN. What paper is the Senator reading from?

Mr. FESS. I could hardly call that an irresponsible utterance, because it is from a very responsible paper. It is from the Baltimore Sun, and it is from one of the distinguished writers of the Sun; but it is an expression of what the Senator is now stating, and that is the stuff that is being read all over the country.

Mr. GLENN. I thank the Senator from Ohio.

Mr. NORRIS. Mr. President, may I interrupt the Senator there?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. GLENN. I do.

Mr. NORRIS. Does the Senator from Illinois think, or can the Senator from Ohio think, that because outsiders are making charges that the Senator himself admits to be untrue, we should follow along in that disreputable path and forgive falsehoods stated to the public on the part of our own employees?

Mr. GLENN. Mr. President, to be frank with the Senator from Nebraska, I can not distinguish very materially between attacking a Member of a body of this kind, as has been done in the present instance, and the privilege which is exercised almost every day in committee rooms of the Senate of the United States, when a witness is called there, of browbeating him, accusing him, attacking him as he sits there, called in response to a subpœna, perhaps, or summons of the Senate, without counsel, without advice, frequently, I take it, without much excuse or much basis for the attacks made upon that helpless witness. I do not distinguish in my mind, perhaps through lack of acuteness, between the attacks made upon this body and the attacks made in this body on the floor, day after day, by Members of this body, distinguished Members of this body—making no personal reference, now, to any individual Senator, for I have none in mind—attacking, abusing, condemning, blackening people's names and reputations, knowing that the next morning upon the front pages of the responsible newspapers of this country the charges, unsustained, will be broadcast to the world.

What is the difference in the character, in the thought, in the mind, in the thinking process between this man and us men, using the word "us" in the plural, because I am not seeking to point out or indicate anyone in particular—who make those baseless attacks upon responsible men in the United States? We all know it is done here every day.

We here, ah, we, the mighty Members of the Senate, sometimes, I think, make those charges to the press, to the galleries, to the world, knowing we have thrown about us the mantle of immunity from prosecution, yes, criminal prosecution, or from responding in civil damages to those who may be grievously wronged by our baseless charges. What is the difference between us and this man we will send out into the world in his old age condemned? He has no mantle of immunity to throw about his shoulders. We have. We can do those things, and we do do those things.

Yes, Mr. President; it is an age of criticism, it is an age of abuse, it is an age of condemnation, and, strange as it may seem, it has always been true that those who are most prone to charge and condemn and damn others are the first to cry out when the slightest charge is made, made by any construction, to be cast against their stainless characters.

Mr. COUZENS. Mr. President, I should like to remind the Senator that the rules of the Senate do not permit us to charge each other with misconduct even if we know it exists.

Mr. GLENN. But we can charge anybody else except ourselves.

Mr. COUZENS. That is true.

Mr. GLENN. We seem to be careful about each other. We protect each other by the rule, but everyone else in the United States we can attack, we can condemn, we can abuse, free from any possibility of response.

Mr. NORRIS. Mr. President, I think the Senator is giving an illustration now showing that his statement is not correct. He is making a charge now that Senators are wrongfully, without reason and falsely, charging great men who come before the committees, and shielding ourselves, so that the Senator is violating the very rule now to which the Senator from Michigan has called his attention.

Mr. COUZENS. Mr. President, will the Senator yield to me?

Mr. GLENN. I believe I would be able to substantiate the charge that witnesses before committees have been browbeaten and attacked most viciously, and I do not believe many members of important committees will deny that that has been done.



Mr. COUZENS and Mr. BARKLEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield, and, if so, to whom?

Mr. GLENN. I yield to the Senator from Michigan.

Mr. COUZENS. I want to substantiate what the Senator from Illinois has said about the treatment of witnesses in committees. When the Senator from Illinois made his statement, in connection with which I called attention to the individual rules of the Senate, I might have remarked that the rules of the Senate do not apply to the Senate as a body, but rather to individuals, and the Senator from Nebraska does not cover the field by his statement just made.

Mr. GLENN. I thank the Senator from Michigan. I know the Senator from Michigan does not make his statement loosely. He is chairman of an important committee, one of the most important committees of this body, and is a member of other most important committees, and knows whereof he speaks.

I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I understood the Senator a moment ago to say that Members of this body have been guilty, and are frequently guilty, of making charges similar to those made by the Sergeant at Arms in his article, but that we hide behind the cloak of immunity. Does the Senator think that if a Member of this body should on this floor, or outside of this Chamber, say that there are some Members who sell their votes for money and that they are well known, such a Senator would escape being called either before the Senate, or a committee of it, to tell who those Members were or to submit some proof of his charge?

Mr. GLENN. I tried to make it clear a moment ago that we look after each other here in this body.

[Demonstrations of laughter among the occupants of the galleries.]

The VICE PRESIDENT. There must be no demonstrations in the galleries.

Mr. GLENN. Mr. President, I have said this is an age of criticism and condemnation. Everywhere the best sellers are books making attacks upon everyone in official life in Washington, published here, widely read. I do not approve of them. Responsible and leading newspapers of the country often do not give publicity to the great constructive work which is done here—and much great constructive work is done, we all know; a thing I say without boasting, because I take credit for none of it. But I do know men in this body who have lived their lives in public service, studiously, diligently at work in the interest of their country, who never see their names in the headlines. Let some one attack another, however, make a charge against somebody, investigate somebody, and the great newspapers of the land, conservative newspapers, if you please, will blazen it all over the headlines everywhere. I suppose they give their readers what their readers want, so I do not condemn the press for that.

Mr. President, this man is not alone in this thing. It is reasonable to believe that the spirit of which I have spoken might reach him in this time. It is reasonable to believe that he might have lost his head and done this thing unthoughtedly. He should have known better. He should have known, from the selfish aspect alone, that it was unwise; but he evidently did it without sober, careful thinking.

Mr. President, I do not want to bring politics into this matter, but in every great presidential campaign every great candidate of every great party for the last 100 years has been viciously attacked, and we in the Senate have not been free from being participants in that abuse. That applies to the other side of this Chamber as well as to this, and to this side as well as to the other.

The great Cleveland was maligned, abused, condemned, attacked. The great Wilson was abused as almost no one else in the history of the Nation has been abused. One man after the other has had that experience, until in the last campaign the President of the United States was systematically, thoroughly abused, condemned, criticized, de-

stroyed, in the minds of the people, nothing as affecting the individual, but something as tearing down the greatest office in this country, or in the world.

Talk about destroying respect for the Senate of the United States; we are soon, perhaps, to oust this man for doing a thing because it is said it tends to lower and degrade this body in the public mind, and yet a few months ago, up and down this land everywhere, went on this condemnation, this criticism, this abuse of the Presidency of the United States, the President being accused as a grafter, accused as a swindler, accused as one thing and the other thing, systematically and thoroughly and for hire.

Mr. President, I hope and I trust that as the incoming administration draws to its close, no matter what its record may be, the people of the United States will look back and ponder and reflect upon the fact that the man holding the position of President holds the most exalted position in the world, and that they who seek to tear him down seek to tear down and destroy the very fabric of our Government.

Mr. CUTTING and Mr. WHITE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield; and if so, to whom?

Mr. GLENN. I yield first to my colleague and neighbor who sits by my side.

Mr. CUTTING. The Senator is speaking of criticism made in the campaign just closed concerning the President of the United States. If those criticisms had been made by one of the President's personal secretaries, or one of his employees, how long does the Senator think that secretary or employee would have remained in the discharge of his duties?

Mr. GLENN. Well, about as long as he will remain anyway.

Mr. President, who else was in this nefarious transaction? Was this man alone? Why is it we hear only about Mr. Barry? At the head of this magazine, this publication in which this thing appeared, was another man, not a neophyte, not a new man in public life or in political life, or in dealing with Members of the Senate or with Members of Congress, but one of the great men of the country. The $250 this man was paid, which is spoken of, came from the coffers of the magazine edited by the late candidate for the Presidency of the United States, the Hon. Alfred E. Smith, four times Governor of the imperial State of New York.

Mr. WHITE. Mr. President, will the Senator from Illinois yield to me now?

Mr. GLENN. I yield.

Mr. WHITE. I find myself in the unhappy situation of being obliged to vote upon the pending resolution without ever having seen in its entirety the article complained of, or without ever having opportunity to read a report of the hearings held Saturday and this morning. I wonder whether the Senator from Illinois has any information as to how many other Senators who are about to cast their votes are in the same predicament?

Mr. GLENN. I should judge about 95; I am not sure; I have no information about it. I should not say that, however, Mr. President. I do not know. I assume, of course, that the members of the Committee on the Judiciary read the article and carefully considered it. I do not know how many others did.

Mr. President, the article was published in a magazine edited by the man four times governor of the greatest State in the Union. I think that man is a good man; I think he is a great man; I think he is one of the great men of this country, of whom there are but few. I stand by that declaration. I believe I could almost prove it in a court of record. [Laughter.]

He is one of the great men. He published this thing. It may be said that he did not see it. He is assumed to have seen it, and in any libel suit for which the writer of the article, Mr. Barry, would be responsible this man, former Governor Smith, would likewise be responsible. Why did he not stop this thing when it came to him, he and his managing editor? They are the ones who had it written. Is he a wicked, mean man who would destroy the Senate of the United States and destroy our form of government—former Governor Smith? I think not. Oh, no; not at all; and I predict that it will be a long day before the Judiciary Committee of the Senate of the United States send for Alfred E. Smith to come before the bar of the Senate. I wish they would do so before we act upon this resolution. They will never send for him to come here. Why not? They have the power. They have the authority. They have the right. I am not sure but what he might welcome the invitation. [Laughter on the floor and in the galleries.]

The VICE PRESIDENT (rapping for order). There must be no demonstrations in the galleries. If there are any more demonstrations, the present occupant of the chair will order the galleries cleared.

Mr. GLENN. Mr. President, I believe one of the cardinal principles of our American form of government is that there shall be no undue discrimination, that all men are created free and equal, and so forth. Let me call attention to the fact that we are violating the Constitution. We are not treating other people as we treat ourselves. We are now, it seems, about to oust this man after long years of service because he said some words or wrote some words which reflect upon us. He did not do a great deal to us; but it seems, now that nobody believes what he said, that we are going to oust him from his office for doing it. That is the way we treat people who reflect on us or do anything wrong to us.

There is another employee of the Senate, another officer of the Senate, who not long ago made an attack, too. He was under stress and strain and perhaps his mind was not at rest and not serene, as this man's mind may not have been. Some one said something about him and that some one was around here, too. He knew the Members of the Senate, too. He spends his time here, too. He did not sit on this floor. Oh, no, he was not one who sat upon this floor, a Member of the Senate. He sat up yonder with the young men and young women in the press gallery, and when he said something this man started after him with a young cannon and pursued him and looked for him in order to wipe out that disgrace.

The matter came before this body—an assault or attempted assault with a deadly weapon, not with words, not with idle, empty words—oh, no, but something more germane to the issue. When it was determined that this officer of the Senate was guilty of attacking one up there in the Press Gallery, what did we do with him? Why, we did nothing. It was all right then. He was under strain and under stress. Besides, he had not attacked a Member of the Senate, but only a member of the press gallery, so we excused him. Why treat him any differently from the way we are going to treat this man, Barry? We encouraged him, it is suggested to me. Some people think if he had been successful in his quest, we would have pinned upon him a senatorial badge of honor. [Laughter.]

Of course, this man, Mr. Barry, has acted foolishly. He has acted without thought. He has said an unwise thing. The Senator from Nebraska [Mr. NORRIS] asks what position will we be in now if we do not oust him; a pertinent inquiry. It is a pertinent inquiry. May I state, in answer to the Senator from Nebraska, what position I think we will be in here in the Senate if we do not oust this man. I think the people of the United States will say, "Well, he has admitted on the floor, first, that he did not intend the obvious meaning of his words; secondly, that in all his time in the Senate he knows of no man in either the Senate or the House who has accepted a bribe. Therefore, he clears all from any intended meaning of the words. All are freed from any charge by this man. He has not apologized." I credit him for that. It must have been a rather strange, unusual spectacle the other day to have this old man, with the winters of 73 years ageing his shoulders and whitening his hair, to come before this body alone, without counsel, without much notice, I take it, and stand here as a man, not begging, nor crawling, nor apologizing.

I think the people will say "There is nothing in the story. The man did write the article. He says so himself. He was foolish. He did the thing that was not the right thing. He

has said now that he knows nothing to substantiate the supposed charges."

I think we will be in a better position before the country in this time, when this man in the next three weeks is to leave his office, if we remember his age, if we remember his years, his white hairs, his long honorable service in this body, his spotless life and reputation for more than 73 years, and if we say to him "You have done a foolish thing. We will not likewise be foolish. We will not vote to dismiss you from your office."

Mr. BINGHAM. Mr. President, I regret very much the nature of the report made by the Judiciary Committee. In view of the testimony given us the other day in the Senate by the Sergeant at Arms before he became confused by clever cross-examination, against which he was not protected by judge or counsel, in view of the testimony which he read to the Judiciary Committee yesterday, which unfortunately is not printed, but which I have here in the form of the stenographic report; in view of one or two other items, namely, the fact that the beginning of his article as he wrote it was eliminated by the publisher without his knowledge—a fact which places in my mind a different construction upon the published article—I shall vote against the resolution offered by the Senator from Nebraska [Mr. NORRIS].

Mr. President, some of the Senators here present were not present the other day when the Sergeant at Arms was quickly haled before the bar of the Senate and questioned. He did not speak very loud. That is not strange. When a man has been an employee of the Senate during a large part of his life, either as a page or as an official in the press gallery, representing a distinguished newspaper, or as Sergeant at Arms, never having before said more than a word or two in announcing the arrival of dignitaries, and is called before the bar of the Senate and faced by Senators whom he respects, before the body for whom he has worked for so many years, it is not strange that he was not able to make a very favorable impression. That is not surprising, Mr. President. But I would like to read what he did say when he first came before the Senate.

The Senator from Indiana [Mr. WATSON] said:

Mr. Barry, did you write the article in the New Outlook published this month?

Sergeant at Arms BARRY. I did.

Mr. WATSON. In that article did you say, "There are not many Senators or Representatives who sell their vote for money, and it is pretty well known who those few are"?

Sergeant at Arms BARRY. Yes, sir; I did.

Mr. WATSON. Who are those Senators and Representatives who you know have sold their votes for money?

Now, listen!

Sergeant at Arms BARRY. I have not the slightest idea. I had no Senator in mind, and I do not know that there is such a Senator.

Mr. WATSON. What, then, Mr. Barry, did you mean by that language?

Sergeant at Arms BARRY. My idea in writing that—

That particular language, may I say to the Senator from Nebraska, and not the particular article, but my idea in writing that particular language—

was to defend the Senate——

Mr. NORRIS. Mr. President, let me correct the Senator. Is he reading or is he interpolating his own language?

Mr. BINGHAM. I am interpolating my interpretation of it and I will now read his language exactly as it occurred.

Mr. WATSON. What, then, Mr. Barry, did you mean by that language?

Sergeant at Arms BARRY. My idea in writing that was to defend the Senate from the popular belief that there are crooks and grafters here. I have for 30 years taken that view. I have written a great many times and said a great many times that there are no crooks in Congress; that it is a mistaken popular belief, but it is the general belief; and I meant by that, of course, that if there were a few men here who did take money for their votes they would be very well known to their colleagues. I meant nothing further than that and my motive was entirely in the way of defense of the Senate.

Those were the words which he used when he was called before the bar of the Senate to explain what he meant. Those were the frank, simple statements of a man called hurriedly before the bar and asked what he meant. Afterwards, it is true, under skillful cross-examination by members of the bar, some of the most able members of the bar in the United States, he changed his views. He was confused. He said things which he did not mean and which contradicted what he said first when he made his simple statement.

Mr. DALE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Vermont?

Mr. BINGHAM. Certainly.

Mr. DALE. The Senator speaks of the time when he was "cross-examined." There is no lawyer who can tell when he was examined and when he was cross-examined during that time. It is impossible for one to say when he was under direct examination and when he was under cross-examination.

Mr. BINGHAM. That is quite true. What I intended to imply was that when he came before the Senate his first simple words were somewhat in amazement that his words, which he had never seen in proof, appeared to mean something that he did not mean to say and would not have allowed to be printed had he known that that was what he did say. A little bit later, under the fire of questioning from various parts of the floor by skillful cross-examiners, he became confused and changed his statement and did not make a very favorable impression. That is what I meant by "cross-examination."

Mr. DALE. Mr. President, will the Senator yield further?

Mr. BINGHAM. Certainly.

Mr. DALE. I think perhaps the Senator misconstrued my purpose in saying what I did. It was in no sense a criticism of the Senator from Connecticut or what he was saying. I think the procedure that was carried on here was positively ridiculous.

Mr. BINGHAM. I think it was worse than that. I think the procedure was a disgrace to the Senate of the United States.

Mr. DALE. When he was examined or cross-examined, whatever one may wish to call it, he was caused to incriminate himself against the very first rule of evidence; he was caused to give out confidential communications that no judge would have permitted, in fact, that no ordinary justice of the peace would have permitted.

Mr. BINGHAM. I thank the Senator.

Now, Mr. President, in his appearance before the Judiciary Committee Mr. Barry said:

I desire, Mr. Chairman, to make a statement which I have written out.

I will read that statement. I think it should go into the RECORD. I now quote from Mr. Barry's statement without omission.

I have served the Senate nearly 14 years. In that time I have made every effort to uphold its dignity and its honor, and I would not willingly have done anything to impugn its honor.

I have at many times in my career as a newspaper correspondent written publicly and professed my sincere belief that Congress, as a body, is composed of honest men, and a fair reading of the entire text of the article in question would show that my purpose was to proclaim the integrity of the Congress as a whole.

Many years ago I published in the New England Magazine an article entitled "The Loyalty of the Senate," in an attempt to reply to a series of articles written by the late David Graham Phillips. The title of his articles was The Treason of the Senate, and at that time they caused a sensational discussion of the very subject now before the Senate. I was at that time, as I was in the New Outlook article, endeavoring to represent it as the true situation that the isolated case of misconduct of individuals in office offered no basis for the loose public condemnation of the Senate we so often hear.

If it is an offense to have said what I said in my article, then not alone am I guilty, for on the 10th of May, 1932, Senator CARTER GLASS, of Virginia, speaking on the subject of the opposition of certain bankers to the proposed legislation in regard to branch banking, said:

"They hired a skillful and persuasive professional lobbyist and paid him a salary to come here to Washington—worse than that, they hired some Congressmen to my positive documentary knowledge—to oppose even that small measure of branch banking."

Continuing Mr. Barry's statement:

I would also respectfully call attention to the letter of Senator NYE to the late Senator Caraway, published in the printed hear-

ings of the Nye committee investigating campaign expenditures involving an individual Senator.

Within the past few days a Senator has said in the Senate that a certain measure would be enacted because the interests were behind it, and it is a matter of frequent comment that the Halls of Congress are filled with groups of lobbyists, and the lobbyist for special interests has always had a sinister name. It may be, from all that is recited above, a fair inference that there were some men subject at least to influence, and my inference was based on a general knowledge of conditions surrounding Congress and not on any concrete cases such as that spoken of by Senator GLASS. Moreover, I employed my inference to dispute a popular impression that Congress is filled with grafters.

But certain Senators have apparently arrived at the conclusion that my words carry a meaning I never intended, and if the interpretation is to be placed upon them that they constitute an attack upon the integrity of the Senate I would unquestionably, as an elected officer of the body, owe the Senate an apology, which on that basis I would unhesitatingly tender.

I have served the Senate, as I have heretofore stated, nearly 14 years. In less than a month my successor, in ordinary course, would have been named, and I expected to serve until then. I do not believe that it would have been proper for me as an elected officer of the Senate to have published an article reflecting upon the integrity of the Senate. That would be impropriety, regardless of fact or evidence. But I do not feel that I have so acted as to the Senate.

Quite to the contrary, I have affirmed the integrity of the Senate against the too-widespread popular belief in the prevalence of corruption. I have declared dishonesty in the individual, to which I think I have clearly shown it was reasonable for me to allude, to be exceptional, and even relatively without influence.

May I interpolate to say, Mr. President, that those words "even relatively without influence" are, to my mind, very illuminating, for when Mr. Barry appeared before the Senate and said that he meant nothing further than that if they took money for votes, they would be well known to their colleagues, he was in another method expressing exactly the belief which he expressed in his statement to the committee.

I continue the quotation:

I spoke of demagoguery. If that constitutes an impropriety, I would gladly offer an apology as an officer of the Senate, but the charge appears to be that I have assailed the integrity of the Senate.

Were I guilty of that I would not only apologize; I would resign. Indeed, I would have resigned and made the charge afterward. But, believing that I have not made any such attack, that I have said no more—indeed far less—than Senators GLASS and NYE and others, I can only in good conscience await the judgment of the Senate.

I shall only quote one more paragraph from his testimony before the committee where Senator BRATTON referred to the opening paragraph of his article, which was omitted by the publishers without Mr. Barry's knowledge and which would have placed a different interpretation on his entire article, one which would have been in accordance with his desire to protect the Senate by merely in part quoting from one of its own Members. Senator BRATTON asked—

Can you give us the substance of the opening paragraph of the article as you wrote it, which was omitted?

Mr. BARRY. It began with a quotation from a statement that Senator BULKLEY made last fall in a campaign speech in which he said that if there are not good men in the Congress—something to this effect; I am not quoting it word for word—that Congress was made up of the class of people that the people sent here; and if they did not have the kind of people here that they ought to have, it was their own fault.

Senator BRATTON. That was deleted from the article?

Mr. BARRY. Yes; it was left out.

Mr. President, I submit that the punishment proposed for Mr. Barry is far more serious and severe than is justified in view of his explanation of what he intended to do. It is true that his words were utterly foolish and that they had an implication which he said he did not intend to convey. There is one thing, however, in his examination before the Senate that deserves also to be noted.

Mr. HEBERT. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Rhode Island?

Mr. BINGHAM. I yield.

Mr. HEBERT. Mr. President, may I ask the Senator if he has the transcript of the evidence taken this morning before the Judiciary Committee?

Mr. BINGHAM. I understand that that transcript has not as yet been received from the stenographers.

Mr. NORRIS. I have sent for it, and I think we will have it in a few minutes.

Mr. HEBERT. If the Senator will permit me further, I make this observation because Mr. Barry in his appearance before the committee this morning brought with him the original manuscript of his article, which included the paragraphs that were omitted from the article as published; and, if my memory serves me correctly, there was as much as a page and a half of it. I assume the chairman of the Judiciary Committee has that original manuscript in the files of the committee?

Mr. NORRIS. Mr. President, will the Senator from Connecticut permit me a moment?

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Nebraska?

Mr. BINGHAM. I yield.

Mr. NORRIS. I have sent to the Judiciary Committee room to see whether the transcript has been returned typed. At the last inquiry I made it had not yet been returned from the stenographers.

Mr. HEBERT. Mr. President, if the Senator from Connecticut will permit me again, I had reference to the original article as prepared by Mr. Barry——

Mr. NORRIS. The stenographers took that with them.

Mr. HEBERT. Which I suppose had been left in the files of the committee.

Mr. GLENN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Illinois?

Mr. BINGHAM. I yield.

Mr. GLENN. Would it not be more regular and fitting not to insist that this matter be acted upon until that transcript at least shall be available so that we may know what occurred?

Mr. NORRIS. Personally, I do not think so. It is in the power of the Senate, of course, to put the matter off until the 3d of March, if they want to. We will have it all printed by that time.

Mr. GLENN. Does not the Senator think it would be in more regular order to defer action until we have the transcript of the testimony of this morning?

Mr. NORRIS. The Senator is asking me the question. I do not think the Judiciary Committee ought to have taken any evidence. I think the Senate—and I said so at the time—ought to have acted immediately after the Sergeant at Arms was heard here in the Senate.

Mr. GLENN. But having taken testimony, does not the Senator think the Members of the Senate should have it?

Mr. NORRIS. They can have it if they want to. Of course, it is within the power of the Senate to take such action as it pleases. The fact that the transcript is not available now is not my fault, and it is not my fault that I submitted this report at 4 o'clock to-day. That is due to the action of the Senate. The Senate prescribed that that should be done. We have only obeyed the Senate. If we had not obeyed it, we would have had the Senator from Illinois jumping all over us because we did not follow the instructions of the Senate. If the Senate wants to put it off until the 4th of March, that is within its province, of course.

Mr. GLENN. Would the Senator favor putting it off until we can have an opportunity of seeing and reading the transcript?

Mr. NORRIS. No; I do not want to put it off.

Mr. BINGHAM. Mr. President, I am sorry the Senator from Nebraska takes that position. It seems to me when we are asked to vote upon the preemptory dismissal of a man who for many years has been a faithful employee of the Senate, and, at the age of 73 years, has at the most committed an indiscretion, due in part to the fact that he himself never had an opportunity to read the article in print or even in proof, that the matter deserves no such great haste that we may not even have his testimony and examination by the committee printed and on the desk of each Senator.

That in itself seems to me, Mr. President, constitutes a most unusual situation and is not worthy of the Senate of the United States.

But, Mr. President, there is one other matter that I should like to quote from the testimony taken the other day in the open Senate where the Senator from Nebraska addressed the Sergeant at Arms and said:

> The Senator from Indiana did not read the portions following what he read to you. I had better read all of it, so as to get the sense.

Then he quoted from the article as follows:

> There are not many Senators or Representatives who sell their votes for money, and it is pretty well known who those few are; but there are many demagogues of the kind that will vote for legislation solely because they think that it will help their political and social fortunes.

Mr. NORRIS. May I ask the Senator a question there?

Mr. BINGHAM. Then, the Senator from Nebraska followed that up by this—just a moment, may I finish the quotation?

Mr. NORRIS. Certainly.

Mr. BINGHAM. I continue the quotation:

> And then you follow that by this language:
> This is what passed the constitutional amendment providing for the popular election of Senators, it is what passed the amendment giving suffrage to women, it is what passed the prohibition amendment, and it is what has made possible the almost successful attempt to hang the bonus on the American taxpayers.

Then the Senator from Nebraska asked this question:

> Is it true, in your judgment, that there are demagogues in the House and Senate, and it is because of the votes of those demogogues that these amendments have been submitted to the people.
> Sergeant at Arms BARRY. I most certainly do.

Mr. NORRIS. Now, may I ask the Senator a question?

Mr. BINGHAM. Yes.

Mr. NORRIS. Does the Senator, after he has read that language, believe the statement of the Sergeant at Arms when he said, "I was making a defense of the Senate"? Does he think that is a defense of the Senate? Does he think anybody could construe it into being a defense of the Senate or the other House?

Mr. BINGHAM. No, Mr. President; but when he made that statement he explained what he said was his idea in writing it in response to a question of the Senator from Indiana [Mr. WATSON]. However, I may say that I believe the Senator from Nebraska is quite right in his latter statement. Mr. Barry said that the entire article was a defense of the Senate in his statement before the committee. Mr. President, that part of the article can hardly be construed as a defense of the Senate, however true it may be. The trouble is, Mr. President, when the Sergeant at Arms was questioned as to whether he believed that there were demagogues in the House and the Senate he said, "I most certainly do." That is the real charge against him. His article was entitled "Over the Hill to Demagoguery." That is the trouble with the Sergeant at Arms; he has called attention to one of our weaknesses in that sometimes we do vote in a way to secure votes for ourselves. I make no claim that I am any more free from that than anyone else, but when he wrote that Members of the Congress vote because they think it will help their political and social fortunes he told the truth about a great many of us.

Mr. CUTTING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from New Mexico?

Mr. BINGHAM. I yield.

Mr. CUTTING. Does the Senator think, even granting the truth of what he is saying, that it is any part of the duty of the Sergeant at Arms to pillory us before the public?

Mr. BINGHAM. Certainly not, Mr. President. I do not excuse his article. I think it was in extremely bad taste. I think it shows the evidence of advancing years that a man in the employ of the Senate would say such a thing. Certainly no young man would venture to criticize the body that employed him. If he did, he would expect to be dismissed at once. Certainly it is not evidence of loyalty. It is evidence of extremely bad taste.

But, Mr. President, here is the Senate of the United States, 96 Senators representing a great Nation that we are pleased to think is the greatest nation on the face of the earth, with 122,000,000 people. The action that is proposed reminds me of a scene that I once saw on one of my travels, when a beloved Airedale of mine was trotting along a path in the Andes Mountains, minding his own business, going about his way; and a small dog rushed out of the bushes and barked at him, and, in canine language, called him every name in the calendar, including some words I can not use on the floor, and the Airedale paid no attention whatsoever.

The small dog nipped at his legs, and the Airedale—and I was proud of him for it—went on his way and paid no attention, until the little dog got tired of yapping and nipping at him. But a little later on we came to a fence, and through a door in the fence three dogs came out, each one of them as big as the Airedale. Immediately the Airedale put up his back and fought all three dogs at once, and I was proud of him; but when the little dog barked at him he did nothing.

We have been barked at by a little dog. To be sure, he is our dog; but is that any reason why we should kick him out? Is that any reason why we should get excited about it and think that our dignity has been assailed?

Mr. President, here is a man who has faithfully served the Senate for many years. He is 73 years old. He has committed an indiscretion. He has shown extremely bad judgment. He has said that which he says himself he did not mean to say, and we propose to put a blot on his character and expel him from the service of the Senate in his last days here.

Mr. President, I can not vote for any such motion.

Mr. DICKINSON. Mr. President, it seems to me that if the rules of the Senate do not provide any method of procedure for the dismissal of one of its employees other than that which has been suggested in the case of the Sergeant at Arms, we ought immediately to have a meeting of the Rules Committee and find some way by which we can dispose of an employee without this sort of a showing to the country.

I think the Senate was acting hastily and ill-advisedly. I think the impression on the country has been bad. I have not seen a single, solitary editorial comment on this whole procedure that favored the conduct of the Senate.

I was not impressed with the thought that we ought to bring this man in here before 96 Senators, where the Senate was acting as the judge, the prosecuting attorney, and the jury, and have him tried here. Instead of suggesting to me the type of procedure that the Senator from Connecticut has referred to, it made me think of these pictures of the wonderful fox hunt, where they are all going home with 20 or 30 fine hounds following along, with 25 or 30 men on horses, and 1 little fox is held up by the tail as the result of the great fox hunt, in which we can spend days and days in this country.

As a matter of fact, I should like to see Barry dismissed from service, and I think he should be dismissed, but I am going to vote against this resolution because of the procedure of the Senate in trying to bring about the dismissal. If we have no other way by which we can dismiss an employee, we have a Rules Committee that ought to find a way by which this can be brought about, without the disgraceful procedure we are going through here.

Mr. DALE and Mr. BARKLEY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Iowa yield; and if so, to whom?

Mr. DICKINSON. I yield to the Senator from Vermont.

Mr. DALE. Mr. President, the Senator will recall that when this question came before the Senate the Senator from New Hampshire [Mr. MOSES] suggested that the matter be laid before the Rules Committee, and he was called down so furiously that no further attempt was made to do that.

If the Senator will pardon me just one minute, I want to say for myself that I take the same position he does. I think something should be done with Mr. Barry, but under

these circumstances I can not bring myself to vote for this kind of a procedure.

Mr. DICKINSON. I thank the Senator very much.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Kentucky?

Mr. DICKINSON. I do.

Mr. BARKLEY. If one of the Senator's employees in his office should write a letter or publish a statement to the effect that the Senator himself was a crook, or a grafter, or was selling his vote for money, would he call the Rules Committee of the Senate together to determine what ought to be done with the employee?

Mr. DICKINSON. I certainly would not; but I will tell the Senator further what I would not do; I would not come over to the floor of the Senate and advertise to the world that one of my employees had said I was dishonest.

Mr. BARKLEY. But the trouble about that is that it had been advertised to the world before anything happened here.

Mr. DICKINSON. Oh, no, it had not! I want to say that I read the press just about as carefully as anybody in the Senate, and I had absolutely no knowledge of this matter until the Senator from Indiana [Mr. WATSON] rose on the floor and asked for recognition; and I am of the impression that the occupant of the chair at that time, who is now in the chair, had no knowledge whatsoever of that procedure.

The PRESIDENT pro tempore. If the Chair may say so, the Senator from Iowa is correct.

Mr. BARKLEY. If the Senator from Iowa will yield further, that may be explained because of the fact that this occurred only a day or two after the beginning of this month, which was the month of the current publication of the magazine, and it was only brought to the attention of the Senate when the magazine was found out in the reading room on the very day when it was mentioned in the Senate. Whatever advertising was started about this whole situation was started by the Sergeant at Arms when he put his article in the magazine and received pay for it.

Did any Senator know about that in advance? Did any of us know that such an article was to appear? Did the Sergeant at Arms consult any Senator about whether or not he ought to publish that article? Of course not. We knew it first when we saw the magazine.

Mr. DICKINSON. If the Senator is attempting to drag me to the point of defending Barry, I will say that I am not defending him. I think it was an indiscretion, but there was not a word of testimony given by him anywhere that showed that he had any intent of injuring the Senate.

Mr. REED. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. REED. I agree with the Senator that this body made a holy show of itself last Friday, and it is doing it again to-day; but the Senator need not feel that we would have satisfied the editorial writers by any other course of action. If we had done nothing about this matter, they would have denounced that as a confession of guilt. If we had referred it to a committee, they would have denounced that as an effort to smother it. Whatever we did was wrong in their eyes. Whatever we would do would be wrong.

If the Senator hopes for newspaper approval, I assure him that he has a long wait.

Mr. DICKINSON. Let me reply to the Senator that it is the fault of the Senate, and not the fault of Barry, that the Senate is in ill repute with the editorial group of the United States.

Let me read to you from the New York Herald Tribune an editorial headed "Worse than corrupt":

> The spectacle of the Senate of the United States solemnly resenting the charge that it is corrupt is a tragic comic episode in the history of the Nation.

The last paragraph is as follows:

> The Sergeant at Arms of the Senate, Mr. David S. Barry, was wrong because he misstated the facts and understated the truth. He should doubtless be thrown out of his job on the first count.

Then it goes on with expressions critical of the Senate:

> On the second, the Senate should go into mourning for the evil days upon which it has fallen, days of disgrace and dishonor, of a menace far more dangerous to the welfare of the Nation than any occasional buying of Senators by dollars honestly earned.

My theory is simply that this whole procedure is ill advised. We should have found a way by which we could have referred this matter to some committee with the right to dispose of it—perhaps to a patronage committee. I would not care what committee it was; but I am going to vote against this resolution, not because I do not think Barry should be dismissed, but because I am against this sort of procedure on the floor of the United States Senate; and the sooner we come to the conclusion that we must do things here in an orderly way without this display, without being apparently so obsessed as to the desire to crucify somebody, the sooner I believe we will regain the confidence of the people of the United States.

Mr. NORRIS and Mr. WALSH of Massachusetts addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Iowa yield; and if so, to whom?

Mr. DICKINSON. I yield first to the Senator from Nebraska.

Mr. NORRIS. Mr. President, without attempting to criticize the Senator or to suggest that there might not be some better way of dealing with this matter, I want to call his attention to the fact that what he suggested as a method of doing it would be done secretly; and if that had occurred, these beloved newspapers that the Senator is talking about probably would have torn us into shreds in less than 24 hours. Does the Senator favor a secret method of disposing of a charge when we are called crooks? Does he want to have it handled secretly?

Mr. DICKINSON. Are there any proceedings of any committee of the Senate of the United States that are secret?

Mr. NORRIS. But the Senator wants to find a way to handle this matter without getting any publicity.

Mr. DICKINSON. No; I do not.

Mr. NORRIS. How are we going to do it?

Mr. DICKINSON. I would simply refer it to a committee with power to act; and I would not have a parade here of oratory for hours and hour and hours, with important business waiting, in order to dispose of an incidental matter of this kind.

Mr. NORRIS. The Senator may be right; but, after all, he is laying himself open to the charge and laying the Senate open to the charge, that we are afraid to meet these charges in the open, and that we are punishing those of our employees who call us crooks by operating in secret.

Mr. DICKINSON. Now, let me reply to that.

The Senate seems to be obsessed with the fact that if we come out here and make a great display of ourselves, and have a lot of oratory, and have the public press open to every word that is said, we are doing away with the thought that we are attempting to do a thing secretly.

I want to suggest that there is not a committee proceeding in the Senate that is secret. In most of them a report of the proceedings is taken by a stenographer and is a public record. This could have been made a public record, and it could have been done without any of this display, and the newspapers could have made such comments as they wanted to, and the Senate would have been much better off, and the country would have been much better satisfied.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Massachusetts?

Mr. DICKINSON. I yield.

Mr. WALSH of Massachusetts. Did I understand the Senator to state that from his study of the facts, and after consulting his conscience, he had reached the conclusion that he would vote for the dismissal of Mr. Barry?

Mr. DICKINSON. No; I am going to vote against this resolution.

Mr. WALSH of Massachusetts. I understood the Senator to say that he was going to vote against this resolution because he did not agree to the procedure, but I understood him to say also that he thought Mr. Barry ought to be dismissed. Did I correctly understand the Senator?

Mr. DICKINSON. I say that he ought either to be dismissed or he should resign. I think if this matter were referred to a committee he would resign.

Mr. WALSH of Massachusetts. Very well.

Mr. DICKINSON. The Senator from Massachusetts is not going to be able to drag me into a place where he thinks I will be embarrassed in the vote I am casting, because there is a method of reaching this matter, and it can be found; and if the Senate has not the ability to find it——

Mr. WALSH of Massachusetts. I hope the Senator will not get angry. I want to ask him again, Did he or did he not, in the presence of his colleagues a few minutes ago, state that he had reached the conclusion that Mr. Barry ought to be dismissed, but that he did not like this procedure?

Mr. DICKINSON. I said he should be dismissed. As a matter of indiscretion, he should be dismissed.

Mr. WALSH of Massachusetts. Very well. Then I ask the Senator, if he has reached that conclusion upon his own investigation, does he not think it possible that 95 of his colleagues may have reached the same conclusion?

Mr. DICKINSON. I have not talked with a single, solitary Senator as to his conclusion. It is a matter of no particular concern to me. I am just convinced that we ought to find another way of bringing about the dismissal of an employee.

Mr. WALSH of Massachusetts. Will the Senator suggest the other way?

Mr. DICKINSON. I have suggested the other way.

Mr. WALSH of Massachusetts. What shall we do now? What motion will the Senator make?

Mr. DICKINSON. I would refer this matter back to the Judiciary Committee with power to act and do what they want to do, or I would refer it to the Rules Committee, or to a patronage committee, or some other committee. The Senate referred it to the Judiciary Committee the other day with instructions to report back here at 4 o'clock on Tuesday. It was a shameful thing, and now it is paraded again before the country.

Mr. WALSH of Massachusetts. So as to avoid a record here, the Senator would refer it to the Judiciary Committee to do what they pleased?

Mr. DICKINSON. I will suggest to the Senator from Massachusetts that I do not try to escape any record votes. He has never seen me running out of the door. I will not run out of the door on this vote. I will vote "no," just as I have suggested.

Mr. CUTTING. Mr. President, it seems to me that the course of the debate has taken us rather away from the very simple facts involved. Mr. Barry, an employee of the Senate, wrote an article for the New Outlook which not merely stated that a few Senators and Representatives sold their votes but went on to say—

> There are many demagogues of the kind that will vote for legislation solely because they think that it will help their political and social fortunes.

Mr. President, that charge, to my mind, is quite as serious a one as the original charge made.

> This is what passed the constitutional amendment providing for the popular election of Senators; it is what passed the amendment giving suffrage to women; it is what passed the prohibition amendment; and it is what has made possible the almost successful attempt to hang the bonus on the American taxpayers.

Mr. President, I may mention in passing the fact that it was the senior Senator from Idaho [Mr. BORAH] who was in charge of the constitutional amendment providing for the popular election of Senators; that it was the senior Senator from Texas [Mr. SHEPPARD] who was in charge of the prohibition amendment; and that a large majority of the Senate, including many who are still Members, voted for the bonus when it came up in 1924.

Mr. Barry mentions no names at that particular point, but he goes back into the past to show to whom he refers as demagogues. He starts with Peffer and Simpson, of Kansas; Allen, of Nebraska; Butler, of South Carolina, "and before them Weaver, of Iowa." He goes on, while speaking of demagogues, to say:

> It is not so many years ago that the elder La Follette embodied something of the ideas of these men by proposing that Congress have the right to veto the decisions of the Supreme Court of the United States.

Mr. Barry goes on to say that—

> the reference to the court was taken seriously enough to cause President Hoover to rap Mr. Roosevelt over the knuckles in his campaign speeches for even referring to it.

In the next section of his article Mr. Barry states:

> Congress, it can not be denied, is becoming more and more careless of the letter of the Constitution; and more than once in recent sessions of Congress the spirit, if not the precise letter, of this charter has been side-stepped in an effort to enact some legislation plainly violative of the Constitution itself.

The Senate, in other words, is not merely charged with selling its votes, or voting in such a way as will help the political and social fortunes of Senators, but with actual violation of the Constitution.

Mr. Barry goes on to say:

> There are in Congress to-day—

May I call the attention of the Senator from Kentucky [Mr. LOGAN] to the fact that he is obviously speaking about the present Congress.

> There are in Congress to-day, and will be, undoubtedly, for many years to come, a powerful and influential group of business men and conservatives, but the great mass of the Senators and Representatives will be inexperienced men voted into office by the radical elements of the electorate which are eager for any kind of a change which promises to lift them out of the depression; and the efforts of the conservatives in both parties to hold these wild ones down to sane and sensible legislation of such a kind that may be depended upon to give all classes the kind of relief that will be wholesome and beneficial to them must of necessity be unremitting.

So the Sergeant at Arms of the Senate is calling on the minority of sane, conservative Senators to keep the radical majority in check.

Mr. President, I shall not quote the article at any length. It is all along the same line. It goes on at one point to show that the reason why President Hoover was unable to carry through his policies was owing to the large number of progressives, or insurgent Senators, who were able at any time to upset the plans by cooperating with the Democratic minority.

He goes on to discuss the junior Senator from Louisiana [Mr. LONG] and the senior Senator from Michigan [Mr. COUZENS]. Mr. COUZENS's action in criticizing the Republican leader, Mr. WATSON, of Indiana, he claims had perhaps no counterpart in legislative annals.

Mr. President, I can not conceive of anything more improper than the action of an employee of this body in taking part in any partisan propaganda for the benefit of any element in this body, or in the denunciation of any individuals in this body or of the body as a whole. It seems to me that is so elementary that there is no use standing on this floor to discuss the question any further.

Whatever procedure might have been taken has nothing to do with the merits of the resolution which we are now called upon to vote for or against. To my way of thinking, it is improper for an employee of the Senate to write any kind of an article discussing the Senate as a body or Senators as individuals, but certainly one which from beginning to end is critical, denunciatory, and defamatory, is a thing which the Senate can not possibly pass without notice. We can not ignore it because it is before us, and we now by our votes have either to justify the actions of this Senate employee or to condemn them in the only logical way in which such action can be condemned.

Mr. ROBINSON of Indiana. Mr. President, I do not propose to enter into any defense of the Sergeant at Arms for

this indiscretion. I said the other day, and meant it then, that in my judgment his indiscretion was very grave. I think he has made a grievous mistake, certainly from the standpoint of propriety and ethical conduct on the part of an employee toward his employer. But I did not think then, I do not believe now, that that conduct warranted peremptory dismissal from the position he holds. Because I felt that way, I proposed a substitute in the Committee on the Judiciary this morning for the resolution which has been reported, which would have permitted Mr. Barry to resign.

Mr. President, the point was made that he might not resign. I certainly do not desire to violate any confidence, because I wish to treat my colleagues on the committee as I should desire to be treated myself in a like situation, but I think I violate no confidence when I make the statement that that suggestion was tendered.

Mr. President, I do not believe Mr. Barry should be forced out. I do not believe he should be dismissed summarily. Certainly he has had the example of criticizing set before him here in this body time and again. Innuendoes have been hurled back and forth across the aisle when politics was concerned. And where there was no partisan motive, undoubtedly inferences have been made by Senators on this floor to the effect at least that some Senators had been influenced by powerful interests.

I think now of statements connected with the so-called Power Trust; I think of the various tariff discussions. Not infrequently suggestions have been made by Members of this body to the effect that certain legislation could not be enacted because "out yonder are powerful lobbyists," the "interests," which would not permit that legislation to take form and become the law of the land.

Whenever a Senator says that "powerful interests are out here to prevent legislation in this body," by inference, at any rate, that Senator means that "these powerful interests out here" influence Members of this body. Such charges are made almost every day during the consideration of such matters as tariff bills. The Sergeant at Arms had Members' example for any statements he might desire to make in that connection.

Mr. President, doubtless he has been led astray by such suggestions. What his purpose was I do not know, but I have been able to convince myself that there was no malice in this man's heart against the Senate—either against it as a body or against individual Members.

Whatever the effect of his utterance might have been, I am convinced in my own mind that there never was any criminal intent on his part, or any intention of libeling the Senate, and while he took a bad way to express himself and doubtless used unfortunate phraseology, I am willing to take him at his word that he meant really to defend the Senate as a body.

I do not agree with Mr. Barry, I find, Mr. President, from what has been read here from the article which he is alleged to have written and which he admits having written. I have never read the article. But I note in listening to those who have read excerpts from it that he inveighs against the direct election of Senators. I am for that system, and because I am for it Mr. Barry would doubtless classify me as a demagogue. He also attacks the eighteenth amendment. I favor the eighteenth amendment, and therefore I suppose I am in the category of demagogues because I favor that amendment. Finally, Mr. Barry attacks vehemently the immediate payment of the adjusted-service certificates of the veterans of the World War, commonly called the bonus. I favor the immediate payment of the bonus, and so I assume Mr. Barry would there again include me in the list of demagogues.

That troubles me not at all, Mr. President. I recognize that Mr. Barry has a right to his views as much as I have to mine, and I have no objection whatever to his expressing his views as I insist on being permitted to express mine, only I have a much better opportunity to express my views than has Mr. Barry. I am a Member of the United States Senate and can stand on this floor and defend my views and myself if attacked. Mr. Barry has no such right.

Mr. Barry is called before the Senate. It is a tragic situation, Mr. President. Here is a timid little man, 74 years old, who, so far as I know, has rendered such service throughout these many years that his conduct has never before been called into question. If I am correctly informed, he was even a page boy here in his early youth. Now to drag this man here before crowded galleries, before 96 Members of this body, each individual of which is clothed with enormous power, and which body collectively as a part of the sovereignty we call the Government of the United States is ten thousand times more powerful than the Members are individually, and have him stand there before everybody without any preparation at all, it seems to me is utterly tragic.

But I shall not discuss that. I gave voice to my views on that subject when the spectacle was in process of performance a few days ago. I said then, and I have had no occasion to change my mind on the subject, that the Members of this powerful body were about to act as a mob, to tear to pieces a man 73 or 74 years old, for what? For doing what everybody seems to be doing throughout the country.

Mr. President, all those occupying positions of authority to-day are under attack by the American people who are suffering great hardships. They are discontented and very unhappy. Naturally, they wonder that no alleviation comes for their misery from the agencies of Government. So Members of this body and those in official authority to-day are not only attacked from one end of the country to the other, but they are actually abused. I made the statement to-day to some of my colleagues on the committee, and I think it is not far wrong, that if the American people had the power this moment suddenly to vote whether or not those of us in authority should continue or be discharged and dismissed, they would probably discharge all the Members of this body immediately by their votes.

Then I submit, is it fair and just to drag this man here, who is utterly in our power, and, because he has spoken his mind, because he stated what he believes to be true, what he has heard on all sides, to send him out of here at his advanced age disgraced forever?

Mr. President, I think it is far better to be lenient, to temper justice with mercy, and to have some regard for this man's future even though there may not be many years left to him. I think he has committed a grievous error. I think perhaps he should be reprimanded for it—censured doubtless, but not discharged in disgrace. I understand that a substitute of that kind will be offered. If no one else offers it, I shall offer it myself and move as a substitute for the resolution offered by the Senator from Nebraska that the Senate of the United States reprimand and censure the Sergeant at Arms for this indiscretion.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Johnson | Robinson, Ind. |
| Austin | Cutting | Kean | Russell |
| Bailey | Dale | Kendrick | Schall |
| Bankhead | Davis | Keyes | Schuyler |
| Barbour | Dickinson | La Follette | Sheppard |
| Barkley | Dill | Lewis | Shipstead |
| Bingham | Fess | Logan | Smith |
| Black | Fletcher | McGill | Smoot |
| Blaine | Frazier | McKellar | Steiwer |
| Borah | George | McNary | Swanson |
| Bratton | Glass | Metcalf | Thomas, Idaho |
| Brookhart | Glenn | Moses | Townsend |
| Bulkley | Goldsborough | Neely | Trammell |
| Bulow | Gore | Norbeck | Tydings |
| Byrnes | Grammer | Norris | Vandenberg |
| Capper | Hale | Nye | Wagner |
| Caraway | Harrison | Oddie | Walcott |
| Clark | Hastings | Patterson | Walsh, Mass. |
| Connally | Hatfield | Pittman | Walsh, Mont. |
| Coolidge | Hayden | Reed | Watson |
| Copeland | Hebert | Reynolds | Wheeler |
| Costigan | Hull | Robinson, Ark. | White |

The PRESIDENT pro tempore. Eighty-eight Senators having answered to their names, a quorum is present.

Mr. CONNALLY. Mr. President, remarkable as the performance of the Sergeant at Arms in writing the offending article may have been, still more remarkable are the arguments of some Senators who have submitted remarks on the subject this afternoon. The Senator from Iowa [Mr. DICKINSON] solemnly tells the Senate that he thinks the Sergeant at Arms should be discharged, but he will not vote to discharge him because he wants to discharge him some other way. If a Senator had risen on this floor and had charged another Senator with writing this article, as the Sergeant at Arms of the Senate wrote it, and the Senator so charged had been challenged on the floor as the Sergeant at Arms was challenged, and he had answered the interrogations as the Sergeant at Arms answered them, and the matter had been referred to the Judiciary Committee or to the Rules Committee, and they had come back here and made this recommendation, what would the Senate do? It would vote to expel the Senator. The Senator from Iowa says:

> He ought to be discharged, but I will not vote to discharge him because you have got to discharge him some other way.

Now, what other way is there to discharge him, except to discharge him?

The junior Senator from Indiana [Mr. ROBINSON] begins his defense of the Sergeant at Arms by saying that he committed an indiscretion, and he winds up his address by saying that he believes that the Sergeant at Arms was really trying to defend the Senate. He thinks he was really defending the Senate! He believes he was innocent, and yet, because of that, he wants to discharge him, but he does not want to discharge him all at once. He does not want to discharge him "summarily," he says. I suppose he wants to discharge him by degrees—not discharge him "summarily"; just discharge part of him to-day, and part to-morrow, and about the 4th of March, when he is going to go off the pay roll anyway, let him slip off the pay roll.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Indiana?

Mr. CONNALLY. I yield.

Mr. ROBINSON of Indiana. I do not know that the Senator is addressing his remarks to me, but he is looking right at me. If he is referring to me, let me say that I do not want to discharge him at all.

Mr. CONNALLY. What did the Senator mean, then, by saying that he did not believe he ought to be discharged summarily?

Mr. ROBINSON of Indiana. I do not believe he ought to be discharged at all. That is what I meant by summarily.

Mr. CONNALLY. Oh, I see. [Laughter.]

Mr. ROBINSON of Indiana. Does that answer the Senator's question?

Mr. CONNALLY. What does the Senator propose to do about it?

Mr. ROBINSON of Indiana. I propose at most to reprimand him for his indiscretion.

Mr. CONNALLY. Reprimand him! Before I would vote merely to reprimand him for libeling the Senate, according to his own admission, I would vote to give him a bouquet or a medal of honor.

Mr. ROBINSON of Indiana. I would not go that far.

Mr. CONNALLY. The Senator would not go that far.

Mr. ROBINSON of Indiana. I think the Sergeant at Arms has been indiscreet and deserves perhaps to be rebuked by the Senate, but certainly not to be discharged and dismissed in disgrace.

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Oklahoma?

Mr. CONNALLY. I yield.

Mr. GORE. I think perhaps I may compose this matter so that we may proceed with the appropriation bill. How would it do just to tap him on the wrist? [Laughter on the floor and in the galleries.]

Mr. CONNALLY. The Senator from Oklahoma suggests tapping him on the wrist.

The PRESIDENT pro tempore. The Senator from Texas will suspend until the galleries are in order. If the galleries can not maintain order they will be cleared.

Mr. CONNALLY. Mr. President, that is exactly what the Senator from Indiana proposes to do—to tap him on the wrist. He proposes to call him down to the bar of the Senate and say, "Now, Mr. Sergeant at Arms, it is true that you said there were only a few crooks in the Senate, and, therefore, we will just tap you in proportion to the number of crooks you said were here, and we will only give you three taps or four taps on your wrist." [Laughter.]

Mr. GORE. "And without breaking the crystal on your wrist watch." [Laughter.]

Mr. CONNALLY. And without breaking the crystal, as the Senator from Oklahoma suggests, on his wrist watch.

Mr. President, one Senator suggests that Mr. Barry be permitted to resign. For what? If he has done nothing, if he has simply defended the Senate, if he was acting through purity of motives and fine spirit and was trying to help the Senate, what does the Senator want to make him resign for? We ought to keep such an able defender, such a splendid champion of the Senate. The Senator from Indiana says do not drag him down across the Senate floor here and pillory him at the bar of the Senate.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Ohio?

Mr. CONNALLY. I shall yield in a moment. Let me remind the Senator from Indiana that the Sergeant at Arms first dragged the name of the Senate before the whole people of the United States.

Mr. ROBINSON of Indiana. That was not first done by the Sergeant at Arms. That was done long before the Sergeant at Arms wrote the article.

Mr. CONNALLY. Yes; and the Senator from Indiana a little while ago in his remarks said that the Senate and the House of Representatives were being so villified and so abused throughout this country that if to-morrow the people of the country should vote they would probably retire all of us. Will not the Senate aggravate that situation if, in the presence of an admitted libel by a man who is an officer of this body, who is supposed to have knowledge and opportunity of observation—if, in the face of that kind of a libel, the Senate, with its liver turning white, refuses to drive him from the doors of the Senate? I propound that interrogatory to the Senator. I now yield to the Senator from Ohio.

Mr. FESS. Mr. President, the Senator refers to a libel, which ought to be punishable by the courts. Does the Senator think we ought to stop after the present procedure as to the Sergeant at Arms? Would it not be better, if we are going this far, to include action on the part of the magazine which printed the libel? I am asking this in no sense of criticism but in the sense of the duty which the Senate owes to itself. If we are fighting for our dignity and to maintain it, why do we not go to the extent of taking action which will amount to something?

Mr. CONNALLY. Let me say to the Senator that the only way to do a thing is to start at the beginning. When we shall have disposed of the Sergeant at Arms as an officer of the Senate there will be plenty of opportunity and time then to take up other matters. We are dealing now only with the question that is before us, and I do not propose to have my trend of what I hope is thought disturbed by incursions into some other field as to what we may do under some other circumstances. The issue before the Senate is not the trial of Mr. Barry. We are not trying him for a crime or an offense. Senators try to obfuscate the Senate with all their remarks about trial by jury, Anglo-Saxon institutions, and interrogations before grand juries. We are simply dealing with a case of an employee, a man on the pay roll of the Senate, who has libeled the Senate, and who has admitted the libel. It is simply a question of discharg-

ing him from that employment, just as if one of us had an unfaithful servant who raided his pantry or stole his wife's jewelry, he would not keep him in his employment until the grand jury indicted him and tried him and convicted him of theft; he would discharge him the moment he found out he had been unfaithful, and then he would let the court take care of the crime or the offense against the commonwealth.

The Senate is making itself ridiculous when Senators stand upon the floor of the Senate and admit that the Senate has been libeled, that it has been slandered, that its name has been dragged in the dust, and then, instead of simply dismissing an unfaithful and falsely testifying witness against the Senate, seek to continue him in its employ. If the Senate wants to make this matter more ridiculous before the country, it can do so by continuing Mr. Barry as Sergeant at Arms. The Senator from Indiana says that the Senate and the Congress are now in disrepute. If the Senate retains on its roll Mr. Barry one hour longer after it shall have taken a vote on this resolution, it will accentuate that disrepute and that bad odor from one ocean to the other, and the Senator from Indiana ought to know it.

Mr. ROBINSON of Indiana. Mr. President, I take just the other view.

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Indiana?

Mr. CONNALLY. Yes.

Mr. ROBINSON of Indiana. I go quite to the other extreme, and say that if the Senate deliberately discharges an employee for having spoken his mind, it will tend to inflame the country still further against the Senate; it would have a far better effect if the Senate should show itself to be thoroughly just and fair in dealing with an employee who probably talked a little too much.

Mr. CONNALLY. Let me inquire for a moment, what does the country know about this affair? The country knows that Mr. Barry wrote an article in which he said that only a few Senators and Representatives in Congress sold their votes for money. The country knows that he was haled before the Senate, and that he admitted that he wrote the article, but that he had no proof upon which to base the charge. Then, if we retain him, what will the country say? The country will say, "That old fellow Barry told them the truth up there, and those white-livered Senators did not have the nerve to fire him; they were afraid that he would tell something on them." That is what they will say. They may not talk that way in Indiana, but they talk that way in many parts of the Republic when they are suspicious, and the Senator from Indiana says that the country is now suspicious. How much more suspicious will the country be when we retain in the employ of the Senate a self-convicted and self-confessed libeler and slanderer of the Senate's integrity. If there be criminals in the Senate, let Mr. Barry name them. If there be criminals in the other branch of Congress, let Mr. Barry name them. Open up the inquisition.

The only way the Senate will ever maintain its dignity is by bringing those who lie about it, those who slander it, those who traduce it, before the bar of the Senate or of a committee room, making them disgorge the facts, if they have them, and prosecuting those who are guilty, if there be such guilty ones in this body or in the other body, in the courts. Then, and then only, will the Senate maintain its dignity and vindicate its honor and its integrity before the country. I am not afraid to let the witnesses come and point out the Senators or point out the Representatives in Congress and, if there be accusations, remit those accusations to the courts; but the time has come in this Republic, and especially in the Senate, when we have either got to chart a course and pursue it or be branded as cravens and cowards; and that is what the Senate will nearly approach in this case, if it evades or avoids the real issues in this case and says, as does the Senator from Iowa, "He only accused a few Senators of being crooks and bribe takers; he really ought to be discharged, but I am not in favor of discharging him in this way; I want to discharge him some other way." And the other way he did not point out. "Instead of kicking him out that door there, I want to kick him out this door."

Mr. DICKINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Iowa?

Mr. CONNALLY. I shall yield in just a moment; I want to complete my thought so that the Senator may answer it. The position of the Senator from Iowa is that "the resolution says we are going to kick him out the east door; I am in favor of kicking him out, but he ought to be kicked out the west door, and therefore I will not vote to kick him out of either door." I now yield to the Senator.

Mr. DICKINSON. Let me suggest to the Senator that he was not listening to my statement. I did suggest a method by which Mr. Barry could be disposed of, by proper reference to a committee with power to act, without any of this bravado of the famous Senator from Texas, who waves the flag and proclaims the honesty of the United States Senate.

Mr. CONNALLY. O Mr. President, I always listen when the Senator from Iowa speaks; we all listen when the Senator from Iowa takes the floor. We do not always understand, but we listen. [Laughter.]

Mr. President, let me analyze now what the Senator from Iowa suggests. He would have the Senate avoid its responsibilities; he would delegate the authority to act in this case to some committee; he would have that committee act in secret. The accusation against the Senate is made in the public prints; the Associated Press and the other press services have heralded it throughout the United States; but the idea of Anglo-Saxon jurisprudence from the corn section is that we take the Sergeant at Arms down in some little cubby-hole in a secret committee and whisper to him, "Now you are fired." [Laughter.]

Mr. DICKINSON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Iowa?

Mr. CONNALLY. I yield.

Mr. DICKINSON. I want to suggest that I made a statement. Undoubtedly the Senator was not listening or he paid no attention to what I said. I suggested that Senate committee proceedings are of record; they are published; the proceedings are taken down by stenographers and the findings of the committee become known to the country and to the world. I said that in my remarks.

Mr. CONNALLY. Let me analyze this new edition of the legal code from Iowa. The Senator now says that he would commit it to a committee. The Senate did that on last Friday. The Senate sent this whole case to the Judiciary Committee. The Senator from Iowa is not a member of that committee, it is true, but we sent it to a committee composed of lawyers, and the committee reported back unanimously, I understand, that the Sergeant at Arms ought to be discharged. What kind of a committee does the Senator want to send this matter to—the Committee on the Disposition of Useless Documents? [Laughter.]

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. CONNALLY. Yes.

Mr. DICKINSON. I suggested that we send the matter to a proper committee with power to act. The Senate sent it to a committee with power to report in here at 4 o'clock on Tuesday to let the Senator from Texas exercise his lungs in making a speech.

Mr. CONNALLY. All right. Now, let us see whether the Senator's proposition will hold water.

He wants to send the matter to a committee with authority to act. The Senate sent it to a committee, the Judiciary Committee, and the Judiciary Committee unanimously acted. It said that Mr. Barry ought to be discharged. Now, all in the world the Senate has to do is to stand by what it did when it referred the matter to the committee and approve the committee's action. The Senate has done exactly what the Senator from Iowa says he now wants done; and when it gets back here the Senator from Iowa is going out of the other door, abandoning the matter!

Mr. BARKLEY and Mr. DICKINSON addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Texas yield?

Mr. CONNALLY. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, the Sergeant at Arms is an elective officer of the Senate.

Mr. CONNALLY. Certainly.

Mr. BARKLEY. He is elected in open session by the votes of Senators.

Mr. CONNALLY. Yes.

Mr. BARKLEY. If the Senate had referred this case to a committee with power to act, they would have had to report back to the Senate what they had done, and we would have been called upon to approve or disapprove of what they had done, which is exactly what we are called on to do now.

Mr. CONNALLY. Absolutely; of course.

Mr. BARKLEY. And if they had fired the Sergeant at Arms in their capacity as a committee—which they probably could not have done, in view of the fact that he is an elective officer—we still would have had to pass on it.

Mr. CONNALLY. Why, to be sure. The Senator from Kentucky states the fact; but the chances are——

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. CONNALLY. In just a moment. The chances are, however, that had we done that the Senator from Iowa would be on the floor saying, "The Senate must act on this matter. I think this man ought to be fired, but I do not propose to let any one little committee fire him. We must have it out in the open on the floor of the Senate." The tactics of the Senator from Iowa are not unlike those of many attorneys who practice at the bar and defend criminals.

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. DICKINSON. It is perfectly within the power of the Senate to refer this matter to the Rules Committee, or to some other committee, with power to act, with no requirement to report back here. Then the Senator from Texas could not make a speech on it.

Mr. CONNALLY. Will the Senator vote to let the Judiciary Committee dispose of it?

Mr. DICKINSON. I will vote for that.

Mr. CONNALLY. Then why does not the Senator vote to approve what the committee has done?

Mr. DICKINSON. Oh, no!

Mr. CONNALLY. No.

Mr. DICKINSON. What the Senator from Texas is doing is this: He wants to get the matter here on the floor of the Senate, where he can parade it to the Senate. [Laughter in the galleries.]

The PRESIDENT pro tempore. All Senators will suspend. The present occupant of the Chair has heretofore cleared the galleries. If the occupants of the galleries can not observe the rules of the Senate the galleries will be cleared again.

Mr. CONNALLY. Mr. President, I rather suspect that the reason why the Senator from Iowa wants this matter sent to a secret committee, and heard behind closed doors, is so that the Sergeant at Arms then will not know who voted against him and who voted for him, and he will not "get in bad" with the politicians and the organizations.

Mr. President, I have said more than I intended to say, and probably more than I should have said. What is the Senate presented with? Not a trial of Warren Hastings for his conduct in India. We have not Andrew Johnson before us to impeach him for high crimes and misdemeanors. We are simply confronted with a little simple issue of whether or not we want to keep in the employ of the Senate a man who, in the public prints and before the bar of the Senate, has admitted that he has traduced and libeled the Senate, and that he is not in possession of one particle of evidence to sustain the malicious and unfounded charges which he has made.

If he has committed any offense that is cognizable in the courts, that matter is for the courts and not for the Senate. I do not want to pursue this case and try to bring him here and try him for a crime; but I, as one Senator, am unwilling that there shall remain in the employ of the Senate—and he can only remain in the employ of the Senate by the approval of the Senate; by the agreement of the Senate that he shall remain—I am not willing to continue in the employ of the Senate for one hour or for one-half hour a man who admittedly has taken advantage of those who trusted him, who has drawn emoluments as a matter of grant and gift from the Senate, who has enjoyed the confidences and associations here with Senators, and then, for the sake of money—for the sake of money!—libels the Senate. I say "for the sake of money," because everybody knows that he could not have sold his article if he had not had some sensational statement of that kind in it.

He bartered for gold a libel on the Senate of the United States; and I, for one, believe that those who are abusing and libeling the Senate, when they accuse Members of either body of being bribe takers or crooks, ought to be brought before this bar, or ought to be sent before the grand jury. Let them be pilloried; let them be caused to disgorge their information; and if there be any crooks in this body, if there be any bribe takers here or in the other body, the country demands, the honor of the Senate demands, and our own sense of self-respect and honesty and integrity demands, that they be forced to name them, and that those who may be guilty be sent to the courts for trial.

The time has come in this country for the Senate of the United States to assert its own dignity and its own integrity. The Senator from Indiana says that nobody else will or can.

Mr. GLENN obtained the floor.

SEVERAL SENATORS. Vote!

Mr. GLENN. Mr. President, I send to the desk a resolution which I offer as a substitute for the pending resolution and move its adoption.

The PRESIDENT pro tempore. The amendment, in the nature of a substitute, will be stated.

The CHIEF CLERK. The Senator from Illinois [Mr. GLENN] offers the following substitute:

Whereas David S. Barry, when Sergeant at Arms of the Senate, caused to be published in the New Outlook, a magazine of general circulation, an article which reflects upon the integrity of Members of both Houses of the Congress;

Whereas upon a hearing the said Barry admits he does not have in his possession any facts substantiating such statements made in said article;

Whereas the said article impugns the honor of the Members of Congress;

*Resolved*, That such conduct upon the part of an employee of the Senate be, and the same is hereby, condemned; and the fact that Mr. Barry has in the Senate and before the committee repeatedly disavowed any intention of reflecting upon the honor of the Congress makes any further punishment unnecessary.

*Further resolved*, That said David S. Barry be, and he is hereby, reinstated as Sergeant at Arms of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from Illinois.

Mr. ROBINSON of Arkansas. I call for the yeas and nays.

The PRESIDENT pro tempore. On this question the yeas and nays are demanded. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. NORRIS. Mr. President, before we vote on this substitute I want to say just a few words, some of them in rebuttal, in reply to some of the arguments that have been made during the course of this discussion.

First, what is before us?

The Sergeant at Arms admittedly charged some Members of the Senate with selling their votes for money. It is admitted that he has no evidence of any such Member of the Senate or of the House. He claims that he wrote the article in defense of the Senate; but, as I said before, if Senators will read the article from beginning to end, they will find that it is a condemnation. As far as some of the other criticisms are concerned, like the one where we were called demagogues, I am passing it over. I am only suggesting it

to controvert the claim that the Sergeant at Arms was writing this article in defense of the Senate. There is not one word of defense, not one word except of censure, from beginning to end.

The Senator from Kentucky [Mr. LOGAN] argues that Mr. Barry was defending the Senate. The Senator from Indiana over here [Mr. ROBINSON], a member of the Judiciary Committee—who, by the way, this morning voted for the resolution that I offered in the committee—says, "Why, there is nothing to this excepting that Mr. Barry is repeating the general story that is going on all over the country." He does not even claim that it is a defense of the Senate, as the Senator from Kentucky and the author of the article claim. He says we should not pay any attention to it because Mr. Barry is saying what a great many other people are saying.

Mr. CONNALLY. Mr. President——

Mr. NORRIS. I yield to the Senator from Texas.

Mr. CONNALLY. Does the Senator from Nebraska mean to say that the Senator from Indiana [Mr. ROBINSON] voted in the committee with the Senator from Nebraska for this resolution?

Mr. NORRIS. The vote in the committee for the report of this resolution was unanimous.

Mr. CONNALLY. Does the Senator mean the junior Senator from Indiana [Mr. ROBINSON]?

Mr. NORRIS. That is who I mean.

Mr. CONNALLY. The same Senator who made a speech a while ago?

Mr. NORRIS. Yes; the same Senator. That Senator, there in the committee, as he said on the floor, voted for a substitute which he offered. That motion was defeated; and then the roll call was had in the Judiciary Committee, and every member present voted "yea" in favor of the report which I have made, which is the pending resolution.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Indiana?

Mr. NORRIS. I yield to the Senator.

Mr. ROBINSON of Indiana. When we voted on the resolution, it was to report it out and get it before the Senate.

Mr. NORRIS. Yes.

Mr. ROBINSON of Indiana. That is as far as I went, and as far as I ever go. That is as far as I ever go on a report out of a committee.

Mr. NORRIS. All right.

Mr. ROBINSON of Indiana. I always reserve the right to vote on any bill that comes before this body, or any measure that comes before it, as my conscience dictates.

Mr. NORRIS. I am not finding fault with the Senator. He evidently has experienced a change of heart since this morning.

Mr. ROBINSON of Indiana. No; I have experienced no change of heart in the slightest degree.

Mr. NORRIS. The Senator voted in the Judiciary Committee in favor of a motion made directing the chairman to report to the Senate the resolution which I have reported.

Mr. ROBINSON of Indiana. Mr. President, that is exactly correct, and that is frequently done, to get it on the floor, Senators reserving the right always to vote the way they choose on the resolution when it comes on the floor for discussion. I did that with the Philippine bill. There were many amendments to that bill which I could not agree to, though I voted to report it out of committee, but when the measure came down here I voted my judgment on the amendments. That is the same thing that I think every Senator does in committee; he reserves the right to vote as he chooses.

Mr. NORRIS. No; I do not think that is the same thing, although I am not complaining. The Senator has a right to do it. I take it for granted, from the remarks the Senator has made, that something has come over the spirit of his dreams between this forenoon and this afternoon.

Mr. ROBINSON of Indiana. No, Mr. President. If the Senator will remember what I said here last Friday, and in the committee room to-day, he will find that my conduct has been completely consistent in everything I have done and in everything I have said.

Mr. NORRIS. I remember what the Senator said; and it seems to me he is about in the same situation as the Senator from Iowa [Mr. DICKINSON], who thinks this man has committed an offense for which he ought to be removed, but he is going to vote against his removal because, as he says, we have not gone at the matter in the right way. Yet from the time we began until this report came here in the Senate, never once did the Senator from Iowa raise his great, eloquent voice in opposition to the procedure which the Senate was taking.

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. NORRIS. Yes; I yield.

Mr. DICKINSON. I voted against the Senator's motion to dismiss this man summarily at that time. I voted for the substitute.

Mr. NORRIS. All right. I have not disputed that; but the Senator now is saying, "This man ought to be removed, but I am not going to vote to remove him." Why, of course; the Senator is stubborn. He can go on and do that just as he pleases; but he says, "I am not going to vote to remove him, although I believe he ought to be removed, because I do not like the procedure." What I said—and the RECORD will bear me out—is that from the beginning up to the present discussion this afternoon the Senator from Iowa never raised his voice in objecting to the procedure that has been taken.

Mr. DICKINSON. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. DICKINSON. I want to suggest to the Senator that I have not been in the Senate very long, and I did not know that it was necessary for every Member of the Senate to make a 2-hour speech before an incidental matter of this kind could be disposed of.

Mr. NORRIS. I did not either, nor does anyone else; but the Senator has been in Congress long enough, and he has been in the Senate long enough, to know that I tell the truth when I say that during all the course of these proceedings he never objected. When the matter was referred to the committee, the Senator voted for it. The Senator voted to refer it to the committee. Now he says it never ought to have gone there——

Mr. DICKINSON. Oh, no.

Mr. NORRIS. That it ought to have gone to a committee with full instructions to go into it. Why did not the Senator object then? Why did he not then offer an amendment giving the committee full authority to go into it?

Mr. DICKINSON. I would have been glad to do that if I had been handling the matter, and I think that would have been the judicious course.

Mr. NORRIS. The Senator was not handling it, and probably is not handling it now, not even his own vote.

Mr. DICKINSON. I shall offer a substitute, if this one is not carried, which will show that I have a mind of my own, and I do not need to consult with a lot of Senators before I cast my vote.

Mr. NORRIS. If the Senator has a substitute which will show that he has a mind of his own, let him offer it; I would like to see it.

Mr. DICKINSON. I want to suggest that I have a mind of my own, and I do not need to confer with the Senator from Nebraska before I exercise it.

The PRESIDENT pro tempore. The Senator from Iowa will suspend. May the Chair intimate that Rule XIX seems to be perilously near infraction?

Mr. NORRIS. Oh, no, Mr. President; we have gotten to the condition in the Senate now when the man who calls us crooks, when the man who says we sell our votes for money, is to be lauded up to the skies as a great hero. We are going to give him a bouquet, we are going to reinstate him, we are going to apologize for ever saying or even thinking that a man who says that we are criminals and sell our official votes for cash should be removed from office. We are going to apologize for ever thinking of such a thing as discharging that employee of the Senate.

The discharge of this man is the only action we are to take. That is all we are called upon to do. That is all we are considering. We have a hired man who has said that we were crooks, who has said that there were some of us who sold our votes for cash, and then when he is called upon to name those who did that, though he said they were well known, he states he does not know anything about it, that he has no such evidence.

Mr. President, the question is, Shall we keep him in our employ? There is no criminal case here. There is a resolution pending in the Committee on the Judiciary to refer the entire matter to the district attorney under the statute to see whether there should be a prosecution. And that reminds me of what the Senator from Illinois so ably and so eloquently stated about my not calling Governor Smith to the witness stand or not calling some owner of the Outlook to the witness stand.

Let me say to the Senator that before the Committee on the Judiciary there is now pending a resolution, offered by the senior Senator from Montana [Mr. WALSH], which would go into that very thing. I want to say, for the benefit of the Senator from Illinois, that this man Barry, while under oath, was asked whether he ever had a talk with Mr. Smith, whether he ever had a letter from him, whether he ever had any communication or conference with him, and he said, "None." The man from the New Outlook he had seen, the man who had written to him, the man with whom he had conferred about this article was the owner of the New Outlook, Mr. Tichenor; I think that is his name.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. NORRIS. In just a moment. That matter the Senate may go into; I have not any objection. But we can not go into it in connection with this matter. We have before us now just the question of what we shall do with an employee of the Senate who has disgraced the Senate in the eyes of the country and in the eyes of the world by calling us crooks and demagogues.

Mr. GLENN. Mr. President, will the Senator yield now?

Mr. NORRIS. I yield.

Mr. GLENN. Does not the Senator know, as an able lawyer and a judge, as he is, that the publisher of the magazine is equally guilty with the writer of the article in the eyes of the law?

Mr. NORRIS. Very well; we will take that——

Mr. GLENN. Is not that the law?

Mr. NORRIS. Yes.

Mr. GLENN. Does the Senator from Nebraska not further know, not as a lawyer but as a citizen and a man acquainted with public affairs, that nothing will ever be done with Gov. Alfred Smith in this matter?

Mr. NORRIS. I do not believe there is anything that can be done with Alfred Smith in this matter, if the Senator wants my answer.

Mr. GLENN. Does not the Senator know that there never will be any bona fide effort to do anything with him?

Mr. NORRIS. I will tell the Senator this: I will vote for a resolution for the appointment of a committee of three, of which the Senator from Illinois shall be chairman, the Senator from Indiana [Mr. ROBINSON] shall be a member, and the Senator from Iowa [Mr. DICKINSON] shall be the other member, giving them authority to investigate, to subpœna witnesses, to call Mr. Smith or anybody else they want to call.

Mr. GLENN. Why not do that all at once, instead of singling out this weak, poor man?

Mr. NORRIS. It is an entirely different proposition.

Mr. GLENN. There is nothing different about it. They were all concerned in the same publication.

Mr. NORRIS. No; they were not all concerned.

Mr. GLENN. You singled out a weak man, who could not defend himself.

Mr. NORRIS. As far as the testimony is concerned, the record shows that nobody ever communicated with Mr. Smith.

Mr. GLENN. Find out about it. It was his duty to know something about it.

Mr. NORRIS. We asked Mr. Barry about it, your saint, the man who said we were crooks, this old, decrepit man we are about to overthrow and tear to pieces and shed his blood all over the Senate floor.

Mr. GLENN. Let us be frank about it.

The PRESIDENT pro tempore. Senators——

Mr. GLENN. It was not because he said somebody was a crook, but because he said there were some demagogues in the Senate. That is the fact about it.

Mr. NORRIS. No; it was because he said we were crooks. After I listened to the Senator from Illinois this afternoon I began to wonder whether Mr. Barry had not told the truth when he spoke about demagogues in the Senate.

The PRESIDENT pro tempore. Senators will suspend.

Mr. NORRIS. The Senator from Illinois is a lawyer. He knows that these things are not necessarily connected at all. Let us dispose of this matter.

Mr. GLENN. Let us dispose of this whole thing at once.

Mr. NORRIS. We can not dispose of them at once.

The PRESIDENT pro tempore. Senators will take their seats. All Senators will suspend. As Vice President Marshall once said, it is about time for the Chair to take a hand. The rules of the Senate provide that exchanges of the sort that have been going on for the last few minutes may not proceed. The Senator from Nebraska has the floor. To whom does he yield?

Mr. NORRIS. I do not yield to anyone.

The PRESIDENT pro tempore. The Senator retains the floor.

Mr. NORRIS. Mr. President, the Senator from Illinois is one of the best lawyers in the country. He will not deny that himself. [Laughter.]

Mr. GLENN. Second only to the esteem in which the Senator from Nebraska holds himself. [Laughter.]

Mr. NORRIS. I accept the amendment. If the owner or publisher or editor of the New Outlook is to blame, and the Senator wants to go after any one of them, I will do all I can to give him the authority to do it, and I mean what I say.

Mr. GLENN. Will the Senator yield?

Mr. NORRIS. No; let me finish first.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Illinois?

Mr. NORRIS. Not now. I want to say to the Senator that I mean it when I say that I am in favor of appointing a committee, of which the Senator from Illinois [Mr. GLENN] shall himself be chairman, the Senator from Indiana [Mr. ROBINSON] shall be another member, and the Senator from Iowa [Mr. DICKINSON] shall be the third, and give them all the authority they may ask for to go into the matter just as far as they desire.

Mr. GLENN. Mr. President, will the Senator yield now?

Mr. NORRIS. I yield.

Mr. GLENN. It does seem to me that that indicates that the Senator from Nebraska has lost his judicial poise.

Mr. NORRIS. Perhaps I have, in suggesting the Senator from Illinois as chairman of the committee; I do not know.

Mr. GLENN. The Senator said he would select on that committee three men, all of whom had taken a decided position upon this matter.

Mr. NORRIS. Very well. I want to give the Senator all the rope he wants. I want him to go the full length he desires to go, and I will not put anything in his road.

We have before us the case of Mr. Barry. Is he guilty of making a false charge against Members of the Senate and the House of Representatives, or not? If he is guilty, do we want to keep him longer in our employ? There is no criminal charge involved in the resolution. There is nothing provided for but the simple discharge of an employee of the Senate who has admitted that he called us crooks and demagogues without any reason for it whatever.

Mr. BLACK. Mr. President, will the Senator yield to me?

Mr. NORRIS. If we have any self-respect for ourselves and our colleagues and for the reputation of this body, I do not see how we can say we should give him a chromo instead of punishing him for telling the falsehoods he admits he told without cause. I yield to the Senator from Alabama.

Mr. BLACK. Does the Senator believe that if Alfred E. Smith, the gentleman about whom the Senator from Illinois has been speaking, had been the Sergeant at Arms who wrote this article, we would have the advantage of the eloquent defense made by the Senator from Illinois?

Mr. NORRIS. Oh, no, indeed.

Mr. BLACK. And the Senator from Indiana and the Senator from Iowa?

Mr. NORRIS. No; instead of trying to defend him and shield him from just punishment we would have had them outraged at the terrible indignity that had been flung at the United States Senate.

Mr. President, the evidence is uncontradicted; it can not be contradicted, because it is the testimony of Mr. Barry, the saint, the man who never did a wrong, who can slap us in the face, call us thieves, call us demagogues, call us men who are bribed in our official capacity, and still we give him a flower, a bouquet, and say, "Go on your way; you are all right; you are only saying"—as the Senator from Indiana put it—"what other people have said who are not employees of the Senate and over whom we do not have jurisdiction."

This man testified, and I presume he told the truth, that the only person connected with the New Outlook with whom he had any communication or any conference was Mr. Tichenor, whom he said he understood to be the owner of the magazine. There is a resolution pending in the Judiciary Committee now under which whoever else is liable, if anybody, could be reached, and that resolution would probably have been acted on to-day if we had time.

Mr. GLENN. Mr. President, will the Senator yield again?

Mr. NORRIS. I yield.

Mr. GLENN. Does the Senator believe that the Hon. Alfred Smith, in his capacity as editor in chief of that great magazine, does not even look at the articles which are published in it?

Mr. NORRIS. I do not know anything about that. I do not know, and I do not care. It does not make any difference to me. I suppose if the owner of the magazine comes to Washington and makes a deal with an officer of the Senate for $250 for an article that is sensational, he can go back and publish it in the magazine without consulting the editor. I have an idea that as owner of the publication he can do what he pleases about it. If anything different from that happened, I do not know anything about it. I am not objecting to any further investigation anybody wants to have made.

Now we are confronted with a substitute which would whitewash the whole matter, which would whitewash this thing, one of the most disgraceful things, it seems to me, that have been heard of since I have been a member of this body. Senators talk about this man being so timid, so embarrassed, when for 14 years he has had the privilege of this floor. He has had all the privileges which go with his office, one of the highest offices in the Senate. Think of such a thing as his being embarrassed in the presence of the Senate. He has been in the presence of the Senate for 14 years.

That is not all, however. The matter was referred to the Committee on the Judiciary. Mr. Barry was not dragged before the committee, as some of the Senators would have us believe. They would try to give the impression that we went out and took him by the back of the neck and the seat of the pants and took him in there. Nothing of that kind happened. In a letter, which Senators may read, which I think will be admitted to be courteous, he was notified that the committee would meet in the room of the Committee on the Judiciary at 10.30 o'clock, and he was asked by the chairman in the letter to go to the office of the Sergeant at Arms so that he could be called in case the committee wanted to hear him further. Then the letter said, "If you want to be called, if you want to testify further, let me know, and I will lay your request before the committee, and it will undoubtedly be granted."

He did make that request of the chairman, it was laid before the committee, and immediately the committee unanimously, without any objection, said, "Why, of course, have him come." We telephoned to the office of the Sergeant at Arms, but could not find him; he was not there. We were told at the Sergeant at Arms' office that he was in the Committee on Rules, presided over by the honorable Senator who now sits in the presiding officer's chair, the President pro tempore of this body. We telephoned there and he came. He explained that he had received my request to go to the office of the Sergeant at Arms, but did not feel like going there because he had been suspended from the office. I have no fault with him on that point.

He went to the Committee on Rules because, after the Senate took the action that we took the other day, the chairman of the Committee on Rules gave him a key to the room of the Committee on Rules, and said, "Make that your headquarters," and so he went to the Committee on Rules, his headquarters. From there he came to the Judiciary Committee.

There was no forcing about it. He made the request himself. Nobody urged him to come. He asked to come. If we had refused to let him come, then the Senators who are kicking us now would have been complaining because this great committee arbitrarily refused to let this poor, weak man come before us when he asked to do so. We granted his request; and to show that he had deliberated on the matter, he read his statement in writing, under oath, the statement the Senator from Connecticut has read here. There was no coercion. He was perfectly free. He prepared it I do not know when, but he was given the opportunity to read his statement without interruption. Then he was questioned about it.

Mr. CONNALLY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Texas?

Mr. NORRIS. I yield.

Mr. CONNALLY. Did I understand the Senator from Nebraska to say that the Sergeant at Arms, when he was sought, was in the Rules Committee room?

Mr. NORRIS. Yes.

Mr. CONNALLY. Is not that the committee to which the Senator from Iowa wanted this affair referred?

Mr. NORRIS. The President pro tempore wanted it referred to the Rules Committee the other day, and made the suggestion a couple of times from the chair. Some mention was made to-day in the debate that when that was suggested we protested vigorously against it.

Mr. CONNALLY. When the Senator from Iowa [Mr. DICKINSON] suggested that the proper course to pursue would be to refer it to a committee and let them act on it, and he mentioned among others the Committee on Rules, I wondered if he anticipated sending it to that committee.

Mr. NORRIS. Another thing I want to say is that at the meeting yesterday morning when Mr. Barry was there, he was accompanied by his lawyer. He was accompanied by his lawyer this morning. At one time in the course of the examination, before he answered he asked permission to consult his lawyer, and this cruel hard-hearted committee did not object. We let him consult with his lawyer, and we suspended operations until he had a whispered conversation with him. When he got through we went on. That is the way he was abused by this hard-hearted committee. That is the way this man's blood was drawn and scattered over the committee room by that kind of a committee. He had his own way. He came there because he wanted to come. He came with his lawyer. He had a prepared statement which he was permitted to read and then, of course, was questioned and never once, except when he referred to his attorney, did he object to a question. Then he asked permission to consult his attorney; he did consult with him, and answered after he had held his consultation.

Under these circumstances it seems to me, as I look at it, if the Senate has any regard for its honor or the honor of its Members, it can not do anything but vote down the proposed substitute and pass through the Senate the resolution reported by the Judiciary Committee.

SEVERAL SENATORS. Vote! Vote!

The PRESIDENT pro tempore. If the Chair may be permitted to state the question first, the Senator from Nebraska offers the following resolution:

*Resolved,* That David S. Barry be, and is hereby, removed from the office of Sergeant at Arms and Doorkeeper of the Senate.

The Senator from Illinois offers the following resolution as a substitute:

Whereas David S. Barry, when Sergeant at Arms of the Senate, caused to be published in the New Outlook, a magazine of general circulation, an article which reflected upon the integrity of the Members of both Houses of Congress;

Whereas upon a hearing the said Barry admits he does not have in his possession any facts substantiating such statements made in said article;

Whereas the said article tends to impugn the honor of the Members of the Congress:

*Resolved,* That such conduct upon the part of an employee of the Senate be, and the same is hereby, condemned; and the fact that Mr. Barry has in the Senate and before the committee repeatedly disavowed any intention of reflecting upon the honor of the Congress makes any further punishment unnecessary: Be it further

*Resolved,* That said David S. Barry be, and he is hereby, reinstated as Sergeant at Arms of the Senate.

The question is on agreeing to the substitute proposed by the Senator from Illinois. Upon this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Transferring my pair with the junior Senator from Nebraska [Mr. HOWELL] to the junior Senator from Georgia [Mr. RUSSELL], I vote "nay."

Mr. LA FOLLETTE (when Mr. CUTTING'S name was called). I was requested to announce that the junior Senator from New Mexico [Mr. CUTTING] is unavoidably absent temporarily from the Chamber. If he were present, he would vote "nay."

The PRESIDENT pro tempore (Mr. MOSES, when his name was called). I have a general pair with the senior Senator from Louisiana [Mr. BROUSSARD]. I transfer that pair to the junior Senator from California [Mr. SHORTRIDGE], and vote "yea."

Mr. ODDIE (when his name was called). On this question I have a pair with the junior Senator from South Dakota [Mr. BULOW]. If that Senator were present, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. I am unable to obtain a transfer. In his absence I withhold my vote. If permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. BINGHAM. Mr. President, has the junior Senator from Virginia [Mr. GLASS] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. BINGHAM. I have a general pair with that Senator. Being unable to obtain a transfer I withhold my vote. If permitted to vote, I would vote "yea."

Mr. GLENN (after having voted in the affirmative). I find that the senior Senator from Virginia [Mr. SWANSON], with whom I have a general pair, is absent and has not voted. Therefore, I withdraw my vote.

Mr. HATFIELD. I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. In his absence I withhold my vote. If permitted to vote I would vote "yea."

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN].

Mr. NORRIS. I desire to announce the absence of my colleague, the junior Senator from Nebraska [Mr. HOWELL] on official business of the Senate.

The result was announced—yeas 15, nays 56—as follows:

YEAS—15

| | | | |
|---|---|---|---|
| Austin | Dickinson | Hale | Moses |
| Barbour | Fess | Hastings | Townsend |
| Couzens | Goldsborough | Hebert | Walcott |
| Dale | Grammer | Metcalf | |

NAYS—56

| | | | |
|---|---|---|---|
| Ashurst | Coolidge | Keyes | Schuyler |
| Bailey | Copeland | La Follette | Sheppard |
| Bankhead | Costigan | McGill | Smith |
| Barkley | Dill | McKellar | Steiwer |
| Black | Fletcher | McNary | Thomas, Idaho |
| Blaine | Frazier | Neely | Trammell |
| Bratton | George | Norris | Tydings |
| Brookhart | Gore | Nye | Vandenberg |
| Bulkley | Harrison | Patterson | Wagner |
| Byrnes | Hayden | Pittman | Walsh, Mass. |
| Capper | Hull | Reed | Walsh, Mont. |
| Caraway | Johnson | Reynolds | Watson |
| Clark | Kean | Robinson, Ark. | Wheeler |
| Connally | Kendrick | Schall | White |

NOT VOTING—25

| | | | |
|---|---|---|---|
| Bingham | Glass | Logan | Shipstead |
| Borah | Glenn | Long | Shortridge |
| Broussard | Hatfield | Norbeck | Smoot |
| Bulow | Howell | Oddie | Stephens |
| Carey | King | Robinson, Ind. | Swanson |
| Cutting | Lewis | Russell | Thomas, Okla. |
| Davis | | | |

So Mr. GLENN'S substitute was rejected.

The PRESIDENT pro tempore. The question recurs upon the resolution proposed by the Senator from Nebraska [Mr. NORRIS].

Mr. DICKINSON. Mr. President, I offer the following motion in the nature of a substitute.

The PRESIDENT pro tempore. It will be reported for the information of the Senate.

The LEGISLATIVE CLERK. The Senator from Iowa moves—

That the pending resolution be referred to the Committee on Rules, with power to reconsider the complaint against Sergeant at Arms David S. Barry, to reinstate, reprimand, or dismiss said official of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the substitute proposed by the Senator from Iowa.

Mr. DICKINSON. I demand the yeas and nays.

The yeas and nays were ordered.

Mr. BINGHAM. Mr. President, I ask the Senator from Iowa if he will explain the purpose of his motion?

Mr. DICKINSON. Mr. President, my purpose is that if the Senate gets into a difficulty of this kind again there should be some precedent established. I do not favor this type of procedure. I thoroughly believe some committee ought to be given jurisdiction of complaints of this kind. It is my understanding that the Rules Committee have charge of the personnel of the Senate. They should have jurisdiction of all matters of this kind, in my judgment. That being the case, I have made this suggestion.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield for a question? I desire to ask if, by proposing the amendment, the Senator intends to imply any reflection upon the judgment of the Committee on the Judiciary?

Mr. DICKINSON. Not at all. The Judiciary Committee was instructed to report back to the Senate. They did so in accordance with their judgment, and there is no reflection whatsoever upon them.

SEVERAL SENATORS. Vote!

The PRESIDENT pro tempore. The question is on agreeing to the motion submitted by the Senator from Iowa [Mr. DICKINSON].

Mr. BINGHAM. Let the motion be stated.

The PRESIDENT pro tempore. The motion will be read.

The LEGISLATIVE CLERK. The Senator from Iowa moves—

That the pending resolution be referred to the Committee on Rules with power to reconsider the complaint against Sergeant at Arms David S. Barry and reinstate, reprimand, or dismiss said official of the Senate.

The PRESIDENT pro tempore. The yeas and nays having been already ordered upon this question, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Repeating the announcement of my pair and its transfer, I am at liberty to vote, and I vote "nay."

Mr. HATFIELD (when his name was called). Repeating the statement of my pair, as previously announced, I withhold my vote. If permitted to vote, I should vote "yea."

The PRESIDENT pro tempore (when the name of Mr. MOSES was called). Repeating the announcement of my pair and its transfer as on the previous vote, I vote "yea."

Mr. ODDIE (when his name was called). Repeating the announcement I made a few moments ago regarding my pair, I will state that if the junior Senator from South Dakota [Mr. BULOW], with whom I am paired, were present he would vote "nay," and if I were permitted to vote I should vote "yea."

Mr. ROBINSON of Indiana (when his name was called). Again announcing my general pair with the junior Senator from Mississippi [Mr. STEPHENS], I withhold my vote.

Mr. TYDINGS (when his name was called). On this vote I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. BINGHAM (after having voted in the affirmative). Am I correct in understanding that the junior Senator from Virginia [Mr. GLASS] has not voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. BINGHAM. Then, on account of my general pair with that Senator, I must withdraw my vote.

Mr. LA FOLLETTE. Repeating the same announcement made on the last roll call concerning the unavoidable absence of the junior Senator from New Mexico [Mr. CUTTING], I wish to announce that if present he would vote "nay."

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is absent on official business of the Senate.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN].

The result was announced—yeas 10, nays 58, as follows:

YEAS—10

| | | | |
|---|---|---|---|
| Dale | Goldsborough | Keyes | Walcott |
| Dickinson | Grammer | Moses | White |
| Fess | Hebert | | |

NAYS—58

| | | | |
|---|---|---|---|
| Ashurst | Connally | Johnson | Schuyler |
| Austin | Coolidge | Kean | Sheppard |
| Bailey | Copeland | La Follette | Smith |
| Bankhead | Costigan | McGill | Steiwer |
| Barbour | Couzens | McKellar | Thomas, Idaho |
| Barkley | Dill | McNary | Townsend |
| Black | Fletcher | Neely | Trammell |
| Blaine | Frazier | Norris | Vandenberg |
| Bratton | George | Nye | Wagner |
| Brookhart | Gore | Patterson | Walsh, Mass. |
| Bulkley | Hale | Pittman | Walsh, Mont. |
| Byrnes | Harrison | Reed | Watson |
| Capper | Hastings | Reynolds | Wheeler |
| Caraway | Hayden | Robinson, Ark. | |
| Clark | Hull | Schall | |

NOT VOTING—28

| | | | |
|---|---|---|---|
| Bingham | Glass | Logan | Shipstead |
| Borah | Glenn | Long | Shortridge |
| Broussard | Hatfield | Metcalf | Smoot |
| Bulow | Howell | Norbeck | Stephens |
| Carey | Kendrick | Oddie | Swanson |
| Cutting | King | Robinson, Ind. | Thomas, Okla. |
| Davis | Lewis | Russell | Tydings |

So Mr. DICKINSON's motion was rejected.

The PRESIDENT pro tempore. The question recurs on the resolution reported by the Senator from Nebraska [Mr. NORRIS].

Several Senators called for the yeas and nays, and they were ordered.

The Legislative Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Making the same announcement concerning my pair and its transfer as on the preceding vote, I vote "yea."

Mr. LA FOLLETTE (when Mr. CUTTING's name was called). The junior Senator from New Mexico [Mr. CUTTING] is unavoidably temporarily absent from the Senate. If present, he would vote "yea."

Mr. HATFIELD (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. THOMAS]. In his absence I withhold my vote. If permitted to vote, I should vote "nay."

The PRESIDENT pro tempore (when the name of Mr. MOSES was called). Making the same announcement of my pair and its transfer as previously, I vote "nay."

Mr. ODDIE (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. BULOW]. If he were present, he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. ROBINSON of Indiana (when his name was called). I am unable to obtain a transfer of my general pair with the junior Senator from Mississippi [Mr. STEPHENS]. Therefore, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. TYDINGS (when his name was called). On this vote I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. McNARY. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG]; and

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN].

Mr. NORRIS. I desire to announce the absence of my colleague the junior Senator from Nebraska [Mr. HOWELL] on official business of the Senate.

The result was announced—yeas 53, nays 17, as follows:

YEAS—53

| | | | |
|---|---|---|---|
| Ashurst | Coolidge | Lewis | Sheppard |
| Austin | Costigan | McGill | Smith |
| Bailey | Dill | McKellar | Steiwer |
| Bankhead | Fletcher | McNary | Thomas, Idaho |
| Barkley | Frazier | Neely | Trammell |
| Black | George | Norris | Vandenberg |
| Blaine | Gore | Nye | Wagner |
| Bratton | Harrison | Patterson | Walsh, Mass. |
| Brookhart | Hayden | Pittman | Walsh, Mont. |
| Bulkley | Hull | Reed | Watson |
| Byrnes | Johnson | Reynolds | Wheeler |
| Caraway | Kean | Robinson, Ark. | |
| Clark | Kendrick | Schall | |
| Connally | La Follette | Schuyler | |

NAYS—17

| | | | |
|---|---|---|---|
| Barbour | Dale | Hale | Moses |
| Bingham | Dickinson | Hastings | Townsend |
| Capper | Goldsborough | Hebert | Walcott |
| Copeland | Grammer | Keyes | White |
| Couzens | | | |

NOT VOTING—26

| | | | |
|---|---|---|---|
| Borah | Glass | Metcalf | Smoot |
| Broussard | Glenn | Norbeck | Stephens |
| Bulow | Hatfield | Oddie | Swanson |
| Carey | Howell | Robinson, Ind. | Thomas, Okla. |
| Cutting | King | Russell | Tydings |
| Davis | Logan | Shipstead | |
| Fess | Long | Shortridge | |

So the resolution submitted by Mr. NORRIS was agreed to, as follows:

*Resolved*, That David S. Barry be, and he is hereby, removed from the office of Sergeant at Arms and Doorkeeper of the Senate.

CLAIMS OF CERTAIN OFFICERS AND EMPLOYEES OF THE FOREIGN SERVICE (H. DOC. NO. 539)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

*To the Congress of the United States:*

I inclose herewith a report which the Secretary of State has addressed to me in regard to claims of certain officers and employees of the Foreign Service of the United States for reimbursement of losses of personal property suffered

by them as a result of a cyclone at Point a Pitre, Guadeloupe, French West Indies, on September 12, 1928, and hurricanes at Nassau, Bahama Islands, on September 16, 1928, and on September 25–26, 1929; at Santo Domingo, Dominican Republic, on September 3, 1930, and at Belize, British Honduras, on September 10, 1931; at Moscow, Russia, in 1918, as a result of the seizure of Government power by the present régime; at Buenaventura, Colombia, on January 26, 1931, as the result of a fire which destroyed the American Consulate, and at Warsaw, Poland, in December, 1920, as a result of theft and breakage of household effects in transit at the time of the advance of the soviet revolutionary army into Poland.

I recommend that an appropriation in the amount suggested by the Secretary of State be authorized in order to relieve these officers and employees of the Government of the burden these losses have occasioned.

HERBERT HOOVER.

(Inclosures: Report of the Secretary of State, with inclosures.)

THE WHITE HOUSE, *February 7, 1933.*

### UNITED STATES GEORGIA BICENTENNIAL COMMISSION

Mr. FESS, from the Committee on the Library, to which was referred the joint resolution (S. J. Res. 223) establishing the United States Georgia Bicentennial Commission, and for other purposes, reported it with an amendment.

### FEDERAL GASOLINE TAX BILL—AMENDMENT RELATIVE TO THE TARIFF AND DEPRECIATED FOREIGN CURRENCIES

Mr. HATFIELD submitted an amendment intended to be proposed by him to the bill (H. R. 14416) to make the Federal gasoline tax effective until June 30, 1934, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. HATFIELD to the bill (H. R. 14416) to make the Federal gasoline tax effective until June 30, 1934, viz: On page 1, line 16, insert the following:

"That there shall be levied, collected, and paid upon all articles when imported directly or indirectly into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam) directly or indirectly from any foreign country, if the depreciation in the currency of such country, as determined by the Secretary of the Treasury, is 5 per cent or more below the standard value of such currency as proclaimed by the Secretary of the Treasury on October 1, 1931, or similarly depreciated when compared with currency of the United States, these following taxes, which shall be in addition to the duties collected under existing law as amended by section 3 of this act:

"(1) If the amount of the invoice value of the article is ascertained in units of currency of such foreign country, a tax equal to the difference between the invoice value of the article expressed in units of currency of such foreign country and converted to units of currency of the United States at the standard value of the currency of such foreign country as proclaimed by the Secretary of the Treasury on October 1, 1931; and (b) such amount converted to the currency of the United States at the buying rate of the unit of currency of such foreign country as ascertained under section 522 (c) of the tariff act of 1930.

"(b) If the amount of the invoice value of the article is ascertained in units of currency of any country (including the United States) other than the country of exportation, a tax equal to the difference between (a) such amount expressed in units of currency of the country of exportation at the current rate of exchange for noon of the date of exportation and converted as provided in paragraph (1) to the currency of the United States at the standard value of such unit of currency of the country of exportation as proclaimed by the Secretary of the Treasury on October 1, 1931, and such amount expressed in units of currency of the country of exportation, and converted as provided in paragraph (1) into the currency of the United States at the buying rate of the unit of currency of the country of exportation as ascertained under section 522 (c) of the tariff act of 1930. In cases, if any, where the Secretary of the Treasury is unable to determine the said buying rate under any of the provisions of said section 522 (c) of the tariff act of 1930, he shall determine such buying rate by the method which he approves as most fair and equitable in the premises and make and proclaim his determination accordingly and such determination and decision shall be final.

"SEC. 2. This act shall not apply to imports of tea, coffee, tin, rubber, fruits not produced in the United States, or to unmanufactured spices not produced in the United States.

"SEC. 3. For the purpose of the assessment and collection of duties under the existing law, the value (whether such value is ascertained in units of currency of the United States or of any other country) of any article provided for in section 1 shall be the value of such article converted to the currency of the United States at the standard value of the unit of currency of the country of exportation as provided for in paragraph (1) or (2) of section 1, as the case may be.

"SEC. 4. Terms used in this act shall have the meaning assigned to such terms in the tariff act of 1930.

"SEC. 5. This act shall be administered as part of the customs laws.

"SEC. 6. This act shall take effect on the day following the date of its enactment and continue in force until June 30, 1934."

### TREASURY AND POST OFFICE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes.

Mr. BINGHAM. Mr. President, in view of the adoption by the Senate of the Bratton amendment together with the Costigan amendment to it, I think Senators will realize that in order to clear the parliamentary situation it will be necessary to adopt the motion to reconsider which I made some days ago. Therefore, I ask unanimous consent that the motion whereby we adopted the Bratton amendment together with the Costigan amendment on the Treasury and Post Office bill may be agreed to.

Mr. McKELLAR. Mr. President, as I understand, that amendment was adopted applying only to the Post Office and Treasury bill.

Mr. BINGHAM. That is correct.

Mr. McKELLAR. And since that time, in the economy bill, those amendments have been applied to all bills, including the Post Office and Treasury bill.

Mr. BINGHAM. That is the reason why I asked unanimous consent to do it, because I realized that those in favor of it had gained their position on all bills.

Mr. McKELLAR. I see no objection to the Senator's request.

The PRESIDING OFFICER (Mr. FESS in the chair.) Is there objection?

Mr. McKELLAR. The Senator from New Mexico [Mr. BRATTON] is not on the floor at this moment, but I know it will be agreeable to him.

Mr. ROBINSON of Arkansas. Mr. President, if the last amendment applies to all bills, manifestly there is no occasion for retaining the first amendment, which applied only to the bill under consideration.

Mr. BINGHAM. Particularly in view of the fact that the general amendment adopted is even more stringent than the one which applied to the Treasury and Post Office bill.

The PRESIDING OFFICER. The Chair understands that the Senator's request is for unanimous consent for reconsideration.

Mr. BINGHAM. That we reconsider the vote whereby we adopted the Bratton amendment on the Treasury and Post Office bill.

The PRESIDING OFFICER. Is there objection?

Mr. BYRNES. I am satisfied that the Senator from New Mexico would have no objection.

Mr. BINGHAM. I thank the Senator.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The question now is on the Bratton amendment.

Mr. COSTIGAN. Mr. President, the request of the Senator from Connecticut relates to the so-called Bratton amendment, to which I offered an amendment which was adopted by the Senate several days ago and does not relate to the action taken by the Senate today?

Mr. BINGHAM. That is correct.

The PRESIDING OFFICER. It will be the Bratton amendment as amended by the amendment of the Senator from Colorado [Mr. COSTIGAN].

Mr. ROBINSON of Arkansas. And, to be consistent, the Bratton amendment attached to the present bill—the amendment just reconsidered—should be rejected.

The PRESIDING OFFICER. The question is on the amendment, as amended.

The amendment, as amended, was rejected.

Mr. BINGHAM. That clears the parliamentary situation with regard to the Bratton and Costigan amendments on the Treasury and Post Office bill.

Now, Mr. President, if Senators will turn to page 70 of the pending legislation, section 4 places a 10 per cent reduction on all salaries which do not come under the furlough plan. In view of the fact that we have rejected the committee's amendment adding the 1⅔ per cent pay cut to those now made and a pay cut under the furlough plan, the committee recommends that this amendment be rejected.

Mr. McKELLAR. That would necessarily follow, because the 1⅔ per cent has already been rejected.

Mr. BINGHAM. That is correct.

The PRESIDING OFFICER. The Senator wishes to have the amendment rejected?

Mr. BINGHAM. I do.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. BINGHAM. Mr. President, the next matter that concerns us is on page 74, section 7, which applies the 10 per cent reduction suggested by the committee to all pensions and compensations to veterans and others receiving a pension of more than $1,000. In order to be consistent with the action of the Senate, this amendment must be amended by the committee on page 74, line 17, by inserting, in lieu of "10 per cent," "8⅓ per cent."

Mr. COSTIGAN. Mr. President——

Mr. BINGHAM. I yield to the Senator from Colorado.

Mr. COSTIGAN. May I ask the Senator from Connecticut if that particular amendment applies practically exclusively to totally disabled veterans?

Mr. BINGHAM. I regret to say that that observation is correct, and if I believed it would cause any real hardship I should be opposed to it; but, Mr. President, as has been pointed out on the floor repeatedly, the cost of living, the average cost of commodities, of rent, of food, of clothing, has diminished by about 22 per cent during the past two or three years. Therefore the amount allowed to veterans, to those totally disabled, to those who receive in pensions or compensation more than $1,000 a year, will buy more comforts to-day, even with the 8⅓ per cent reduction, than they got three years ago, when that legislation went into effect.

If I believed that any veteran disabled in the war would receive any less comforts of any kind under this amendment than he received three years ago, when the provision was adopted, I should be the first to oppose the amendment, because I have the greatest sympathy with the veterans who are totally disabled and whose benefits would cause them to give a certain amount of their allowances to the Federal Government under this amendment.

The PRESIDING OFFICER. The Chair understands that the Senator from Connecticut moves to strike out "10" in line 17, on page 74, and insert "8⅓."

Mr. BINGHAM. The committee recommends that, and desires to perfect the amendment accordingly.

Mr. ROBINSON of Indiana. Mr. President——

Mr. BINGHAM. I merely wanted to get that perfected. I am sure the Senator from Indiana will not object to perfecting the amendment. I know that the Senator is opposed to the entire amendment, but I am sure he will not object to our perfecting it in that regard.

Mr. ROBINSON of Indiana. No.

Mr. BINGHAM. I merely desired to add, Mr. President, that this amendment was estimated, on the 10 per cent basis, to effect a saving of $8,570,000. By reducing it to 8⅓ per cent it is obvious that it will now yield only about $7,000,000. That may not be exact, but it is in the neighborhood of $7,000,000.

I understand that the Senator from Vermont [Mr. DALE] desires to offer a perfecting amendment to which the committee has no objection.

Mr. DALE. Mr. President, I should like to call up an amendment which is on the desk.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 75, line 13, it is proposed to insert, immediately before the period, a comma and the following:

but shall not include payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of employees.

Mr. DALE. Mr. President, if it is the disposition of the Senator from Connecticut to accept the amendment, I have nothing to say on it.

Mr. BINGHAM. It is purely explanatory. The committee never intended to include the payments referred to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. DALE] to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment to the amendment eliminating "10 per cent" and inserting "8⅓ per cent."

The amendment to the amendment was agreed to.

Mr. ROBINSON of Indiana. Mr. President, I move to amend the bill by striking out all of section 7.

The PRESIDING OFFICER. The Chair will state that a negative vote on that section would give the Senator the same result as a motion to strike out, saving one vote.

Mr. ROBINSON of Indiana. I suppose it would; and, if that is the parliamentary ruling, I shall withhold any motion.

Mr. COPELAND. Mr. President——

Mr. ROBINSON of Indiana. Mr. President, I was hoping the Economy Committee could be induced to withdraw the amendment entirely—all of section 7—for the reason that, as has been stated, it applies only to totally disabled veterans.

Mr. BINGHAM. Mr. President, will the Senator permit me? I was not quite correct in making that statement. There are a number of persons who receive pensions who are not totally disabled. The amendment does apply, for instance, to the widows of former Presidents, who now receive $5,000 pensions. It applies to anyone having a pension or compensation from the Government; but, of course, the great mass are those veterans whose disability is so great that they receive more than $83 per month. That is correct.

Mr. ROBINSON of Indiana. Mr. President, I understand that the Senator from New York [Mr. COPELAND] has the floor. I rose simply to offer the amendment to strike out the section. Since that is not necessary, I yield the floor to the Senator from New York, with the understanding that I can resume the floor and speak on the amendment a little later.

Mr. COPELAND. Mr. President, a parliamentary inquiry: I do not wish to take the Senator from Indiana from the floor. I wanted to make an inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COPELAND. If the motion made by the Senator from Indiana were to prevail, would that also carry with it the amendment made last night by the Senator from Texas [Mr. CONNALLY]? He offered an amendment, and I entered a motion to reconsider it.

The PRESIDING OFFICER. It is a different section. It would not affect it.

Mr. COPELAND. Is not the amendment offered yesterday by the Senator from Texas [Mr. CONNALLY] an amendment to section 7?

The PRESIDING OFFICER. No.

Mr. COPELAND. To what section does it apply, Mr. President?

The PRESIDING OFFICER. It is a new section.

Mr. COPELAND. Then, may I say to my friend from Indiana, I yield the floor to him.

Mr. ROBINSON of Indiana. Mr. President, it seems to me that the amendment really requires no discussion. I can not feel that the Senate would take 8⅓ per cent from these totally disabled veterans who receive $1,000 or more.

I have some figures that I have gotten on the question from the Veterans' Administration that I should like to read to the Senate for the benefit of the RECORD.

On page 74, section 7 provides "rate of pension of each person receiving pension or compensation at a rate in excess of $1,000 per annum is reduced 10 per cent—

That is what it says here. It should be 8⅓ per cent now.

with respect to pensions or compensations accruing for all or any part of the fiscal year ending June 30, 1934," and further provides that "such reduction shall not operate to reduce any rate of pension or compensation to less than $1,000 per annum."

This last proviso, providing cuts in pensions and compensation, will have the following effect, I am advised by the Veterans' Administration.

As to those drawing disability compensation—that is, compensation for service-connected disabilities—if the law is enacted, it would apply to 49,941 disabled veterans of the World War and would effect a saving, at their expense, of $5,753,000.

Mr. HATFIELD. Mr. President, if the Senator will yield, I am informed that it would affect 73,629.

Mr. ROBINSON of Indiana. I think perhaps the Senator is correct in the total. I was about to get to that and will add some other figures to those already cited.

Of those drawing pensions, 23,460 would be affected and would lose $2,815,000. It would also affect 228 yellow-fever patients who were placed on the rolls after they had submitted to tests and inoculations made in the study of this disease and would cut these beneficiaries $2,800.

The amounts quoted would average for those drawing disability compensation a little more than $115 per year each, for the group drawing pensions a fraction more than $120 per year, and for the yellow-fever patients a fraction more than $122 per year.

Of those affected on the disability-compensation rolls, practically all would of necessity be rated totally and permanently disabled or temporary total rating with at least one dependent. For example, a man rated temporary total would receive $80 per month and not be reduced, but a man so rated, with a wife, would receive $1,080 per year and under the act lose $80 per year. If he had as dependents a wife and one child, he would receive $95 a month, or $1,140 per year, and would lose $114 per year. Those rated totally and permanently disabled receive $1,200 per year and would suffer a reduction of $120 per year.

The enactment of this legislation would affect only those pensioners who have received injuries in line of duty, and in many cases in exceptionally hazardous service, and who now require the regular aid and attendance of another person.

Mr. President, that means, of course, that these totally disabled veterans who would be affected by this proposed legislation are now in a situation where they require the permanent attention of a private nurse, and it seems to me unthinkable that the Senate would attempt to reduce the meager allowance now accorded these totally disabled veterans. It seems to me that would be actually cruel, and because I feel so certain the Senate would not agree to the amendment, I think I shall have nothing further to say on it at this time.

Mr. ODDIE. Mr. President, I agree fully with what the Senator from Indiana has just stated in regard to this matter. I feel that our country is too great, that our people are too broad-minded and liberal, to agree to sanction a cut of this kind. It is hard enough for able-bodied, healthy people to have to undergo privations and hardships such as large numbers are compelled to do to-day, but this goes farther than that, and affects disabled men, the men who served our country during the World War. I think we would make a great mistake in not wiping out this whole section.

Mr. HATFIELD. Mr. President, it is unthinkable that the Congress of the United States would vote to reduce the stipend which is being contributed to those who served our flag and our country in time of need. It is no less true that the same principle would apply to those who sacrificed themselves so that the whole world might know how to prevent and stamp out the ravages of yellow fever.

It is unthinkable that the Congress of the United States would reduce a pension which has been voted to a hopeless cripple—such as this section would—men who have lost both limbs, or who are deaf, not because of any fault of their own but due to the fact that they sacrificed themselves for what we are, what we represent, and what we enjoy in the way of comfort and happiness at the present time.

Mr. President, I trust that the Senate of the United States will vote unanimously against the adoption of section 7 of House bill 13520.

The PRESIDING OFFICER. The question is on agreeing to section 7.

The section was rejected.

Mr. BINGHAM. Mr. President, there are two perfecting amendments, one on page 69, line 15, to strike out "102 and 202" and to insert in lieu thereof "102, 202, and 203."

Mr. McKELLAR. I did not understand that.

Mr. BINGHAM. There are just two perfecting amendments on page 69.

Mr. McKELLAR. Perfecting in what way?

Mr. BINGHAM. The first is necessary because the Senate has voted to continue section 203.

Mr. McKELLAR. Very well.

Mr. BINGHAM. Also on page 78, line 20, to strike out the figure "4" and to insert in lieu thereof the figure "6."

The PRESIDING OFFICER. What does the Senator ask to have acted on first?

Mr. BINGHAM. I ask that the amendment I first presented, on page 69, line 15, be submitted.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 69, line 15, the Senator from Connecticut moves to strike out "102 and 202" and to insert in lieu thereof "102, 202, and 203" so as to read—

and, in the case of sections 102, 202, and 203, the figures "1932" shall be read as "1933."

Mr. LA FOLLETTE. Mr. President, that is unintelligible unless we have the statute before us. Will the Senator explain what the section does that he is inserting?

Mr. BINGHAM. Section 203 of the act which was continued by the committee, in line 8——

Mr. McKELLAR. What is section 203?

Mr. BINGHAM. The section provides:

No appropriation available to any executive department or independent establishment or to the municipal government of the District of Columbia during the fiscal year ending June 30, 1933, shall be used to pay the compensation of an incumbent appointed to any civil position under the United States Government or the municipal government of the District of Columbia which is vacant on July 1, 1932, or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filling of which may be authorized or approved in writing by the President of the United States.

Mr. McKELLAR. What does that do? I do not know to whom it refers.

Mr. BINGHAM. I am sorry the Senator does not remember that we discussed that in the committee. The House left out section 203, and we decided to put it in, that the President might fill positions, if he decided that it was the proper thing to do. The Senator from Tennessee himself was one of those who felt that the President should have the final say about the filling of positions.

Mr. McKELLAR. Instead of the Budget Director?

Mr. BINGHAM. That is the section.

Mr. McKELLAR. The Senator recalls it to my mind, and I see no objection to it.

Mr. LA FOLLETTE. Mr. President, as the Senator read the section, it seemed to me it contained a sweeping general provision, and granted an exception to the President of the United States so far as exercising discretionary authority, to set aside the general prohibition against the filling of positions. Will the Senator explain just what positions

there are in the District of Columbia which can not be filled under this section, but as to which he would grant the President power to make exceptions if he does so in writing?

Mr. BINGHAM. Mr. President, I explained on the floor before, when I took the matter up originally, that the House bill did not continue for the fiscal year 1934 section 203, which prohibited the filling of vacancies. The committee recommended continuing section 203 in force during the past fiscal year. That is all this would do. It was all explained and voted on before, and I am really trying to perfect what we did yesterday.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The CHIEF CLERK. On page 78, line 24, the Senator from Connecticut moves to strike out "4," and insert in lieu thereof "6," so that it will read:

And if in such action judgment shall be rendered against the United States, or the amount recovered for debt and costs shall be less than the amount so withheld as before provided, the balance shall then be paid over to such plaintiff by such Comptroller General of the United States with 6 per cent interest thereon for the time it has been withheld from the plaintiff.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BINGHAM. Mr. President, the only committee amendment remaining is title 4, on page 83, relating to the reorganization of the executive departments. Before we take that up, I think there should be a call for a quorum.

Mr. COPELAND. Mr. President, I entered a motion yesterday to reconsider the vote by which we adopted the Connally amendment, and I want to say just a word about that, and then take counsel of my colleagues.

It will be recalled that last night the Senator from Texas succeeded in amending the bill so that anybody receiving a pension from the Government, and receiving in civil life a salary of as much as $10,000, should not receive the benefit of his pension. Of course, the notable example, it was stated, was General Harbord.

Mr. President, I am taking a liberty in doing what I am about to do, but I hold in my hand a letter I received from General Harbord dated the 24th of January, which related to another part of the bill, but it is so conclusive a reply to the charge made about his being a tremendously high salaried man that I think it ought to go in the RECORD, and I am sure that General Harbord will forgive me for putting it in the RECORD. I ask that it be printed.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

NEW YORK CITY, *January 24, 1933.*

Hon. ROYAL S. COPELAND,
*United States Senate, Washington, D. C.*

DEAR SENATOR COPELAND: I am appealing to you to right in the Senate what I consider a breach of faith and an injustice. An amendment to the War Department appropriation bill was adopted by the House stopping all retired pay to retired officers whose incomes from any source are more than $3,000 per year.

I entered the Army as a private soldier on January 10, 1889, and was promoted to a commission at a time when a part of the compensation offered to induce young Americans to accept commissions was the long-enacted law that on retirement an officer would draw three-fourths of the pay he was receiving at the time of his retirement. This was a pledge by our Government on which the officers of the United States Army have heretofore always believed they could, with confidence, rely.

After 33 years and 11 months of service, during which I rose from private to major general, I was retired upon my own application, and accepted a position in business life, with the approval of the then Secretary of War, Hon. John W. Weeks, and on the urging of his predecessor the Democratic War Secretary under whom I had served during the World War, Hon. Newton D. Baker.

The compensation I have received from the Radio Corporation of America at various times has been stated on the floor of Congress, but never correctly, and never without much exaggeration. Actually it would seem to be my own business and within my rights.

As a member of the American Legion I have been of the opinion that the adjusted-compensation certificates should not be paid before maturity, a fact of which the national officers of the Legion are cognizant, and which does not cost me their respect. Last summer I was asked to become a member of the National Economy League, and did so. I was asked to preside at their organization meeting until their temporary organization was effected, and did so, but am not and never have been an officer of the league nor active in it. I would not apologize for it if I were, nor consider I was without my rights as a retired officer of the Army in such activity.

If it becomes law, this measure will wrong scores of retired officers of all grades, who, by writing or other means, are supplementing their retired pay, or may possibly have inherited some income.

I shall appreciate anything you may do.

Sincerely yours, J. G. HARBORD.

Mr. COPELAND. Mr. President, certainly it is not any of our business, if a man has rendered service, for instance, such as that rendered by General Harbord, what he receives in private salary. He was a private soldier. He enlisted in the Army and rose through the ranks to become a major general, is a man of great capacity, and has been employed by the Radio Corporation of America.

It is stated that General Harbord gets an enormous salary. I happen to know that it is not such an enormous salary, as such executive jobs go. I think the amendment should not have been adopted. I could speak of other men. I could speak of General Bullard or of General Summerall, who is now president of a college. Certainly those men earned their retirement pay, and they are entitled to their retirement pay regardless of what they may be able to earn by writing or by other activities in order to increase their incomes.

It is hardly fair, I assume, in view of the very small attendance and in the absence of the Senator from Texas himself to ask a reconsideration. I am saying what I am in the hope and expectation that when the bill goes to conference the inequity of the proposal and its unfairness will appeal to the conferees and will be dealt with in a just manner.

I notice that the Senator from Texas has just entered the Chamber, but perhaps in spite of that I shall simply permit these remarks to go in the RECORD and let the incident be closed, so far as this particular day is concerned. We have been here so long and it has been a day of such emotional excitement, as well as hard work, that I shall not undertake to have any more decisive action than I have suggested.

The PRESIDING OFFICER. Does the Senator from New York withdraw his motion?

Mr. COPELAND. Yes; I withdraw it.

Mr. BINGHAM. Mr. President, I find we have not adopted all of section 4, on page 69. We have only adopted various figures that were changed a little. In order to complete the situation the whole of it should be adopted at this time. There is nothing in it that has not already been explained and debated from time to time.

The PRESIDING OFFICER. The question is on adopting section 4, page 69, as amended.

The section as amended was agreed to.

Mr. BINGHAM. On page 87 we have not adopted the clause numbered section 22, beginning in line 16. That should be adopted.

The PRESIDING OFFICER. Let it be read for the information of the Senate.

The Chief Clerk read as follows:

SEC. 22. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application thereof to other persons or circumstances, shall not be affected thereby.

The PRESIDING OFFICER. The question is on agreeing to the section.

The section was agreed to.

Mr. BINGHAM. I ask unanimous consent that general authority be granted the clerks to renumber the sections as necessary.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. BYRNES. Mr. President, on page 87 I desire to offer an amendment which has the recommendation of the committee.

The PRESIDING OFFICER. Let it be reported for the information of the Senate.

The CHIEF CLERK. On page 87, after line 15, insert the following:

SEC. 22. (a) The Court of Claims of the United States is authorized, under such rules as it may prescribe, to impose a fee in an amount not in excess of $10 to be fixed by the court for the filing of any petition in any case instituted after the enactment of this act, and for the hearing of any case before the court, a judge, or a commissioner thereof pending at the time of the enactment of this act.

(b) The court is authorized to charge and collect a fee of 10 cents a folio for preparing and certifying a transcript of the record for the purpose of appeal by the plaintiff and for furnishing certified copies of judgments or other documents in cases in said court: *Provided*, That not less than $5 shall be charged for each certified copy of findings of fact and opinion of the court to be filed in the Supreme Court of the United States.

(c) The court is also authorized to charge and collect for each certified copy of its findings of fact and opinion a fee of 25 cents for 5 pages or less, 35 cents for those over 5 and not more than 10 pages, 45 cents for those over 10 and not more than 20 pages, and 50 cents for those of more than 20 pages.

(d) The clerk of the Court of Claims shall account to the Attorney General for all such fees, and shall deposit such fees to the credit of the Treasurer of the United States in the same manner as is provided in the case of collections by clerks of district courts as provided by section 9 of the act entitled "An act to fix the salaries of clerks of the United States district courts and to provide for their office expenses, and for other purposes," approved February 26, 1919, as amended (U. S. C., title 28, sec. 567).

Mr. BYRNES. Mr. President, in explanation, the Court of Claims, we learn, is the only court having no such fee system. All the district courts of the United States are provided with fees for the services described in the amendment. The fees herein described are just about one-half the fees charged by the clerks of courts of the United States. It is estimated that it would mean about $25,000 to $30,000 of revenue annually, if the amendment is adopted.

Mr. BINGHAM. Mr. President, I have no objection to the adoption of the amendment.

The amendment was agreed to.

Mr. ODDIE. Mr. President, I offer the following amendment: On page 71, after line 20, insert the following proviso:

*Provided further*, That the promotion of apprentices shall not be construed to be administrative promotions for the purposes of this section.

It is for the purpose of perfecting the amendment already adopted. It excepts apprentices working in the navy yards and other governmental establishments from the operation of the provision. I think the Senator from Connecticut will agree that it is only fair that the amendment should be adopted.

Mr. McKELLAR. Let it be read.

The PRESIDING OFFICER. The clerk will read the proposed amendment.

The CHIEF CLERK. On page 71, after line 20, after the word "section," insert the following:

*Provided further*, That the promotion of apprentices shall not be construed to be administrative promotions for the purposes of this section.

Mr. McKELLAR. Why is that offered?

Mr. BINGHAM. It was considered by the committee and I do not think it should be adopted.

Mr. ODDIE. I understand there are a number of young apprentices in the various navy yards and in similar positions who will be deprived of their just promotions by the amendment already adopted unless this amendment is agreed to. As I understand it, their pay is increased so much per year for the years in which they are acting as apprentices. I do not think it can be the intention of the Congress that they should be penalized in this way.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. ODDIE].

The amendment was agreed to.

Mr. GORE. Mr. President, I desire to offer an amendment in the form of a new section at the end of the bill. I have submitted this amendment to the Senator from South Carolina [Mr. BYRNES] and the Senator from Connecticut [Mr. BINGHAM], who is in charge of the bill. I will say to the Senator from Connecticut that I have transformed it into a new section instead of submitting it as an amendment to section 403.

The PRESIDING OFFICER. The amendment will be reported for the information of the Senate.

The CHIEF CLERK. On page 87, after the amendment heretofore agreed to, following line 19, insert the following as a new section:

SEC. 410. The President is authorized to require the Civil Service Commission and the Secretary of Labor and any other agency or officer of the Government to cooperate in making a study and preparing a report as to the feasibility of establishing a system for adjusting and determining from time to time the compensation of civil-service employees on the basis of the prevailing retail index or price level, including rents.

Mr. BINGHAM. Mr. President, I have examined the amendment suggested by the Senator from Oklahoma, and I am sure the committee has no objection to it.

Mr. GORE. Mr. President, I should like it to go to conference. Denmark has had this plan in operation for years, and I am advised by the legation that it worked successfully and satisfactorily. I desire to print in the RECORD at this point a letter from the Danish Legation relating to that system.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

LEGATION OF THE UNITED STATES OF AMERICA,
*Copenhagen, November 30, 1932.*

The Hon. T. P. GORE,
*Committee on Finance, United States Senate,*
*Washington, D. C.*

DEAR SENATOR GORE: I acknowldge the receipt of your letter of of October 27, and have taken pleasure in having the following information compiled in answer to your inquiry:

In 1919 Denmark adopted a system for the regulation of the payment of Government employees on the basis of the cost of living. Special provisions to that end were adopted in the civil service law of September 12, 1919. Similar regulations were gradually adopted by a number of the larger Danish communities, and during a labor conflict in 1921–22 the system was also adopted in principle by the labor unions and by the employers' association.

The adoption and exercise of this policy in Denmark after the war has stood its test as a flexible means of adjusting the economic interests of those concerned. It has not only contributed to simplify the wage problem of officials in general but it has also served as a valuable medium of settling labor conflicts in periods when the replacement of values affected the economic interests of the employers or the laborers.

It should be mentioned, however, that the original arrangement, which was instituted by Law No. 489 of September 12, 1919, has been subject to revision several times to meet varying conditions.

The law of 1919 provided for two individual forms of allowances to offset the effect of the high cost of living, namely, the so-called "high-cost-of-living allowance," which was based upon a price index, and a "contingent allowance," which was fixed by the Government.

The object of the former was that of regulating the wages upon basis of the price level, while the object of the latter was that of establishing an economic balance in the social standard of living between the Government employees on the one side and other classes of the population on the other. Theoretically there existed the possibility that, although the price level might be high, the public might be poor, and vice versa. It was, therefore, decided that the regulation of the wages of Government employees should not only depend on the fluctuations of the prices but that other irregularities which might occur should be adjusted through the medium of a contingent allowance.

The high-cost-of-living allowance, which was uniform for all classes with basic wages totaling over 1,800 crowns per annum, amounted to 702 crowns in 1919. It was based upon a price index of 211. On October 1, 1920, the high-cost-of-living allowance reached its climax at 1,134 crowns, where it remained stationary for about one year. The allowance then dropped gradually and was fixed at 378 crowns on October 1, 1926. Meanwhile the contingent allowance was subject to an automatic reduction. In 1927 the whole allowance problem was subject to a revision, and by the new civil service law of March 31, 1931, a new basis was laid down for the regulation of the wages of Government employees. While the large communities have continued to follow the principles embodied in the various Government laws, the labor unions and the Employers' Association abandoned the system in 1927.

Under the new law the high-cost-of-living allowance and the contingent allowance were combined and replaced by the so-called regulation allowance. The following is an analysis of the law of 1931 governing the payment of regulation allowance to Government employees, which is now in force:

Article 89 of the civil service law of March 31, 1931, provides that all Government employees shall be entitled to a nonpension regulation allowance, which will be paid monthly together with the wages.

Article 90 provides that upon direction of the Minister of the Interior the municipalities of Copenhagen, the municipalities of Danish provisional towns, and of 100 country districts shall collect information regarding the retail prices of prime necessities, clothes, fuel, light, and rent. This information shall be collected during the first week of the four quarters, beginning January 1, April 1, July 1, and October 1. The information must be entered by the municipal boards on forms issued by the statistical department and must be returned to the latter before the 15th of each of the four months in question.

Article 90 provides that on basis of the reports, covering the price ruling in January of each year, the statistical department must work out before February 20 of each year a household account (price index) covering the expenses of a standard family (which before the war expended 1,592 crowns for this purpose) for indispensable food, clothes, fuel, light, and rent.

The table below shows the amounts, fixed upon the basis of the wages (basic salary, age allowance, and personal nonpension allowances) which will be paid annually at varying price indexes, in the form of regulation allowance to married men, widowers, widows, to men and women who have been divorced or separated, who keep their own households or have dependents under 18 years, and to unmarried persons who have dependents—who have their own household:

*Regulation allowance*

| Class of wages | Expense figure | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2,427–2,842 kroner | 2,323–2,426 kroner | 2,219–2,322 kroner | 2,115–2,218 kroner | 2,011–2,114 kroner | 1,907–2,010 kroner | Under 1,907 kroner |
| | *Per cent* | *Per cent* | *Per cent* | *Per cent* | *Per cent* | *Per cent* | *Per cent* |
| Below 1,500 crowns | 33 | 27 | 22 | 16 | 11 | 5 | 0 |
| | *Kroner* | *Kroner* | *Kroner* | *Kroner* | *Kroner* | *Kroner* | *Kroner* |
| 1,500–1,799 crowns | 528 | 444 | 360 | 276 | 180 | 84 | 0 |
| 1,800–2,999 crowns | 564 | 468 | 372 | 276 | 180 | 84 | 0 |
| 3,000–4,499 crowns | 600 | 504 | 408 | 312 | 216 | 108 | 0 |
| 4,500–5,999 crowns | 648 | 540 | 432 | 324 | 216 | 108 | 0 |
| 6,000–7,499 crowns | 696 | 588 | 480 | 372 | 252 | 132 | 0 |
| 7,500–8,999 crowns | 744 | 624 | 504 | 384 | 264 | 132 | 0 |
| 9,000–10,499 crowns | 804 | 672 | 540 | 408 | 276 | 144 | 0 |
| 10,500 crowns and above | 876 | 732 | 588 | 444 | 300 | 156 | 0 |

If the expense figure should advance to Kr. 2843, and for each time it exceeds this figure by Kr. 104, the regulation allowance, appearing in the column covering the expense figure from Kr. 2842 to Kr. 2427, will be increased by amounts, corresponding to the difference between the allowance in question and the identical allowance appearing in the succeeding column. The per cent allowance granted in connection with wages below Kr. 1500 will be increased alternatingly by 5 and 6 per cent.

Government employees, other than those mentioned above, will, provided they are over 40 years of age, obtain a regulation allowance corresponding to two-thirds of the amount stipulated above.

All other Government employees will obtain a regulation allowance, representing one-third of the amount stipulated above.

When married couples, who live together, are both entitled to regulation allowance, each of the two parts will obtain one-half of the highest rate of allowance to which they are entitled.

If either one of two people, who are married and who live together, obtain regulation allowance based upon wages or pension from the State, and the other party obtains a corresponding allowance as an employee of a municipality, or as an employee of a concessioned enterprise, the regulation allowance granted by the Government will be regulated in the same manner as if the other party was a Government employee.

The administration is authorized to demand any information which is necessary for fixing the regulation allowance. In case of refusal, the right of obtaining the allowance is forfeited.

Trusting that this may be of interest and value to you, I am, with kindest regards,

Respectfully yours,

F. W. B. COLEMAN,
*American Minister.*

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Oklahoma [Mr. GORE].

The amendment was agreed to.

Mr. BINGHAM. Mr. President, before we come to the final amendment I have a little amendment which I would like to suggest on my own behalf. On page 74, after line 14, insert the following new section:

Section 213 of the legislative appropriation act, fiscal year 1933, is repealed.

This is the amendment which I promised some time ago to make to repeal the section, which forbids the employment of married women whose husbands are engaged in the Government service. The application of section 213 has caused a great deal of hardship. Furthermore, I agree entirely with the report made by the Civil Service Commission that the insertion of this in legislation is contrary to the principles of the civil service act. They recommend the repeal of the section. It provides that persons who are being examined for appointment to the Government service by the Civil Service Commission, no matter what their efficiency, no matter how high their rating, no matter how great their ability, if they have a consort to whom they are legally married and with whom they are living, they may not be considered for appointment.

Mr. McKELLAR. Mr. President, so far as I am concerned, I am not opposed to the amendment of the Senator from Connecticut to insert such a provision, but I think one of our colleagues on the Economy Committee is, and I would like to have it go over until he returns. I take the same view about it that the Senator from Connecticut does.

Mr. COPELAND. Mr. President, I hope the amendment will be placed on its passage. It ought to be adopted.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 74, after line 14, insert a new section, as follows:

Section 213 of the legislative appropriation act, fiscal year 1933, is repealed.

Mr. BINGHAM. There is nothing else to be taken up so far as I know except Title IV, and before that is taken up I think we should have a quorum call. Therefore I suggest the absence of a quorum.

Mr. COPELAND. Mr. President, just a moment before that is done. Will the Senator withhold his suggestion for a moment?

Mr. BINGHAM. Very well.

Mr. COPELAND. Mr. President, there were some of us last year who protested vigorously against this unjust provision in the act. I agree with the Senator from Connecticut that it has worked out to the disadvantage of the Government. There are several cases which have come to my personal attention where women of particularly desirable qualities and expert knowledge of certain activities of the Government have been lost to the Government by reason of that provision of the law. I hope at a suitable time this matter may be passed upon by the Senate.

Mr. McKELLAR. Mr. President, I am in entire accord with what the Senator from New York and the Senator from Connecticut have said about it. I took that position in the committee, but two of our committee members, I believe, were opposed to it.

Mr. BINGHAM. Mr. President, I renew my suggestion of the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Bingham | Byrnes | Copeland |
| Austin | Black | Capper | Costigan |
| Bailey | Blaine | Caraway | Couzens |
| Bankhead | Bratton | Clark | Dale |
| Barbour | Bulkley | Connally | Dickinson |
| Barkley | Bulow | Coolidge | Dill |

| | | | |
|---|---|---|---|
| Fess | Hebert | Moses | Sheppard |
| Frazier | Hull | Neely | Steiwer |
| George | Johnson | Norris | Thomas, Idaho |
| Glenn | Kean | Nye | Townsend |
| Goldsborough | Kendrick | Oddie | Trammell |
| Gore | Keyes | Pittman | Vandenberg |
| Grammer | La Follette | Reynolds | Wagner |
| Hale | Lewis | Robinson, Ark. | Walcott |
| Harrison | McGill | Robinson, Ind. | Watson |
| Hastings | McKellar | Russell | White |
| Hatfield | McNary | Schall | |
| Hayden | Metcalf | Schuyler | |

The PRESIDING OFFICER (Mr. FESS in the chair). Seventy Senators having answered to their names, a quorum is present. The clerk will report the amendment offered by the Senator from Connecticut.

Mr. BINGHAM. Mr. President, I ask that that amendment be passed over. The important thing at this time is to take up Title IV, the amendment on page 83, reported by the committee, relative to the organization of the executive departments. I understand the Senator from South Carolina [Mr. BYRNES] has an amendment in the nature of a substitute to offer therefor.

Mr. BYRNES. I offer an amendment in the nature of a substitute for Title IV.

The PRESIDING OFFICER. The clerk will state the amendment in the nature of a substitute offered by the Senator from South Carolina.

The Chief Clerk proceeded to read the amendment in the nature of a substitute submitted by Mr. BYRNES.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the further reading of the amendment may be dispensed with, so that the Senator from South Carolina may immediately explain it.

Mr. BINGHAM. Mr. President, before that is done, will the Senator permit me to ask unanimous consent that when the Senate finishes its business to-night it take a recess until 12 o'clock noon to-morrow?

Mr. McKELLAR. Certainly.

Mr. BINGHAM. I ask unanimous consent that when the Senate concludes its business this evening it take a recess until 12 o'clock noon to-morrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Now, Mr. President, I renew my request for unanimous consent to suspend the further reading of the amendment and that the Senator from South Carolina may be recognized to explain the amendment. I make this suggestion in order to save time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment proposed by Mr. BYRNES in the nature of a substitute is, on page 83, to strike out all of "Title IV," and in lieu thereof to insert the following:

TITLE IV—REORGANIZATION OF EXECUTIVE DEPARTMENTS

DECLARATION OF STANDARD

SEC. 401. In order to further reduce expenditures and increase efficiency in government, the President shall investigate the present organization of all executive and administrative agencies of the Government and shall determine what changes therein are necessary—

(a) To group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes;

(b) To reduce the number of such agencies by consolidating those having similar functions under a single head, and by abolishing such agencies and/or such functions thereof as may not be necessary for the efficient conduct of the Government;

(c) To eliminate overlapping and duplication of effort; and

(d) To segregate regulatory agencies and functions from those of an administrative and executive character.

DEFINITION OF EXECUTIVE AGENCY

SEC. 402. When used in this title the term "executive agency" means any commission, independent establishment, board, bureau, division, service, or office in the executive branch of the Government and, except as provided in section 403, includes the executive departments.

POWER OF PRESIDENT

SEC. 403. Whenever the President, after investigation, shall find and so declare that any regrouping, consolidation, transfer, or abolition of any executive agency or agencies and/or the functions thereof is necessary to accomplish the purpose provided in section 401 of this title, he may by Executive order—

(a) Transfer the whole or any part of any executive agency and/or the functions thereof to the jurisdiction and control of any other executive agency;

(b) Consolidate the functions vested in any executive agency; or

(c) Abolish the whole or any part of any executive agency and/or the functions thereof; and

(d) Designate and fix the name and functions of any consolidated activity or executive agency and the title, powers, and duties of its executive head; except that the President shall not have authority under this title to abolish or transfer an executive department and/or all the functions thereof.

SEC. 404. The President's order directing any transfer, consolidation, or elimination under the provisions of this title shall also make provision for the transfer or other disposition of the records, property (including office equipment), personnel, and unexpended balances of appropriations affected by such transfer, consolidation, or elimination.

SAVING PROVISIONS

SEC. 405. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred or consolidated with any other executive agency or function under the provision of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, power, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the executive agency or other officer of the United States to whom the authority, powers, and duties are transferred.

(c) All laws relating to any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title shall, in so far as such laws are not inapplicable, remain in full force and effect, and shall be administered by the head of the executive agency to which the transfer is made or with which the consolidation is effected.

WINDING UP AFFAIRS OF AGENCIES

SEC. 406. In the case of the elimination of any executive agency or function the President's order providing for such elimination shall make provision for winding up the affairs of the executive agency eliminated or the affairs of the executive agency with respect to the functions eliminated, as the case may be.

EFFECTIVE DATE OF EXECUTIVE ORDER

SEC. 407. Whenever the President makes an Executive order under the provisions of this title such Executive order shall be submitted to the Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission, unless Congress shall by law provide for an earlier effective date of such Executive order or orders: *Provided*, That if Congress shall adjourn before the expiration of 60 calendar days from the date of such transmission such Executive order shall not become effective until after the expiration of 60 calendar days from the opening day of the next succeeding regular or special session.

APPROPRIATIONS IMPOUNDED

SEC. 408. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any purpose, but shall be impounded and returned to the Treasury.

TERMINATION OF POWER

SEC. 409. The authority granted to the President under section 403 shall terminate upon the expiration of two years after the date of enactment of this act, unless otherwise provided by Congress.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. BYRNES. Mr. President, the only difference between the amendment and the text of the bill as reported by the committee is that in section 401, instead of a declaration of policy, words have been substituted which define a standard and which provide for an investigation by the President as to the existing administrative agencies of the Government and lay down a rule to be followed by any Executive order which he may thereafter promulgate.

The second change is that in section 403 it is provided that the President may issue an Executive order after investigation by him and after the declaration of the existence of the facts set forth in section 401.

The third change is in section 407. That section in the bill as reported provides that when an Executive order is

submitted to Congress the Congress by a concurrent resolution may disapprove the order of the President. That is the effect of the language of the bill. In the amendment now offered that authority is eliminated, and it is provided that whenever the President shall issue an Executive order it shall be submitted to Congress while the Congress is in session " and shall not become effective until after the expiration of 60 calendar days after such transmission, unless Congress shall by law provide for an earlier effective date of such Executive order or orders."

It further provides " if Congress shall adjourn before the expiration of 60 calendar days from the date of such transmission such Executive order shall not become effective until after the expiration of 60 calendar days from the opening day of the next succeeding regular or special session."

The reason for the omission from the amendment of the language contained in the bill with respect to action by Congress by concurrent resolution is that in the veto message of the President, sent to Congress on January 24 last, disapproving the deficiency appropriation bill because of the inclusion in that bill of the amendment offered by the Senator from Tennessee [Mr. MCKELLAR], the opinion of the Attorney General, which is cited in the message, calls attention to the fact that the provision contained in the existing law which was enacted by the Congress at the last session giving to the President the power to reorganize the departments of the Government and authorizing one House to disapprove the action of the President was probably unconstitutional. The Attorney General said, as appears from the message of the President, as follows:

> The attempt to give to either House of Congress by action which is not legislation power to disapprove administrative acts raises a grave question as to the validity of the entire provision in the act of June 30, 1932, for executive reorganization of governmental functions.

An investigation of the authority cited by the Attorney General in that veto message causes me to conclude that the Attorney General was probably correct in that opinion, and that if the Congress should now enact the bill in the form in which it was reported by the committee, providing for the disapproval by the Congress of the Executive order of the President by concurrent action and not by legislative action—not by law but merely by the action of the two Houses overriding the final action of the Executive—it would be unconstitutional.

I know that the Congress has no desire to pass this bill in a form which would cause the Attorney General to recommend a veto and cause the President, following the judgment of his Attorney General, to veto the bill.

That, Mr. President, is the difference between the bill and the amendment I have offered.

As to the provisions of the bill, I think, judging from the discussion which has taken place in this body within the last few days, that the Senate is of the opinion that there can be no real merger and consolidation of bureaus if we must wait for the Congress to act. I think, as I have said before, that the nearest earthly approach to immortality is a bureau of the Federal Government. We never can abolish a bureau of the Federal Government by act of Congress. Whenever it is attempted, all of the pressure is brought to bear by those interested in the continuation of the particular bureau. In the same way, I am satisfied that if there is an effort to consolidate or merge bureaus we will have the same experience.

I came to the House of Representatives in 1911. I remember then, in my first session of the Congress, learning of the efforts that had been made for years to reorganize the Customs Service; and though the Congress wanted to abolish customs districts and the position of collector of the port at many places where men were drawing large salaries—the salaries in some instances being four or five times as great as the receipts of the office—Congress never could accomplish the reduction in the expenditures of government.

Finally, the Congress authorized the President to reorganize the Customs Service. President Taft brought about that reorganization; not, however, until there came from all over the country men to protest against the change in the Customs Service which brought about a reduction of salaries of officeholders in this country. The Customs Service was reorganized and has functioned with greater efficiency since that date.

In 1920 a joint commission of the Congress was appointed, and Members now serving in the Senate served upon that commission and worked faithfully upon the preparation of a plan to reorganize the departmental service, only to find, when completed, that it could not be passed by the Congress.

Recently, we know that the Congress authorized President Hoover to proceed with this reorganization. I know that men will say that the order submitted by the President brought about no substantial saving. I have said that. I regret that at the time his Executive order was submitted it did not set forth any savings that would be effected as a result of it. However, the Economy Committee intended to go into the consideration of that measure upon its merits. By reason of the action of the House we were precluded from doing so.

This is no partisan question, because the President of the United States, after submitting his Executive order to the Congress, said this:

> Either Congress must keep its hands off now, or they must give to my successor much larger powers of independent action than given to any President if there is ever to be reorganization; and that authority, to be effective, should be free of the limitations in the law passed last year which gives Congress the veto power, prevents the abolition of functions, and prevents the rearrangement of major departments. Otherwise it will, as is now being demonstrated in the present law, again be merely make believe.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Wisconsin?

Mr. BYRNES. Yes.

Mr. LA FOLLETTE. I should like to ask the Senator two questions concerning the amendment. One is with regard to section 402, as to whether or not the Senator interprets that language to include the Federal Trade Commission, the General Accounting Office, and the Interstate Commerce Commission.

Mr. BYRNES. Under the definition of " Executive agencies " it would include all of the commissions and departments of the Government except the executive departments.

Mr. LA FOLLETTE. One other question: I understood the Senator to say, with regard to section 407, that any action by the Congress save by joint resolution would be unconstitutional.

Mr. BYRNES. I stated that that was the opinion expressed by the Attorney General, and that I concurred in that opinion.

Mr. LA FOLLETTE. But of course that, I take it, does not go so far as to justify on the ground of constitutionality the provision contained in section 407 which does not give the Congress any veto at all. It simply gives it the opportunity of advancing the date upon which the order of abolition or consolidation or reorganization shall take effect.

Mr. BYRNES. I will say to the Senator that under the provisions of this bill it is purposely provided that it shall not become effective for 60 days, during which 60 days the Congress is in session, in order that the Congress may act. Without the Congress giving itself the power to disapprove, the Congress has that power; and within the 60 days which must expire the Congress can act, if it sees fit to do so.

That was the purpose of providing that the order should not become effective for 60 days, in order that the Congress might act; and we did not believe, or I did not believe, that it would give or could give any additional power to the Congress to say that Congress could disapprove it, because I know the Senator will agree that Congress could disapprove it without any such provision in this amendment.

Mr. LA FOLLETTE. May I ask the Senator whether he concurs in the position taken by the Attorney General in his opinion?

Mr. BYRNES. I will say to the Senator that I do. I think, however, that the Attorney General, if he was of

that opinion, should have advised the President of it when the bill was passed last year. I think if he was of that opinion, he should have advised the President when the President submitted the Executive order to the House and not have waited until the President was sending a veto message to the Congress on the subject of the income-tax refund, and then, as mere dictum, call attention to it. But, regardless of what he should have done, I concur that his statement of the law is correct; and, because of that, I think it would be exceedingly unwise to include in this bill a provision which undoubtedly would result in his advising the President to the same effect that he has stated in this veto message and bring about the veto of the bill.

Mr. BINGHAM. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Connecticut?

Mr. BYRNES. I do.

Mr. BINGHAM. It is true that the Senator, in his amendment to section 407, has provided that this order shall not go into effect until 60 calendar days after transmission to Congress, unless—now I ask the Senator to observe what he has provided—

> Unless Congress shall by law provide for an earlier effective date of such Executive order or orders.

Mr. BYRNES. Yes.

Mr. BINGHAM. In other words, all that the Congress could do is by law to provide that the order shall go into effect a little earlier.

Mr. BYRNES. Oh, no!

Mr. BINGHAM. Congress can not veto it.

Mr. BYRNES. Oh, yes!

Mr. BINGHAM. But the Senator has not said that. He does not say it shall go into effect unless the Congress shall by law provide for something else. All that the Senator provides that the Congress may do by law is to provide for an earlier effective date.

Mr. BYRNES. I do not think the Senator from Connecticut listened to me as I replied to the Senator from Wisconsin. That language is necessary, because the amendment provides that the order shall not go into effect until 60 days, unless the Congress by affirmative action should pass a joint resolution, which must be signed by the President, and which by law would be subsequent action to this, and which would declare that it should go into effect on some other date.

Mr. BINGHAM. Then what the Senator means is that the only way the Congress can undo what the President does during the next two years is to pass a law repealing this law, which the President must sign or the Congress pass over his veto by two-thirds vote.

Mr. BYRNES. Right.

Mr. BINGHAM. Or else provide for an earlier effectiveness.

Mr. BYRNES. Right.

Mr. BINGHAM. In other words, Congress has to go to work and repeal the law.

Mr. BYRNES. Congress has to repeal the law, or——

Mr. BINGHAM. Under the provisions of the amendment, Congress has no veto power on the proposals of the President other than to repeal the original law.

Mr. BYRNES. Yes. Under the decision of the Attorney General, which is correct, the Congress by concurrent action of the two Houses can not veto the final action of the Executive.

Mr. BINGHAM. Mr. President, now that we understand the proposal, I understand perfectly why the Senator has perfected his amendment to make it apply only to the next two years. I think it is a very dangerous power to give to any President, and I hope that the new President will not abuse it; but I can not possibly agree that we are going to say to the new President, whom we all respect and whose administration we hope will be successful, "During the next two years you may try your hand at remaking the United States Government by consolidating everything except departments, by abolishing everything except departments, and the Congress can not possibly do anything about it except repeal this law."

Mr. President, had I known that was the Senator's amendment, I should have been more decidedly opposed to it; and I do not believe that most Members of the Senate—only 52 of whom answered the last roll call—appreciated what the Senator was trying to do any more than I did, and I hope the Senator will not press for a vote on it this evening.

Mr. BYRNES. Mr. President, the amendment I have offered has been pending for some days, and I am sure the Senator from Connecticut has had opportunity to see it; and my recollection is that I even told him some days ago the reason why section 407 was changed—by reason of the action of the Attorney General in the veto message to which I have referred.

Mr. BINGHAM. Mr. President, I am sorry. It is quite true the Senator spoke to me about it; but even the Senator from Michigan [Mr. VANDENBERG]—who is not in charge of the bill and who has not had to spend 13 hours a day in trying to get this bill through—thought as I did, that there was some provision in it for veto by the Congress, and was surprised when he read the section again to discover that the only power given to the Congress under the section was to make the date of reorganization a little earlier.

Mr. BYRNES. I have told the Senator from Connecticut the fact. It is the fact that this bill can not give to one House or to two Houses the power to veto the action of the Executive under an order provided for in this bill. I think the Senator from Connecticut will agree that the Attorney General was right in saying that one House could not veto the final action of the Executive, and two Houses would have no greater power than one House would have; and we are brought face to face with the question as to whether or not we are ever going to take a step toward the reorganization of the departments of the Government.

If we are to do it, it must be done in this way. If an order is sent to the Congress, it will not become effective for 60 days; during which time, if the Congress sees fit, it can repeal the entire act. It can prevent the carrying into effect of any order that may be filed by the President of the United States. In no other way can the reorganization of the departments of the Government be brought about. If it is sought to do it by giving to the Congress the power—one or two Houses—it would be futile and vain.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. BYRNES. Yes; I yield to the Senator.

Mr. NORRIS. Has any amendment to the amendment the Senator is discussing now been agreed to?

Mr. BYRNES. Mr. President, under the amendment as read at the desk I added a section, which was in form the amendment offered by the Senator from New York [Mr. COPELAND] providing that the powers granted to the President in section 403 should expire in two years from the date of the approval of the act. Otherwise it is exactly as it appears.

Mr. NORRIS. Mr. President, I was not aware of the pending of this amendment which the Senator is now discussing, a very comprehensive one, which would take out of the bill several pages. It would take out of the bill language where I desired to offer an amendment. I find the same language in the amendment of the Senator, and before it is voted on I want to offer an amendment, unless, during the debate, I am convinced that it will not be the proper thing to do. If the Senator will turn to page 3 of his amendment, line 10, commencing with the word "except," I want to strike out the balance of line 10, and lines 11, 12, and 13. In other words, I want to leave the power of the President without the exception that is stated in the language I want to strike out.

Mr. BYRNES. Mr. President, I will say to the Senator that as to that language it is absolutely essential if there is to be any saving at all effected by the reorganization of the departments of the Government. There is no doubt but

that the mere merger and consolidation which were sought to be effected by the Executive order filed by President Hoover at this time amounted merely to a shuffling about of bureaus, without the abolishment of a single activity, and, therefore, retaining all of the expenditures which have heretofore existed.

Looking over the Executive order, the Senator from Connecticut, I remember, in a very enlightening speech over the radio, called attention to that very fact, that by the mere merging and consolidating of bureaus there was no material saving effected by the order. In all fairness to the President, I must say that, under the powers vested, which involve merely transferring one bureau to another, without the power to abolish any, there could be no substantial saving.

Mr. NORRIS. Mr. President, I do not understand that the Senator is talking about the same provision about which I am speaking.

Mr. BYRNES. Then I misunderstood the Senator.

Mr. NORRIS. What I am seeking to do by this amendment is to enlarge the powers of the President given by the Senator's amendment. I want to strike out the exception. I want to give the President power to combine departments as well as bureaus.

Mr. BYRNES. I did not understand the Senator's amendment. The language to which the Senator refers was inserted by reason of the action of the Committee on Appropriations.

Mr. NORRIS. What is the objection, let me ask the Senator, to my amendment?

Mr. BYRNES. I may say to the Senator that I see no objection, and as originally offered by me the provision did not contain that language.

Mr. NORRIS. Does not the Senator think that one of the great savings which could be effected by a reorganization would be through abolishing some of the departments?

Mr. BYRNES. I agree with the Senator, but the amendment as reported by the committee carries that exception, which was inserted by vote in the committee. That is the explanation of it appearing in the bill, and I carried it into my amendment.

Mr. NORRIS. We are asked to confer, by this act, a very great power upon the President, one which I think is necessary, under the conditions, one I would not vote for under any other conditions. But I do not see any reason why, if we are to confer on the President the power to combine various bureaus, we should not go a step farther and give him the authority to combine departments. Perhaps upon investigation he would not exercise it.

Mr. BYRNES. Mr. President, I so much agree with the Senator that I say that I have confidence that the President of the United States is not going to exercise the authority conferred upon him in this measure in any unwise or dangerous manner. The President of the United States has a responsibility to the people, just as we have.

Mr. NORRIS. After all, no matter what we may think about it, we proceed on the theory that the President is just as much interested in economy as we are, and we are giving him a power that, from the very conditions which confront any legislature, it is practically impossible for us to carry out.

Mr. BYRNES. The Senator and I would agree that all legislative bodies are collectively in favor of economy, and individually in favor of extravagance.

Mr. NORRIS. Yes; that is the way it turns out when we apply it practically.

The PRESIDING OFFICER. Does the Senator offer his amendment now?

Mr. NORRIS. I have not the floor. I was trying to find out, if I could, what possible objection there could be to striking this language out, before I offered the amendment.

Mr. BYRNES. Mr. President, I respond to the Senator that I see no objection, but Senators who are on the committee did object, on the ground that they did not want departments combined, and I do not think I would be misstating their position when I say that they were opposed to the War and Navy Departments being combined, more than any other two, and did not want to leave the measure in such condition that that power might be exercised. I think it is fair to make that statement.

Mr. NORRIS. Of course, I can see a very plausible objection to any of this legislation. I do not think anybody will doubt that there is some objection to it. We would not be thinking of doing this except in great emergency; at least, I do not think I would.

Mr. BYRNES. I agree with the Senator.

Mr. NORRIS. I personally do not see any reason why we should not give to the President this authority and say to him, "If you, on investigation, think that it can be done, and think it is proper, you may combine departments, as well as bureaus." It is a step farther than the bill goes, but, to my mind, without my being an expert on the subject, it seems to me there might be the greatest of economy.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. NORRIS. I apologize. I offer the amendment on page 3, line 10, commencing with the word "except," to strike out the balance of line 10 and lines 11, 12, and 13, the language stricken out being the words, "except that the President shall not have authority under this title to abolish or transfer an executive department and/or all the functions thereof."

Mr. BINGHAM. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BINGHAM. Would not that be an amendment in the third degree?

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina is a substitute, so the amendment of the Senator from Nebraska would be in order. The question is on the amendment offered by the Senator from Nebraska to the amendment of the Senator from South Carolina.

Mr. COUZENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Austin | Costigan | Hayden | Nye |
| Bailey | Couzens | Hull | Oddie |
| Bankhead | Cutting | Kean | Pittman |
| Barkley | Dale | Keyes | Robinson, Ark. |
| Bingham | Dickinson | La Follette | Schall |
| Black | Dill | Lewis | Schuyler |
| Bratton | Fess | McGill | Sheppard |
| Bulkley | Frazier | McKellar | Steiwer |
| Byrnes | George | McNary | Townsend |
| Capper | Goldsborough | Metcalf | Vandenberg |
| Clark | Gore | Moses | Wagner |
| Connally | Hale | Neely | Walcott |
| Copeland | Hastings | Norris | White |

The PRESIDING OFFICER. Fifty-two Senators having answered to their names, there is a quorum present.

The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. NORRIS] to the amendment in the nature of a substitute offered by the Senator from South Carolina [Mr. BYRNES].

Mr. BINGHAM. Mr. President, the amendment proposed by the Senator from Nebraska was considered in the full Committee on Appropriations when there was a very good attendance.

The Senator from South Carolina moved to insert the word "departments" in the bill, which was debated at length in the committee with a very full attendance, as I said, and on a vote of the committee it was not agreed to. It was pointed out that it gave the President too much power. In fact, there was some question about its constitutionality, but there is no question about it that to do what the Senator from Nebraska wants to do means that the President, if he chose to do so, could combine the Departments of the Army and Navy, he could combine the Department of Commerce and the Department of Labor, or he could combine the Department of Agriculture and the Department of the Interior. He could disrupt the entire Government service.

I know the Senator from Nebraska is not interested in having anything happen to the Department of Agriculture. Personally I am not interested in having anything happen

to the departments concerned with the national defense which will interfere with their efficiency. In accordance with the traditions of my family, which, ever since 1066, has, in certain branches of it, been connected with the national defense of whatever country we belonged to, I believe in having the defense of my country as efficient as possible. When this country went to war, I was all prepared to take my part in it and served all during the war.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Illinois?

Mr. BINGHAM. I yield.

Mr. LEWIS. May I ask the diligent Senator from Connecticut if he feels that consolidation of the War and Navy Departments and of aeronautics under a single head would weaken the defense or lessen the efficiency of the Government?

Mr. BINGHAM. I do, and I base my belief on the study made of this question by the commission presided over by the late distinguished Senator from New Jersey, Mr. Morrow, the so-called President's aircraft board, known as the Morrow board, which considered very carefully the consolidation of the departments, particularly with reference to the question of air power, and came to the conclusion after long study and very thorough investigation that in the first place it would lay upon the shoulders of one man, the secretary of national defense, an even greater burden than to-day lies upon the shoulders of the Secretary of War, which is almost more than any one man can handle.

If the Senator from Illinois, with his long acquaintance with Government departments, will but recollect all the different things the Secretary of War has to do and the important duties he has to perform, he will realize that it is almost impossible to perform those duties effectively, and yet the Senator from Nebraska would add to that man's shoulders the duty of attending to the Navy. That is the first objection, that it is requiring almost superhuman ability on the part of any one person. At the present time the President of the United States himself is Commander in Chief of the Army and Navy, and in time of war is the coordinating force that must take charge.

The second objection found by the Morrow board to this plan was that it would necessitate the setting up of a supergeneral staff. The General Staff of the Army has its hands quite full at the present time studying problems and putting into effect the best possible preparedness for that branch of the service. The General Board of the Navy has its hands full with naval problems. To set up a minister of national defense would require a supergeneral staff to consolidate and coordinate those matters, and in the opinion of the Morrow board, arrived at unanimously, it would be inadvisable and would cause additional expense and confusion.

It has been my desire to see this country prepared against emergencies in the national defense. I believe it can best be done under the present arrangement by having a separate Secretary of War and a separate Secretary of the Navy, and letting the President himself, as did President Wilson during the World War and as President Lincoln did during the Civil War, coordinate those departments and not attempt to set up a junior president or kind of vice president for the national defense who shall coordinate the various branches of the national defense.

Mr. LEWIS. Mr. President, will the Senator yield further?

Mr. BINGHAM. Certainly.

Mr. LEWIS. I would merely add that I was interested in the Senator's viewpoint. I pray to be forgiven for alluding to myself. I happened to be what is called a colonel of the State guard and I had a small service in both the Spanish-American and the late World Wars, of sufficient consequence to acquaint me with the plans to which the Senator has referred touching the matter of Government service.

I am still of the idea that the country, in the West where I live, feels that a consolidation of the Army, the Navy, and other branches of defense under a single head would reduce expenditures greatly, and that is the thing uppermost in their minds. I was anxious to have the opinion of the Senator from Connecticut and others interested in the matter of national defense as to whether they thought the consolidation would seriously interfere with preparations for defense, which just now I feel our country should be on the alert to continue.

Mr. BINGHAM. I fear it would. I would not object at all to a consolidation of some of the branches, such as the Ordnance Department and the Quartermaster Department, but I feel very keenly that history points out that we can have a better national defense if there is a certain amount of competition between the two branches of the service. May I call the attention of the distinguished Senator from Illinois to the fact that such a consolidation exists in none of the great powers in the world to-day, with the possible exception of Italy, which is operating under the enlightened leadership of a dictator who combines in his own ability superhuman powers. Italy is the only nation to-day where there is a combination under one head of the powers of national defense on land and on water. In England and France and Germany the same is true, though of course, in Germany there is no great army of defense. But the great nations of the world have learned through the experience of history that the problems of the navy and of the army are so different that they each require a complete organization for their general success and for the efficiency of those services.

Under our Constitution the consolidation takes place by making the President the Commander in Chief. In time of war his orders govern the actions of the Secretary of the Navy and of the Secretary of War. That is all that is necessary.

I believe that it is fallacy to think that by such a combination we can save a great amount of money. I know that has been repeatedly stated, but the Morrow board was unable to find where there would be any serious economy involved except in combining certain departments like the Ordnance Department and the Quartermaster Department which furnish clothing, ammunition, and so forth. Under the provisions of the bill as reported from the Appropriations Committee and under the provisions of the amendment suggested by the Senator from South Carolina that would be possible. It would be entirely possible for the President to combine the purchase of clothing and food for both the Army and the Navy. That might indeed save expenses. But to combine their general staffs and their policies under a secretary of national defense would, I believe, seriously impair the efficiency of our national training.

Mr. NORRIS. Mr. President, we are engaged here in conferring upon the President the power to combine various activities of the Government. In the amendment proposed, giving him this power, an exception is noted, and that is that he shall not have the power to combine departments. I shall not have time within the scope of the 15 minutes allowed me to go into any detail with reference to the arguments that appeal to me in favor of the combination of some of the departments. I would do it if I had the power even though there were no emergency confronting the country.

The Senator from Connecticut has devoted some of his time to a combination of the War and Navy Departments. I think that ought to be done whether we are thinking of the depression or not. It would mean a great saving without any doubt, but I think as a matter of efficiency in time of war those two departments ought to be under one head. I can easily conceive of disagreements between the Secretary of the Navy and the Secretary of War in the handling of the Army and the handling of the Navy. Even in time of war those facilities of the Army and Navy ought to be held in conjunction with each other. One man ought to have control of both of them. It seems to me it is just as unwise as to say that in a battle there shall be two commanders instead of one. The departments ought to be in the hands of one man with authority to control them both. I think it would be a step toward efficiency.

All through those departments there are similar activities. The Senator from Connecticut says those activities can not be combined without combining the departments, but at once we would run into difficulty. The Ordnance Department would supply them with clothing, but should we put that activity under the Navy or under the Army? We would at once get into a dispute between the Army and the Navy on that score. We would not get into that kind of a dispute in bringing about that kind of a combination if there were only one man at the head of both the Army and the Navy.

For fear that I may not conclude before my time expires, I want to reply to the Senator from Connecticut who has referred to other departments. He said that probably I would be opposed to a combination of some of the other departments, and he made special reference to the Department of Agriculture. Other Senators have said that I would not want to combine the Department of Agriculture with some other department. I say that I would. As a matter of efficiency in time of peace, even if we did not have the distressing conditions which now confront us, I would not hesitate to combine the Department of Agriculture with the Department of the Interior. All through those departments are activities which overlap and duplicate.

The Department of the Interior, for instance, has control over the Reclamation Service and the reclamation projects all over the West. Those projects have to do 100 per cent with agriculture, but the Department of Agriculture has not a thing to do with them. Those activities ought to be combined under one department. We would save a great deal of money if that were done. I would combine other bureaus and activities besides that. I think probably there is not time for me take up the departments one at a time and show where they could be combined in my humble judgment in order to bring about efficiency and save money, but there are probably many places where it could be done. First of all, if I had my way, I would combine the Army and the Navy. I would be thinking only of efficiency. I would be thinking of the time of danger and the time of war when those two great departments ought to be under one head instead of two heads.

I do not know the views of President-elect Roosevelt. He may agree entirely with the Senator from Connecticut [Mr. BINGHAM]. I do know that we will never get the Army and Navy officers to agree to combine. If I had time, with some of the documents which I have here, I think I could point out why. They are too jealous of their prerogatives. Many of those jealousies arise, not from anything having to do with the Army and the Navy directly but from other considerations. Among them is the matter of social activities. Each one wants to stand at the head. They represent, outside of the Department of State, the greatest social activities in our Government. Laugh at it if Senators will, but many times not only in those departments but in others, social duties interfere with the official duties that they owe to their country, and often they bring about inefficiency.

Mr. ODDIE. Mr. President——

Mr. NORRIS. Often they bring about expensive luxuries for which the taxpayers must pay.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Nevada?

Mr. NORRIS. How much time have I, Mr. President?

The PRESIDENT pro tempore. The Senator has 10 minutes.

Mr. NORRIS. I yield to the Senator, but I do not want the Senator to make a speech in my time. I will be glad to have him make any suggestion or ask any question.

Mr. ODDIE. Then, I will make a statement after the Senator has finished.

Mr. NORRIS. That is better.

Mr. President, it seems to me, therefore, that we ought to strike out the exception. I see no reason, if we want to economize, why here is not the place to take the greatest step toward economy that is provided for in the bill. There is no compulsion about it. Senators say the President under that authority could combine all the departments into one. Suppose he could; everybody knows he will not do so. The same argument may be made against every other power that is given him in this amendment. If he wanted to, probably he could ruin the country. He could take one bureau after another or branches of the Government service and combine them in such a way as to bring about inefficiency. We must take that risk; but I do not think we are taking any risk in the matter. We are going on the theory that the President of the United States is just as patriotic as we are, that he is just as much interested in economy as we are, and perhaps more so; but we have found our inability to bring about economy; so we have said to the President, "Here, you take up these matters; combine such executive agencies as you see fit; eliminate the useless straw; put an end to overlapping activities of the Government; we are unable to do it on account of the diverse interests we represent here." So we are giving to him a wonderful power, a power that a legislative body never ought to give unless in times like these, when we are in a worse condition than we were during the war, so far as money is concerned, and when we are all united to fight the depression as we fought the war; and, in order to do it, we must give to the Executive, as we must in time of war, almost unlimited authority for a year or two until the necessary combinations and proper eliminations shall have been brought about.

Mr. LEWIS. Mr. President——

Mr. NORRIS. I will yield in just a moment. It seems to me, therefore, that we can not logically refuse to take this step. Do not let us put ourselves in such a position that the President may come back here and truthfully tell us that while we have given him power we have hedged it about with limitations, as I fear we have, so that he will be unable to exercise it. Let him have this additional power. If, in his wisdom, he reaches the conclusion that no departments or bureaus can be combined, that ends it, of course; but I have not any fear, and I do not believe any other Senator has any fear, that if this power were delegated to the incoming President it would be abused in any respect. I yield now to the Senator from Illinois.

Mr. LEWIS. Mr. President, I merely rise to call attention to the fact that if this measure shall be adopted containing the provision now proposed it must receive the signature of the present President of the United States. I remind the able Senator from Nebraska that when I presented a proposal for the consolidation of the Interior and Agricultural Departments, and the matter reached the place where it had to be considered in a general sense, the members of the Cabinet were able to convince the President that it was a dangerous, unwise, and unprofitable thing, and the President opposed it.

Also, I may remind the eminent Senator from Nebraska that the Secretary of War opposed the consolidation of the War and Navy Departments and supported rather the views expressed by the Senator from Connecticut. If a similar view still obtains, it is apparent that, if we adopt this measure and the present distinguished President will not approve it, nothing is to be gained if his attitude is one of opposition to combination.

Mr. NORRIS. If that is true, he will veto it, I suppose.

Mr. LEWIS. Such is my fear.

Mr. NORRIS. We can not take that power away from him, and if he feels he ought to veto it, let him veto it. We can not help it. I am not afraid of a veto. This is something that will not take any power away from the existing President. It will not go into force until he goes out of office, and if he is afraid to trust the President elect with this authority then he ought to veto it. If I were afraid to trust the incoming President with this authority, I would not vote to confer it; I would not vote for any of these consolidations that we want to bring about if I were not willing to trust him. I do not believe there is any question in the mind of anyone that we are running no risk in doing this.

The Senator from Illinois says that we have had this question up before. That is true. After a department has once been created, then if subsequently an effort is made to pass a law to abolish it, or any other department for that

matter, of course the department involved is going to fight; it is going to fight just as when we try to abolish an office they oppose it, and bring to bear all the influence they can from corporations and others to bring about the defeat of legislation of that kind. That is one of the reasons we are unable to accomplish anything.

The President, to some extent, if this provision shall be adopted, will be up against that difficulty. If he says, "I am going to abolish the War and Navy Departments and combine them into one," either the Secretary of War or the Secretary of the Navy must go out of office. Of course, neither Secretary desires that; of course they will oppose it. If the President says, "I am going to combine the Agricultural Department and the Interior Department," both of which perform functions with respect to land and forests and the improvement of agriculture, of course, the heads of those two departments would oppose it if we would leave it to them. If any President should submit to his Cabinet a proposition to abolish one-half the departments, I would not be surprised if he would get an adverse report from all of them. They would not know whose head was coming off, and they would not be in favor of it. But I want to say to them, as I have said to Members of the Senate, that unless we do something along this line we will accomplish nothing. We are not going to get reductions under the amendment that was adopted to-day because it is so circumscribed with provisions that it will be made perhaps impossible for the administrative officers to bring about any reduction.

Mr. President, this country lived for a good many years without any Department of Commerce; it lived for a long while without any Department of Labor. When we started we had but two or three departments. We have been adding them gradually, one at a time, and when this depression came on there was great agitation all over the United States to have another department added—a Department of Education. Some Senators were in favor of it; it had strong backing from students all over the United States, but nobody would propose it now. If the President should, under the authority that would be given him if this amendment should be agreed to, abolish some department, when prosperity again returns if, in the judgment of Congress, that department ought to be reestablished, there is no reason why it should not be reestablished by act of Congress, just as most of the departments have been established from time to time.

So, Mr. President, if we are in earnest about saving money, if we are in earnest about abolishing overlapping that prevails to a large degree in all the departments, if we are going to do a good job of it, there will be some of the departments themselves that we will want to combine and that ought to be combined. Therefore it seems to me that we ought not to have this exception in the bill, but that the President ought to have the authority to do what he would have the power to do if this exception were taken out.

SEVERAL SENATORS. Vote!

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Nebraska [Mr. NORRIS] to the amendment offered by the Senator from South Carolina [Mr. BYRNES].

The amendment to the amendment was rejected.

Mr. COPELAND. Mr. President, I should like to ask the Senator from South Carolina a question. He was good enough to accept the amendment which I offered proposing that the authority granted under this act shall terminate at the end of two years, but I notice he did not make use of the other amendment about the declaration of an emergency.

Mr. BYRNES. Mr. President, the language the Senator has in the amendment he offered was really somewhat similar to the language originally in the bill, and after consideration we determined it would be unwise to include it, thinking that it might endanger the bill.

Mr. COPELAND. Mr. President, the purpose of offering it was to do exactly the contrary. I took advice in this matter, as I frequently do on matters which have to do with grave constitutional questions, from friends of mine in New York who specialize in that field, and they pointed out to me—and I quote from a letter which I hold in my hand:

> To my mind the various activities as to which Congress declares its policy—

Or "standard," as the Senator has it now in his amendment—

> in section 401 of the bill are not inherently legislative in character, and the present concern of Congress with such activities represents a broadening of the legislative jurisdiction (some would say an encroachment) at the expense of the executive department.
>
> To direct what shall be done (make laws) is, of course, a legislative function which can not be delegated, but to direct how and by whom a given work is to be performed is a different matter. The powers sought to be conferred on the President would seem to be of the latter kind, and unless the necessary effect of the bill would be other than appears on its face, I should expect the Supreme Court to hold it constitutional, at least in its main scope and purpose.
>
> The provisions of subdivision (c) of section 403—
>
> "To abolish the whole or any part of any executive agency and/or the functions thereof"—
>
> would seem at first blush to raise a difficulty. If that clause means that, in the case of an agency created and charged with certain functions by act of Congress, the President could annihilate both agency and functions, it would amount in substance and effect to giving the President power to repeal a law. However, I should anticipate that the clause, read in the light of the rest of the bill, would be construed by the courts as giving the power to abolish only in connection with a transfer somewhere else. In any event, it would, of course, be possible for the courts to uphold the rest of the bill even if one provision were deemed unconstitutional as involving a delegation of legislative power.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. COPELAND. Certainly.

Mr. NORRIS. I did not get the idea of the Senator's amendment.

Mr. COPELAND. I have proposed two amendments. One provided that the authority hereby granted should expire at the end of two years, which has been accepted. The other was to have section 401 read in this way:

> SEC. 401. The Congress hereby declares that a serious emergency exists by reason of the general economic depression; that it is imperative to reduce drastically all governmental expenditures during such emergency; and that such reduction may be accomplished in great measure by proceeding immediately under the provisions of this title.

And then follow on with the language found in section 401.

Mr. NORRIS. The Senator does not change the language?

Mr. COPELAND. No; I do not change the language. I simply insert ahead of section 401 the preamble or declaration of an emergency.

Mr. NORRIS. Is that objected to?

Mr. COPELAND. The Senator from South Carolina said just now he was afraid that it might jeopardize the bill by making it more likely to be declared unconstitutional; but on the contrary, Mr. President, my friends whom I have consulted have said that we should make clear to the court that there is an emergency by making a declaration that an emergency exists. Of course, in the States, where police powers are exercised, that would be done. We went very far in my State in passing rent laws and housing laws by reason of the declaration of an emergency. There is not any question that there exists now a great national emergency. If we were to make the declaration in the bill, it certainly would not weaken the bill. It would not change it in any particular except to make clear that we are adopting these drastic measures because there is an emergency.

Then, likewise, my friends advise that there be a declaration that this act shall expire at the end of two years.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. ROBINSON of Arkansas. Does the Senator's amendment seek to strike out a portion of the pending amendment?

Mr. COPELAND. No; it does not. It proposes to put ahead of the language in section 401 the declaration to which I have referred.

Mr. ROBINSON of Arkansas. The language of the Senator from South Carolina as presented has been prepared with special reference to the constitutionality of the pro-

vision. I myself have given some consideration to that subject and to the language that is employed. I do not see any objection to incorporating the language of the Senator from New York if it does not delete those provisions of the amendment of the Senator from South Carolina which, in my judgment, do bring it within the rule respecting the power of Congress to delegate power.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Senator from New York has the floor.

Mr. NORRIS. I ask the Senator from New York if he will yield?

Mr. COPELAND. I yield.

Mr. NORRIS. Mr. President, I should like to suggest to both the Senators that if the Senator's amendment does not strike out any of the section, it seems to me it is a very appropriate heading. I can see that it will be an advantage to a court, when it comes to construe this language, if it ever does, to have the objects of it set out. As I understand the Senator's amendment, it seems to me it would add to it; and it ought to be included, it seems to me, if it does not strike out any of the language.

Mr. BYRNES and other Senators addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from New York yield?

Mr. COPELAND. The Senator from South Carolina.

Mr. BYRNES. Mr. President, the language which is included in the Senator's amendment as it now stands would be inconsistent with the language which is contained in this amendment. It declares a policy after providing for striking out the language contained in section 401 in this amendment, and substitutes the language that is contained in this amendment.

Mr. COPELAND. No, Mr. President; the Senator is wrong.

The PRESIDENT pro tempore. The Chair does not so understand the amendment.

Mr. COPELAND. The Senator starts at "401." Mine would begin:

> The Congress hereby declares that a serious emergency exists * * * accordingly, in order to reduce expenditures and increase efficiency in government—

Then we go on.

Mr. BYRNES. Mr. President, I have no objection to the amendment if it does not strike out section 401.

The PRESIDENT pro tempore. The Chair understands the Senator from South Carolina to accept the amendment proposed by the Senator from New York, and to modify his amendment accordingly. That being the case, the question is upon agreeing to the amendment proposed by the Senator from South Carolina, as modified.

The amendment, as modified, to the committee amendment, was agreed to.

Mr. BINGHAM. Mr. President, I have pending at the desk an amendment which relates to the so-called married women's provision of existing law, moving to strike that out. I ask that it be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 74, after line 14, it is proposed to insert the following new section:

> SEC. —. Section 213 of the legislative appropriation act, fiscal year 1933, is repealed.

Mr. BINGHAM. Mr. President, on account of the lateness of the hour, and on account of the fact that I think everybody understands what the motion means, I shall not make any speech, further than to say that the recommendation of the Civil Service Commission was that the provision in the last economy bill be repealed, since it was contrary to the spirit of the civil service law. I agree with them, and I am moving to carry out their recommendation.

Mr. COUZENS. Mr. President, may I ask the Senator from Connecticut if there are any restrictions on two or three wage earners from the same household?

Mr. BINGHAM. There is in the present law, I believe, a restriction of that kind; but I am not certain.

Mr. COUZENS. I suggest the absence of a quorum, because I am unwilling to vote for a provision that permits two or three wage earners from one household when there are millions walking the streets.

The PRESIDENT pro tempore. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Copeland | Hull | Robinson, Ark. |
| Austin | Costigan | Kean | Schall |
| Bailey | Couzens | Kendrick | Schuyler |
| Bankhead | Dickinson | La Follette | Sheppard |
| Barkley | Dill | Lewis | Steiwer |
| Bingham | Fess | McGill | Townsend |
| Black | Frazier | McKellar | Vandenberg |
| Bratton | Goldsborough | McNary | Wagner |
| Bulkley | Gore | Moses | Walcott |
| Byrnes | Hale | Neely | Walsh, Mass. |
| Capper | Hatfield | Nye | White |
| Clark | Hayden | Oddie | |
| Connally | Hebert | Pittman | |

The PRESIDENT pro tempore. Fifty Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment proposed by the Senator from Connecticut to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as a whole, as amended.

The amendment, as amended, was agreed to.

Mr. ROBINSON of Arkansas. Mr. President, I ask that the letter which I send to the desk be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

UNITED AIR LINES,
*Chicago, February 6, 1933.*

Hon. JOSEPH T. ROBINSON,
*Senate Office Building, Washington, D. C.*

MY DEAR SENATOR ROBINSON: The route certificate covering air mail operation between Chicago and San Francisco which was submitted by the Postmaster General, together with other data on the air mail service, was made in 1930. In it are established the rates of pay which were then current for operation over that line.

The Postmaster General's letter did not disclose the fact that those rates have been substantially reduced since that date. It has occurred to me that you might be interested to know what the rates are at the present. The following tabulation shows the rates now being paid. You will note that they have been substantially decreased since 1930.

| | Night | Day |
|---|---|---|
| Schedule 5, route 18, Chicago to Salt Lake City | $0.785 | $0.635 |
| Schedule 3, route 18, Salt Lake City to Oakland | .54 | .39 |
| Schedule 5, route 18, Salt Lake City to Oakland | .785 | .635 |
| Schedule 3, route 18, Chicago to Salt Lake City | .545 | .395 |
| Schedule 1, route 18, Salt Lake City to Oakland | .695 | .545 |
| Schedule 1, route 18, Chicago to Salt Lake City | .695 | .545 |

Very sincerely yours,

PAUL HENDERSON, *Vice President.*

The PRESIDENT pro tempore. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

## MINNESOTA SENATORIAL CONTEST

Mr. HEBERT. Mr. President, I desire to call up Senate Resolution 343, which affects the election of a Senator from the State of Minnesota.

The PRESIDENT pro tempore. Being privileged, the resolution is laid before the Senate.

The Chief Clerk read Senate Resolution 343, reported by Mr. HEBERT on January 31, 1933, from the Committee on Privileges and Elections, as follows:

> *Resolved*, That THOMAS D. SCHALL is hereby declared to be a duly elected Senator of the United States from the State of Minnesota for the term of six years, commencing on the 4th day of March, 1931, and is entitled to be seated as such.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

Mr. ROBINSON of Arkansas. Mr. President, it is my information that the resolution was unanimously reported.

Mr. HEBERT. That is true, Mr. President.

Mr. ROBINSON of Arkansas. Very well.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HALE. Mr. President, I move that the Senate proceed to the consideration of H. R. 13710, the Interior Department appropriation bill.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Maine.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. GORE submitted an amendment intended to be proposed by him to House bill 13710, the Interior Department appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 13, line 20, under the heading "Expenses in probate matters," after the figures "$30,000," to strike out the proviso down to and including line 24, as follows:

"*Provided*, That no part of this appropriation shall be available for the payment of attorneys or other employees unless appointed after a competitive examination by the Civil Service Commission and from an eligible list furnished by such commission."

RECESS

Mr. HALE. I move that the Senate now take a recess until 12 o'clock noon to-morrow.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Maine.

The motion was agreed to; and (at 9 o'clock and 41 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, February 8, 1933, at 12 o'clock meridian.

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# HOUSE OF REPRESENTATIVES

## TUESDAY, FEBRUARY 7, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who feedest the sparrows, arrayest the lilies in their splendor, and makest the sun to shine upon the evil and the good, hear our petition; cleanse our hearts; purge our vision, and make us see all things in Thy light. Let us confidently cling to Thy truth, for nothing else is real. Thou who are the God of fatherless, the God of the widow, and the God of the oppressed, be merciful unto them. In the midst of righteousness and unrighteousness, between good and evil, show us the path of life and make for us places of character and wisdom. O lead us in the solution of all problems and the questions which are so pressing. The blessed Lord be with our people, and Thy will be done. Amen.

The Journals of Saturday, February 4, and Monday, February 6, were read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933.

INAUGURAL CEREMONIES

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 565, to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the joint resolution, as follows:

House Joint Resolution 565

*Resolved, etc.*, That $25,000, or so much thereof as may be necessary, payable in like manner as other appropriations for the expenses of the District of Columbia, is hereby authorized to be appropriated to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in said District from February 28 to March 10, 1933, both inclusive, including the employment of personal services, payment of allowances, traveling expenses, hire of means of transportation, cost of removing and relocating street-car loading platforms, for the construction, rent, maintenance, and expenses incident to the operation of temporary public comfort stations, first-aid stations, and information booths, during the period aforesaid, and other incidental expenses in the discretion of the commissioners. Said commissioners are hereby authorized and directed to make all reasonable regulations necessary to secure such preservation of public order and protection of life and property, and to make special regulations respecting the standing, movements, and operating of vehicles of whatever character or kind during said period; and to grant under such conditions as they may impose, special licenses to peddlers and vendors to sell goods, wares, and merchandise on the streets, avenues, and sidewalks in the District of Columbia, and to charge for such privilege such fees as they may deem proper.

SEC. 2. Such regulations and licenses shall be in force one week prior to said inauguration, during said inauguration, and one week subsequent thereto, and shall be published in one or more of the daily newspapers published in the District of Columbia, and in such other manner as the commissioners may deem best to acquaint the public with the same; and no penalty prescribed for the violation of any of such regulations shall be enforced until five days after such publication. Any person violating any of such regulations shall be liable for each such offense to a fine of not to exceed $100 in the police court of said District, and in default of payment thereof to imprisonment in the workhouse of said District for not longer than 60 days.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. SNELL. Reserving the right to object, I understand this resolution takes money out of the District of Columbia fund at the request of the Commissioners of the District, and that it is exactly the same resolution as has been passed in previous years for inaugural ceremonies.

Mrs. NORTON. That is true. It provides funds through the District of Columbia Committee in exactly the same manner as has heretofore been provided.

Mr. BLANTON. Reserving the right to object, as a matter of fact, the way the resolution is written it does not take it out of the District funds. The inaugural week here causes an extra amount of police work and additional work for firemen. I want to ask the lady from New Jersey whether or not she has investigated to find out whether this sum is absolutely necessary at this time.

Mrs. NORTON. I may say that it is absolutely necessary.

Mr. BLANTON. And to appropriate less might be dangerous to the peace and good order of the community?

Mrs. NORTON. Yes.

Mr. UNDERHILL. Reserving the right to object, what is going to become of the money received for concessions and licenses? Is that going to be returned to the Treasury?

Mrs. NORTON. I understand anything that is left over will be returned to the treasury—not the Treasury of the United States but the poor fund of the District.

Mr. LAGUARDIA. Let me ask the lady a question. Is not the existing law with reference to peddlers sufficient? Why should any special authority be given to the commissioners to grant license to peddle or vend goods on the streets or sidewalks? Does not that require more police than otherwise would be required?

Mrs. NORTON. My understanding is that the form of the resolution does not take in any more concessions than we have had heretofore.

Mr. CHINDBLOM. This would only provide for a temporary license and obviate the necessity of giving annual

long-term licenses, which would be required under the general law.

Mrs. NORTON. Yes; this is merely an emergency measure.

The SPEAKER. Is there objection to the present consideration of the resolution? The Chair hears none.

Mrs. NORTON. I offer the following amendment.

The Clerk read as follows:

Page 1, lines 5 and 6, after the word "hereby," strike out the words "authorized to be."

The amendment was agreed to.

The joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SUPPLEMENTAL REPORT, H. R. 14438

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to be permitted to file a supplemental report to accompany H. R. 14438, to effect needed changes in the Navy ration.

The SPEAKER. Is there objection?

There was no objection.

EVENING SESSION, THURSDAY, FEBRUARY 9, 1933

Mr. RAINEY. Mr. Speaker, I move the adoption of the resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 370

*Resolved*, That on Thursday, February 9, 1933, it shall be in order to move that the House take a recess until 8 o'clock p. m., and that at the evening session, until 10.30 o'clock p. m., it shall be in order to consider bills on the Private Calendar unobjected to in the House as in Committee of the Whole, the call of bills on said calendar to begin at No. 608.

Mr. PATTERSON. Mr. Speaker, some of us have been hoping that we might have this Private Calendar considered on Friday evening instead of Thursday. I have talked to the Republican whip about the matter, and he is very much in favor of it.

Mr. RAINEY. I have tried to arrange it for Friday, but there will be objection to that date. I could not do it. This is the only night that I could arrange it for.

Mr. PATTERSON. I thank the gentleman for the explanation. Of course we want to have the Private Calendar considered, but some of us would find it more convenient to have it called on Friday than on Thursday.

Mr. BLANTON. And some can be here on Thursday much better than on Friday.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

RESIGNATION AS TELLER, COUNTING OF ELECTORAL VOTE

The SPEAKER laid before the House the following communication, which was read:

FEBRUARY 6, 1933.

SPEAKER OF THE HOUSE OF REPRESENTATIVES,
*Washington, D. C.*

DEAR MR. SPEAKER: You have kindly designated me as chairman of the Committee on Election of President, Vice President, and Members of Congress to act as teller upon the occasion of the counting of the electoral vote on Wednesday, February 8.

I appreciate the honor, but find that I will be obliged to be away on Wednesday, so will appreciate it if you will designate the ranking Democratic member of the committee, Mr. JEFFERS, to act on that occasion.

Thanking you, I am, respectfully,

P. J. CARLEY.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The Chair appointed Mr. JEFFERS to act as one of the tellers.

CONSERVATION OF WILD LIFE, ETC.

The SPEAKER. The calling of the Consent Calendar is in order to-day. The Clerk will call the first bill.

The first business on the Consent Calendar was the bill (S. 263) to promote the conservation of wild life, fish, and game, and for other purposes.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object. As I stated on several occasions, I shall not object to the bill if the first section is stricken out. I have a communication from the clerk of the Senate committee, stating that they understand the purpose of striking out the first section, and would not object to it.

Mr. STAFFORD. Mr. Speaker, I think this is much too important to be considered on the Consent Calendar. I ask the gentleman from Texas to have it go over without prejudice.

Mr. JONES. Oh, this is the last session upon which we will have opportunity to pass this bill. The members of the committee are agreeable to elimination of the first section, as suggested by the gentleman from New York [Mr. LAGUARDIA].

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I shall have to object if the gentleman does not wish to have it passed over without prejudice.

Mr. LAGUARDIA. With the reservation that my amendment to strike out the first section will be accepted, I shall not object.

Mr. JONES. I shall be glad to accept that. I have talked with other members of the committee and with others interested.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

AMENDING THE NATURALIZATION LAWS

The next business on the Consent Calendar was the bill (H. R. 10274) to amend the act approved March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes" (45 Stat. 1512).

The SPEAKER pro tempore (Mr. O'CONNOR). Is there objection?

Mr. JENKINS. Mr. Speaker, the chairman of the Committee on Immigration and I have an understanding about this bill. This bill should be passed over without prejudice, and I make that request.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that the bill be passed over without prejudice. Is there objection?

Mr. LAGUARDIA. Is any progress being made on this bill in the other body, as was suggested by the gentleman two weeks or so ago?

Mr. JENKINS. We had a meeting of our committee this morning, and I understood the chairman to say that the omnibus bill had been reported to the Senate.

Mr. DICKSTEIN. The committee is considering a new bill in respect to the registry act of 1924.

Mr. LAGUARDIA. Does the gentleman believe that he will be able to get it out in time so that he can get some action upon it at this session of Congress?

Mr. DICKSTEIN. I expect to have a vote in the committee on the new bill on Wednesday. The Senate committee has already reported the bill out.

The SPEAKER. Is there objection to the request of the gentleman from Ohio that the bill go over without prejudice?

There was no objection.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, could the present occupant of the chair inform the House at about what time it is purposed to call up suspensions to-day?

The SPEAKER pro tempore. The Chair understands that suspensions are to be taken up at 2 o'clock.

Mr. STAFFORD. Has the present occupant of the chair any information as to what bills will be moved for suspension?

The SPEAKER pro tempore. The present occupant of the chair has not that information.

ADVANCES UNDER RECONSTRUCTION FINANCE CORPORATION ACT TO PRODUCERS OF LIVESTOCK AND DAIRY FARMERS

The next business on the Consent Calendar was the bill (H. R. 10673) to provide that advances under the Reconstruction Finance Corporation act may be made to producers of livestock and to dairy farmers.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, as I said at the last hearing of the Consent Calendar, this bill, in my opinion, was passed at the last session of Congress, and I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FINAL ENROLLMENT OF INDIANS ON KLAMATH INDIAN RESERVATION

The next business on the Consent Calendar was the bill (S. 2671) providing for the final enrollment of the Indians of the Klamath Indian Reservation in the State of Oregon.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD, Mr. JENKINS, and Mr. CLARKE of New York objected.

OBLIGATIONS TO ENROLLED INDIANS UNDER TRIBAL AGREEMENTS

The next business on the Consent Calendar was the joint resolution (H. J. Res. 409) to carry out certain obligations to certain enrolled Indians under tribal agreements.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. LAGUARDIA. Reserving the right to object, as I said when the bill was previously before the House, I believe we should have an amendment limiting the commissions or fees for attorneys collecting this money to 5 per cent. Otherwise I think it would be all attorneys and no Indians getting the benefit from this money.

Mr. HASTINGS. I indicated before that I did not object to a reasonable limitation. If the gentleman insists that it ought to be 5 per cent, very well. It is only for interest. It is not for the principal amount. There are no principal amounts involved here.

Mr. LAGUARDIA. I understand.

Mr. HASTINGS. But if the gentleman thinks it ought to be limited to 5 per cent, I have no objection.

Mr. LAGUARDIA. I will tell the gentleman why. There is very little legal work involved in this matter.

Mr. HASTINGS. And they are full-blood Indians; non-English speaking.

Mr. LAGUARDIA. So we ought to protect them, and I think 5 per cent is sufficient.

Mr. STAFFORD. Reserving the right to object, when this bill was last called on the Consent Calendar I requested that it go over for two weeks so that I be given an opportunity to give the matter further consideration. I have given more than passing attention to this bill, and I wish to inquire of the gentleman from Oklahoma [Mr. HASTINGS] whether he would have any objection to striking out section 2 and inserting in lieu of section 2 the following:

*Provided further*, That no interest on such refunds shall be payable prior to the time fixed by law for the payment of interest in any such applicable cases.

Mr. HASTINGS. What would be the effect of that change?

Mr. STAFFORD. I wish to be frank with the gentleman as to the purpose of the amendment. Prior to the revenue act of 1921 the Government in no instance allowed any interest on claims for refunds. Then we modified that law under the revenue act of 1924. Certainly it is not the intention of the author of this bill to grant to the Indians any different policy in the matter of payment of interest on their refunds than was accorded other taxpayers of the country.

Mr. HASTINGS. The gentleman is correct. If the gentleman's amendment does no more than that, I have no objection to it. In other words, if it places these Indian wards in the same status as white people, I have no objection.

Mr. STAFFORD (reading):

*Provided further*, That no interest on such refunds shall be payable prior to the time fixed by law for the payment of interest in any such applicable cases.

Mr. HASTINGS. I do not see any objection to that.

Mr. STAFFORD. At the suggestion of the gentleman from New York [Mr. LAGUARDIA] I will change the word "applicable" to "similar."

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. COCHRAN of Missouri. I find a report from the Secretary of the Interior and from the Commissioner of Indian Affairs, but where is the report from the Commissioner of Internal Revenue? How much will this cost?

Mr. STAFFORD. There is no report from the Secretary of the Treasury. In fact this bill should have been referred to the Committee on Ways and Means rather than to the Committee on Indian Affairs, because it is a matter that affects the revenues of the Government.

Mr. COCHRAN of Missouri. How much is involved? Let us not go at it blindly.

Mr. LAGUARDIA. It is not a question of how much is involved. It is a question of giving these Indians interest on their refunds, the same as every other citizen is getting.

Mr. COCHRAN of Missouri. I fully agree with the gentleman, but still we should have some information as to whether it runs into the millions or whether it is only a small amount.

Mr. LAGUARDIA. It is a moral obligation, in any event.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN of Missouri. I think we should have some information as to how much money is involved before we proceed.

Mr. HASTINGS. It is only the interest on the refunds.

Mr. COCHRAN of Missouri. But where is it coming from?

Mr. HASTINGS. From the Treasury of the United States.

Mr. COCHRAN of Missouri. But suppose there is no money in the Treasury?

Mr. HASTINGS. Oh, these are only small amounts. It is for the interest on the refunds.

Mr. COCHRAN of Missouri. Has the gentleman any idea how much it is?

Mr. HASTINGS. I do not have the amount. Really, only small amounts are involved. They are not large, but I really do not know the exact amounts.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN of Missouri. As the gentleman assures us only a small amount is involved, I shall not object. I think in the future in a matter of this kind we should have a report from the Treasury.

There was no objection.

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to substitute a similar Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the Senate joint resolution as follows:

Senate Joint Resolution 167

*Resolved, etc.*, That any person duly enrolled as a member of an Indian tribe who received in pursuance of a tribal treaty or agreement with the United States an allotment of land which by the terms of said treaty or agreement was exempted partially or in total from taxation, and from which land the restrictions have been or have not been removed and who was required or permitted contrary to law to pay any illegal or unauthorized Federal inheritance tax or Federal income tax on the rents, royalties, or other gains arising from such allotted lands, and who under the law and rulings of the Treasury Department have secured a refund of the taxes so illegally or erroneously collected but who did not receive interest on such refunds in accordance with the laws and the regulations in force at the time the refund was secured and who have failed to file a claim for the allowance of such interest, shall be allowed one year after the approval of this act within which to file such claim, and if otherwise entitled thereto may recover such interest on such illegally collected taxes in the same manner and to the same extent as if such claims for interest had been theretofore duly filed as required by law, it not being the policy of the Government to invoke or plead a statute of limitations to escape the obligations of agreements solemnly entered into with its Indian wards: *Provided, however*, That in the case of the death of any person any such interest on the refund of illegal taxes paid by him or on his account may in like manner be claimed and recovered by the person or persons who would have received such money had it constituted a part of his estate at the time of his death.

SEC. 2. That all acts and parts of acts in conflict herewith are modified for the purpose, and only for the purpose, of carrying into effect the provisions hereof.

Mr. LAGUARDIA. Mr. Speaker, I offer an amendment.

Mr. STAFFORD. Will the gentleman yield for me to offer an amendment first?

Mr. LAGUARDIA. I yield.

Mr. STAFFORD. I offer an amendment, Mr. Speaker, which is at the desk.

The Clerk read as follows:

Amendment by Mr. STAFFORD: At the end of section 1 of the Senate bill, insert the following:

"*Provided further*, That no interest on such refunds shall be payable prior to the time provided by law for the payment of interest in any such similar cases."

The amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: On page 2, line 21, strike out the period and insert a semicolon and the following: "*Provided further*, That it shall be unlawful for any person acting as attorney or agent for any claimant to receive more than a total of 5 per cent of the amount collected under the provisions of this act, and any person collecting a total amount from such claimant in excess of 5 per cent shall be guilty of a misdemeanor and punished by a fine not exceeding $1,000 or imprisonment not exceeding six months, or both."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Strike out all of section 2.

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House resolution was laid on the table.

### OSAGE NATION OF INDIANS

The next business on the Consent Calendar was S. 2352, an act amending the act entitled "An act authorizing the Court of Claims to hear, determine, and render judgment in the civilization fund claim of the Osage Nation of Indians against the United States," approved February 6, 1921 (41 Stat. 1097).

Mr. JENKINS. Mr. Speaker, reserving the right to object, I ask that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### WAR CLAIMS ACT OF 1928

Mr. DOUGHTON. Mr. Speaker, the next business on the calendar, House Joint Resolution 416, a joint resolution to extend the time for filing claims under the settlement of war claims act of 1928, and for other purposes, was one I introduced. I have another bill now pending before the committee. Therefore, I ask unanimous consent that this joint resolution may be stricken from the calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

### HOMESTEAD RIGHTS

The next business on the Consent Calendar was S. 4029, an act to restore homestead rights in certain cases.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

### CLASSIFICATION OF COTTON

The next business on the Consent Calendar was House Joint Resolution 434, a joint resolution to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton standards act, and for the dissemination of market-news information.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, when this bill was last under consideration I asked the privilege of having it passed over so I could give more thorough consideration to the purport and ramifications of this bill. I wish to say to the author of the bill that I have spent considerable time in the further examination of this measure.

I wish to inquire of the gentleman whether the bill as framed will result in any increased charge on the Treasury of the United States in its administration?

Mr. FULMER. The Census Bureau only furnishes information as to the number of bales produced. The Agricultural Department furnishes various reports, crop planning and outlook reports. This information is about the type of cotton and staple, the advantages of longer staple and better grades.

Mr. STAFFORD. As I understand the working of this bill it is intended to give the local grower the same advantages that are now extended to the large cotton merchants.

Mr. FULMER. Absolutely.

Mr. STAFFORD. Such as the classifiers we have at the large ports. I can not see any reason why there should be any market-news dissemination in connection with the proposal.

Mr. FULMER. I may say to the gentleman it will be perfectly satisfactory to strike that provision from the bill, as the main object of the bill is to extend the benefits of grading to the actual producer of cotton.

Mr. STAFFORD. There is but one further inquiry and I will be through. The last paragraph and the last lines of the bill—

may require any licensed sampler to give bond for the faithful performance of his duties and for the protection of persons affected thereby and may prescribe the conditions under which cotton shall be sampled by licensed samplers—

I call particular attention to what follows—

for the purpose of classification by officers of the Department of Agriculture.

What is the need of having this clause in here?

Mr. FULMER. These samplers will be directly under the supervision of the Department of Agriculture as classers are now serving these large cotton factors and large cotton merchants as well as the cooperatives.

Mr. STAFFORD. Is it really necessary to have this supervision by these officers?

Mr. FULMER. It is very necessary for the reason that you want a check to see whether or not they are really sending in bona fide samples.

Mr. STAFFORD. Mr. Speaker, with the understanding that the gentleman accepts the proposal as to the dissemination of market news, I, personally, will have no further objection, having conferred with a representative of the Department of Agriculture as to its operation and need.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, the gentleman says this is not going to cost the Government anything.

Mr. FULMER. Not a cent.

Mr. COCHRAN of Missouri. Who pays the samplers?

Mr. FULMER. The cotton buyer and the cotton producer just as it is done now under the operation of the law with large cotton merchants and exporters.

Mr. COCHRAN of Missouri. In the closing days of the last session of Congress a resolution was introduced and passed authorizing a committee to make an investigation in the South, and we were assured it would not cost the Government a cent, but the committee has just made a report and urges an appropriation of $50,000 as a starter toward erecting a memorial. Will you be back later asking for money?

Mr. FULMER. I may say to the gentleman, if he will only take the time to read the hearings, all of that was brought out. The original bill provides that the expenses of cotton classifiers are to be paid by the cotton buyer. Under this bill it will be paid by the local cotton buyer and the producer, and the producer will have the same advantage the large cotton dealer and the cooperatives now enjoy. The service will be supported out of the fees collected and it will not be a direct charge upon the Treasury.

I will say to my friend that this is a most important bill for cotton farmers for the reason we have to improve the staple of our cotton to compete with foreign countries that are now improving their staple very much. The only way to induce farmers to grow longer staple is to pay the proper premium for same.

Mr. COCHRAN of Missouri. Will the gentleman assure us that this is not going to cost the Government any money? That you will not be back later?

Mr. FULMER. Yes.

Mr. COCHRAN of Missouri. Then I withdraw my reservation of objection.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. FULMER. Yes.

Mr. LAGUARDIA. Of course, I take it the purpose of the bill is necessary; and if that is so, may I ask the gentleman why, in the last section, on page 3, he makes it discretionary with the Secretary of Agriculture to prescribe the regulations under which licenses may be issued? If you are going to have these licenses, why do you not put the duty on the Secretary of Agriculture and say "shall" prescribe the regulations?

Mr. FULMER. I may say to the gentleman that in a great many important pieces of legislation that we pass upon here from time to time that I would be delighted to do that, because the regulations are usually left to some one who is to administer the act and very often they leave out of the picture the very man we want to help; but under the original act the Secretary of Agriculture has already promulgated rules and regulations covering the classifiers of cotton with these large dealers and I am sure the same thing would apply in this instance.

Mr. LAGUARDIA. The gentleman is satisfied that even a Secretary of Agriculture who was unfriendly to the purpose of the bill would not be able, under the language of the bill making it discretionary, to block the administration of the act?

Mr. FULMER. I think it would work perfectly satisfactory under this language.

Mr. LAGUARDIA. May I ask the gentleman if he is willing to strike out the poetry or window dressing or blah, otherwise known as the "whereas clauses"?

Mr. FULMER. It will be perfectly satisfactory to do that.

Mr. JENKINS. Mr. Speaker, further reserving the right to object, I should like to ask the gentleman a question. With all due respect to the gentleman who is the author of the bill, under the language of the bill where it provides that the Secretary of Agriculture is authorized to issue a license to any person with no limit on it whatever and under the language on the next page where the Secretary of Agriculture may prescribe a bond, I can not see, in view of this language, how the gentleman can say this will not be an expense on the Government.

Mr. FULMER. I may say to the gentleman that all of these classers have to stand a regular examination and pass the examination before a license is granted. In the meantime, under the provisions of the original act, if they find that such a classer is not properly classing cotton, they have the right to revoke his license and dismiss him from the service.

Mr. JENKINS. Why are there not plenty of licensed inspectors now?

Mr. FULMER. They have them where they pay salaries, but at a number of the interior points they would not be able to pay a cotton classer a salary, but they could agree to pay so much per bale, just like they pay for weighing cotton. They have now sworn weighers paid by the producers and the buyers.

Mr. JENKINS. Who pays for that?

Mr. FULMER. The farmer and the cotton buyer. Today farmers come to town with ⅞-inch cotton, or 1-inch cotton, or 1 1/16-inch cotton, and in many instances he receives a price as if it were all ⅞-inch cotton. After it passes into the hands of the large dealers that have cotton classers working under the regulations of the Department of Agriculture, they properly grade and staple every bale and allocate each lot of cotton as to grade and staple, and it is sold on the merits of its color and the length of its staple. I may say to the gentleman that is one reason we are not now growing the type of cotton we should grow. We are not giving to the farmer the benefit that the large dealer is getting. This bill simply extends to the farmer the same facilities as the larger cotton merchants and cotton exporters now have and it is to be paid for by the farmer and the cotton buyer. This will enable the farmer to know when he goes to sell his cotton whether it is ⅞-inch, 1-inch, or 1 1/16-inch staple.

May I state to the gentleman that there is a letter in the report from ex-Congressman Lever stating that under the workings of this bill, as shown by the certification by an expert sent to my State, his cotton being properly graded, that he received an extra $7.50 per bale, or a sufficient amount on his whole crop, as stated by him, to pay his taxes for that year.

Mr. JENKINS. Let me ask the gentleman what the Department of Agriculture or the business concern does that determines whether a man is a competent inspector? The language of the bill is that the Secretary can appoint anybody.

Mr. FULMER. He has to qualify under an examination.

Mr. LAGUARDIA. And they must be qualified.

Mr. FULMER. Oh, they have to qualify by an examination.

Mr. PATTERSON. And I may say to the gentleman from Ohio [Mr. JENKINS] that they already have a set of qualifications in the department.

Mr. FULMER. And they have to take an examination.

Mr. JENKINS. Whom does the gentleman mean by "they"?

Mr. PATTERSON. Cotton classers.

Mr. JENKINS. If we are going to have a number of people appointed, it seems to me there would be thousands of people who would ask the Department of Agriculture to be appointed inspectors.

Mr. FULMER. Not at all, for the reason that they could not get work.

Mr. JENKINS. Who states they can not?

Mr. FULMER. If they can, then we would need them. They can not get a job until they are appointed and they can not be appointed until some one says that he will pay the amount necessary for the grading of the cotton.

Mr. LAGUARDIA. As I understand, the expert fixes the classification on which the price is based.

Mr. FULMER. Yes; and may I state to the gentleman that the cotton sampler, under supervision of the Government and under bond, will submit a bona fide sample of cotton taken from the actual bale on which the inspection will be based and when the farmer takes his cotton to market he will then know whether he has ⅞-inch cotton or 1 1/16-inch cotton and is then in position to bargain with the buyer.

Mr. JENKINS. Do the hearings disclose whether there is any opposition to this bill?

Mr. FULMER. There is no opposition whatever. It has the approval of the Agriculture Department, the cooperatives, and every agricultural commission in the South.

Mr. SUMMERS of Washington. Is the inspection service self-supporting?

Mr. FULMER. Absolutely.

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the whereases.

The motion was agreed to.

The Clerk read the joint resolution, as follows:

Joint resolution to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton standards act, and for the dissemination of market-news information.

Whereas it is a practice in primary cotton markets in the United States for buyers to pay to growers prices for cotton calculated on the basis of the average quality of cotton sold in a given market at a given time without regard to differences in the quality, grade, and staple of particular bales; and

Whereas this method of buying cotton in primary markets in effect penalizes the producers of superior qualities of cotton and

unduly rewards the producers of inferior qualities, thereby operating to discourage the production of cotton of the better qualities and to encourage the production of cotton of inferior qualities, thus resulting in decreased incomes to cotton growers; and

Whereas the extension of facilities for correct classification of cotton in producers' markets and the dissemination to growers of market information relative to the commercial values of cotton of different qualities will promote more equitable practices in producers' markets and afford protection to the quality of the American cotton crop from the depressing influences of present marketing practices: Therefore be it

*Resolved, etc.*, That the Secretary of Agriculture be requested to extend to cotton growers facilities for the classification of cotton authorized in the United States cotton standards act of March 4, 1923 (42 Stat. L. 1517), with such supervision of licensed classifiers as he shall deem necessary, and to increase the dissemination of market-news information now carried on under authority of the United States cotton futures act.

SEC. 2. Further to carry out the purposes of the said United States cotton standards act the Secretary of Agriculture is authorized to issue to any person, upon presentation of satisfactory evidence of competency, a license to sample cotton. Any such license may be suspended or revoked by the Secretary of Agriculture whenever he is satisfied that such licensee is incompetent or has knowingly or carelessly sampled cotton improperly, or has violated any provision of said act or the regulations thereunder so far as the same may relate to him, or has used his license, or allowed it to be used, for any improper purpose. The Secretary of Agriculture may prescribe by regulation the conditions under which licenses may be issued hereunder, and may require any licensed sampler to give bond for the faithful performance of his duties and for the protection of persons affected thereby and may prescribe the conditions under which cotton shall be sampled by licensed samplers for the purpose of classification by officers of the Department of Agriculture, or by licensed cotton classifiers.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 7, after the word "necessary," strike out the words "and to increase the dissemination of market-news information now carried on."

The amendment was agreed to.

Mr. PATMAN. Mr. Speaker, I move to strike out the last word. I rise in opposition to the amendment. I ask unanimous consent that I may be allowed to speak, out of order, for five minutes.

Mr. COCHRAN of Missouri. Reserving the right to object, I think that the policy of the Speaker, when we are calling the Consent Calendar, is to refuse requests to speak out of order. I am not going to object, but I do not think that the gentleman should ask for such permission. I hope the gentleman will let us proceed with the calendar.

Mr. PATMAN. I will say that this is very important.

The SPEAKER pro tempore. Is there objection?

There was no objection.

GATHERING OF WALL STREET BANKERS

Mr. PATMAN. Mr. Speaker, last night in New York there was a remarkably large gathering of Wall Street men. They were addressed by a distinguished Member of another body. I want to read to you some statements that he is reported to have made. I am quoting:

The financial policies of America originate right here in this great city; the heads of these powerful banks (meaning the New York Federal Reserve Bank and other great banks of New York City), together with the economic and financial advisers, have as a practical proposition Washington and the Congress as their agents * * *. To-day the Government at Washington is only one of the clients of this unified and powerful aggregation. A nod and a whisper by the powers mentioned can turn the tide and reverse the process of deflation and depression * * *. Bankers of New York, I plead with you to face the facts, meet the issue, permit the Nation to live * * *. I come to New York, the Nation's metropolis, to present the facts and to reason with you—you and you alone, who can give the order.

These statements are self-explanatory. A sad state of affairs.

INVESTIGATION

Mr. BLANTON. What is the name of the man who addressed the assemblage?

Mr. PATMAN. Senator THOMAS of Oklahoma. That statement, in connection with the statement recently published by the Sergeant at Arms of the Senate, and in connection with the statement made by Senator CARTER GLASS on May 10 of last year, I believe is a sufficient basis for an investigation.

DEMOCRATIC PLATFORM

The Democratic platform of 1932 contains this provision:

We condemn paid lobbyists of special interests to influence Members of Congress and other public servants by personal contact.

Between now and the special session of the Seventy-third Congress we should get the information that will be necessary to form a basis for a proposed law to carry out that platform pledge.

SENATOR THOMAS RIGHT

Now, Senator THOMAS was exactly right. I do not mean to say that they are bribing Members of Congress. I do not know a Member of either body that I believe can be bribed. I have confidence in Members of both the House and the Senate on both sides of the aisle. The investigating committee that I propose can obtain and publish all the facts.

BANKER CONTROL

Wall Street international bankers are running the country. Members of Congress are responsible for this condition because the power is not taken away from them. These powerful bankers control the money and credit supply. The Constitution of the United States says that Congress shall coin money and regulate its value. This privilege has been farmed out to these few bankers. Congress is entitled to be criticized as long as this condition prevails.

DEMOCRATIC PLATFORM OF 1932

We have time to look into this matter for the purpose of getting the information that will be helpful in enacting such legislation as may be necessary to correct existing evils and to carry out the intent of the Democratic platform of 1932.

CREDIT OF NATION USED FOR FOREIGNERS

The credit of this Nation should not be used to finance exportations or importations of goods between foreign countries that do not touch the United States at all. Nevertheless, that is true.

I invite attention to the last Federal Reserve Bulletin, on page 18. You will find there that the Federal reserve banks are furnishing on goods stored in foreign countries or shipped between foreign countries more than a quarter of a billion dollars a month to finance those transactions. The banks should not be allowed to use the credit, which is a mortgage upon the homes of all of the people, and all of the property of this Nation, to finance foreigners in competition with our own people. International bankers are going to get us into plenty of trouble and cause the American people to suffer more misery and distress if not prevented by Congress.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. SNELL. If the gentleman is going to start an investigation along certain lines to see why the Democrats have not carried out their platform promises, why does he not put in the whole list?

Mr. PATMAN. That is not the object of it. I am confident that an earnest effort will be made to carry out platform promises.

Mr. SNELL. I assume from the gentleman's statement that that is part of it. Why not put all the promises in?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include in the extension of my remarks the resolution which I have introduced.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The joint resolution is as follows:

House Joint Resolution 590

To provide for an investigation of certain charges of lobbying, influencing of the Congress and Members thereof, to obtain information to be used as a basis for legislation, and for other purposes

Whereas last night, Monday, February 6, 1933, there was assembled in New York City the largest gathering of Wall Street men in recent years for the purpose of hearing prominent statesmen discuss the restoration of prosperity and currency expansion; and

Whereas said audience was addressed by United States Senator, the Hon. ELMER THOMAS of Oklahoma, and in the course of his address he stated: "The financial policies of America originate right here in this great city; the heads of these powerful banks (meaning the New York Federal Reserve Bank and other great

banks of New York City), together with the economic and financial advisers, have as a practical proposition Washington and the Congress as their agents. * * * To-day the Government at Washington is only one of the clients of this unified and powerful financial aggregation. A nod and a whisper by the powers mentioned can turn the tide and reverse the process of deflation and depression. * * * Bankers of New York, I plead with you to face the facts, meet the issue, permit the Nation to live. * * * I come to New York, the Nation's metropolis, to present the facts and to reason with you—you, and you alone, who can give the order "; and

Whereas on the 10th day of May, 1932, United States Senator, the Hon. CARTER GLASS, of Virgina, speaking on the subject of the opposition of certain bankers to proposed legislation, stated, "They hired a skillful and persuasive professional lobbyist and paid him a salary to come here to Washington—and worse than that, they hired some Congressmen, to my positive documentary knowledge "; and

Whereas on the 3d day of February, 1933, Sergeant at Arms of the United States Senate, David S. Barry, published in a magazine, which had been widely distributed, the following statement:

"Contrary, perhaps, to the popular belief there are not many crooks in Congress—that is, out-and-out grafters—or those who are willing to be such. There are not many Senators or Representatives who sell their votes for money, and it is pretty well known who those few are "; and

Whereas it is believed by a large number of citizens of the United States that there has grown up in Washington and in the Nation an insidious lobbying system that is controlling unwittingly and otherwise Members of the United States Congress; that it is their belief that said lobbying activities are (a) designed for the purpose of creating more special privileges for a few people; (b) to use the credit of our Nation for the benefit of foreigners in order that they themselves may profit; (c) to perpetuate a spirit of internationalism destructive to American ideals, principles, and traditions; (d) to hinder and discourage the teaching in public schools, colleges, and universities the science of money; (e) to force low wages; (f) cheap commodities; (g) branch banking; (h) the use of the Government's credit for a few people in order that the masses may be compelled to pay tribute to them; and (i) to obtain cancellation of war debts; and

Whereas all lobbying activities affecting the United States Government should be fully and thoroughly investigated at once for the purpose of determining the truthfulness or falsity of said assertions and beliefs. Further, legislation should be enacted that will prevent paid lobbyists of special interests from influencing or attempting to influence Members of Congress or other public servants by personal contact. Further, open hearings before a committee should be held in an investigation of these charges and the people fully advised to what extent and manner, if at all, Members of Congress are influenced or persuaded against the public interests by said lobbyists, and make such reports and recommendations as said committee may think proper touching all matters and phases in connection with the subjects hereinbefore mentioned: Therefore be it

*Resolved, etc.*, That there is hereby established a joint congressional committee which shall be composed of three Members of the Senate appointed by the President of the Senate and three Members of the House of Representatives appointed by the Speaker. Members of the committee shall be appointed from among Members of the present Congress who will be Members of the Seventy-third Congress. The committee shall select its own chairman.

SEC. 2. The committee is authorized and directed to conduct an investigation of all assertions, charges, statements, and alleged beliefs hereinbefore and to obtain such information and carry out the purposes and objects expressed in preceding paragraphs.

SEC. 3. The committee shall report to the Senate and House of Representatives not later than 15 days subsequent to the first day of the first session of the Seventy-third Congress the results of its investigations, together with such recommendations for legislation as it deems advisable.

SEC. 4. For the purposes of this resolution, the committee is authorized to sit and act during the sessions and recesses of the present Congress and the Seventy-third Congress at such times and places, to hold such hearings, to employ such experts and such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary. Oaths and affirmations may be administered by any member of the committee.

SEC. 5. Subpœnas shall be issued under the signature of the chairman of the committee and shall be served by any person designated by him. The provisions of sections 102, 103, and 104 of the Revised Statutes shall be applicable to any person summoned as a witness under the authority of this resolution in the same manner as such provisions are applicable to any person summoned as a witness in the case of an inquiry before a committee of the Senate.

SEC. 6. The expenses of the committee, not to exceed $25,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved and signed by the chairman of the committee.

Mr. FULMER. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. FULMER: Page 2, line 13, after the word "any," insert the word "qualified."

The amendment was agreed to and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. STAFFORD. Mr. Speaker, I move to amend the title.

The SPEAKER pro tempore. The Clerk will report the amendment to the title offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Amend the title, after the word "act" in the third line of the title, by striking out "and for the dissemination of market news information."

The title was amended.

A motion to reconsider the vote by which the bill was passed was laid on the table.

TO STABILIZE LIVESTOCK INDUSTRY

The next business on the Consent Calendar was the bill (H. R. 11816) to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range, and for other purposes.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, for the reason that this is one of the bills the Speaker intends to recognize for suspension of the rules.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object. An amendment has been prepared, which I would like to have the Clerk read at the present time, and probably when it is read, the several objections on the floor will be disposed of.

Mr. LAGUARDIA. Will the amendment be offered when the motion is made to suspend the rules and pass the bill?

Mr. EATON of Colorado. It will be incorporated in the bill by the chairman of the committee.

Mr. COCHRAN of Missouri. I notice that a portion of the title states "to stabilize the livestock industry." Does the gentleman want to stabilize the livestock industry with the present price of cattle and pork at almost nothing?

Mr. EATON of Colorado. I had nothing to do with the writing of the title. This is simply for the purpose of providing for a new bureau in the Department of the Interior to look after the grazing of the public domain.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object, and ask unanimous consent that the proposed amendment may be read, because some of us would like to think about it in the meantime.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York that the amendment be read?

There was no objection.

The Clerk read as follows:

Page 11, after line 8, insert a new section to be known as section 13, to read as follows:

"SEC. 13. That this act shall not become effective in any State until 60 days after the approval by the legislature of such State affirmatively accepting its operation; and each such approving State, in its discretion, may designate and authorize one or more representatives or officials of said State with whom the Secretary of the Interior is hereby authorized to make and enter into suitable agreements for the cooperative administration of public grazing upon said public lands of the United States, and the lands owned by, or subject to the control of said State or any political subdivision thereof, which shall be subject to such rules and regulations as shall be agreed upon and promulgated by both the Secretary of the Interior and said State."

Mr. EATON of Colorado. Mr. Speaker, there is one more amendment also.

The Clerk read as follows:

Page 5, line 16, strike out the word "valuable."

RELIEF OF DISTRESS DUE TO UNEMPLOYMENT

The next business on the Consent Calendar was the bill (H. R. 12097) for the relief of distress due to unemployment, to create a committee for Federal, State, and local cooperation in placing qualified unemployed persons on unoccupied farms for the purpose of growing subsistence food crops during the continuance of the unemployment emergency.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

READJUSTMENT OF LEASE OF POST-OFFICE GARAGE, BOSTON, MASS.

The next business on the Consent Calendar was the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, when this bill was last considered, I asked that the bill be passed over without prejudice so that I might be able to get the views of the Post Office Department and prepare necessary amendments. A Member objected to that request and I was forced to object to the bill.

I have conferred with the author of the bill and I have also conferred with representatives of the Post Office Department. The Post Office Department is opposed to this bill in its present form. This bill is directory, not discretionary. It directs the Postmaster General to modify the terms of the lease. My proposed amendments are as follows:

In lieu of the word "directed," on page 1, line 3, insert the word "authorized."

Then on page 2, line 1, insert a comma after the word "rental," and insert the word "the" after the word "and." In line 2, strike out "from the date of the lease," and insert the following: "under lease from the date of the enactment of this act but not in excess." Insert after the word "options" the following, "not in excess of." So that the last clause will read—

to readjust the rental and purchase options in the existing lease by increasing the annual rental under the lease from the date of the enactment of this act but not in excess of $7,500, and by increasing the purchase options not in excess of $75,000.

That was agreeable to the gentleman from Massachusetts [Mr. Foss] when I submitted that to him after the consideration of the bill at the last session of the calendar.

Mr. MARTIN of Massachusetts. If the gentleman insists on that we will accept it.

Mr. STAFFORD. I will have to insist on that very strenuously, because I would not allow a bill to pass this Congress which violated the established policy that we change the rental back to the date the lease was entered into. So that with that understanding, and with it being acceptable to the author of the bill, I shall not object.

Mr. BLANTON. Well, reserving the right to object, Mr. Speaker, the Congress, as the gentleman knows, has authorized the construction of certain post-office buildings, with a maximum limit on the amount to be expended. The Congress has appropriated money for it. The Congress has authorized the President to designate the buildings which shall be built first on an emergency basis. The President has designated a number of them. There are a number of others not yet designated. An attempt elsewhere is not being made to cut off all of those buildings which have not been designated up to this time. They are cutting off many of them. They are restricting the appropriations.

Mr. MARTIN of Massachusetts. The gentleman understands this has already been constructed, does he not?

Mr. BLANTON. I understand this is one of them, but there is a provision in this bill to increase the cost $75,000.

Mr. LAGUARDIA. In the rent.

Mr. BLANTON. Now, $75,000 is as much as has been authorized for quite a number of buildings in quite a number of cities. In other words, all certain cities get is $75,000. When another body is cutting off appropriations for buildings which have already been authorized, and which are awaiting designation by the President, is it just to those cities to come here and increase another city $75,000?

Mr. STAFFORD. Will the gentleman permit? May I have a few minutes, Mr. Speaker, under reservation of objection? I took occasion to go thoroughly into the merits of this proposal because it is rather out of the ordinary. What are the facts?

Mr. PARKER of Georgia. Mr. Speaker, the regular order.

The SPEAKER pro tempore. Regular order is demanded. The regular order is, is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. PARKER of Georgia. I object.

The SPEAKER pro tempore. Three objections are required. The Clerk will report the bill.

Mr. HARE. Mr. Speaker, I object.

The SPEAKER pro tempore. The objection comes too late. The Clerk will report the bill.

Mr. BLANTON. Mr. Speaker, we must not move too fast when objections come before a bill is called. If the Speaker does not see the gentleman, it is not our fault. We are working here trying to preserve this calendar.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. HARE] did not rise until after the Chair had announced that there were only two objections. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the Postmaster General is hereby directed, because of the conditions encountered in the performance of the contract for the construction and lease of the post-office garage in Boston, Mass., and the modifications made in said building from the original specifications, during the course of construction, to meet the aforesaid conditions and to provide a larger and better building than was required under the original contract and specifications; to readjust the rental and purchase options in the existing lease by increasing the annual rental from the date of the lease $7,500 and by increasing the purchase options $75,000.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Line 3, page 1, strike out the word "directed" and insert the word "authorized."

The amendment was agreed to.

Mr. STAFFORD. I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 1, after the word "rental," insert a comma; and, after the word "and," insert the word "the."

The amendment was agreed to.

Mr. STAFFORD. I offer a further amendment, Mr. Speaker.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 2, in line 2, strike out the words "from the date of the lease," and insert in lieu thereof the words "under lease from the date of the enactment of this act, but not in excess."

The amendment was agreed to.

Mr. STAFFORD. I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 3, line 3, after the word "options," insert the words "not in excess."

The amendment was agreed to.

Mr. STAFFORD. This garage was erected by a private owner at an expense of over $200,000 above the original specifications as prescribed by the Post Office Department. In constructing the building he was confronted with rather unstable foundations and had to go right down to bedrock.

The Post Office Department also requested at his suggestion in order to save expense that instead of the basement's being made serviceable for postal needs, as was embodied in the original specifications, he erect an addi-

tional story to the building. After the additional story was erected the Post Office Department requested that he also put the basement in condition for use. This required waterproofing.

For the additional work of constructing the fourth story and waterproofing the basement the Post Office Department made an estimate of $77,000 as to the cost. An estimate for this work, made by Senator BLAINE's committee which investigated this matter, was $75,000. Senator BLAINE, who, as chairman of the committee investigating leases of the Post Office Department, gave special attention to this matter, has, as I have been informed, agreed to these amendments making it mandatory that the increased rental should date from the date of the lease, which is five years ago. I understand these gentlemen here are going to insist that these amounts will not be effective, at least as to rentals, until the date of the enactment of the act. If this amendment is agreed to, the Government can exercise its option to purchase within the 10-year period or within the renewal period of 10 years, and if they do so it will be at a cost not in excess of $75,000; and if they exercise their option they will get at least $125,000 more value instead of the estimate that was made two years ago.

I think this is an exceptional case. I understand the Post Office Department is in favor of leaving it discretionary with the Postmaster General to increase this rental.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. LAGUARDIA. It is reasonable that the contractor be compensated for building the story which was not included in the specifications, but I do not think the contractor deserves any consideration for the extra work involved in the foundation, for that is something he should have known about.

Mr. STAFFORD. And on the basis of $75,000 we are not compensating him for the extra cost involved in going down to bedrock. We are compensating him only for the additional story not included in the specifications and for the waterproofing of the basement. Seventy-five thousand dollars is below the estimate of the special agent of the Senate committee.

Mr. SNELL. This matter is left discretionary.

Mr. STAFFORD. Absolutely. I have made this statement in view of the statement of the gentleman from Texas. I do not think he had all the facts in this case.

Mr. BLANTON. I am glad to know the gentleman from Wisconsin is trying to go along with Senator BLAINE.

Mr. STAFFORD. He is following me when he adopts these provisions making it discretionary with the Government and striking out the mandatory requirement.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

### CONTRACTORS ON PUBLIC-BUILDING PROJECTS

The next business on the Consent Calendar was the bill (H. R. 9921) to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes.

Mr. BLANTON. Mr. Speaker, this is one of the bills that is to be recognized under suspension. Therefore I ask that it be passed over.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

### DEATH GRATUITY

The next business on the Consent Calendar was the bill (H. R. 6734) to amend an act entitled "An act to authorize payment of six months' death gratuity to dependent relatives of officers, enlisted men, or nurses whose death results from wounds or disease not resulting from their own misconduct," approved May 22, 1928.

Mr. JENKINS, Mr. LAGUARDIA, and Mr. BLANTON objected.

### NAVAL RESERVE AND MARINE CORPS RESERVE

The next business on the Consent Calendar was the bill (H. R. 5329) to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 24 of the act approved February 28, 1925 (43 Stat. 1087; U. S. C., title 34, sec. 785), entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929 (45 Stat. 1477; U. S. C., Supp. IV, title 34, sec. 785), be, and the same is hereby, further amended by deleting from the second proviso of the act of March 2, 1929, the words "transferred thereto prior to July 1, 1925," so that said proviso will read as follows:

"*Provided further*, That any pay which may be due any member of the Fleet Naval Reserve shall be forfeited when so ordered by the Secretary of the Navy upon the failure, under such conditions as may be prescribed by the Secretary of the Navy, of such member to report for inspection."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

### ADMINISTRATION OF JUSTICE IN THE NAVY

The next business on the Consent Calendar was the bill (H. R. 5352) to provide for the better administration of justice in the Navy.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

### EMPLOYEES' COMPENSATION

The Clerk called the next bill, H. R. 92, to amend an act entitled, "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof.

Mr. JENKINS. Mr. Speaker, reserving the right to object, I am constrained to object to the consideration of this bill because it strikes me there is a new policy involved here. However, I should like the gentleman from New York or the proponent of the bill to explain it.

Mr. LAGUARDIA. Mr. Speaker, this bill was in our committee, and I may say that all this bill does is to allow a totally disabled employee of the Government, who is totally disabled by being totally blind or by having lost both hands or both feet or by being paralyzed and unable to walk, an additional $50 a month. We follow this course in the case of veterans, and anyone will readily see that a person who is injured to the extent of being totally blind or having lost both hands or both feet, requires the services of an assistant, and this $50 a month would allow him such an assistant; otherwise, he could not live on the maximum allowed for total disability under the law.

Mr. BLANTON. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. BLANTON. The gentleman from New York [Mr. LAGUARDIA] is an employee of the Government. Suppose the gentleman had not had military service and should become totally blind or lose both arms or both legs, even though he has been a valuable Congressman, one of the most valuable we have ever had here, the Government would not pay him a cent. They would not only not pay him for an attendant but would not pay him anything at all. There was a time when the Government did not pay employees who got hurt anything. They extended this to them as a gratuity for which the Government was not liable in law. Now you are proposing to extend this for an attendant at $50 a month.

Mr. LAGUARDIA. There was a time when the sovereign could take a subject out and shoot him if he were tired of him.

Mr. BLANTON. That is quite foreign to this matter.

Mr. LAGUARDIA. We are progressing all the time.

Mr. BLANTON. I know, and my friend from New York has such a big, warm heart that, if he could, he would pay $100 a month to every widow of the United States who is 60 years of age. He would pay every orphan child, regardless of what service his father may have rendered, $100 a month out of the Treasury, because he is kind-hearted. I would, too, if it were my money and I could spare it; but this is the people's tax money, and until we stop extending these provisions, until we stop passing the buck along and giving public money to everybody for whom we have sympathy, we never will get the Budget of this country balanced, and we will never restore confidence among the people.

I object, Mr. Speaker.

UINTAH, WHITE RIVER, AND UNCOMPAHGRE BANDS OF UTE INDIANS OF UTAH

The Clerk called the next bill, H. R. 12651, for the relief of the Uintah, White River, and Uncompahgre Bands of Ute Indians of Utah, and for other purposes.

Mr. JENKINS. Mr. Speaker, reserving the right to object, I am constrained to object to this bill for the reason the departments are not in favor of it.

Mr. COLTON. The departments are in favor of the bill. The only objection comes from the Bureau of the Budget.

Mr. LAGUARDIA. Mr. Speaker, I want to say a word about this bill. I want to call the attention of my colleague from Ohio [Mr. JENKINS] to the report on this bill.

I believe in all of my 14 years in this House this report is the most outrageous, brazen disregard of the rights of the Indians I have ever seen exhibited in any report.

They are entitled to this relief. This money was paid to them for their land. It is a treaty between the Indians and the Government, and it is their money, and for the Government to say that paying money that belongs to the Indians and was paid for their land is contrary to the financial program of the administration, is dishonest.

Mr. STAFFORD. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. STAFFORD. I read the report differently from the gentleman from New York. I read the report as recommending the passage of this bill, under this language——

Mr. LAGUARDIA. I refer to the last section of the memorandum of the assistant commissioner.

Mr. STAFFORD. Let me read the last sentence of the first paragraph of the memorandum:

> This bill is for the purpose of placing said money to the credit of the individual Indians entitled, and to authorize the use of same for beneficial purposes for such Indians. This disposition of the money, as set forth in section 2 of the bill, is believed to be of much more benefit to them than to pay same out in cash per capita payments, either in one payment or over a period of years, as the general experience has been that cash per capita payments are frittered away without any permanent benefit.

There is a direct recommendation of the provisions of the bill by the Assistant Commissioner of Indian Affairs.

Mr. LAGUARDIA. And will the gentleman read this language:

> This proposed legislation is desired when it can be accomplished in order that the benefits to the Indians therein provided for may be carried into effect. However, the Director of the Bureau of the Budget has advised that it would not be in accord at this time with the financial program of the President.

This is what I object to.

Mr. STAFFORD. If the gentleman will permit, the assistant commissioner in his prefatory statement says the bill is very commendable in its provisions, and then he winds up by surrendering to the Director of the Budget.

Mr. LAGUARDIA. That is what I object to.

Mr. STAFFORD. But the gravamen of the letter from the assistant commissioner is that he is in favor of the bill.

Mr. LAGUARDIA. Then let us pass it.

Mr. JENKINS. Mr. Speaker, I have the floor under a reservation of objection, and I am sorry I have precipitated so much oratory by these two distinguished gentlemen. However, this proves my contention that this report is ambiguous. I am not thoroughly acquainted with what the measure proposes to do, and I would like to ask the gentleman from Utah [Mr. COLTON] to explain the purpose of the bill.

Mr. COLTON. The Bureau of Indian Affairs is favorable to the bill. The only objection is that pointed out by the gentleman from New York as coming from the Director of the Budget.

In 1905, nearly 30 years ago, the Uintah Reservation was opened to settlement, and a million acres of that reservation were taken from the Indians and put into the forest reserve. These lands have been there ever since. We passed a bill paying them $1.25 an acre for that land, and the money is in the United States Treasury now and belongs to the Indians.

Mr. JENKINS. How long has it been there?

Mr. COLTON. As I remember, about two years.

Mr. JENKINS. What is the controversy?

Mr. COLTON. There is no controversy. The Director of the Budget said when the bill came to him that it was contrary to the President's financial policy.

Mr. JENKINS. It was technically against the policy but not actually.

Mr. COLTON. We have appropriated the money, and this directs the way that it shall be paid to the Indians.

Mr. JENKINS. Mr. Speaker, I withdraw my reservation of an objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior be, and he is hereby, authorized and directed to withdraw from the Treasury of the United States the total funds on deposit to the credit of the Uintah, White River, and Uncompahgre Bands of Ute Indians, arising under the provisions of the act of February 13, 1931 (46 Stat. 192), including the accrued-interest thereon, and cause the total sum to be paid in pro rata shares to all members of the said Uintah, White River, and Uncompahgre Bands of Ute Indians who were alive and entitled to enrollment with such Indians on February 13, 1931: *Provided*, That the said Secretary, under such rules and regulations as he may prescribe, shall cause the shares of all Indians, including minors, to be deposited as individual Indian money in banks bonded and designated as depositaries for individual Indian moneys, to remain subject to disbursement for the benefit of the Indians entitled thereto as are other individual Indian moneys under existing laws.

SEC. 2. The funds when so deposited to the credit of each individual Indian shall become immediately available for the purpose of improving their lands, the erection of suitable homes, the purchasing of building material, farming equipment, livestock, feed, food, seed, grain, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves for or to engage in farming, livestock industry, or such other pursuits or avocations as will enable them to become self-supporting under such rules and regulations as may be prescribed by the Secretary of the Interior for their actual benefit and welfare: *Provided*, That in cases of the aged, infirm, decrepit, or incapacitated members their shares may be used for their proper maintenance and support in the discretion of the Secretary of the Interior.

SEC. 3. The funds deposited to the credit of minors, under authority of this act, may be invested or expended in the same manner and for the same purposes as are herein provided for the adults: *Provided*, That where the funds of any minor are invested or expended it shall be done with the consent of the parents and the approval of the Secretary of the Interior.

SEC. 4. In no event shall any of this money become liable, payable, or subject to any debt or debts contracted prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

REMOVING EXISTING DISCRIMINATIONS TO CERTAIN LAND GRANTS

The next bill on the Consent Calendar was the bill (S. 4165) to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the land-grant railroad heretofore operated and now being operated between the stations of Hastings and Ortonville, in the State of Minnesota, the land-grant railroad heretofore operated and now being operated between the stations of Houston and Airlie, in the State of Minnesota, the land-grant railroad heretofore operated and now being operated between the stations of Humboldt and Junction City, in the State of Kansas, and the land-grant railroad heretofore operated and now being operated between the stations of Jonesville and Mackinaw City, in the State of Michigan, shall hereafter receive compensation for transportation of property and troops of the United States at the same rate as is paid to land-grant railroads organized under the land grant act of March 3, 1863, and the act

of July 2, 1866 (ch. 278): *Provided*, That the Congress hereby reserves the right at any time by law to prescribe such charges as it deems advisable for such Government transportation.

Mr. LEA. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 1, line 9, strike out the words "between the stations of Humboldt and" and in lieu thereof insert "from a point about 4 miles south of Humboldt through the station thereof to."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GRAZING AND RANGE DEVELOPMENT IN CUSTER COUNTY, IDAHO

The next bill on the Consent Calendar was the bill, H. R. 13559, authorizing the Secretary of the Interior to enter into a cooperative agreement or agreements with the State of Idaho and private owners of lands within the State of Idaho, for grazing and range development, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. FRENCH. Reserving the right to object, I want to make a brief statement to the House. This bill was reported to the House by the Committee on the Public Lands on January 10. Following the report to the House by the committee, the Secretary of the Interior made a second report on the bill, under date of January 11, in which he reported adversely, and consequently that report does not appear in the report of the Public Lands Committee.

I feel it is due to the House to make this statement and to incorporate this sentence from the Secretary's report dated January 11, 1933.

After reciting the outline that I have made, Secretary Wilbur continues:

I stated that if Congress desired to proceed with consideration of special legislation, however, I would have no objection. Since that time it has become apparent that a number of other special bills would probably be subject to some consideration, and I believe it desirable to dispose of these matters by one bill only. Pending action on H. R. 11816, therefore, it is recommended that consideration of H. R. 13559 be deferred.

In view of that statement, and in view of the plan to take up this afternoon the bill to which the Secretary refers, H. R. 11816, I ask unanimous consent that the bill H. R. 13559 be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LOCAL COOPERATION IN PROSECUTION OF WATERWAY IMPROVEMENTS

The next business on the Consent Calendar was House Joint Resolution 553, amending provisions in river and harbor laws relating to local cooperation in the prosecution of waterway improvements.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, at the request of the chairman of the Committee on Rivers and Harbors I ask unanimous consent that this go over without prejudice.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. I see the chairman of the Committee on Rivers and Harbors coming into the Chamber.

Mr. MANSFIELD. That is my request.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DONATION OF PROPERTY IN MAXWELL, NEBR., FOR FEDERAL BUILDING PURPOSES

The next business on the Consent Calendar was the bill (H. R. 10749) to authorize acceptance of proposed donation of property in Maxwell, Nebr., for Federal building purposes.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I suggest an amendment on page 1, line 5, after the word "Israel" by inserting the words "in fee absolute."

Mr. LANHAM. Mr. Speaker, if the gentleman will yield, I presume that the donor could do that, but I do not know that he could absolutely. Let me recite the facts. The gentleman who is making this donation is an elderly man, who has for many years been drawing a pension from the Federal Government on account of his military service. He is making this donation of a brick building, with a concrete vault, in good condition, without any strings to it, merely as an expression of his gratitude for what the Government has done for him. The building was formerly occupied by a bank and is now being occupied by the United States Government for post-office purposes. We are paying an annual rental for this building. Of course, the donor can convey only such title as he has. What that title is I do not know, but out of the goodness of his heart, and out of gratitude for services which have been performed in his behalf and benefits rendered to him, he wants to give this building to the Government. Personally I do not want to make the burden any greater upon him than is necessary.

Mr. LAGUARDIA. For instance, is he married?

Mr. STAFFORD. What difference would it make whether he is married or is single?

Mr. LAGUARDIA. His wife, if he is married, would have to join in the deed.

Mr. SIMMONS. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. SIMMONS. There is no question but that he will give a good title.

Mr. LANHAM. The matter to which the gentleman from New York has just referred would depend upon the laws of Nebraska. I am not familiar with them. The gentleman from Nebraska [Mr. SIMMONS], who introduced the bill, can probably give information respecting that.

Mr. SIMMONS. Mr. Speaker, the bank was bought by Mr. Israel from our State banking department as a part of the assets of the failed bank. So far as I know, he has a fee simple title. A warranty deed has been deposited with the Treasury for several months to the property from him to the Government, so that there is no question about it. He has even gone so far as to keep up the taxes since he has given the deed to the Government. I think the title is clear. I suggest to the gentleman from New York that it is the intention to give to the Government a fee simple title to the property. The gentleman might complicate the situation by the insertion of the language which he suggests.

Mr. BLANTON. Mr. Speaker, if the gentleman will yield, the Government has already given so very much westward to Nebraska, and as this is the first time that I know of where anything has come eastward from Nebraska to the Government, I hope the gentleman will not object.

Mr. SIMMONS. I assume the gentleman is not referring to Members of Congress.

Mr. LAGUARDIA. Without in any way intending to reflect upon this gift, we all know from our experience as legislators that very often we receive gifts and then find that we have taken over a lot of liens, incumbrances, and complications with them. Of course, I am not referring to this particular case when I say that, but I think it is our duty to inquire when a gift is made, because we have had some very sad experiences from the early days down, from the time of the Dawson Springs matter in Kentucky up to this moment. If the gentleman says that he knows from his own knowledge that a warranty deed is given and that it is a fee absolute, it is all right with me, but I think we should get a fee title and not a lawsuit.

Mr. SIMMONS. I do not know what the condition of the title is. I do know that the deed has been delivered, because that went through my office before the bill was introduced. The bill itself was drafted by the department and not by my office. They have examined the building, and it is their desire to take it over. The Post Office Department is now using it, and the intention is to give to the Government a completely clear title. If it should develop that that is not existing, there is no obligation on the part of the Government to accept title.

Mr. EATON of Colorado. It is not any kind of a homestead or susceptible of being made a homestead, as I understand, but is a store building?

Mr. SIMMONS. It is a bank building.

Mr. LAGUARDIA. Mr. Speaker, with that statement I shall not object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and empowered to accept on behalf of the United States the donation by Mr. C. J. Israel of his property in Maxwell, Nebr., for Federal building purposes; being a cross section of lots Nos. 1, 2, 3, and 4, block 22, original town, facing east on Pine Street and having dimensions of 26 by 96 feet, together with the 1-story bank building now located thereon; that said property shall be used and operated as are other public buildings, and that the annual appropriations for the general maintenance of public buildings under the control of the Treasury Department shall be construed to be available for use in connection with said property as for other buildings under said department; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to be used for the purpose of altering, repairing, and reconditioning said building to make same available for use as a post office.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

CONTROL OF BUILDING NO. 2, CUSTOMHOUSE RESERVATION

The next business on the Consent Calendar was the bill (H. R. 13521) to transfer control of building No. 2 on the customhouse reservation at Nome, Alaska, to the Secretary of the Interior.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, I wish to propose a minor objection in line 4, to strike out the words "permanent jurisdiction of the." It is simply a transfer from one secretary to the other.

I withdraw the reservation of objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is hereby authorized to transfer to the permanent jurisdiction of the Secretary of the Interior, for such use as he may deem desirable, a plot of land, together with improvements thereon, included in the United States customs reservation in the city of Nome, Alaska, and particularly described as follows: Beginning at a point 91.8 feet south 43° 46' west from corner south No. 2 of said reservation, thence north 70° west a distance of 63 feet, thence south 20° west a distance of 42.5 feet, thence south 70° east a distance of 58.1 feet, thence north 26° 32' east a distance of 42.8 feet to the point of beginning, such boundaries embracing an area of 2,573 square feet.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 1, line 4, strike out the words "permanent jurisdiction of the."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TRANSFER OF AMMUNITION

The next business on the Consent Calendar was the bill (H. R. 12047) to provide for the transfer of powder and other explosive materials from deteriorated and unserviceable ammunition under the control of the War Department to the Department of Agriculture for use in land clearing, drainage, road building, and other agricultural purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, the purpose of the bill, as far as I am concerned, is quite proper, and the report states the specific purposes that these explosives are to be used for; but there is nothing in the bill that limits the Secretary of Agriculture to disposing of the explosives in the manner indicated. I would suggest an amendment which I have prepared, as follows:

Page 2, line 7, after the letters "ture," insert the following: "*Provided*, That the Secretary of Agriculture shall use said explosive material and unserviceable ammunition solely for distribution through the agriculture colleges of the several States, the same to be reconditioned and distributed only to the farmers of the cut-off timberland areas of the country at actual cost."

That is the wording of the report.

Mr. PEAVEY. As the author of the bill, I have no objection whatever to the gentleman's proposed amendment. I will say, however, to the gentleman and to the Members of the House that while the language of the bill does not specifically direct or limit the Department of Agriculture as to how or where they shall dispose of the explosives, this bill simply reenacts in principle what was the statutory law from 1920 to 1928. Under that administration no question ever came up as to the explosives being distributed to any other than the purpose named in the bill.

Mr. LAGUARDIA. I remember some years ago that some so-called surplus material called junk got into the hands of some of our southerly neighbors and there was a great deal of comment about it at the time.

Mr. BLANTON. Will the gentleman yield?

Mr. PEAVEY. I yield.

Mr. BLANTON. Is the gentleman in favor of enlarging and extending the bureaus of the Department of Agriculture?

Mr. PEAVEY. May I answer the gentleman in this way——

Mr. BLANTON. Well, yes or no.

Mr. PEAVEY. Well, that question will hardly permit a yes or no answer.

Mr. BLANTON. Well, I am ready to answer that I am not willing. Under the present existing law the War Department can sell any surplus material which it has on hand, or any junk material. If the Department of Agriculture needs this material for building and constructing roads it has the right to buy it from the War Department with the funds that we give them, and let those funds be accounted for in the relative manner in which we provide for the expending of Government money, with State money, for that purpose. I am not willing to enlarge the activities of the Department of Agriculture any further, and I object, Mr. Speaker.

TIME OF HOLDING COURT IN EASTERN DISTRICT OF NORTH CAROLINA

The next business on the Consent Calendar was the bill (H. R. 13655) to amend the act of May 10, 1928, entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina" (45 Stat. 495).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the act of May 10, 1928, entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina" (45 Stat. 495), is hereby amended to read as follows:

"That the terms of the District Court for the Eastern District of North Carolina shall be held at Durham on the first Mondays in March and September; at Raleigh a 1-week civil term on the second Mondays in March and September, and a criminal term only on the second Monday after the fourth Monday in April and October; at Fayetteville on the third Mondays in March and September; at Elizabeth City on the fourth Monday in March and the first Monday in October; at Washington on the first Monday in April and the fourth Monday in September; at New Bern on the second Mondays in April and October; at Wilson on the third Mondays in April and October; and at Wilmington a 2-week term on the fourth Mondays in April and October: *Provided*, That this act shall take effect on July 1, 1928: *And provided further*, That at Wilson and Durham it shall be made incumbent upon each place to provide suitable facilities for holding the courts."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SCHOOL BUILDING AT FRAZER, MONT.

The next business on the Consent Calendar was the bill (H. R. 7532) to provide funds for cooperation with the school board at Frazer, Mont., in the completion of the high-school building there to be available to Indian children of the Fort Peck Indian Reservation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENKINS. Mr. Speaker, reserving the right to object, it appears that this bill has an unfavorable report from the department. It calls for the expenditure of money. It involves a departure, and unless the proponent of the bill can convince me, I am constrained to object to it.

Mr. LEAVITT. Will the gentleman yield?

Mr. JENKINS. Yes. I yield.

Mr. LEAVITT. It does not involve any departure from established practice. The only objection that is raised by the department to this bill and the next bill on the calendar is that they involve the expenditure of money at this time. The department is favorable to the policy that is involved here, and has reported favorably in the past on identical bills. This bill and the one following have both passed the Senate. The report of the department was to the effect that they were not fully informed as to the details, but the report was made about a year ago, and I have visited both of those schools since and know of the great need at both Frazier and Wolf Point.

Last fall I visited these schools personally.

Mr. BLANTON. We have already given this school $25,000.

Mr. LEAVITT. Yes; at Frazier, but nothing at Wolf Point.

Mr. BLANTON. This gives them an additional $15,000 for completing this school building.

Mr. LEAVITT. For the completion of the building.

Mr. BLANTON. With $25,000 now available they should be able, considering present reduced prices, to construct a $50,000 building with the contributing share of the local authorities.

Mr. LEAVITT. They had to pass a special bond issue. They are in the middle of an Indian reservation with a very small amount of taxable property. They have not been able to finance the building.

Mr. BLANTON. What fees did they have to pay the agents or bankers for cashing those bonds?

Mr. LEAVITT. I do not think they paid anything. It was handled through a local bank there, I believe.

Mr. BLANTON. What did the bank charge them?

Mr. LEAVITT. I understand it was handled by a man who was a member of the school board.

Mr. BLANTON. What did they get for the bonds?

Mr. LEAVITT. I do not know.

Mr. BLANTON. The usual trouble in such cases is that the bonds are sold too low, and too much is paid for incidental expenses in connection with the sale of the bonds.

Mr. LEAVITT. I do not think that was so in this case.

Mr. JENKINS. They already have received $25,000 from the Government.

Mr. LEAVITT. I so stated, but they are unable to raise by another special bond issue through taxation the remaining amount necessary.

Mr. STAFFORD. Will the gentleman explain the reason they are calling upon the Government for an additional $15,000 for this purpose? And will the gentleman further inform the House how much it was originally estimated the building would cost?

Mr. LEAVITT. About $65,000.

Mr. STAFFORD. The original estimate was $50,000. Congress contributed one-half of that. Now the gentleman is asking the United States to contribute $15,000 more, to contribute four-fifths of the entire expense.

Mr. BLANTON. Mr. Speaker, I have both this bill and the next one marked for objection.

Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FORT PECK INDIAN RESERVATION

The next business on the Consent Calendar was the bill (H. R. 9064) to provide funds for cooperation with the school board at Wolf Point, Mont., in the extension of the public-school building to be available to Indian children of the Fort Peck Indian Reservation.

Mr. BLANTON. Mr. Speaker, this would appropriate an additional $50,000. I ask unanimous consent that the bill go over.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ROOSEVELT ISLAND

The next business on the Consent Calendar was the bill (H. R. 14228) to change the name of "Roosevelt Island" to "Theodore Roosevelt Island."

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I should like to have some explanation from the author of this bill as to why it is necessary to change the name at this time.

Mr. JENKINS. Were the distinguished gentleman from Kentucky [Mr. GILBERT] here, he could inform the gentleman.

Mr. LAGUARDIA. I think we better let this go over until we can be informed of the history of the case.

Mr. LEAVITT. Mr. Speaker, if the gentleman will yield, I think I can explain the matter to him. Originally this island was known as Analostan Island. It was accepted by Congress as the site for a memorial to Theodore Roosevelt. Now that Franklin D. Roosevelt has become the President elect, and in order to make certain that the dedication of the island is to the proper Roosevelt, they want to change the name from Roosevelt Island as it was originally designated to "Theodore Roosevelt Island."

Mr. JENKINS. I hope with that understanding the gentleman from New York will withdraw his objection.

Mr. LEAVITT. That is the situation.

Mr. CLARKE of New York. I think the gentleman from New York fully understands that the Theodore Roosevelt Association sponsored this memorial and secured contributions making it possible. That is the reason they want the name changed, that it may be dedicated to the man Theodore Roosevelt.

Mr. BLANTON. Mr. Speaker, I am under the impression that the present great Roosevelt is fully appreciative of the valuable characteristics of the former great Roosevelt and would himself approve this bill.

Mr. CLARKE of New York. There is no doubt of that.

Mr. BLANTON. I hope the gentleman from New York will withdraw his objection.

Mr. LAGUARDIA. Mr. Speaker, if the island is named Theodore Roosevelt Island, it may be an inspiration for the new Roosevelt to wield the big stick on certain predatory interests; and if that can happen, I shall not object.

Mr. BLANTON. I hope he will wield the big stick.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That an act to establish a memorial to Theodore Roosevelt, approved May 21, 1932 (Public, No. 146, 72d Cong.), be amended as follows:

That wherever the name "Roosevelt Island" appears in sections 1, 2, and 3 of this act it shall be stricken out and the name "Theodore Roosevelt Island" shall be inserted in lieu thereof.

SEC. 2. In all public documents, records, and maps of the United States in which such island is designated or referred to it shall be designated as "Theodore Roosevelt Island."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BOOKS FOR THE ADULT BLIND

The next business on the Consent Calendar was the bill (H. R. 13817) to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I should like to hear a statement from the lady who is the author of the bill.

Mrs. PRATT. Mr. Speaker, I think the report is perfectly clear. This does not carry any appropriation. It merely amends the act approved March 3, 1931, so that the new radio records can be used for books instead of books being printed in Braille. I think the report is perfectly clear, but I shall be pleased to answer any questions.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, is amended by adding after the word "books" the following: "published either in raised character or in the form of sound-reproduction records."

With the following committee amendments:

Page 1, line 6, strike out the words "character or in the form of", and insert in lieu thereof the words "characters on"; and in line 7 after the words "records" insert the words "or in any other form."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

COLUMBIA NATIONAL FOREST

The next business on the Consent Calendar was the bill (S. 1492) to add certain lands to the Columbia National Forest in the State of Washington.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, the report shows that the land proposed to be included in the forest reserve is 75,446 acres, only 2 per cent of which is Government owned. It has been our policy here this session not to extend the confines of national forests to adjoining lands, especially when great portions of the adjoining land is privately owned.

Mr. JOHNSON of Washington. I am not sure about the percentage, but my information is that the acreage on the public domain is 10,080; acreage owned by the State is 25,000 acres plus; acreage owned by the county, 6,000 acres plus; and acreage privately owned, $56,000. There are large burned areas and these have become extreme fire hazards, endangering adjacent timber as well as continually threatening the Government's valuable timber in the Columbia reserve lying directly east. This bill has passed the Senate. I hope the gentleman will not object.

Mr. STAFFORD. I am reading from the report of the Secretary of Agriculture:

Practically all of the land has passed from public ownership, entries having been made before the Columbia National Forest was established. The land is timber producing and is chiefly valuable for that purpose. There are only approximately 1,200 acres of publicly owned land within the area.

A gentleman who takes particular interest in this character of bills is temporarily absent from the Chamber, and in his absence I ask unanimous consent that the bill be passed over.

Mr. JOHNSON of Washington. I hope the gentleman will not do that.

Mr. STAFFORD. Otherwise I shall have to object.

Mr. JOHNSON of Washington. Will the gentleman allow me to make a further statement?

Mr. STAFFORD. Yes; I yield to the gentleman for a further explanation.

Mr. JOHNSON of Washington. A considerable number of bills have passed the House, and, later, the Senate, extending forest reserves. Here is a tract in Clark and Skamania Counties and the Federal Government will be a great gainer by the extension and addition of this tract to the Columbia Forest Reserve.

Mr. STAFFORD. How will it be? A considerable part of it is owned by the Northern Pacific Railway Co. We have had scandals arising out of the way the Northern Pacific Railway Co. in years back received lieu lands and I am looking with suspicion always upon lands in which the Northern Pacific Railroad Co. is involved, because of the outrageous policy indulged in by them in years back.

Mr. JOHNSON of Washington. The gentleman ought not to hold the lieu lands law of more than 30 years ago, which I agree was an outrageous thing, against this bill.

Mr. STAFFORD. Having in mind the outrage imposed upon the Government by the Northern Pacific Railway, I look with suspicion upon all such matters, and I am not a railroad baiter either.

Mr. JOHNSON of Washington. That was more than 30 years ago.

Mr. STAFFORD. I shall have to object unless the gentleman is willing to have it passed over without prejudice until the Member referred to is present.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PINE RIDGE, STANDING ROCK, CHEYENNE RIVER, AND ROSEBUD SIOUX AGENCIES

The Clerk called the next bill, H. R. 13770, to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484).

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury of the United States of America not otherwise appropriated, $19,357 to pay certain individual enrolled Indians under the Pine Ridge, Standing Rock, Cheyenne River, and Rosebud Sioux Agencies the amounts which they have been awarded by the Secretary of the Interior under the act of Congress of May 3, 1928 (45 Stat. 484).

With the following committee amendment: After line 9 insert: "*Provided*, That the Secretary of the Interior is authorized and directed to determine what attorney or attorneys have rendered services of value in behalf of said Indians and to pay such attorney or attorneys on such findings when appropriation is available the reasonable value of such services, not to exceed 10 per cent of the recovery on any individual claim, which payment shall be in full settlement for all services rendered by such attorney or attorneys to said claimants."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment on page 1, line 7, after the word "agencies" insert "in full settlement of such claims against the Government."

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 1, in line, 7, after the word "agencies" insert "in full settlement of such claims against the Government."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

NAVAJO INDIAN RESERVATION

The Clerk called the next bill, H. R. 11735, to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation, and for other purposes.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, may I ask the authority on public-land legislation whether there is any difference between unreserved and undisposed of lands?

Mr. COLTON. It is a question whether a reservation is a disposal of land. Yes; there is a difference.

Mr. STAFFORD. I wish to direct the attention of the gentleman to section 2, where provision is made as to the relinquishment of these lands of equal area, but nothing is stated as to their being of the same value. I am wondering whether the gentleman would have any objection to inserting the clause after the word "area" in line 20, on page 3, "approximately of the same value."

Mr. COLTON. I can not see any particular objection to that. It may mean a little more expense in the matter of making the exchange, because the land would have to be investigated and examined.

Mr. STAFFORD. My suggestion is "approximately of the same value."

Mr. COLTON. If you use the words "approximate value," I do not see any objection to it.

Mr. STAFFORD. Further reserving the right to object, will the gentleman inform the House the reason we are to turn over to the Navajo Indians 37½ per cent of the royalties? What is the reason for this determination?

Mr. COLTON. I think it follows the policy already adopted of giving this percentage of the royalties to Indians where the oil, if any is ever discovered, is found on Indian lands. It is in keeping with the general policy of the Government with reference to such lands.

Mr. STAFFORD. I do not recall any such provision having been incorporated in a general law. It may be in certain regulations, but I was unaware of such language ever having been adopted in any general law.

Mr. COLTON. I can not point to a specific case, but I feel sure it is in some of the laws or regulations.

Mr. JENKINS. Reserving the right to object, I notice the commissioner makes some recommendation as to certain amendments. Have the recommendations been complied with?

Mr. COLTON. Yes; I think they have all been adopted.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, will the gentleman tell me why this bill was not referred to the Public Lands Committee for consideration? This is a disposal of public lands, but it appears to have been determined and passed upon by the Indian Affairs Committee.

Mr. COLTON. May I say to the gentleman that during all the time I was chairman of the Public Lands Committee I did ask to have such bills referred to that committee. There is some question, because of precedents heretofore followed, as to which committee such bills should go, and in this case it went to the Indian Affairs Committee, and I had no personal objection to that course. I believe personally that such bills should go to the Public Lands Committee.

Mr. EATON of Colorado. I have no objection myself.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That all vacant, unreserved, and undisposed of public lands within the areas in the southern part of the State of Utah, bounded as follows: Beginning at a point where the San Juan River intersects the one hundred and tenth degree of west longitude; thence down said river to its confluence with the Colorado River; thence down the Colorado River to a point where said river crosses the boundary line between Utah and Arizona; thence east along said boundary line to the one hundred and tenth degree of west longitude; thence north to the place of beginning; also beginning at a point where the west rim of Montezuma Creek or wash intersects the north boundary line of the Navajo Indian Reservation in Utah; thence northerly along the western rim of said creek or wash to a point where it intersects the section line running east and west between sections 23 and 26, township 39 south, range 24 east, Salt Lake base and meridian in Utah; thence eastward along said section line to the northeast section corner of section 26, township 39 south, range 25 east; thence south 1 mile along the section line between sections 25 and 26 to the southeast section corner of section 26, township 39 south, range 25 east; thence eastward along the section line between sections 25 and 36, township 39 south, range 25 east, extending through township 39 south, range 26 east, to its intersection with the boundary line between Utah and Colorado; thence south along said boundary line to its intersection with the north boundary line of the Navajo Indian Reservation; thence in a westerly direction along the north boundary line of said reservation to the point of beginning be, and the same are hereby, permanently withdrawn from all forms of entry or disposal for the benefit of the Navajo and such other Indians as the Secretary of the Interior may see fit to settle thereon: *Provided*, That no further allotments of lands to Indians on the public domain shall be made in San Juan County, Utah. Should oil or gas be produced in paying quantities within the lands hereby added to the Navajo Reservation, 37½ per cent of the net royalties accruing therefrom derived from tribal leases shall be paid to the State of Utah: *Provided*, That said 37½ per cent of said royalties shall be expended by the State of Utah in the tuition of Indian children in white schools and/or in the building or maintenance of roads across the lands described in section 1 hereof, or for the benefit of the Indians residing therein.

SEC. 2. That the State of Utah may relinquish such tracts of school land within the areas added to the Navajo Reservation by section 1 of this act as it may see fit in favor of the said Indians, and shall have the right to select other unreserved and nonmineral public lands contiguously or noncontiguously located within the State of Utah, equal in area to that relinquished, said lieu selections to be made in the same manner as is provided for in the enabling act of July 16, 1894 (28 Stat. L. 107).

With the following committee amendments: Page 3, line 1, after the word "Utah," add the following: "Nor shall further Indian homesteads be made in said county under the act of July 4, 1884 (23 Stat. 96)."

Page 3, line 19, immediately after the statute reference, add the following: "Except as to the payment of fees or commissions which are hereby waived."

The committee amendments were agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 3, line 20, after the word "area," insert the words "and approximately of the same value."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

RESTORATION OF INDIAN AGENT FOR THE LOWER BRULE INDIAN RESERVATION

The next business on the Consent Calendar was the bill (H. R. 13007) providing for the restoration of an Indian agent for the Lower Brule Indian Reservation.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. I do not see any necessity for this Indian agent. If there was one thing when I was a boy which impressed me as a useless thing, it was an Indian agent. I am speaking of the time about 40 years ago.

Mr. WILLIAMSON. I think there is no question but that these Indians are entitled to an agent. Under the treaty of 1889 they ceded a considerable part of their reservation to the Government and did not receive one penny for it. The only consideration that they received was a guaranty that their boarding school and agency should "be maintained and continued" as "at present." The treaty expressly provided that the agency should be maintained. The agency was continued until 1924. Since then they have no one to go to for consultation about their leases, contracts, or personal allowances on their own reservation but have been obliged to go across the river to another agency. It seems to me that they ought to have an agent of their own in compliance with the treaty.

I want to say that a while ago a representative of the department was sent out there to investigate the situation. He remained two or three weeks on the reservation and on his return recommended that the agency be restored.

Mr. LAGUARDIA. The assistant commissioner states:

On August 1, 1924, the Lower Brule Agency was placed under the jurisdiction of the Superintendent of the Crow Creek Agency, and this action was taken at that time for the reason that some of the buildings at Lower Brule were destroyed by a storm and most of the others damaged to a greater or less extent. Furthermore, we felt that with the small number of Indians at that place—about 600—and the fact that these two jurisdictions were reasonably accessible to each other during much of the year it would be in the interest of good administration and economy to consolidate them. In doing so arrangements were made to provide a suitable staff at Lower Brule to look after the needs of these Indians. In addition to the financial clerk, who is in charge, there are authorized the positions of stockman, physician, field nurse, laborer, judge, and two police privates. The subagency is connected by Government telephone with the Crow Creek Agency, which is a distance of 7 miles by ferry across the Missouri River.

The only complaint seems to be that in the wintertime they can not ferry across the river, and have to go aroundabout way to get to the central agency.

Mr. WILLIAMSON. Not only that but every time they ferry across the river it costs them about $2.

Mr. LAGUARDIA. But the Indian agent visits them every week, or at stated intervals.

Mr. WILLIAMSON. If the gentleman knew as much about the Indians as those of us who live among them, I think he would not object.

Mr. LAGUARDIA. And besides, the Commissioner of Indian Affairs says that it is not necessary.

Mr. WILLIAMSON. The Commissioner of Indian Affairs, as I understood, agreed to restore the Indian agency about a year ago, but on account of the economy program the matter has been deferred.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

A CENTURY OF PROGRESS EXPOSITION

The next business on the Consent Calendar was House Joint Resolution 561, amending section 2 of the joint resolution entitled "Joint resolution authorizing the President,

under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes," approved February 5, 1929, and amending section 7 of the act entitled "An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933," approved July 19, 1932.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I have no objection to the resolution, but there is one minor amendment that I wish to offer limiting the time to six months within which these articles, imported free of duty, have to be sold. With that understanding I have no objection.

Mr. CHINDBLOM. I have no objection to that amendment.

Mr. LAGUARDIA. If the articles are sold, then the duty is to be paid.

Mr. STAFFORD. Yes.

Mr. JENKINS. Mr. Speaker, I notice in the fourth line on page 1 this uncertain language "under certain conditions." The President is authorized to do certain things under certain conditions.

Mr. CHINDBLOM. Oh, that is merely a part of the title of the original act.

Mr. JENKINS. How does that relate to this bill, as to whether or not these conditions will be laid down by the President or somebody else?

Mr. CHINDBLOM. That has already been performed. The conditions for the subscription of capital were laid down, to authorize the President to invite the nations of the world to participate. That condition has been met. The invitation has been sent. The nations of the world are coming to exhibit. That language is only a part of the title of the original act, authorizing the President to invite foreign nations to participate in the fair.

Mr. JENKINS. That is my point. The gentleman is an authority on this matter. Does this bill fit in with the original act?

Mr. CHINDBLOM. Entirely so. The principal purpose of this bill is to facilitate the matter of reimbursement by the Chicago Fair authorities to the Federal Government of the expenses incurred by the latter.

Mr. PATTERSON. Mr. Speaker, I did not understand how long the amendment of the gentleman from Wisconsin extends. Is it limited to only six months?

Mr. CHINDBLOM. During the period of the exposition and six months thereafter.

Mr. STAFFORD. Within six months after the close of the exposition.

Mr. LAGUARDIA. And if the articles are not then sold?

Mr. CHINDBLOM. They must be sent back to the countries from which they came.

Mr. Speaker, let me add that the fair will be open from June 1 to November 1 of this year. It will depict, in a novel and artistic way, the progress of mankind since Chicago was incorporated as a village a hundred years ago. Its official title is therefore "A Century of Progress," as clearly set out in the pending joint resolution.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

*Resolved, etc.*, That section 2 of the joint resolution entitled "Joint resolution authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes," approved February 5, 1929, be, and the same hereby is, amended so as to read as follows:

"SEC. 2. That all articles which shall be imported from foreign countries for the purpose of exhibition at the exposition to be held by and known as A Century of Progress, in section 1 of this joint resolution called the Chicago World's Fair Centennial Celebration, or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles there shall be a tariff or customs duty, shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or at the close of the said exposition to sell any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles, which shall have suffered diminution or deterioration from incidental handling or exposure, the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That all necessary expenses incurred, including salaries of customs officials in charge of imported articles, shall be reimbursed to the Government of the United States by A Century of Progress, also known as the Chicago World's Fair Centennial Celebration, under regulations to be prescribed by the Secretary of the Treasury."

SEC. 2. That section 7 of the act entitled "An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933," approved July 19, 1932, be, and the same hereby is, amended so as to read as follows:

"SEC. 7. All necessary expenses incurred by the United States in carrying out the provisions of this act shall be reimbursed to the Government of the United States by A Century of Progress, also known as the Chicago World's Fair Centennial Celebration, under regulations to be prescribed by the Librarian of Congress and by the Commissioner of Patents, respectively."

SEC. 3. That the receipts from reimbursements to the Government of the United States paid by A Century of Progress, also known as the Chicago World's Fair Centennial Celebration, as provided in the joint resolution entitled "Joint resolution authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes," approved February 5, 1929, as hereby amended, and in the act entitled "An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933," approved July 19, 1932, as hereby amended, shall be deposited as refunds to the appropriations from which paid, instead of being covered into the Treasury as miscellaneous receipts as provided by the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1908, and for other purposes," approved March 4, 1907, in the manner provided for receipts from reimbursable charges for labor, services, and other expenses connected with the customs, in section 524 of the tariff act of 1930.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 14, after the word "or," strike out the word "at" and insert the words "within six months after."

The amendment was agreed to, and the joint resolution as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to extend my remarks on this bill.

The SPEAKER pro tempore. Is there objection?

There was no objection?

MEMORIAL TO BRIGADIER GENERAL PULASKI AT SAVANNAH, GA.

The next business on the Consent Calendar was the bill (H. R. 6490) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.

The SPEAKER pro tempore. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, I object.

Mr. McCORMACK. Mr. Speaker, will the gentleman withhold his objection?

Mr. JOHNSON of Washington. Mr. Speaker, I find that this is a fund to come out of the Federal Treasury. This memorial can well wait until the Federal Treasury is in better condition. I object.

AMENDING MARINE ACT IN RESPECT OF VIRGIN ISLANDS

The next business on the Consent Calendar was the bill (H. R. 10329) to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal

certain emergency legislation, and to provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," as applied to the Virgin Islands of the United States.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object. What ships involved are engaged entirely in coastwise trade in and around the Virgin Islands? Are they not all engaged in foreign trade by nature of the location of the islands?

Mr. DAVIS of Tennessee. Mr. Speaker, that is largely true, but under the law the coastwise laws of the United States apply to the Virgin Islands unless the President, by Executive order, suspends their application. Unless the application is suspended, a voyage between any port in continental United States and the Virgin Islands would be coastwise, and foreign vessels could not operate in that trade. The Presidents from the time of the enactment of the law in 1920, first President Wilson, and all subsequent Presidents, have annually suspended the application of the law to the Virgin Islands, for the reason that they were not being served by American vessels; at least, they were so served to a very limited extent, if at all.

Now, the Governor of the Virgin Islands and others have very strongly urged this legislation on the ground that, as they are under present conditions dependent upon foreign ships, those services will not give as adequate or as frequent services or as efficient services when they know that the order may not be continued at the end of any year.

Mr. LAGUARDIA. If the gentleman will permit, it seems strange to me that, after spending some fifty or sixty million dollars a year on subsidies and having spent several hundred millions in loans, we can not establish trade and regular lines between the Virgin Islands and the United States, when foreign ships can do it. It is beyond me.

Mr. DAVIS of Tennessee. Well, that sounds very plausible, but the fact of the matter is they have not been established. Those islands are possessions of the United States. They are having a very hard time down there, and one of their industries has been the coaling of ships which stop there. The more ships that stop there the more it means to those people.

Mr. LAGUARDIA. But, if the gentleman will permit, if it is a foreign ship touching a United States port and coaling at the Virgin Islands, going on its course, it would not be construed as being in the coastal trade, and our coastal laws would not be applicable to it.

Mr. DAVIS of Tennessee. But suppose the ships go from Europe, as many of them do, and they stop at the Virgin Islands. If the coastwise laws are applicable, they can not then carry passengers or cargo from the Virgin Islands to any port in the United States, or vice versa.

Mr. LAGUARDIA. That is true.

Mr. DAVIS of Tennessee. But I want to say to the gentleman, it means nothing more to me than it does to the gentleman from New York.

Mr. LAGUARDIA. I understand that.

Mr. DAVIS of Tennessee. After holding hearings on it and there being no serious objection, and having the indorsement of the Commissioner of Navigation and of the Shipping Board and apparently of everybody, with the amendments that were adopted the committee reported the bill.

Mr. LAGUARDIA. I agree as to the necessity of it under the conditions.

Mr. DAVIS of Tennessee. Now, the bill as amended only makes this change: As the law now stands, the coastwise law applies to the Virgin Islands unless it is suspended by executive order. This changes it so that our coastwise laws do not apply to the Virgin Islands unless the President shall by Executive order so declare.

Mr. LAGUARDIA. I am not going to object, but it is a sad commentary on our subsidized merchant marine.

Mr. DAVIS of Tennessee. Oh, I agree with the gentleman on that.

The SPEAKER. Is there objection?

There was no objection.

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill (S. 3950).

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That section 21 of the act approved June 5, 1920 (41 Stat. L. 997), entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," is hereby amended by adding thereto the following proviso: *"And provided further*, That the coastwise laws of the United States shall not extend to the Virgin Islands of the United States until the President of the United States, after a full investigation of the local needs and conditions, shall, by proclamation, declare that an adequate shipping service has been established to such islands and fix a date for going into effect of the same."

SEC. 2. Title IV of the merchant marine act, 1928, shall not be construed to authorize ocean mail contracts for routes between continental United States and the Virgin Islands.

Mr. DAVIS of Tennessee. Mr. Speaker, I offer an amendment, which is at the desk.

Mr. STAFFORD. Mr. Speaker, this is not the same bill. It is different from the House bill in many respects.

The SPEAKER. The gentleman from Tennessee asked unanimous consent to substitute the Senate bill, and there was no objection.

Mr. DAVIS of Tennessee. The purpose of the two bills and the title are identical, and I have offered an amendment to the Senate bill to make it conform identically to the House bill as reported by the House committee.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. DAVIS of Tennessee: Page 2, line 4, after "United" strike out the balance of the paragraph and insert: "States, until the President of the United States shall, by proclamation, declare that such coastwise lines shall extend to the Virgin Islands and fix a date for the going into effect of same."

The amendment was agreed to.

Mr. STAFFORD. What action does the gentleman take toward the further provision of the Senate bill, which is section 2? I do not know what the effect of section 2 of the Senate bill is; "Title IV of the merchant marine act, 1928, shall not be construed to authorize ocean mail contracts for routes between continental United States and the Virgin Islands." We have not legislated on that provision at all in the House bill.

Mr. DAVIS of Tennessee. No; that is not in the copy that I have before me.

I offer a further amendment, Mr. Speaker.

The Clerk read as follows:

Amendment by Mr. DAVIS of Tennessee: Page 2, line 9, strike out all of section 2.

The amendment was agreed to.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

### ORDER OF BUSINESS

The SPEAKER. The Chair desires to state that he promised recognition for suspending the rules in one or two, or possibly three, instances. Evidently the Consent Calendar can not be concluded to-day unless more time is devoted to it. On the last six days of this session suspensions are in order. The bills which the Chair had intended to recognize for suspension to-day can be passed at that time. However, there is only one other Consent Calendar day, the 20th day of this month. I think all will agree that the Consent Calendar should be called before the end of the session. For that reason the Chair will recognize the gentleman from Montana to call up a bill under suspension of the rules, and the Chair hopes the House will remain in attendance so that we can resume with the Consent Calendar later.

Mr. STAFFORD. Mr. Speaker, would I be intrusive by suggesting to the Speaker and the majority leader that when the next Consent Calendar day is reached we commence with the Consent Calendar where we leave off to-day? Under the new rule established in the last session any bill that is objected to retains its place on the calendar. The calendar is getting clogged up with these bills, and we do not have an opportunity to consider the bills which have been reported recently and which should be given their day before final adjournment.

The SPEAKER. If the gentleman desires to present a unanimous-consent request that the call of the calendar on the next Consent Calendar day begin where it left off to-day, the Chair will recognize the gentleman for that purpose.

Mr. STAFFORD. My purpose in asking this——

Mr. JOHNSON of Washington. There is no use wasting time making a long statement, for I shall object.

Mr. SNELL. Mr. Speaker, I wish to make an inquiry along the same line. We have spent a good deal of time on the two calendars, and we have sent 500 or 600 bills to the other end of the Capitol. I wonder if the Speaker has any influence by which he can get some of these bills considered over there, or are we spending all this time in vain? It seems useless for us to have special night sessions to pass these bills if they can not be passed by or considered in the other body.

The SPEAKER. Let the Chair say to the gentleman from New York, the minority leader, what he has said to a number of gentlemen heretofore, that it seems useless to suspend the rules and pass these bills if they are not going to be considered by the Senate.

Mr. SNELL. That is my position exactly.

The SPEAKER. But the Chair is informed that the Senate is in position to pass the bills if we will pass them. What authority there is for the statement the Chair does not know. Undoubtedly the Senate is in a condition at the present time that makes it seem doubtful whether these bills that have been sent them will be considered. However, the House ought not to adjourn without having an opportunity to pass these bills on the Private Calendar and the Unanimous Consent Calendar that are unobjected to.

Mr. SNELL. I am in hearty accord with what the Speaker says, and I am interested in having him use all possible persuasion to get these unobjected-to bills considered at the other end of the Capitol.

The SPEAKER. The Chair is fearful of bringing too much pressure to bear in view of the fact he has got to come in contact with some of the Members of the other body later.

Mr. SNELL. I thought on that account the Chair would have more influence.

Mr. BRITTEN. Mr. Speaker, a parliamentary question.

The SPEAKER. The gentleman will state it.

Mr. BRITTEN. Did I understand the Speaker to say to the House that he would recognize one or two gentlemen to move to suspend the rules and that then the House would revert to the consideration of the Unanimous Consent Calendar?

The SPEAKER. The gentleman is correctly informed. If the Members will stay here until 5 o'clock or 5.30 this afternoon we can pass a lot of these bills.

Mr. FRENCH. Mr. Speaker, I wonder if the House would be agreeable to the idea of passing right now the five or six bills pertaining to the building of bridges? They ought to pass. I have one in my district. They want to begin work on it right away.

The SPEAKER. The Clerk tells me there are 11 bridge bills. They will be reached soon after the suspensions.

The Chair recognizes the gentleman from Montana [Mr. EVANS] to move to suspend the rules.

### TO STABILIZE LIVESTOCK INDUSTRY

Mr. EVANS of Montana. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11816) to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in order to promote the highest use of public land, the Secretary of the Interior in his discretion is hereby authorized to establish by order grazing districts or additions thereto from any part of the public lands of the United States, exclusive of Alaska, not in national forests, national parks and monuments, or Indian reservations, and which in his opinion are chiefly valuable for grazing and raising forage crops, and/or to modify the boundaries thereof: *Provided*, That no lands withdrawn or reserved for any other purpose shall be included in any such district except with the approval of the head of the department having jurisdiction thereof. Such orders shall be so worded as to safeguard valid claims existing on the date thereof. Neither this act nor the act of December 29, 1916 (39 Stat. 862; U. S. C., title 43, secs. 291 and following), commonly known as the stock raising homestead act, shall be construed as limiting the authority or policy of Congress or the President to include in national forests public lands of the character described in section 24 of the act of March 3, 1891 (26 Stat. 1103; U. S. C., title 16, sec. 471), for the purposes set forth in the act of June 4, 1897 (30 Stat. 35; U. S. C., title 16, sec. 475), or such other purposes as Congress may specify.

SEC. 2. The Secretary of the Interior shall make provision for the protection, administration, regulation, and improvement of such grazing districts as may be created under the authority of the foregoing section, and he shall make such rules and regulations and establish such service, enter into such cooperative agreements, and do any and all things necessary to accomplish the purposes of this act and to insure the objects of such grazing districts, namely, to regulate their occupancy and use, to preserve the land and its resources from destruction or unnecessary injury, to provide for the orderly use, improvement, and development of the range, and to stabilize the livestock industry dependent upon the use of such public grazing lands; and any violation of the provisions of this act or such rules and regulations thereunder shall be punishable by a fine of not more than $500 or by imprisonment for not more than one year, or by both such fine and imprisonment, in the discretion of the court.

SEC. 3. That the Secretary of the Interior is hereby authorized to issue or cause to be issued permits to graze livestock on such grazing districts to such bona fide settlers, residents, and other stock owners as under his rules and regulations are entitled to participate in the use of the range, upon the payment annually of reasonable fees in each case to be fixed or determined from time to time under his authority: *Provided*, That grazing permits shall be issued only to citizens of the United States or to those who have filed the necessary declarations of intention to become such, as required by the naturalization laws. Such permits may be issued to individuals, groups, or associations for a period of not more than 10 years, subject to the preference right of the permittees to renewal in the discretion of the Secretary of the Interior, who shall specify from time to time numbers of stock and seasons of use. During periods of range depletion due to severe drought or other natural causes, or in case of a general epidemic of disease, during the life of the permit, the Secretary of the Interior is hereby authorized, in his discretion, to remit, reduce, refund in whole or in part, or authorize postponement of payment of grazing fees for such depletion period so long as the emergency exists.

SEC. 4. Fences, wells, reservoirs, and other improvements necessary to the care and management of the permitted livestock may be constructed on the public lands within such grazing districts under permit issued by the authority of the Secretary, or under such cooperative arrangement as the Secretary may approve. No permit shall be issued which shall entitle the permittee to the use of such improvements constructed and owned by a prior occupant until the applicant has paid to such prior occupant a reasonable pro rata value for the use of such improvements. If the parties interested can not agree, then the amount of such payment shall be determined under rules and regulations of the Secretary of the Interior. The decision of the Secretary in such cases is to be final and conclusive.

SEC. 5. That the Secretary of the Interior may permit, under regulations to be prescribed by him, the free grazing within such districts of livestock kept for domestic purposes, and provide, so far as authorized by existing law or laws hereinafter enacted, for the use of timber, stone, gravel, clay, coal, and other deposits by bona fide settlers, miners, residents, and prospectors for minerals, for firewood, fencing, buildings, mining, prospecting, and domestic purposes within areas subject to the provisions of this act.

SEC. 6. That subject to compliance with the rules and regulations governing such grazing district, nothing herein contained shall restrict the granting or use of permits or rights of way under existing law; or ingress or egress over the public lands in such districts for all proper and lawful purposes; or prospecting, locating, developing, entering, leasing, or patenting the valuable mineral resources of such districts under law applicable thereto.

SEC. 7. That the Secretary is hereby authorized, in his discretion, to examine and classify any lands within such grazing districts which are more valuable and suitable for the production of agricultural crops than native grasses and forage plants, and to open such lands to homestead entry in tracts not exceeding 160 acres in area. Such lands shall not be subject to settlement or

occupation as homesteads until after same have been classified and opened to entry after notice to the permittee by the Secretary of the Interior, and the lands shall remain a part of the grazing district until patents are issued therefor, the homesteader to be, after his entry is allowed, entitled to the possession and use thereof: *Provided*, That no lands containing water holes, springs, or water supplies developed or improved by the holder of any grazing permit or his predecessor in interest, shall be subject to classification, settlement, entry, or patent under the provisions of this section.

SEC. 8. That where such action will promote the purposes of the district or facilitate its administration the Secretary be, and he hereby is, authorized, in his discretion, to accept on behalf of the United States any lands within the exterior boundaries of a district as a gift, or when public interests will be benefited thereby, he is hereby authorized, in his discretion, to accept on behalf of the United States title to any lands within the exterior boundaries of said grazing district and in exchange therefor to issue patent for not to exceed an equal value of grazing district land or of unreserved surveyed public land in the same county or if any suitable lands can not be found in the county, in any other part of the same State: *Provided*, That before any such exchange shall be effected, notice of the contemplated exchange, describing the lands involved, shall be published once each week for four successive weeks in some newspaper of general circulation in the county or counties in which may be situated the lands to be accepted, and in the same manner in some like newspaper published in any county in which may be situated any lands to be given in such exchange; lands conveyed to the United States under this act shall, upon acceptance of title, become public lands and parts of the grazing district within whose exterior boundaries they are located: *Provided further*, That either party to an exchange may make reservations of minerals, easements, or rights of use, the values of which shall be duly considered in determining the values of the exchanged lands. Where reservations are made in lands conveyed to the United States, the right to enjoy them shall be subject to such reasonable conditions respecting ingress and egress and the use of the surface of the land as may be deemed necessary by the Secretary of the Interior. Where mineral reservations are made in lands conveyed by the United States, it shall be so stipulated in the patent, and any person who acquires the right to mine and remove the reserved mineral deposits may enter and occupy so much of the surface as may be required for all purposes incident to the mining and removal of the minerals therefrom, and may mine and remove such minerals, upon payment to the owner of the surface for damages caused to the land and improvements thereon.

SEC. 9. The Secretary of the Interior shall provide, by suitable rules and regulations, for cooperation with local associations of stockmen interested in the use of the grazing districts and with such advisory boards as they may name. The views of authorized advisory boards shall be given fullest consideration consistent with the proper use of the resource and the rights and needs of minorities. The Secretary of the Interior shall provide by appropriate rules and regulations for appeals from the decision of the administrative officer in charge. The Secretary of the Interior shall also be empowered to accept contributions toward the administration, protection, and improvement of the district, moneys so received to be covered into the Treasury as a special fund, which is hereby appropriated and made available until expended, as the Secretary of the Interior may direct, for payment of expenses incident to said administration, protection, and improvement, and for refunds to depositors of amounts contributed by them in excess of their share of the cost.

SEC. 10. That, except as provided in sections 9 and 11 hereof, all moneys received under the authority of this act shall be deposited in the Treasury of the United States as miscellaneous receipts, but 15 per cent of all moneys received from each grazing district during any fiscal year is hereby made available for expenditure by the Secretary of the Interior for the construction, purchase, or maintenance of range improvements, and an additional 35 per cent of the money received from each grazing district during any fiscal year shall be paid at the end thereof by the Secretary of the Treasury to the State in which said grazing district is situated, to be expended as the State legislature may prescribe for the benefit of public schools and public roads of the county or counties in which the grazing district is situated: *Provided*, That if any grazing district is in more than one State or county the distributive share to each from the proceeds of said district shall be proportional to its area therein.

SEC. 11. That all moneys received for grazing on Indian lands ceded to the United States for disposition under the public land laws, less 15 per cent for range improvements, shall be deposited to the credit of the Indians pending final disposition under applicable laws, treaties, or agreements, the applicable public land laws as to said Indian ceded lands within a district created under this act shall continue in operation, except that each and every application for nonmineral title to said lands in a district created under this act shall be allowed only if in the opinion of the Secretary of the Interior the land is of the character suited to disposal through the act under which application is made and such entry and disposal will not affect adversely the best public interest.

SEC. 12. That the Secretary of the Interior is hereby authorized to cooperate with any department of the Government in carrying out the purposes of this act, and in the coordination of range administration, particularly where the same stock grazes part time in a grazing district and part time in a national forest or other reservation.

SEC. 13. That this act shall not become effective in any State until 60 days after the approval by the legislature of such State; and each such approving State, in its discretion, may designate and authorize one or more representatives or officials of said State with whom the Secretary of the Interior is hereby authorized to make and enter into suitable agreement for the cooperative administration of public grazing upon said public lands of the United States and the lands owned by or subject to the control of said State or any political subdivision thereof, which shall be subject to such rules and regulations as shall be agreed upon and promulgated by both the Secretary of the Interior and said State.

The SPEAKER. Is a second demanded?

Mr. EATON of Colorado. Mr. Speaker, I demand a second.

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Montana [Mr. EVANS] is recognized for 20 minutes and the gentleman from Colorado [Mr. EATON] for 20 minutes.

Mr. EVANS of Montana. Mr. Speaker, the House will recall that about three years ago the President appointed a commission to draft a bill looking toward turning over to the States all public lands. Congress appropriated $50,000 for that commission. The commission brought a draft of the bill to the committee and the bill was introduced in the House. That bill did not meet the approval of the Public Lands Committee. The committee then went to work diligently on this bill and brought out what is now before the House; not a bill turning over public lands to the States, but a bill regulating the supervision of public lands by the Interior Department. It was suggested in the House this afternoon that this bill might be establishing a new bureau in the Interior Department, and I suggest, Mr. Speaker, that is not correct.

There is no new bureau being established. We are putting these lands under the control of the Secretary of the Interior. These lands consist of about 180,000,000 acres of public domain, unreserved or set apart, public domain over which nobody now has any control. They are used as commons so that all men may turn their stock upon the lands, and they are doing so and grazing them to the grass roots and gradually depleting the productivity of the soil. This bill provides that the Secretary of the Interior, if he chooses, may set apart districts and limit the amount of grazing on these lands, and charge a certain fee for doing so, and use the money as set forth in the bill.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. EVANS of Montana. Yes.

Mr. LAGUARDIA. What has been troubling me more than anything else with reference to this bill is this:

It seems to me that once grazing lands are leased the lessee will have absolute control almost in perpetuity over these lands, because the bill provides that a subsequent lessee can only take it if he pays for any improvement, fences, or any other expenditures of his predecessors. If they can not agree the price is to be fixed, and there is great danger, notwithstanding the utmost care in administration, that the grazing lands will be in the control of a very few large cattle or stock raisers in a very few years, to the exclusion of everybody else. That is what I am troubled about.

Mr. EVANS of Montana. Mr. Speaker, under the limited time we have for debate on this bill, I desire to yield to the author of the bill, the gentleman from Utah [Mr. COLTON], to answer the gentleman from New York.

I yield seven minutes to the gentleman from Utah [Mr. COLTON].

Mr. COLTON. Mr. Speaker, as has been briefly outlined by the gentleman from Montana [Mr. EVANS], the chairman of the committee, this is a conservation measure for the purpose of protecting the public domain of the United States. I think no one will dispute that the regulation of grazing on forest lands has been a very great help to those lands. In fact, it has been a great help not only to the lands themselves but to the livestock men that use these lands for

grazing purposes. The grazing on the great area of the public domain has not been regulated, as no one has that authority now. There is no authority anywhere in the Government to control grazing on the public lands, with the result that these lands are being very greatly injured by overgrazing. The overgrazing largely results from using these lands during the entire year. This is mostly done by nomadic herds whose owners are not citizens of the United States in many cases.

The land has no chance to rehabilitate itself, with the result that the forage and the vegetation is being completely destroyed in many areas. The lands are being injured and a great waste has already occurred, and a very valuable asset is being dissipated. Unless something is done soon it will be too late to save the great asset of grazing.

Now, with reference to the question raised by the gentleman from New York, I may say that similar regulations to which he refers are in existence on the forest reserves; in other words, men are given permits to graze stock upon the forest reserves, and their operations are supervised by forest rangers, so it is not something new.

It would be unfair to give a man a permit on a certain tract of public land and allow him to build reservoirs and fences for protecting the land and then at the end of 10 years not give him any chance to sell or dispose of the improvements. We are putting this provision in the law for the very purpose of encouraging men to put needed and reasonable improvements upon the land, the permittee having the first chance for a renewal. If he decides not to take the land for a second term, the price of the improvements may be fixed by arbitration if the parties can not agree. This is done so there will be no injury to the man who constructs the improvements in the first instance. It will all be in the hands of the Secretary of the Interior.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. COLTON. Yes.

Mr. LAGUARDIA. Is it not true that it is the uniform practice that improvements put on property by the lessee revert to the lessor?

Mr. COLTON. That would be true under this bill, but the second lessee ought in fairness to compensate the man who puts the improvements on the land. As a matter of law the improvements do revert to the lessor or the Government in this case, but surely the second lessee or permittee ought to pay a reasonable amount for the improvements.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. COLTON. I yield.

Mr. CLARKE of New York. I wish the gentleman would make clear just exactly the protection the Government is going to get with respect to the improvements or the investments the lessees are going to make under this bill, so far as the value of such improvements is concerned.

Mr. COLTON. At the termination of the lease or permit——

Mr. CLARKE of New York. What is the determining factor in the matter?

Mr. COLTON. The Secretary of the Interior is the final judge in all these matters.

Mr. CLARKE of New York. The Secretary is the final court in that regard?

Mr. COLTON. Without any question, yes.

Mr. CARTER of Wyoming. Will the gentleman yield?

Mr. COLTON. Yes.

Mr. CARTER of Wyoming. I understood the gentleman to state that this is going to be under management and control similar to the Forest Service. The gentleman knows that to-day those who have permits on the forests are unable to pay the fees or very few are able to pay the fees and that people who are going to engage in the grazing business would be unable to pay the fees under this bill and it would not be long until only the wealthy would be able to accumulate grazing privileges on all this land, and there would be a monopoly just as the gentleman from New York [Mr. LAGUARDIA] has stated.

Mr. COLTON. If the gentleman will permit, that has not followed in the matter of regulating the forest reserves and I may say that this is Government land and is under the supervision of an agent of the Government, and it does seem to me that you will have to trust some one to make reasonable regulations along this line.

I appreciate what the gentleman says about the stockmen being in a precarious condition, but so is every other business, and I will say, frankly, in my judgment in the main the Government has been fair in its treatment of the stockmen on the forest reserves, and we have to presume that the same thing will be true on the public domain. In some instances and during certain periods, I am sure the fees have been too high, but most of the time they have been reasonable.

Mr. STAFFORD. Will the gentleman yield?

Mr. COLTON. I yield.

Mr. STAFFORD. Has not the Government been outrageously lax in allowing the public lands to be stolen, virtually, by the large stockmen who have appropriated the land for their uses without any compensation whatever and have grown "greasy" rich at the expense of the Government?

Mr. COLTON. I do not know of many cases where men have grown "greasy" rich. I think the gentleman is practically right in saying the Government has been too lax, and such a policy has not only been a detriment to the Government itself, but is now acting as a boomerang on the men who have used and in many cases abused the public domain, and they are now asking for regulation.

Mr. CULKIN. Will the gentleman yield?

Mr. COLTON. Yes.

Mr. CULKIN. Is this bill limited to grazing or does it also involve crop production?

Mr. COLTON. It is limited to grazing.

Mr. CULKIN. It has no irrigation or reclamation phase to it, real or prospective?

Mr. COLTON. It has not.

[Here the gavel fell.]

Mr. EATON of Colorado. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. DOWELL. Will the gentleman yield?

Mr. COLTON. I will.

Mr. DOWELL. Under the amendment submitted by the gentleman from Montana, one State may adopt this plan or approve the bill and another State may not approve it, and therefore it will not be a bill that applies to all of the States alike.

Mr. COLTON. I may say frankly to the gentleman that if I had my way I would not have had this amendment, but I do believe that the States are so anxious for some form of reasonable regulation and control that practically every public-land State, when it sees the benefits of the bill, will adopt or accept the provisions of this law.

Mr. DOWELL. But is it not true that any State may absolutely destroy this bill?

Mr. FRENCH. Mr. Speaker, will the gentleman yield?

Mr. COLTON. I yield.

Mr. FRENCH. I think the gentleman from Iowa [Mr. DOWELL] is in error in thinking that the veto of one State would control the action of other States.

Mr. DOWELL. Oh, no; it would not control the action of other States; but so far as the States are concerned, one State can veto the bill.

Mr. FRENCH. So far as the particular State vetoing it is concerned.

Mr. DOWELL. Yes.

Mr. FRENCH. That is true.

Mr. DOWELL. Then you may have one tract of land by the side of another tract of land, one where they charge for grazing and the other one without any restriction whatever.

Mr. COLTON. Unfortunately, the gentleman's interpretation is correct; but I repeat that I am sure this will become so popular, and its benefits will be so apparent, as has been the case in the forest reserves, that it will only be a short time until every State in which there are public lands will accept it.

Mr. Speaker, the provisions of this bill are simple and easily understood. They provide that the Secretary of the Interior shall make rules and regulations governing the grazing on the public domain in accordance with well-established principles that have already been worked out; and every man who has studied the question must admit that proper regulation of grazing upon public land is absolutely necessary. With proper regulation, grazing does not injure the public lands.

But if you overgraze them and nothing is done to give the land a chance to rehabilitate itself, you ruin the land. Moreover, there is a close relationship between grazing on lands and flood control. It has been proven that where grounds have been denuded of vegetation floods occur more frequently. Federal roads are injured and other public property often destroyed by floods which are caused by overgrazing of lands. Lands which have been denuded of vegetation will not hold water.

Mr. Speaker, for eight years I have been working for some measure of this kind. It gives me much pleasure to see the House considering and about to pass a bill which I know will result in good to our public domain and to the livestock industry in the Great West.

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FRENCH. Mr. Speaker, the pending bill (H. R. 11816) is a sort of a composite of two bills that in slightly different form have been pending before the Public Lands Committee for several years. In the present Congress these bills have borne the numbers H. R. 4541, by Representative COLTON, and H. R. 8822, by myself. As I phrased the title of the measure when I introduced H. R. 8822, I used this language, "To prevent erosion of soil, to protect the national watersheds, and to promote the highest general uses of the public domain, and for other purposes." That is the thought emphasized by the title of 11816, and that is the idea that is in Mr. COLTON'S mind and in my own.

As I have made repeated trips over the various States that include practically all the public domain, I have been impressed by the ever-increasing erosion that is going on, by the destruction of the value of the public domain for greatest grazing purposes, and by the apparent inability to prevent erosion and range destruction unless a way may be found by which adequate supervision may be had.

Destruction of the range is going on partly through overgrazing in some areas but chiefly through improper grazing, that is, the grazing of the public domain during seasons of the year when grazing ought not to be permitted, as, for instance, in the spring when the grass and other forage are beginning to take life, and in the fall when the rains and early snows begin.

Those who are familiar with the effect of tramping upon lands that are wet and where a turf has or has not been firmly established must know the unfortunate effect of disturbing and lacerating the surface from the standpoint of erosion and the standpoint of killing plant life.

It is my firm judgment that the public domain could be made to support a vastly larger number of sheep and cattle and other livestock than now are grazed upon these lands if the range were adequately protected and the livestock permitted to go upon the range under proper conditions from the standpoint of both number of sheep or other stock and from the standpoint of seasonal factors to which I have referred.

Let me be more specific. Some three years ago complaints were made to me that the watershed above Arrow Rock Reservoir in Idaho was being overgrazed and utilized at improper times to such extent that it was in process of rapid deterioration. This watershed is basic in the great Boise-Payette reclamation project. With Mr. Walt Mitchell, an outstanding citizen of the project and speaking for many others, Forest Supervisor Guy Mains, and others, I made a trip over the area that consumed about four days. I saw great stretches of the watershed that had been practically denuded of plant life; I saw areas that were contiguous to national-forest areas, and the conditions by way of contrast upon the public domain and the national-forest areas were such that without a guide to point out the boundary line I could have staked out fairly well the line of separation between the public domain and the forest area, basing my judgment upon the condition of plant life upon the one area in contrast with the condition upon the other.

Or again, as I followed the boundary line of the Arrow Rock Reservoir I noticed repeated deltas made by the wash of silt and other débris that had come down from the areas above the reservoir. Following up the streams from the reservoir I noticed in places great gouges in the earth where heavy freshets and accumulated water had washed out tons of surface soil, which had been deposited in the reservoir below. It was perfectly plain to me that unless an end could be brought to this erosion the reservoir itself would be filled up in the course of years, the reclaimed lands on the Boise-Payette project reduced in value enormously or maybe destroyed, and the remaining grazing opportunities on the areas wiped out.

Accordingly, upon the convening of the Congress three years ago I introduced a bill adding a considerable part of the area above the Arrow Rock Reservoir to the national forest, and it has become a law.

The difficulty that had existed was brought about through uncontrolled grazing upon the public domain. Sheep, cattle, and possibly other stock would go on the public domain to which I have referred weeks before they would have been permitted to enter the national forest. The hoofs of the stock would chop up the surface of the land, rains would wash the surface soil away, the roots of the grass and shrubs would be destroyed, and the surface would be left in a condition that lent itself to easiest erosion. In the fall there would be a repetition of what had occurred in the spring. Weeks after the cattle and sheep had been withdrawn from national-forest areas they would continue to tramp over the public domain above the Arrow Rock Reservoir. Not only was this area stripped of practically every vestige of plant growth usable for sheep and other stock, but the surface was left in shape for immediate erosion as a result of the rains and snows of late fall and winter.

Members of the House who have traveled in the West are familiar with the situation to which I have directed attention in connection with watersheds above many reservoirs throughout that region. The Zuni Reservoir in New Mexico is to-day practically destroyed as a result of the silt and other débris washed down from the watershed. It is more than 94 per cent filled upon the basis of the 900-foot level, and it is 75 per cent filled upon the basis of the 1,000-foot level. Although the reservoir was completed about 1907, new plans must be considered for the furnishing of water to the lands below the reservoir that are in cultivation, and for years a limitation has been placed upon full or additional acreage for reclamation purposes because of the exhaustion of available water.

Over and over throughout the West the situation to which I have referred to may be met in one form or another.

The public domain embraces approximately 235,000,000 acres if we include about 35,000,000 acres of coal and shale reserves and a limited number of acres within withdrawals for stock drives and stock-watering places. For the most part this area is within Western States and is spread over the watersheds that feed the Mississippi, Missouri, Rio Grande, Columbia, Snake, Colorado, and other rivers.

LITTLE OPPORTUNITY FOR HOMESTEADS

Under the generous public land laws of the United States practically all land that is available for the home builder has passed into private ownership with the exception of such areas as will be reclaimed through irrigation. Of course, I exclude the timberland, vast areas of which have passed into private ownership or have been included in national forests.

Probably the first question to be considered, as we approach the problem, is the question of the value of the land. The thousands of abandoned homes throughout the West in all the public-land States are grim evidence of the fact that

the remaining acres of the public domain are not valuable for homestead purposes. Thousands of acres contain valuable stands of timber, but for the most part the lands have not sustained timber growth during many decades. Most of the lands of the public domain are valuable for grazing purposes.

If these were the only three important uses of the surfaces of the vast expanse of land, the problem would be solved readily. The timber areas could be turned over to national forests or to the States for forestry administration. Likewise the grazing lands could be transferred to private ownership, or reserved to the States or Federal Government for such use as either might care to make of them. As I see it, however, the astounding value of the public domain lies in uses that have been overlooked, for the most part, in the discussions that have occurred upon this subject. These uses are as watersheds and for the control of stream flow, uses as deterrents to floods, uses for natural storage for irrigated lands, uses for game and for recreation, uses for forage and range, uses as forest area, and finally, uses as gigantic regulators of climatic conditions of interest alike to the people under reclamation projects and in rainfall belts. Indeed, the values of these lands are such that the welfare and prosperity of the people of a mighty empire are dependent directly upon the fidelity with which the lands that we call the public domain are administered.

Watersheds are often of more value to other States than to the one in which they are situated. The people of the Mississippi Valley have a more vital interest in the watersheds that feed the tributaries of the Father of Waters than the people of the upper reaches are conscious, at least, that they possess. The people of the Nation have a constant interest in an adequate supply of timber, in game life, in expanses of domain for recreation. They have an interest in the control of the range and in forest control and management. They have an abiding interest in the value of the range for watershed with all that it means for reclamation, for flood control, and for modification of climate.

During the past several decades, the public domain has been regarded as the vast common upon which all people had the right to go and the forage from which they had the right to use. This principle was of natural growth and came from the desire of the Federal Government to encourage home building and the development of the West. Each home builder acquired not only his small tract of land but acquired theoretically and in part practically the privilege of using the public domain so long as it remained in this condition.

Since, however, the day of the homesteader has passed and it has become apparent that the vast area that we denominate the public domain is suffering deterioration beyond words to describe, we are driven inevitably to the problem of caring for these lands as a definite responsibility.

If the public domain is to be used for grazing, this use ought to be upon the basis of fair play and equal opportunity for all. In other words, some sort of regulation and control should be exercised over the public domain so that all users may have equal opportunity and equal terms.

FEDERAL CONTROL VERSUS STATE CONTROL

The administration of this vast area should not be turned over to individual States. Such a course would mean the placing of control of watersheds, with all that this implies to people of many States, in the hands of one State that might have little interest. State administration of land grants, of timber areas, of school lands, of reclamation under the Carey Act, in spite of some notable exceptions, has not been such as to inspire confidence. Also, it should be remembered that lack of constituted authority under which States can do teamwork in problems that are interstate, outside of the authority set up in the Federal Government, argues that the individual States should not be charged with handling assets that are of interstate character.

There is another thought in connection with State control. There are 11 States that include practically all of the public domain. These States have different laws that could not in all probability carry forward a program in common. Here is a proposition that requires a common program. I do not mean a program of administration exactly alike in detail; not one that has no regard for different climatic, soil, or other natural factors, but a common program in that it may be consistent through the years, that it may be consistent with respect to climatic conditions and other identical factors.

Again, we all know that in all the Western States, as in every other part of our country, we can not get away from the spirit of rivalry, from the spirit of selfishness at times, from the spirit of attempt to control State policies through political parties, through threats and intimidation, through combination of groups in one part of a State working with groups in some other part. I submit that this problem would be much more difficult to handle by the States from this standpoint alone than it would be by the Federal Government, where at all times there would be a consistent and definite policy of public welfare not only in which the States involved would be interested but in which would be interested the people of the entire country.

Under State control there could be absolute failure in one State and complete success in adjacent States. This might mean disastrous results to States where wise policy would prevail through the temporary and mistaken policy of a State which might find itself controlled by selfish interests.

Again, failure may result in one State in contrast with another because the personnel would not be so well trained. In all human probability there would be shifting of personnel; men would be placed in positions of responsibility without training, without experience. The building up of an efficient personnel when this work would need to be done by individual States would be more expensive than if the work were handled under the Federal Government and probably would be neglected. In fact, the success or failure of range control might turn upon the efficiency or inefficiency of personnel regardless of policy that was supposed to have been adopted.

It may be urged that this bill is in conflict with the recommendation of the Public Domain Commission of the President, whose chairman was the Hon. James R. Garfield, the former Secretary of the Interior. I have great admiration for this commission, for its personnel, for the tremendous work that it performed, and for the suggestions that it gave to the public. Members of this commission amidst most serious difficulties sought to bring about a wholesome policy in connection with the public domain. I differ from the recommendation of the commission in respect to State control in part over Federal control. The objective toward which it aimed is the precise objective to which I aim. More than that, the policy I am urging in the pending bill will not prevent the adoption of the policy recommended by the commission at some later date if upon further discussion the commission's recommendation may be regarded as better than the proposed plan. Either plan seeks to end the wicked waste upon the public domain. If we do not find the plan incorporated in the pending bill satisfactory after brief or extended experience, we may then turn to the other plan; and in the meantime certainly the condition of the public domain will be better than it is to-day.

The record of Federal administration in national forests, in reclamation of arid lands, in highway-construction programs, and in our great national parks has been such as to inspire confidence in the ability of the Federal Government to assume a further responsibility in the administration of the watershed areas.

The greatest benefits that will flow out of the public domain will go to the people of the country regardless of State lines, and most of these benefits are of such character that they can not be measured in money values from year to year. It may well be that the necessary cost of administering the public domain will be far in excess of the fees or other items of income that would be assessed properly against the land within a State if the areas were under State control.

It is high time that we work out a definite program for these lands, a program that will prevent overgrazing and that will mean orderly use of the range; a program that will permit control of forest areas, one that will stay the havoc of soil erosion. In short, we need a program that will bring about such control of the range that will mean ground cover of grass and shrub and forest, that will enhance the value of an asset of our country that for too long a time has been treated with neglect.

If I am correct in the assumption that the public domain has astounding values and that they belong to people generally regardless of State lines, it would seem that the agency representing the people benefited should be charged with the responsibility of control. This agency is the Federal Government.

PIECEMEAL LEGISLATION

It has been suggested that if we can not proceed with the pending bill we should proceed by piecemeal legislation, applying some sort of policy to each State or area that may ask for it.

I favor such a proposal only in event it may be impossible to carry forward a program that will apply to all the public-domain States.

In piecemeal legislation I see many difficulties. In the first place, the same criticism would apply to which I have directed attention touching the benefits of the surface rights of the public domain with respect to State lines. The benefits are national; they do not belong to individual States. What we do should be done with respect to flood control, to navigation, the modification of climatic conditions, the reclamation of arid lands, domestic water supply, and other factors that have no relation whatever to State lines.

Again, we ought to make every effort to meet this problem by general legislation rather than by piecemeal action, for the reason that if we make certain concessions to States by way, for instance, of the allocation of grazing fees it would be very difficult indeed to modify these concessions, certainly by way of making them less generous to individual States, if we shall propose a national policy a little later on.

Again, from the standpoint of administration, it would be unfortunate; it would mean more employees; it would mean conflicting policies across State lines; it would mean inefficiency and expense even though the program in each of the several States were to be administered by the Federal Government.

THE PROVISIONS OF THE BILL

In taking up a brief discussion of the provisions of H. R. 8822, by myself, and H. R. 11816, by Mr. COLTON, the latter representing the composite idea of H. R. 8822, Mr. FRENCH, and an earlier bill by Mr. COLTON, H. R. 4541, I want to acknowledge my obligation particularly to Mr. E. A. Sherman, of the Forest Service, and to Judge Edward C. Finney, of the Interior Department. Prior to the introduction of any bill by myself in prior Congresses upon this subject I had studied the reports and recommendations of these gentlemen. I had studied proposals that had been made in various drafts of bills, the recommendations that had been made by the Roosevelt Public Domain Commission, and numerous hearings and discussions upon this problem. In the present Congress, as in the last, Mr. COLTON and I have discussed the problem frequently, and both he and I in the preparation of H. R. 11816 have had the heartiest cooperation of the gentlemen of the Forest Service and Interior Department to whom I have referred and of others who are interested in this problem.

First. The proposed legislation seeks to prevent erosion of soil and to protect the national watersheds and to promote the highest general uses of the public domain.

Second. It is proposed that the Secretary of the Interior be granted authority to establish grazing districts or additions thereto from any part of the nontimbered public lands of the United States, exclusive of Alaska, not in national forests, national parks, and monuments, or Indian reservations, which in his opinion are chiefly valuable for grazing and raising forage crops, or to modify the boundaries thereof.

Third. No lands withdrawn or reserved for any other purpose shall be included in any such district except with the approval of the head of the department having jurisdiction thereof.

Fourth. Valid claims existing upon the areas shall be protected.

Fifth. The Secretary of the Interior shall make provision for the protection, administration, regulation, and improvement of grazing districts and enter into cooperative agreements with private owners of land within such areas looking to the carrying forward of the main purpose of the bill to provide for the safeguarding and development of the range and to stabilize the livestock industry depending upon the public domain.

Sixth. Grazing permits may be issued to homesteaders, residents, or other stock owners or to groups or associations for a period of not more than 10 years, subject to renewal by the Secretary of the Interior, and the Secretary of the Interior shall specify from time to time the number of stock and the seasons of use.

May I say that the provisions of the bill that I introduced, H. R. 8822, with respect to preference to homesteaders and other actual residents within the vicinity and to occupants of the range who own improved ranches or who have provided water for livestock grazed on the public lands I like better than the provisions of the pending bill.

Seventh. Provision is carried for administrative details having to do with protecting prior permittees for improvements, purchase and sale of the same, and so forth.

Eighth. The Secretary of the Interior is authorized to fix grazing fees, to permit, under existing laws or laws hereafter enacted, the use of timber, stone, coal, or other deposits.

Thought has been given to the problem of ingress or egress over the public domain to grazing areas, opportunity for prospecting, locating, and development of the mineral resources.

Ninth. The secretary is authorized to examine and classify lands where it may seem that lands have been included that would be available and suitable for homestead purposes and to open such lands to settlement.

Authority is granted to the secretary to exchange public domain lands for privately owned lands, and so forth, in the interest of the public welfare.

Tenth. It is provided that local associations interested in the use of grazing districts may set up advisory boards and that the advisory boards shall be given fullest consideration to the end that the rights and needs of all may be preserved.

Eleventh. It is provided that 15 per cent of all moneys received from grazing districts during any fiscal year may be made available for expenditure by the Secretary of the Interior for range improvement; that 35 per cent of the moneys received shall be paid to the State in which the grazing district from which the money was raised has been collected, this money to be expended as the State legislature may prescribe for public schools and public roads in the grazing districts where raised.

Twelfth. Where Indian lands may be included under arrangement, 15 per cent of the moneys received for leases shall be used for range improvements, and the entire amount of receipts over and above 15 per cent shall be deposited to the credit of the Indians until the total amount thus deposited shall equal the amounts which the terms of the applicable law, treaty, or agreement specify as payable to the Indians upon the disposal of such lands.

Finally, in my judgment, this bill should be enacted at the earliest moment, not only from the standpoint of protecting the public domain from erosion, extending thereby the best conditions possible from the standpoint of flood control, navigation, water rights, reclamation, water power for all purposes, but in addition for making available the greatest use of the range from the standpoint of its ability to support sheep, cattle, and other livestock, and from the standpoint of protecting wild life and scenic beauty of this vast area.

Mr. Speaker, I am sorry that the amendment providing that acceptance by States shall be given before the

measure may become effective has seemed necessary. It will mean delay—delay in all States, even in those States where the citizens are most desirous of beginning operations under the measure. The public lands, as I have said, belong to all the people—they belong to the country. They should be handled in the interest of all States and not alone in the interest of a State where the lands may be situated.

Mr. EATON of Colorado. Mr. Speaker, I will take but a few moments.

This bill presents two principal questions.

The first, Do you want to vote to establish a new bureau in the Department of the Interior to perform duties already the subject of the administration of the Forest Service in the Department of Agriculture?

The second is, Shall a present existing policy or one similar thereto covering grazing in the national forests be extended to the balance of the public domain which has not yet been homesteaded or otherwise taken up by settlers?

The questions involved have been the subject of a number of bills pending in this Congress and follow the presentation of the Garfield report of the survey of public-land conditions, upon which extended hearings were had by the Public Lands Committee of the House during this Seventy-second Congress.

One series of bills would take away from the Department of the Interior the administration of millions of acres of public domain and add it to the national forests in various States. Some of these bills have been general in character, seeking additions to all forests in individual States. Other bills have been for specific additions to specific forests. The effect of such bills is intended to place the administration thereof in the Department of Agriculture and under the Forest Service, one of its bureaus.

The other series of bills attempts to give the Department of the Interior a greater scope of administrative power over the remaining public domain in the public-lands States. The 1932 annual report of the Secretary of the Interior accentuates these bills in the following language:

> In the first session of the Seventy-second Congress two vitally important bills were introduced with the department's indorsement—one designed to carry into effect the recommendations of the President's Commission on the Public Domain, which, if enacted, would result in the transfer to the States of all unappropriated, nonmineral public lands, and the other a bill authorizing the Department of the Interior to regulate grazing on the public lands.

That first bill was given extended hearings by the House Committee on the Public Lands, from which it developed that there was practically a unanimity of opinion that the surface rights should not be segregated from the subsurface rights if transfer was made to the States.

Then consideration was given to this Colton bill, intended to provide for regulation of grazing on the public lands. The bill before us to-day is the result of numberless hearings and contains a rewriting of some of the thoughts expressed in the first draft. If enacted in its present form, it would ultimately cover every acre of public domain and put it under police and other administrative policies of the Department of the Interior with the authority to charge "such fees" as shall be "fixed or determined from time to time" by the Secretary of the Interior.

Mr. CLARKE of New York. Why would not that be a wise thing for the control and use of the public domain?

Mr. EATON of Colorado. That is what is being presented here. It has been difficult to prepare a bill on account of the situation. This bill applies to 11 different States, with 3 different types of public lands.

There are some State organizations that say that this bill will be a real detriment to the open range. But finally all agreed upon a State-option clause that permits each State to determine for itself whether to avail itself of the provisions found in the other 12 sections of the bill, and, if passed, ultimately the public domain will be under the administration of the Department of the Interior from a grazing standpoint.

Grazing in the national forests has been the source of revenues to the United States and charges against the stock raisers for a long time past and has also been the subject of much controversy.

Under the statute the fees for grazing are set by the Secretary of Agriculture. It is just 28 years since the national forests were transferred from the Department of the Interior and placed under the jurisdiction of the Secretary of Agriculture. February 1, 1905 (33 stat. 628), is the date of the statute making the transfer of authority.

In 1927 grazing fees were the subject of a conference between stock raisers using the national forests and the then Secretary of Agriculture. Without any enthusiasm exhibited by the stock raisers themselves, when their representatives reported the results of the meeting it was learned that a fee schedule containing a sliding scale of increased fees amounting to 100 per cent was designated to become effective between 1928 and 1931, and continue for the balance of the designated 10-year period which will expire in 1935.

In 1931 the Secretary of Agriculture recognized a complaint that the fees were too high under all of the existing economic conditions. He consulted all the United States Representatives and Senators, and governors, of the 11 public-lands States, 81 in all, and after receiving their replies, upon September 19, 1931, he decided that the fees for 1931 should not be disturbed. At a later date it was ordered that the fees for 1932 should be just one-half of those charged in 1931. A little while ago this same Secretary of Agriculture ordered that the 1931 fees should be restored and that amount should be collected in 1933 grazing. This is a present controversy which is the subject of various bills now pending in the House and Senate. Just last week a subcommittee of the House Committee on Agriculture commenced hearings upon this subject and it is hoped they will be completed this week and the proper adjudication obtained.

In this connection I want to direct your attention to what may be expected when this bill becomes effective. In the 1932 annual report of the Forest Service the Forester states:

> On the whole, the year was one of the severest ever known for the range-livestock industry of the West. Declining markets aggravated the unfavorable conditions. Livestock values in the fall of 1931 were about 50 per cent under those of 1929 and 30 to 35 per cent under those of 1930. Credits were restricted, securities crippled, and many livestock loans placed in a precarious condition.

After reporting the reduction of the fees for 1932 the Forester states:

> In harmony with the policy which has been consistently maintained by the Department of Agriculture, this action was not taken in view of the general economic situation but in recognition of severe natural conditions. The grazing fees are fixed on the basis of a reasonable and fair rate over a period of years, irrespective of fluctuations in market and other economic conditions from year to year. * * *

What the administration under the Secretary of Agriculture has done it may be expected that another administration under the Secretary of the Interior will do.

Why the administration over grazing upon the balance of the public domain should not be vested in the Forest Service, which already has an experienced organization for that purpose, is difficult to understand. No one gives a satisfactory answer. At the present time there are over 130,000,000 acres included in the national forests and about 190,000,000 acres in open public domain not subject to some sort of present reservation. In addition there are approximately 80,000,000 acres of land with various reservations, of which possibly half are Indian lands.

In the national forests 82,761,612 acres of grazing lands accommodate 14,000,000 domestic animals—cattle, horses, and sheep. On the balance of nearly 50,000,000 acres of mountain country large amounts of forage are produced, but are not used by domestic stock. The Forester states—

> that this is available to wild life for food and cover.

In his report he also states:

> If some provision for the regulation of the public domain is made it will go a long ways toward solving the growing winter-range problem for game in the western national forest regions.

But the bill before us does not provide for a continuance of present regulations.

It is to create another bureau in another department.

This new bureau in the Department of the Interior will oversee grazing and designate and collect fees therefor. It will place the functions of a new bureau at least parallel to, if not in conflict with, the present existing bureau in the Department of Agriculture.

Instead of placing further grazing jurisdiction within the Forest Service, so that its experienced officials might give the benefit of their experience to starting the administration over these additional areas with a minimum of repetition of the many troubles that accompanied the establishment of the present system on the forest reserves, when this bill passes it will make jobs for a large number of new principal and subordinate officials whose function it will be to divide up the balance of the existing public domain, have its employees patrol the same, and otherwise see that the purposes of this bill are made effective.

I have not been and am not now opposed to extending the administration of grazing control so that the balance of the public domain might be regulated in this respect.

I have been continually opposed to the establishing of new bureaus; and, in regard to grazing, I have tried my best to obtain the favorable consideration of a unified system under the Federal Government. I was not able to do so, and I may very properly say that the Public Lands Committee is not unanimous in the presentation of this bill, but those of us who have been trying to obtain a good bill for submission to you have finally agreed upon an amendment which recognizes that there is a different situation to be considered in different States. The chairman has presented this amendment as a new section, numbered 13, which, in effect, grants a State's option, so that it will not become effective in any State until its provisions have been approved and affirmatively accepted by the legislature of that State. It permits cooperative arrangements between the Secretary of the Interior and each such State in respect to its public lands, whether the lands are directly owned by the State or controlled by public subdivisions thereof.

With such an amendment, each State is given an opportunity to further survey its grazing situation and determine the wisest course to be followed.

The stock raisers, whether cattle or sheep, are still in controversy as to whether this bill proposes a good or a bad remedy. Whole districts are divided on the subject. A few meet and pass resolutions asking that the bill be passed. Others take exactly the opposite view.

If the amendment is adopted, these contending groups will have the opportunity to discuss the questions involved before their own legislatures, and thus arrive at a conclusion which will speak the mind of each individual State.

That seems to be fair.

I do not want to stand in the position of failing to vote for a just remedial measure, which is intended to straighten out, to some extent, the controversies which have caused the consideration of this legislation, merely because the controversies have not been settled. Notwithstanding the majority of the Public Lands Committee are submitting to you the establishment of a new bureau which is a duplicate of an existing agency, I sincerely trust that the amendment will be adopted, and then if this bill passes no State will be burdened with this additional bureau unless its citizens want to burden themselves therewith and to have another place for its citizens to go and fight over grazing privileges and all those questions which arise in connection therewith.

Mr. CARTER of Wyoming. This bill practically does away with homesteading.

Mr. EATON of Colorado. While the bill in its terms expressly does not do that, it is my opinion that the practical effect will be that in the grazing areas there will be difficulty for any homesteader to initiate a right which he can perfect.

Mr. COLTON. It provides, first, for a survey of these public-domain lands, and then the Secretary is to designate all the lands that are susceptible of homesteading for agriculture.

Mr. CARTER of Wyoming. All those lands that are designated as susceptible to homesteading for agriculture will not be included in any of these districts to be organized under this bill.

Mr. COLTON. That is my understanding.

Mr. EATON of Colorado. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. CARTER].

Mr. CARTER of Wyoming. I see, on page 6 of the bill, that the Secretary of the Interior can accept lands that are not Government lands as gifts. Is that true?

Mr. COLTON. Yes.

Mr. CARTER of Wyoming. And then, on page 2, the Secretary of the Interior is allowed to modify the boundaries.

Mr. COLTON. Of the grazing areas; yes.

Mr. CARTER of Wyoming. Would those include or allow the Secretary of the Interior to accept as a gift the Rockefeller Plan in the State of Wyoming, to be added to the forest reserves, with the consent of the head of the forestry department?

Mr. COLTON. I do not think this has anything to do with forests.

Mr. CARTER of Wyoming. Or with national parks then?

Mr. COLTON. I do not think so.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and in the opinion of the Chair two-thirds having voted in the affirmative, the rules were suspended, and the bill was passed.

### REQUIRING THE NAMING OF SUBCONTRACTORS

Mr. COCHRAN of Missouri. Mr. Speaker, I move to suspend the rules and pass the bill, H. R. 9921, to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes, which I send to the desk, and ask to have read.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That contracts in excess of $5,000 in amount for the construction, alteration, or repair of any public building of the United States or of the District of Columbia within the geographical limits of the States of the Union or the District of Columbia shall be awarded only to bidders whose bids are accompanied by a statement containing the names and addresses of the subcontractors, material men, and supply men whose services the bidder intends to utilize in the performance of the work. Such contracts shall also contain provisions for withholding from, or payment by, the contractor of such penalties as may be fixed in the contract for failure to utilize such subcontractors, material men, and supply men in the performance of the work. Sums assessed or paid as penalties for such failure may be remitted or refunded, in whole or in part, by the head of the department, bureau, agency, or independent establishment of the Government or the District of Columbia which has made the contract on behalf of the United States or the District of Columbia, but only in case it is shown to his satisfaction that substitution for a subcontractor, material man, or supply man, as the case may be, was justified by reason of the inability or unwillingness of such subcontractor, material man, or supply man to furnish the materials or supplies, or properly to perform the work, as the case may be.

SEC. 2. No claim for the remission or refund of any penalty shall be granted under this act unless application therefor is filed within one year after the liability of the contractor accrues. If any such application for refund of any sum paid as a penalty is denied, or if no application for such refund is filed within the period provided for filing application under this section, such sum shall be covered into the Treasury as miscellaneous receipts.

SEC. 3. This act shall take effect 30 days after its passage, but shall not affect any contract then existing or any contract that may hereafter be entered into pursuant to invitations for bids that are outstanding at the time of the passage of this act.

The SPEAKER. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

Mr. COCHRAN of Missouri. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Missouri is entitled to 20 minutes and the gentleman from New York to 20 minutes.

Mr. COCHRAN of Missouri. Mr. Speaker, this bill grows out of the very vicious practice of peddling bids in connec-

tion with public buildings. The gentleman from Connecticut [Mr. Goss] introduced the bill and a subcommittee of the Committee on Expenditures held hearings. The hearings are available at the Clerk's desk. It develops that the general contractors, when submitting bids, call upon the subcontractors to submit bids in connection with various work, such as plumbing, electrical work, and so forth. The general contractor uses all subcontractors' lowest bids in reaching his estimate, but after the general contractor succeeds in securing a contract it is found that he does not give preference to the subcontractors who submitted the lowest bids and upon which his general bid was based. There was presented to the committee evidence that the general contractors, after securing the bid, would peddle the subcontractors' bids—that is, by offering the work to others who would agree to do it at a lower price—and in that way secure bids, after he had secured the contract, below the amount that he had used in submitting his bids to the Treasury Department. It is a vicious practice. It is admitted that this applies only to the Government, but the thought is that the little fellows would have a better opportunity to be recognized if legislation of this character is enacted, and probably the States and municipalities would follow with similar legislation.

I yield five minutes to the gentleman from Connecticut [Mr. Goss], the author of the bill.

Mr. GOSS. Mr. Speaker, when this legislation was proposed, during the summer vacation that we had two years ago, I had occasion in my own State to learn at first hand that the general contractor and broker contractor were resorting to the very vicious practice known as bid chiseling or bid peddling. The general contractor is protected by the United States Government by law, whereby that contractor receives a job when he is the lowest bidder. On the other hand, the subcontractor, or material man, or supply man, who bids to that contractor has no protection whatsoever, because they substitute one subcontractor or material man for another without regard to the fact that the subcontractor has spent considerable money trying to figure out the basis of his bid. I attended the hearings in the House and the hearings in the Senate before the committees, and every witness that came before those two committees, including those from the department, admitted that this is a very vicious practice, generally recognized as such throughout the United States.

Mr. BRITTEN. Is the Treasury Department in favor of the gentleman's bill?

Mr. GOSS. The Treasury Department is opposed to the bill, and the reason for that is that they say it would take a longer time for the contractor to submit his bid than at present. I submit to the House that even if it takes two or three or four weeks longer, a delay now occurs on the building while these contractors are out peddling for their bids at a lower price. We are constructing these large buildings, and they were initiated partly for the relief of unemployment, and yet they are making more unemployment all over the country by breaking these subcontractors and material men.

Mr. BRITTEN. The bill provides that where a general contractor in submitting his bid on a big job does not indicate in that bid the names and addresses of all of the material men, all of the supply men, and all of the subcontractors with whom he expects to do business——

Mr. GOSS. The gentleman is in error there. He could still be the successful bidder, but he may substitute those contractors when it is found that they can not agree on the award or have not been put in.

I may say to the gentleman that was brought out clearly in the hearings, but if there is any saving made on the substitution of that contract, that saving goes to the United States Treasury and not into the pockets of the large contractor.

Mr. BRITTEN. Will the gentleman yield?

Mr. GOSS. My time is very limited.

Mr. BRITTEN. But the gentleman does not answer my question. The bill reads:

> Contracts shall be awarded only to bidders whose bids are accompanied by a statement containing the names and addresses of the subcontractors, material men, and supply men.

Mr. GOSS. That is correct.

Mr. BRITTEN. They are the only contractors authorized to bid.

Mr. GOSS. They can put in their name, and, I may say to the gentleman, they must have figures from some one when they put in their bid, or they would not know where they were.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. FITZPATRICK. Will this bill not eliminate all the small, independent contractors?

Mr. GOSS. No, indeed.

Mr. FITZPATRICK. Will it not be favorable to the big contractors who to-day have their subcontractors and their supply men that they deal with?

Mr. GOSS. It will have just the opposite effect.

Mr. FITZPATRICK. I can not see it.

Mr. GOSS. And the large general contractor is the only one who is opposing this bill.

Now, the general contractors have recently wired to the Members of Congress, while we have not tried to have any of the subcontractors or material men influence them, but we want the legislation to stand on its merits.

The SPEAKER pro tempore. The time of the gentleman from Connecticut has expired.

Mr. TABER. Mr. Speaker, I yield myself four minutes.

Mr. Speaker, this is a bad bill. It is designed to increase the cost of letting contracts on the part of the Government. It is opposed by the Treasury Department, the only department that appeared before the Committee on Expenditures, at the hearing. The Secretary of the Treasury, on page 2 of the hearings, stated his objection to the bill. The Supervising Architect was called, and he said:

> Usually we advertise for a period of 4 or 5 or 6 weeks, and in the central portion of the United States we might expect bids from the west or the east coast. As a matter of fact, the Bangor building was constructed by a contractor who lived in the State of Washington. We have to allow time for advertising for prospective bidders to make application.

The way it is done now on the large contracts is that the general contractor makes his bid on the basis of his previous experience and not upon subcontracts that are submitted to him at the time he makes his general bid. The general contractor may do that on small jobs, but on the big jobs he does it on his previous experience. This bill would prevent that practice. It requires the general contractor to specify a hardware dealer from whom he would buy a pound of nails. It requires him to specify the lumber yard from which he would buy a stick of timber. He is prevented from having the advantage of situations that might save the Government thousands and thousands of dollars, such as in scaffolding. He could buy second-hand scaffolding that would be just as good. In shoring up, the same thing could be done. He can not take advantage of the markets. When he takes a contract he does not know who his painting contractor may be a year later. He can not be tied up to such provisions and not make his bid higher than he would submit now. Why should we pass a bill which has no object and no result possible except to increase the cost of contracts to the Government? In the nature of things, we are at a point where we are close to the bottom on our commodity prices and prices for construction. We should not at this time go against the grain and pass a bill which will increase the cost of building construction at a time when we can not afford to increase it.

Mr. BRITTEN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. BRITTEN. Is it not a fact that where the large contractor and a small contractor are figuring on the same general contract, the small contractor will not get a sub-bid from the subcontractor, and the little subcontractor would rather figure with the big contractor, so the result of this legislation, if enacted into law, will be to put every little general contractor in the United States out of business?

Mr. TABER. That is just the picture exactly.

Mr. MILLARD. Is Mr. Wetmore opposed to this?

Mr. TABER. He is, upon numerous grounds stated in the hearings, covering several pages.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. TABER. Mr. Speaker, I yield two minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker, there are only two points necessary to dispose of this question. Any contractor can protect himself to-day by dealing with a subcontractor, subject to the acceptance of his contract. Then the subcontractor can be protected in every way. Years ago it was my duty to make contracts for paper for the State, which contracts reached many thousands of dollars. There were a number of subcontractors with the paper contractor which could not have any other result than to largely increase, in every case, the contracts that were made. That would be the result here. Every man would try to protect himself with a safe bid. This is simply to add to the confusion of making contracts, it would seem to me. As I said, there is no possible excuse that can be offered for it.

Mr. DYER. And there is nobody for it.

Mr. FREAR. There is nobody for it.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, when this bill was called on the calendar I objected to it. I thought it was a corollary to the Davis-Bacon bill. I was against the Davis-Bacon bill because I knew it would create in Washington just such a condition as we now have in this city, a condition where you are paying bricklayers and plasterers from the Government Treasury $14 a day, with 15,000,000 other men elsewhere are out of jobs.

You are paying the carpenters here $11 a day out of the Public Treasury when there are thousands of carpenters in Abilene, Potsdam, and other places who would be glad to come here for $5 a day. [Applause.]

Last July 1 the contractors here found out there were thousands of men clamoring for jobs and they set a new wage scale here and paid carpenters only $8 a day. From the 1st day of July the Government has taken advantage of that fact and every contract which has been let since that date has been let on the basis of $8 per day for carpenters, and the unions have been permitting their men to work for $8 per day since the 1st of last July. Yet, when the public grandstands are now to be built they saw an opportunity to make a grandstand play and they are now demanding that $11 a day be paid for all of that work and that $11 a day be paid the contractors on all other Government jobs. They are still contending for $14 a day be paid to plasterers and bricklayers.

Now, I want to ask my friend from St. Louis and my friend from Chicago: Can you go back home and square yourselves with your carpenters and your bricklayers and your plasterers who are working in St. Louis and Chicago for just half what they are getting in Washington, when by your vote you supported the Davis-Bacon bill, which pays these classes of workmen twice as much in the Nation's Capital on Government work out of the Government Treasury from the tax money of the people?

Mr. DYER. This bill will do just exactly what the gentleman is trying to stop.

Mr. BLANTON. I opposed this bill for quite a while until I found out it would benefit the little contractors in the United States and protect them from the big contractors.

Mr. DYER. The gentleman is mistaken.

Mr. BLANTON. Therefore, I am going to vote for this Goss bill.

Mr. TABER. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. LANHAM.]

Mr. LANHAM. Mr. Speaker, there is considerable contrariety of opinion, even among contractors and subcontractors themselves, as to just what steps should be taken to correct the evils incidental to the practice of shopping bids.

There is pending at this time before the Committee on Public Buildings and Grounds a measure which seeks to correct these evils along a different line. That bill provides that separate contracts shall be made with subcontractors, material men, and so forth. Hearings have been held on this measure and further hearings are contemplated. It seems to be generally agreed that the adoption of the provisions of that bill will really have an important effect in preventing the shopping of bids.

After studying the particular measure now before us in the House, it seems to me that by its very terms it nullifies what it undertakes to do. In the first instance, it provides that the bids of general contractors shall be accompanied by the names and addresses of subcontractors, material men and supply men whose services the bidder intends to utilize in the performance of the work. Then it provides that contracts with general contractors shall contain provisions for withholding payment of certain amounts as penalties for failure to use the services of such subcontractors, material men and so forth. I understand that a decision of the Comptroller General and another of the Supreme Court would prevent the imposition of such penalties. But, assuming that they could be lawfully imposed, the bill then recites that any sum assessed or paid as penalties for such failure may be remitted or refunded when the contractor was justified by reason of the inability or unwillingness of such subcontractors, material men, and so forth, to furnish the material or supplies or properly to perform the work.

It seems to me that this opens wide the door for fraud and that it will not prevent the shopping of bids at which the measure aims. A general contractor could easily name subsidiaries or straw men who would decline to perform the services for one or both of the two reasons stated in the bill, and then the contractor could shop bids very largely at his own pleasure. In other words, in my judgment, this bill will not prevent the practice intended to be corrected and may even encourage it. Legislation along the line of separate contracts with subcontractors, awarded on low responsible bids, would be much more effective in bringing about the desired result. Hearings are being held on such a measure.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield two minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker, this is a bill that is calculated to help the subcontractor, or material man. A general contractor goes out and asks for a bid on stone, or steel, upon which to base the general bid. Having received those bids or estimates after a great deal of care and expense on the part of the material man, the general contractor when he gets a contract then begins to peddle around and bid one fellow against another in order to make more out of the general contract. It is to cure this evil and to have the Government square not only with the general contractor but also with the subcontractor and the material man that this bill is proposed. I think the Government should be square with the man who furnishes the material or who takes a subcontract on a Government job, who goes to great expense to figure out the necessary amount, dimension, prices and expense of doing the part of the work falling in his line and furnishing the general contractor the information upon which to make his bid. The general contractor having received the bid on the basis of the estimates of the subcontractors and material men, then turns his back on the men who made it possible for him to get the contract and he bargains and jockeys them around to try to make a little more out of the general contract. That is not a saving to the Government but is just a little more velvet in the pocket of the general contractor and is made at the expense of the material man and the subcontractor. This is the evil we are trying to remedy.

There is a good deal of complaint from the limestone men. There are several responsible companies. They submit their figures and then the general contractor begins to work around to see if he can get the material at a better figure;

and I presume what is true with reference to the limestone men is true with reference to those who furnish other material.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I yield two minutes to the gentleman from Arkansas [Mr. FULLER].

Mr. FULLER. Mr. Speaker, I can not conceive of a set of business men enacting this measure into law. Should it become a law, it will prove a nightmare to those who support it. Instead of being a benefit to the subcontractor, it will mean driving him entirely out of business. Under such a law it would cost the Government 10 to 25 per cent more upon all of its building contracts. This measure requires that every contractor bidding upon a Government job must name the parties to whom he is supposed to let the subcontracts and to name all the parties from whom he is to buy his building materials.

Here is a simple example: In my home city the Government concludes to build a post office; its plans are prepared and are on file with the Treasury Department here in Washington. Contractors do not go and look over the building site in my home town. In most instances they send for the plans and specifications or come here to Washington and bid from the plans and specifications. In doing so they may confer with some electrical, plumbing, elevator, or heating subcontractors; but they do not figure nor have an opportunity to figure upon brick, stone, lime, cement, and lumber in my home territory. It would, therefore, mean that no one in my home community could furnish material because the contractor would not know the name, and he, therefore, could not specify them and would have to specify some well-known firm that had a stable price on the material that he was to use.

Another illustration would be that the contractor would not confer with the subcontractors and would so state in his bid and would, therefore, bid on his own judgment, and as a result his bid would be higher to the Government, and the subcontractor would be entirely eliminated.

I believe that the Government should have the right, as the Treasury Department is contending, to obtain the lowest bids, and the way to obtain these lowest bids for the erection of these Government buildings is to have an open field and allow the contractor to bid as low as possible in order to get the contract.

This law is just another effort on behalf of a few interested people to the great detriment of the overwhelming majority and to the great loss to this Government to restrict the right of competition and the right to do business.

As a general rule, men who are engaged in the business of bidding on Government contracts are those who have plenty of capital back of them, much equipment, and are qualified to make bond. They maintain as a part of their establishment engineers and men versed in every line in the contracting business. If this law were enacted, these contractors would do all the jobs, and the so-called subcontractors would get none. As a general rule, the so-called subcontractors are men without much equipment and financial backing; therefore are able to subcontract certain portions of a building cheaper than the man who has much overhead. It, therefore, follows as a common-sense conclusion, that this bill injures the man who it is claimed it will benefit. Say for instance I am a contractor, and a man engaged in the electrical, heating, elevator, or plumbing contracting gets a copy of the specifications and knows that I am bidding on the general contract and tells me that he will do a certain part of the work for a certain price, this bill seeks to make me award him the contract as subcontractor on the figures that he gives me regardless of whether or not I were to do it myself or could get it done cheaper. In many instances the subcontractor has no money invested and no equipment, as I have stated, and if the price of labor or material would go up after I made my bid, I could not make him comply with his statement or offer, and I would have to hold the bag and go on and fulfill the contract I had made with the Government. Realizing this, my original bid would be higher.

This bill is clearly against the interest of all material men in the community where the improvement is to be erected, it stifles and kills competition, and is a dangerous and most vicious bill. This measure has not the first earmark of being in the interest of labor as claimed. It is not even in the interest of the so-called subcontractor. Its enactment would prove most valuable to original contractors and be the means of robbing the Government.

Mr. TABER. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Speaker, I do not know that I can add anything that has already been said in opposition to H. R. 9921, a bill to require contractors to name their subcontractors, material and supply men.

I have read carefully the testimony in the hearings before the Subcommittee of the House Committee on Expenditures in the Executive Departments, of which the distinguished gentleman from Missouri [Mr. COCHRAN] is chairman.

It has not been brought to my attention that hearings have been held on H. R. 9921, the bill now before the House.

I find that this bill has been very strongly opposed by James A. Wetmore, the acting supervising architect of the Treasury Department, a man of unusual ability whose opinion should be given great weight. He states that the proposals of the bill which attempt to prevent what is known as "bid peddling" or "bid shopping" as a matter of fact will not do so. From the standpoint so far as the Government's end of the proposition is concerned this would tend to slow up action on the building program and will slow up very materially the limit of time bids will be on the market. Another thing, quoting from Mr. Wetmore, is that this will increase the cost of Government contracts.

This bill would not operate so as to do away with the shopping of bids if the contractors must, before bidding, say definitely who are going to be their subcontractors, as they would do their shopping before.

Mr. Wetmore was very carefully cross-examined by the chairman, Mr. Goss, and others and very clearly shows that this bill would not be beneficial to the Government.

The report further shows that the Secretary of Agriculture, Arthur M. Hyde, who was asked for an opinion, very clearly states that the Government does not need this legislation and that he can not recommend its enacment.

Also, the Hon. Patrick J. Hurley, the Secretary of War, recommends that this bill be not enacted into law and states that the proposed bill would make contracts too rigid and would deprive the contractors of any discretionary control which should be left to them within reasonable limits if the work is to proceed in a reasonable and orderly manner with due regard for efficiency and satisfactory results in the interests of the Government. If the bill is enacted into law it will probably result in increased cost to the Government, the amount of which can not be estimated.

I received many telegrams and letters from the best qualified contractors of my district who are all opposed to the passage of this bill; also the new York State Builders Branch of the Associated General Contractors of America (Inc.), the Westchester County chapter of the corporation, the William L. Crow Construction Co., E. Gisondi (Inc.), Frank N. Goble (Inc.), Robert G. MacKay (Inc.), and many others, stating that this would be inimicable to the best interests of the building industry and would not achieve its avowed purpose of stopping bid peddling.

I do not wish to criticize the committee, but your attention is called to the fact that when the House committee was holding hearings on the original bill, H. R. 4680, the opponents to the bill were not called. I refer to page 21 of the hearings, in a statement made by Mr. COCHRAN. The contractors of my district believe this very unfair.

The following five points have been submitted in a brief which has been sent to me by the Associated General Contractors of America:

1. It would greatly weaken the managerial control of Federal Government construction projects by the general contractors, thus jeopardizing the proper coordination of the work and inviting delays.

2. It would slow up the Government's building program considerably, inasmuch as it would be necessary to extend very materially the length of time that bids are on the market.
3. It would invite subterfuge and collusion on the part of both general and subcontractors.
4. It would materially increase the cost of Government construction.
5. It would not achieve its objective of eliminating "bid shopping" and "bid peddling."

I will not go into detail on these points, as most of them have already been called to your attention.

I am strongly opposed to the provisions of this bill and hope it will not be passed. It seems to me to be particularly mischievous and fraught with great danger to the public in their building program; and in constructing a building, like running a ship, there must be one head who is the direct responsible driving force. If this bill goes through you will undermine the position of the general contractors and cause chaotic conditions on building contracts, which, of course, will mean added cost, long delays on completion of contracts, without any benefiting results. The general contractor's position as chief of the operation must be maintained and must be strengthened rather than weakened, and I therefore strongly urge the House to vote against this bill.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. MILLARD. I yield.

Mr. COCHRAN of Missouri. The gentleman says he has telegrams from the big contractors.

Mr. MILLARD. Big and small both.

Mr. COCHRAN of Missouri. That supports my contention that this bill is in the interest of the small contractor.

Mr. FITZPATRICK. Are there not more small contractors than large ones in the gentleman's district?

Mr. MILLARD. Yes; that is quite true.

Mr. BRITTEN. And the gentleman's contractors, whether they be big or small, have told him that it would be impossible to comply with the bill as now drawn.

Mr. MILLARD. That is correct.

Mr. BRITTEN. Because, how does a contractor know from whom he is going to buy brick or cement or sand or tile or anything of that sort a year or a year and a half from now? And he can not possibly indicate that to the Government in advance.

Mr. MILLARD. That is correct.

Mr. TABER. Mr. Speaker, I yield five minutes to the gentleman from New York, Mr. LAGUARDIA.

Mr. LAGUARDIA. Mr. Speaker, I am quite sure the gentleman from Missouri [Mr. COCHRAN] will not charge me with trying to protect the big fellow.

While I can understand the motive and the very good intention which permeated this bill, the gentleman's bill is so impracticable that it will be ineffective and will produce directly the opposite result from the one which the gentleman seeks to accomplish.

There is one thing I want to point out to the gentleman from Missouri, because he is always so fair and he is always so accurate that I believe this is entirely unintentional. If there is one department of the Government that is in a position to know about these conditions, that is in a position to advise us about a bill of this kind, it is the office of the Comptroller General or the General Accounting Office, the auditing agency of Congress.

I find the gentleman's report is dated May 11, 1932. The hearings were held in the month of March; and yet, Mr. Speaker, I have a copy of a letter written to the gentleman from Missouri in reference to a similar bill, dated March 14, 1932, and I am going to put the entire letter in the RECORD from the Comptroller General, who passes upon every voucher of every building contractor which is covered by the gentleman's bill. The Comptroller General advises against the purposes and principle of this bill. He says:

It is the view of this office that the enactment of this bill would tend to increase the cost of the performance of Government contracts for the construction of buildings without compensating benefits to the United States.

Mr. COCHRAN of Missouri. That letter was not based upon this bill; it was based upon H. R. 4680.

Mr. LAGUARDIA. Yes; but the provisions are the same.

Mr. GOSS. No; they are not.

Mr. LAGUARDIA. Wait a minute. The purpose, scope, and principle are the same. It is pointed out in this bill that the Government might get some compensating benefits. Where? I will read that, and this is from the bill now before the House.

Such contracts shall also contain provisions for withholding from, or payment by, the contractor of such penalties as may be fixed in the contract for failure to utilize such subcontractors, material men, and supply men in the performance of the work. Sums assessed or paid as penalties for such failure may be remitted or refunded.

And so on.

What does the Comptroller say in that letter about this bill or another with the same provision?

Any lump sum that is to be imposed on the contractor for such a failure would be more in the nature of a penalty or fine, and your attention is invited to the definition of liquidated damages contained in the One hundred and eighty-third United States Reports. It is doubtful whether the statute seeking to impose on the contractor such a fine or penalty in case of liquidated damages would be sustained by the courts.

Now here is the letter in full:

COMPTROLLER GENERAL OF THE UNITED STATES,
*Washington, March 14, 1932.*

Hon. JOHN J. COCHRAN,
*Chairman Committee on Expenditures in the Executive Departments, House of Representatives.*

MY DEAR MR. CHAIRMAN: Consideration has been given your letter of February 17, 1932, as follows:

"There is submitted herewith a copy of the bill H. R. 4680, to require contractors on public building projects to name their subcontractors, material men, and supply men, upon which the committee would like to have an expression of the views of your office. Hearings on this legislation were started to-day and will go to the printer in the near future. Consequently your report will have to be received shortly if it is to be included in the record."

It is the view of this office that the enactment of this bill would tend to increase the cost of the performance of Government contracts for the construction of buildings without compensating benefits to the United States.

General contracts for the construction of public buildings are let as the result of public competition, and, of course, it behooves the general contractors to secure the lowest possible subcontractors qualified to do such of the work as is to be sublet. If subcontractors bid against each other and reduce prices below a fair rate, they have the means of protecting themselves in their own hands, and it is not believed that the United States should attempt to regulate competition between subcontractors in their relation to general contractors. It doubtless occurs in numerous cases that the bids of subcontractors are considered too high by the general contractor and that estimates are placed in the bids with the view of the general contractor doing the work or securing a lower proposal from some other subcontractor.

It would interfere with legislative control over the uses of appropriated moneys for public construction work and would be uneconomical if a general contractor must name in his proposals his subcontractors and be required to use such subcontractors under a penalty of liquidated damages, and it seems obvious that should the bill become law the peddling of subcontracts will take place before rather than after the general contracts are awarded, thus necessitating the delay incident to obtaining legally binding options from subcontractors and tending to deter some general contractors from bidding.

Section 1, page 2, of the bill provides that certain contracts shall contain a provision for payment by the contractor of liquidated damages for failure to utilize subcontractors, material men, and supply men named in the accepted proposal. It seems clear that no liquidated damages, as such, could be imposed for failure to use parties the contractor stated in his proposal. Any lump sum sought to be imposed on the contractor for such failure would be more in the nature of a penalty or fine and your attention is invited to the definition and application of liquidated damages contained in Sun Printing & Publishing Association *v.* Moore (183 U. S. 642) and Wise *v.* United States (249 U. S. 361).

It is doubtful whether a statute seeking to impose on a contractor such a fine or penalty under the guise of liquidated damages would be sustained by the courts. It is to be observed no damage would accrue to the United States because of the failure of a general contractor to use one subcontractor, material man, or supply man rather than others so long as the work is performed in accordance with the advertised specifications.

With respect to lines 4 to 12, page 2, of the bill, attention is invited to the fact that a large amount of building construction work is performed by other branches of the Government than the Treasury Department and manifestly the Supervising Architect of the Treasury, a subordinate in the Treasury Department, should not be empowered to remit or refund damages which have accrued under contracts with other departments and establishments of

the Government because the contractor did not use the subcontractor and/or subcontractors named in the proposals.

If there is further information you may desire with respect to the matter an effort will be made to furnish same upon request.

Sincerely yours,

J. R. McCARL,
*Comptroller General of the United States.*

So let me point out that the benefits sought to be obtained here will not be derived, because we can not collect them under the opinion of the Comptroller General and the United States Supreme Court. Every department of the Government that have contact with this kind of work are opposed to this bill. The Treasury Department, the Office of the Supervising Architect, the War Department, the General Accounting Office, all are unanimous against this bill; all agree that it is not practicable; all agree that it will increase the cost to the Government; all agree that it does not say what it intends to do.

Let me point out that the big contractor has the advantage over the small contractor. He can do his own estimating and figuring, and he can bid without giving any name.

The gentleman from Indiana [Mr. GREENWOOD] opposes the bill. That, indeed, is significant. I am now convinced the bill should be rejected. I know of a case where if this bill had been a law it would have cost the Government over a million dollars. The bid of the general contractor for limestone from Indiana was for over $1,800,000, and the contractor put in a bid for $1,000,000 less, knowing that the bid of the limestone company—and I mean the Indiana Limestone Co.—was exorbitant, and the United States benefited to the extent of $700,000.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield three minutes to the gentleman from Indiana [Mr. CROWE].

Mr. CROWE. Mr. Speaker, I favor this bill in the interest of eliminating bid shopping by general contractors. It is one of the worst-abused things we have to contend with to-day. The general contractor does not go to a fly-by-night to get his bids. He goes to a reputable concern and gets his bid for a subcontract. As soon as he gets the general contract, then he begins his bid shopping.

How does a general contractor know whether his bid would be good or not? When the gentleman states that the contractor knew how to bid and intimated he disregarded the bid of subcontractor, why does he go to a subcontractor in the first place? The gentleman from New York [Mr. LAGUARDIA] says that there was a bid for $1,300,000 for limestone, and it was cut down to $700,000. As a matter of fact, I am positive that the gentleman from New York can not substantiate those figures.

Mr. LAGUARDIA. I have got them in the RECORD heretofore, and they can not be denied.

Mr. CROWE. The general contractor, after compiling figures from subcontractors, submits his bid on that basis. As soon as he has secured the general contract, then he begins his chiseling and beats down the subcontractor who made it. Then the subcontractor who obtains the subcontract will begin to hammer on his job, and the Government is the loser instead of the general contractor. The Government loses, and the general contractor gains, and the subcontractor always has to lose. Reputable, efficient men in the limestone business, as well as structural-steel men in my district, inform me that on contracts on which they are the low bidders and submit honest bids at lowest possible prices, that even though they are the firms the general contractor secures his general contract through, yet they never in turn secure the job. They are always left out. The general contractor starts peddling the job as soon as he secures his contract. Every dollar he beats the subcontractor down goes into the general contractor's pockets, and he gains by that amount. The Government has not saved a cent. This method is breaking up hundreds of subcontractors.

Mr. TABER. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. BRITTEN].

Mr. BRITTEN. Mr. Speaker, I have had 20 years' experience as a general contractor. I have dealt with subcontractors and material men all over the United States from Portland, Oreg., and the Puget Sound Navy Yard, to Worcester, Mass., and to the Algiers Naval Station at New Orleans. This is a bad bill from the Government standpoint, and I am talking now as a Member of Congress. It should not be enacted into law, because it imposes certain impossible conditions on the general contractor. Take a contractor on a job running for several years, like that of the Chicago post office. He can not possibly indicate to the Treasury from whom he is going to buy his brick, or his cement, or his tile, or his marble one or two years hence. The gentleman from Texas [Mr. BLANTON] made a wonderful argument. He thought that he was talking in favor of the bill. He made a great argument against the bill, as a matter of fact, because he complained about existing high wages. If you desire a successful contractor of to-day to guarantee that he will not reduce wages in the forthcoming years, irrespective of the trend of the times, then you should vote for the passage of this bill. This bill, if passed, will do damage to every small general contractor in the country, and, in addition, it will cost the taxpayers aplenty.

Mr. COCHRAN of Missouri. Mr. Speaker, will the gentleman yield?

Mr. BRITTEN. No.

Mr. COCHRAN of Missouri. The gentleman was a big contractor.

Mr. BRITTEN. Oh, I was a little contractor. And I say this to the gentleman, that the thousands and thousands of subcontractors all over the United States do not prefer to do business with the small, general contractor, because the small general contractor has not the facilities to do the larger work, and consequently he is unlikely to get big contracts. The small subcontractor prefers, of course, and every subcontractor prefers to do business with the big contractor, because that is where his best interests lie. This is a bad bill. It is impossible of enforcement. The Treasury Department, the Comptroller General, the War Department, and every other interested branch of the Government is positively opposed to this bill. It is against public policy and in direct opposition to economical government. It is drawn on a wrong theory and will do no one any good.

Mr. COCHRAN of Missouri. Mr. Speaker, I yield the remainder of my time, four minutes, to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, we had all of this matter threshed out before the Committee on Labor when we had the Metcalf-Connery bill under consideration, which bill passed the House and the Senate last session and was vetoed by the President. This is a good bill; it is not a bad bill, as the gentleman from Illinois [Mr. BRITTEN] said, and the proof that it is a good bill is that we have heard men stand up here to-day and say that they have telegrams from all over the United States from the big contractors who are opposed to this bill.

We are facing not the question of the general contracts alone, but we have the question of wages that is behind it. When a general contractor puts in a bid at the present time he does not have to name the subcontractor from whom he is going to get his brick or who is going to do his electrical work, but he starts out with a bid of say $300,000 for a post office, which may be a very low bid, and then he goes all through that section of the country and says to the subcontractors "You, Jones," or "You, Brown, bid against each other, and cut down on your bid," and Jones cuts to the bone with the idea in his mind that he will pay small wages to his men, and in that way he will be able to put a bid in that is lower than any competitor.

Mr. LAGUARDIA. How can they pay low wages, with the Connery bill in effect?

Mr. CONNERY. But the Connery bill did not go through. It was vetoed by President Hoover. If it had been signed we would not need this bill now.

Mr. LAGUARDIA. Or with the Bacon-Davis bill, which went through.

Mr. CONNERY. If the Metcalf-Connery bill had been signed by Mr. Hoover, you would not need this bill or the Davis-Bacon bill.

Mr. LAGUARDIA. The Bacon-Davis bill provides for the payment of the generally prevailing rate of wages.

Mr. CONNERY. But it is neither observed nor enforced.

Mr. FITZPATRICK. The gentleman knows where I stand on labor matters.

Mr. CONNERY. Yes. The gentleman from New York [Mr. FITZPATRICK] has always been a loyal friend of labor.

Mr. FITZPATRICK. Is it not a fact that to-day they must pay the labor scale of wages, and must pay the prevailing rate?

Mr. CONNERY. No. They do not do it.

Mr. FITZPATRICK. They do.

Mr. CONNERY. I will give my distinguished colleague a sample of how they do not observe the law. They started out by paying 20 cents an hour on the Lynn post office until I had an inspector brought on from the Department of Labor three times to get them up to 50 cents an hour.

Mr. FITZPATRICK. This will eliminate the small contractor.

Mr. CONNERY. It will help the prevailing rate of wages and will help the small contractor.

Mr. BRITTEN. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. BRITTEN. I am very much interested in the gentleman's opening remarks. He says the general contractor when submitting his bid to the Government puts his bid away down low. Is it not to the interest of the Government to get low bids?

Mr. CONNERY. He does that because he knows that he is going out and make his subcontractors almost go broke trying to give him a low bid, and that fellow in turn makes his employees work for lower wages.

Mr. GOSS. Is it not true if this bill were the law, the subcontractor, knowing his bid would be used, would give a low bid first, and not put it high as it is now, to be chiseled down?

Mr. CONNERY. He would give a reasonable bid, and it would stop bid peddling and bid chiseling. You would have a reasonable bid going to the Treasury. These contractors want to get the contract and they are going to bid as low as they can.

Mr. LANHAM. Does the gentleman not think that the purpose could perhaps better be effected and the evils cured by passing the bill pending before the Committee on Public Buildings and Grounds, which provides for a separate contract on the part of the Government with the subcontractors for materials and supplies?

Mr. CONNERY. I may say to the gentleman that the legislation which would correct this situation, the prevailing rate-of-wage situation, and almost all the trouble in the public-building labor situation, would be the passage and signing of the Metcalf-Connery bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. CONNERY] has expired. All time has expired.

The question is on the motion to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 66, noes 59.

Mr. COCHRAN of Missouri and Mr. SCHAFER objected to the vote on the ground that there was not a quorum present.

The SPEAKER pro tempore. The Chair will count. (After counting): Obviously there is no quorum present. The roll call is automatic. The Doorkeeper will close the doors and the Clerk will call the roll.

The question was taken; and there were—yeas 181, nays 126, not voting 119, as follows:

[Roll No. 156]

YEAS—181

| | | | |
|---|---|---|---|
| Allen | Bachmann | Bloom | Carter, Calif. |
| Allgood | Bacon | Boehne | Carter, Wyo. |
| Amlie | Baldrige | Boileau | Cary |
| Andresen | Barbour | Bulwinkle | Cavicchia |
| Andrew, Mass. | Beam | Burtness | Chapman |
| Arnold | Black | Canfield | Chavez |
| Bacharach | Blanton | Carden | Christgau |
| Clague | Hastings | Martin, Mass. | Shannon |
| Cochran, Mo. | Hawley | Martin, Oreg. | Sinclair |
| Cochran, Pa. | Hess | Mead | Sirovich |
| Colton | Hill, Wash. | Miller | Smith, W. Va. |
| Condon | Hollister | Milligan | Snell |
| Connery | Holmes | Moore, Ky. | Somers, N. Y. |
| Cooper, Ohio | Hope | Nelson, Mo. | Sparks |
| Coyle | Horr | Nelson, Wis. | Spence |
| Crosser | Howard | Nolan | Steagall |
| Crowe | James | Norton, Nebr. | Summers, Wash. |
| Crowther | Jeffers | Norton, N. J. | Sumners, Tex. |
| De Priest | Johnson, Mo. | O'Connor | Sutphin |
| DeRouen | Kading | Oliver, N. Y. | Swanson |
| Dickinson | Kahn | Palmisano | Sweeney |
| Doughton | Keller | Parker, Ga. | Swick |
| Eaton, Colo. | Kelly, Pa. | Parker, N. Y. | Swing |
| Englebright | Kemp | Parks | Taylor, Colo. |
| Eslick | Kennedy, Md. | Parsons | Thurston |
| Evans, Mont. | Ketcham | Patterson | Tierney |
| Fulmer | Kniffin | Peavey | Timberlake |
| Gambrill | Knutson | Pettengill | Tinkham |
| Garber | Kunz | Pittenger | Turpin |
| Gasque | Kvale | Polk | Vinson, Ga. |
| Gibson | Lambertson | Pratt, Ruth | Vinson, Ky. |
| Gifford | Lamneck | Purnell | Watson |
| Gillen | Larrabee | Ragon | Weaver |
| Glover | Lonergan | Rainey | Welch |
| Goldsborough | Loofbourow | Ramspeck | West |
| Goodwin | Luce | Rayburn | Whittington |
| Goss | Ludlow | Rogers, Mass. | Williams, Mo. |
| Greenwood | McClintic, Okla. | Rogers, N. H. | Williamson |
| Gregory | McCormack | Romjue | Wingo |
| Griffin | McDuffie | Sabath | Wolverton |
| Haines | McFadden | Sandlin | Wood, Ind. |
| Hancock, N. C. | McMillan | Schafer | Woodruff |
| Hare | McReynolds | Schneider | Wyant |
| Harlan | McSwain | Seger | |
| Hart | Maas | Selvig | |
| Hartley | Major | Shallenberger | |

NAYS—126

| | | | |
|---|---|---|---|
| Adkins | Davis, Pa. | Jacobsen | Perkins |
| Almon | Davis, Tenn. | Jenkins | Person |
| Andrews, N. Y. | Delaney | Johnson, Okla. | Prall |
| Barton | Dies | Johnson, Tex. | Rankin |
| Beedy | Doxey | Jones | Ransley |
| Biddle | Drewry | Kerr | Reilly |
| Bland | Dyer | Kinzer | Rich |
| Bohn | Elizey | Kleberg | Robinson |
| Boland | Erk | Kurtz | Sanders, Tex. |
| Briggs | Estep | LaGuardia | Shott |
| Britten | Evans, Calif. | Lanham | Smith, Va. |
| Browning | Fernandez | Lankford, Ga. | Snow |
| Buchanan | Fiesinger | Lankford, Va. | Stafford |
| Burch | Fish | Lea | Stalker |
| Busby | Fishburne | Leavitt | Strong, Kans. |
| Campbell, Iowa | Fitzpatrick | McClintock, Ohio | Strong, Pa. |
| Campbell, Pa. | Flood | McGugin | Stull |
| Cannon | Frear | McKeown | Swank |
| Cartwright | Free | Magrady | Taber |
| Castellow | French | Maloney | Tarver |
| Chindblom | Fulbright | Mansfield | Thomason |
| Christopherson | Fuller | Mapes | Wason |
| Clancy | Gilchrist | Michener | Weeks |
| Clarke, N. Y. | Guyer | Millard | White |
| Collins | Hadley | Montet | Wolcott |
| Cooper, Tenn. | Hall, Ill. | Moore, Ohio | Wolfenden |
| Cox | Hancock, N. Y. | Morehead | Wood, Ga. |
| Cross | Haugen | Murphy | Woodrum |
| Crump | Hill, Ala. | Nelson, Me. | Wright |
| Culkin | Hoch | Oliver, Ala. | Yon |
| Cullen | Hooper | Partridge | |
| Davenport | Huddleston | Patman | |

NOT VOTING—119

| | | | |
|---|---|---|---|
| Abernethy | Curry | Hornor | Pratt, Harcourt J. |
| Aldrich | Darrow | Houston, Del. | Ramseyer |
| Arentz | Dickstein | Hull, Morton D. | Reed, N. Y. |
| Auf der Heide | Dieterich | Hull, William E. | Reid, Ill. |
| Ayres | Disney | Igoe | Rudd |
| Bankhead | Dominick | Johnson, Ill. | Sanders, N. Y. |
| Beck | Douglas, Ariz. | Johnson, S. Dak. | Schuetz |
| Bolton | Douglass, Mass. | Johnson, Wash. | Seiberling |
| Bowman | Doutrich | Kelly, Ill. | Shreve |
| Boylan | Dowell | Kennedy, N. Y. | Simmons |
| Brand, Ga. | Drane | Kopp | Smith, Idaho |
| Brand, Ohio | Driver | Lambeth | Stevenson |
| Brumm | Eaton, N. J. | Larsen | Stewart |
| Brunner | Finley | Lehlbach | Stokes |
| Buckbee | Flannagan | Lewis | Sullivan, N. Y. |
| Burdick | Foss | Lichtenwalner | Sullivan, Pa. |
| Byrns | Freeman | Lindsay | Taylor, Tenn. |
| Cable | Gavagan | Lovette | Temple |
| Carley | Gilbert | Lozier | Thatcher |
| Celler | Golder | McLeod | Treadway |
| Chase | Granfield | Manlove | Underhill |
| Chiperfield | Green | May | Underwood |
| Clark, N. C. | Griswold | Mitchell | Warren |
| Cole, Iowa | Hall, Miss. | Mobley | Whitley |
| Cole, Md. | Hall, N. Dak. | Montague | Wigglesworth |
| Collier | Hardy | Mouser | Williams, Tex. |
| Connolly | Hogg, Ind. | Niedringhaus | Wilson |
| Cooke | Hogg, W. Va. | Overton | Withrow |
| Corning | Holaday | Owen | Yates |
| Crail | Hopkins | Pou | |

So, two-thirds not having voted in favor thereof, the motion to suspend the rules and pass the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Granfield and Mr. Freeman (for) with Mr. Eaton of New Jersey (against).

Until further notice:

Mr. Rudd with Mr. Darrow.
Mr. Pou with Mr. Reed of New York.
Mr. Schuetz with Mr. Connolly.
Mr. Griswold with Mr. McLeod.
Mr. Wilson with Mr. Kopp.
Mr. Mobley with Mr. Shreve.
Mr. Corning with Mr. Dowell.
Mr. Lozier with Mr. Foss.
Mr. Bankhead with Mr. Stokes.
Mr. Kelly of Illinois with Mr. Treadway.
Mr. Lambeth with Mr. Whitley.
Mr. Byrns with Mr. Hopkins.
Mr. May with Mr. Niedringhaus.
Mr. Collier with Mr. Lehlbach.
Mr. Overton with Mr. Beck.
Mr. Disney with Mr. Doutrich.
Mr. Stevenson with Mr. Bolton.
Mr. Gavagan with Mr. Ramseyer.
Mr. Underwood with Mr. Buckbee.
Mr. Horner with Mr. Reid of Illinois.
Mr. Warren with Mr. Brumm.
Mr. Montague with Mr. Aldrich.
Mr. Lewis with Mr. Manlove.
Mr. Ayres with Mr. Chiperfield.
Mr. Green with Mr. Golder.
Mr. Carley with Mr. Smith of Idaho.
Mr. Lindsay with Mr. Finley.
Mr. Mitchell with Mr. Clarke of New York.
Mr. Cole of Maryland with Mr. Johnson of Washington.
Mr. Boylan with Mr. Arentz.
Mr. Larsen with Mr. Seiberling.
Mr. Auf der Heide with Mr. Temple.
Mr. Stewart with Mr. Wigglesworth.
Mr. Igoe with Mr. Gates.
Mr. Abernethy with Mr. William E. Hull.
Mr. Kennedy of New York with Mr. Hadley.
Mr. Brunner with Mr. Thatcher.
Mr. Lichtenwalner with Mr. Underhill.
Mr. Brand of Georgia with Mr. Cole of Iowa.
Mrs. Owen with Mr. Lovette.
Mr. Dickstein with Mr. Johnson of South Dakota.
Mr. Williams of Texas with Mr. Bowman.
Mr. Douglas of Arizona with Mr. Cooke.
Mr. Celler with Mr. Hogg of Indiana.
Mr. Douglass of Massachusetts with Mr. Holaday.
Mr. Flanagan with Mr. Taylor of Tennessee.
Mr. Dominick with Mr. Pratt.
Mr. Sullivan of New York with Mr. Mouser.
Mr. Dieterich with Mr. Burdick.
Mr. Hall of Mississippi with Mr. Chase.
Mr. Drane with Mr. Curry.
Mr. Gilbert with Mr. Houston.
Mr. Driver with Mr. Hall of North Dakota.

The result of the vote was announced as above recorded.

The doors were opened.

REMOVAL OF INDIGENT ALIENS NOT SUBJECT TO DEPORTATION

The next business on the Consent Calendar was the bill (H. R. 13811) to amend section 23 of the immigration act of February 5, 1917 (39 Stat. 874).

The SPEAKER pro tempore (Mr. WOODRUM). Is there objection to the present consideration of the bill?

Mr. JENKINS. Reserving the right to object——

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SNELL. Will there be any further suspensions considered to-day?

The SPEAKER pro tempore. The present occupant of the chair is advised there will be no further suspensions to-day.

Mr. JENKINS. Reserving the right to object, Mr. Speaker, I notice the gentleman from Indiana [Mr. CROWE] is responsible for this bill. The bill comes from the Committee on Immigration. I notice the chairman of the Committee on Immigration is not present. I wonder if this bill could not be passed over without prejudice?

Mr. CROWE. Does the gentleman object to the bill?

Mr. JENKINS. No. But the gentleman from Washington [Mr. JOHNSON] intended to offer an amendment, and unless that amendment is agreed to, the gentleman from Washington would object. The gentleman desires to provide that when those people are once sent out they can not come back.

Mr. LAGUARDIA. I had a similar thought in mind, and I think the gentleman from Indiana might accept that amendment.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I have a material amendment, that these aliens shall not be removed unless with their approval.

Mr. LAGUARDIA. Oh, that is the law.

Mr. STAFFORD. No; that is not the law. The Commissioner of Immigration is sending them, without their request, without their consent, out of the country.

Mr. JENKINS. Oh, I beg the gentleman's pardon.

Mr. STAFFORD. I have known of some outrageous actions of immigration officials.

Mr. LAGUARDIA. But there is a class of aliens who, if they become public charges within five years, from causes existent prior to their entry, of course are deportable. This bill, as I understand, takes care of those who become public charges, but from causes subsequent to their entry, and must be voluntarily deported at their own request.

Mr. STAFFORD. No, not at their own request. They are deporting aliens because they are not able in these times of storm and stress to make a living.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I do not object to the matter being passed over without prejudice.

Mr. JENKINS. I ask that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio that the bill be passed over without prejudice?

There was no objection.

LANDS OF KICKAPOO AND AFFILIATED INDIANS OF OKLAHOMA

The next business on the Consent Calendar was the bill (S. 4339) repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the paragraph relating to the sale and encumbrance of lands of the Kickapoo and affiliated Indians under the heading "Kickapoo" (34 Stat. L. 363) in the act entitled "An act making appropriations for the current and contingent expenses of the Indian Department, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1907," approved June 21, 1906, as amended, is hereby repealed.

All lands from which restrictions have heretofore been removed by operation of said act, still held by the Indians and free from encumbrances, the restrictions under which such lands were formerly held are hereby reimposed, to continue for a period of 10 years from the date of the passage of this act: *Provided*, That the President may, in his discretion, further extend said period in accordance with existing law.

With the following committee amendment: On page 2, strike out all of lines 1 to 8, inclusive, and insert in lieu thereof the following:

"SEC. 2. All restrictions upon said lands which were removed by operation of said act are hereby reimposed for a period of 10 years from the date of the approval of this act on all of such lands as are still held or owned by the Indians: *Provided, however*, That valid encumbrances now resting against any of said lands shall not in any manner be affected by the provisions of this act, but any of such lands so encumbered, if still owned by the Indians, shall, when such encumbrances have been removed, become subject to the provisions of this act as fully and to the same extent as if such lands were now unencumbered: *Provided further*, That the President may, in his discretion, in accordance with existing law, further extend the period of restriction herein provided for."

The committee amendment was agreed to.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PEND OREILLE LAKE BRIDGE

The next business on the Consent Calendar was the bill (H. R. 13974) granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to Bonner County, State of Idaho, its successors and assigns, to construct, maintain, and operate a free highway bridge and approaches thereto across the Pend Oreille Lake at a point suitable to the interests of navigation, at the city of Sandpoint, State of Idaho, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DELAWARE RIVER BRIDGE, BUSHKILL, PA.

The next business on the Consent Calendar was the bill (H. R. 14030) authorizing the Bushkill Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Delaware River at or near Bushkill, Pa.

Mr. COCHRAN of Missouri, Mr. LAGUARDIA, and Mr. PATTERSON objected.

COLUMBIA RIVER BRIDGE, THE DALLES, OREG.

The next business on the Consent Calendar was the bill (H. R. 14060) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.

Mr. JENKINS. Mr. Speaker, reserving the right to object, I ask unanimous consent that this bill be passed over without prejudice.

Mr. COCHRAN of Missouri. If the gentleman will permit, this bill provides for the city to build the bridge. Why delay the matter?

Mr. JENKINS. I have no interest in the matter other than that I was asked to make the request by a gentleman who is interested, and I notice the gentleman is not present.

Mr. COCHRAN of Missouri. In this case the city is going to build the bridge. The gentleman would not stop a municipality from engaging in this enterprise, would he?

Mr. JENKINS. Will not the gentleman withhold his objection to my request?

Mr. COCHRAN of Missouri. The next bill, calling for the construction of a bridge by private people 5 miles away from this bridge, is one to which I shall object, for it will be in conflict with what the city is doing.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. COCHRAN of Missouri. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg., authorized to be built by Dalles City by an act of Congress approved February 20, 1931, heretofore extended by act of Congress approved February 11, 1932, are hereby extended one and three years, respectively, from February 20, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 8, after the word "hereby," insert the word "further."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

THE DALLES BRIDGE CO.

The next business on the Consent Calendar was the bill (H. R. 14109) authorizing The Dalles Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Columbia River at a point approximately 5 miles upstream from the city of The Dalles, in the State of Oregon, to a point on the opposite shore in the State of Washington.

Mr. COCHRAN of Missouri and Mr. LAGUARDIA objected.

BRIDGE ACROSS THE OHIO RIVER, SHAWNEETOWN, ILL.

The next business on the Consent Calendar was the bill (H. R. 14134) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Gallatin County, Ill., and a point opposite thereto in Union County, Ky.

Mr. COCHRAN of Missouri and Mr. LAGUARDIA objected.

Mr. CHAPMAN. Mr. Speaker, will the gentleman withhold his objection?

Mr. COCHRAN of Missouri. I shall be glad to withhold it to permit the gentleman to make a statement, but I shall object.

Mr. CHAPMAN. Will not the gentleman consent to have the bill passed over without prejudice until the gentleman from Illinois [Mr. PARSONS] can be here?

Mr. COCHRAN of Missouri. I shall be pleased to let it go over without prejudice, but I shall object to the bill when it is called up.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. LAGUARDIA. Mr. Speaker, I object.

BRIDGE ACROSS MISSOURI RIVER, BROWNVILLE, NEBR.

The next business on the Consent Calendar was the bill (S. 5235) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.

Mr. COCHRAN of Missouri and Mr. LAGUARDIA objected.

BRIDGE ACROSS COLUMBIA RIVER AT ASTORIA, OREG.

The Clerk called the next bill, S. 5357, to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg.

Mr. COCHRAN of Missouri. Mr. Speaker, I object.

Mr. HAWLEY. Will the gentleman withhold his objection a moment?

Mr. COCHRAN of Missouri. Yes.

Mr. HAWLEY. This is a very much needed bridge. It is to be constructed under the direction of the mayor and others active in behalf of the people and the city of Astoria, as I am informed. They intend to get the money, I understand, from the Reconstruction Finance Corporation. It is a very necessary connecting link between the coast highways in Oregon and Washington, and the traffic is growing very materially. They have ferry accommodations, but in the mornings and evenings and on Sundays and on holidays the people have to wait for hours in order to get across. The Oregon coast highway ends at the south side of the Columbia River and the Washington Coast Highway ends at the north side of the Columbia River. There will be a great deal of traffic over the proposed bridge.

Mr. COCHRAN of Missouri. The first thought of constructing a bridge at Astoria dates back to several years ago when one Elliott, toll-bridge promoter, whose activities were referred to here many times, went out there and induced citizens to have a bill introduced in Congress to construct a bridge almost at the mouth of the Columbia River.

Mr. HAWLEY. No.

Mr. COCHRAN of Missouri. How far is it from the mouth of the Columbia River?

Mr. HAWLEY. About 10 miles, as I recall.

Mr. COCHRAN of Missouri. Suppose something happened after a bridge was constructed and some one dropped a bomb on the bridge and closed up the river at that point. For instance, in the event we had a fleet that wanted to get up the river and get out of the way?

Mr. HAWLEY. There are several bridges up the river.

Mr. COCHRAN of Missouri. They are way up the river.

Mr. HAWLEY. There is one halfway between the mouth of the river and Portland.

Mr. COCHRAN of Missouri. If the gentleman will amend his bill so as to provide that the city of Astoria is to construct the bridge rather than an individual, I shall not object.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. COCHRAN of Missouri. Yes.

Mr. STAFFORD. As I understand the statement of the gentleman from Oregon, this is to be virtually a municipally constructed bridge.

Mr. HAWLEY. It is to be constructed by those representing and acting on behalf of the people and the city and out of funds that will be obtained as a self-liquidating loan.

Mr. STAFFORD. It is to be constructed, virtually, by an entity composed of the mayor and other public-spirited citizens.

Mr. COCHRAN of Missouri. Are they acting for the city?

Mr. HAWLEY. They write me they are acting in behalf of the citizens and the city.

Mr. COCHRAN of Missouri. And this is to be a self-liquidating project and they are to borrow the money from the Reconstruction Finance Corporation?

Mr. HAWLEY. Yes.

Mr. COCHRAN of Missouri. With that assurance from the gentleman, I withdraw my objection.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg., authorized to be built by J. C. Tenbrook, as mayor of Astoria, Oreg., his successors in office and assigns, by an act of Congress approved June 10, 1930 (46 Stat. 540), are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS THE MISSOURI RIVER AT RULO, NEBR.

The Clerk called the next bill, H. R. 14126, authorizing John C. Mullen, John H. Hutchings, both of Falls City, Nebr., and William Shepherd, of Rulo, Nebr., his or their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Missouri River at or near Rulo, Nebr.

Mr. COCHRAN of Missouri. Mr. Speaker, I object.

Mr. MOREHEAD. Will the gentleman withhold his objection a moment?

Mr. COCHRAN of Missouri. I withhold it.

Mr. MOREHEAD. We have had a franchise for a bridge at this place, and we have some encouragement now from the Reconstruction Finance Corporation that they will aid us in its construction. It is 100 miles between the bridges on the Missouri River at this point, and we sometimes have to drive as much as 65 miles when there is ice on the river in order to get across.

Mr. COCHRAN of Missouri. Why does not the city make this application?

Mr. MOREHEAD. The county seat is about 10 miles from this place, where I make my home. This is not a promotion scheme in any way; and, as I say, we have changed the incorporators——

Mr. COCHRAN of Missouri. If it were feasible from a financial standpoint, why can you not get the money? You have had this pending for about six years.

Mr. MOREHEAD. No; only about four years. We have it arranged now so that we have a possibility of getting some help to build the bridge.

Mr. COCHRAN of Missouri. Let me say to the gentleman that my city has an application with the Reconstruction Finance Corporation for $2,500,000 to complete a free bridge, so you can go over it for nothing. When we go up to Nebraska, you want to have a toll bridge, so we will have to pay to go over it, and, furthermore, to pay private citizens.

Mr. MOREHEAD. It is the only opportunity we have to get a bridge.

Mr. COCHRAN of Missouri. If the gentleman will amend his bill as I have indicated, I shall not object. If the bill is not amended to have the city build it, I object. I objected to a bridge bill in my own city because it provided for a toll bridge to be constructed by a private individual. I object, Mr. Speaker.

BRIDGE ACROSS THE MICHIGAN CANAL

The next business on the Consent Calendar was the bill (H. R. 14129) to extend the time for the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the time for completing the construction of bridges authorized by act of Congress approved January 14, 1929, to be built by the South Park Commissioners and the Commissioners of Lincoln Park, separately or jointly, is hereby extended four years from January 14, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Amend the title so as to read: "A bill to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE ST. LAWRENCE RIVER

The next business on the Consent Calendar was the bill (H. R. 14200) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

The SPEAKER. Is there objection?

Mr. COCHRAN of Missouri. Reserving the right to object, is it a private corporation?

Mr. CULKIN. I wish to say to the gentleman from Missouri that this is really a community bridge. The original franchise ran to the Northern New York Development Corporation, a membership corporation, which had for its purpose the development of northern New York. This outfit has become inactive since the granting of the original franchise but it still preserves its corporate identity and is prepared to assign to a group of citizens or to the locality this franchise. A representative committee of citizens has been organized who have for their purpose the construction of this bridge. They are working in common with a similar committee from the Canadian side. An application has been made to the Reconstruction Finance Corporation for a loan of $1,000,000 and that application has been held pending action by the New York State Legislature. There is no bridge between Niagara Falls and Messina, a distance of over 300 miles. This bridge will add greatly to the mutual convenience of both the people on the Canadian and on the American side. It has the approval of the Secretary of War and the Secretary of the Department of Agriculture. I wish to impress on the gentleman that this is not in any sense a profit-making venture for it will be in the hands of high-class, public-spirited citizens who are intent only on the development of the north country. I very much trust the gentleman will not object to this bill.

Mr. COCHRAN of Missouri. In view of the fact that the Department of Agriculture has no objection to the construction of the bridge, I will not object.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y., authorized to be built by the New York Development Association (Inc.), a corporation organized under and by virtue of the membership corporation law of the State of New York, its successors and assigns, by an act of Congress approved March 4, 1929, and heretofore extended by an act of Congress approved February 13, 1931, and further heretofore extended by an act of Congress approved April 15, 1932, are hereby further extended one and three years, respectively, from March 4, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

A motion to reconsider was laid on the table.

Mr. STAFFORD. Mr. Speaker, we have come within two bills of those bills that would have been in order last Monday, if the calendar had been called. There are some Members who have not had time to examine the other

bills, and I know that we are going through the balance of the calendar at the next call. Will the gentleman from Illinois move an adjournment?

Mr. RAINEY. I will as soon as I present a few matters.

REIMBURSEMENT OF OFFICERS AND EMPLOYEES IN THE FOREIGN SERVICE FOR LOSSES TO PERSONAL PROPERTY (H. DOC. NO. 539)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Claims and ordered printed:

*To the Congress of the United States:*

I inclose herewith a report which the Secretary of State has addressed to me in regard to claims of certain officers and employees of the Foreign Service of the United States for reimbursement of losses of personal property suffered by them as a result of a cyclone at Pointe à Pitre, Guadeloupe, French West Indies, on September 12, 1928, and hurricanes at Nassua, Bahama Islands, on September 16, 1928, and on September 25–26, 1929; at Santo Domingo, Dominican Republic, on September 3, 1930; and at Belize, British Honduras, on September 10, 1931; at Moscow, Russia, in 1918, as a result of the seizure of government power by the present régime; at Buenaventura, Colombia, on January 26, 1931, as a result of a fire which destroyed the American consulate; and at Warsaw, Poland, in December, 1920, as a result of theft and breakage of household effects in transit at the time of the advance of the Soviet Revolutionary Army into Poland.

I recommend that an appropriation in the amount suggested by the Secretary of State be authorized in order to relieve these officers and employees of the Government of the burden these losses have occasioned.

HERBERT HOOVER.

THE WHITE HOUSE, *February 7, 1933.*

LEAVE OF ABSENCE

Mr. GAVAGAN, by unanimous consent, was given leave of absence for one week on account of illness.

TRAINING IN VOCATIONAL AGRICULTURE

Mr. BARTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of vocational agriculture.

The SPEAKER. Without objection, it is so ordered.

Mr. BARTON. Mr. Speaker, I arise to defend appropriations for vocational agriculture. My story is that of a young man who arose from obscurity to national distinction by his love and devotion to farming and farm interests and by the help of vocational training.

In geologic ages the Ozark Mountains, we are told, was an island in an inland sea. Now it is a large area of hill country in southern Missouri and northern Arkansas, a fit place to be called the playground of America. The traveler going southwest from St. Louis will in time observe that the waters are clearer, the sky bluer, and the scenery more enchanting. By these tokens he may know that he has reached the Ozarks.

Here and there upon these wooded hills will be seen an humble farmhouse, with its fields and gardens occupied and worked by a family of that sturdy pioneer stock characteristic of the region. The valleys are rich as the famed Nile. The upland is less fertile but will respond liberally to the wooings of intelligent industry.

Into one of these homes on an upland farm of limited area 22 years ago Clarence Goldsberry was born. His parents, Mr. and Mrs. Z. E. Goldsberry, were of that intelligent, rugged type which subdues the forests and wrings a livelihood from the soil. In the atmosphere of such a home, where industry, honesty, and thrift were taught by precept and example, young Goldsberry grew to manhood.

He finished the grades in a 1-room country school. Then he entered Houston High School, at Houston, Mo., 6 miles away, and without motor service, where, under congressional appropriations, vocational agriculture was taught by that outstanding educator, Wallace P. Gibbs. Drawing much inspiration from this ripe scholar, and under parental urge, he proceeded step by step to graduation. Not only did he study books but he communed with nature. His projects in agriculture were so important and so carefully conducted that they attracted national attention. This is shown by the fact that Hon. J. A. Linke, of Washington, D. C., Federal agent for vocational education, visited his farm to observe the work he was doing and the methods he practiced.

He joined Future Farmers of America, a national organization for farm boys who study vocational agriculture in public secondary schools under the national vocational acts. This organization, with 65,000 members in 46 States, promoted a contest among its membership. Its method was a process of elimination by locality, by States, and finally nation-wide. Step by step he scored superiority. The climax was reached November 15, 1932, at the American Royal Livestock Show in Kansas City, Mo., when he was adjudged national winner over his 65,000 competitors and designated the "star American farmer." For this distinction he was awarded and paid a cash prize of $1,000 by the Weekly Kansas City Star.

In a carefully compiled volume now on file with the Federal Board for Vocational Education in Washington recording and illustrating achievements throughout the period of his training in vocational agriculture, one may trace the steps which account for his success. During the large part of that time (1927 to 1932) this country was in the throes of a great depression. He combated this economic condition by producing a quality which commanded a premium on the markets. His livestock is registered, his poultry certified, and his crops are carefully selected and of high quality. Notwithstanding the financial distress which prevailed throughout the period of his vocational training the labor income from his various operations was more than $3,300.

He is a member of many farm organizations and a leader in most of them. Some of these have for their objective the improvement of the quality of crops, livestock, and poultry, as well as methods of production, while others boldly attack the intricate problem of marketing. He believes farming is a business as well as an occupation, and that it should be conducted along business lines. This is shown in the record he has kept by which the financial feature of his various farm operations can be determined to a cent.

This to date is the story of the 1932 "Star American Farmer" of the Future Farmers of America, winner over 65,000 bright boys working along similar lines. His ambition is linked to the farm. With industry practiced from childhood, with the indomitable determination already shown, and with the adequate training in his special line which he has received, it is confidently believed that he is facing a future full of achievements. His record thus far is a tribute to his character, to the organizations of which he is a member, and to vocational training by which he has been so much benefited, and is a challenge to other young farmers with like ambition and courage.

CONSENT CALENDAR BUSINESS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar on the next calendar day begin where we left off to-day.

The SPEAKER. Without objection, it is so ordered.

SWEARING IN OF A MEMBER

Mr. RAINEY. Mr. Speaker, I present Mr. JOSEPH H. EAGLE, Member elect from the State of Texas in place of the late Daniel Garrett. I ask unanimous consent that the oath be administered notwithstanding the absence of the certificate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. EAGLE appeared at the bar of the House and took the oath of office prescribed by law.

CALENDAR WEDNESDAY BUSINESS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that the business in order to-morrow on Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

THE PRIVATE CALENDAR

Mr. RAINEY. Mr. Speaker, I move the adoption of the resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 371

*Resolved*, That on Wednesday, February 8, 1933, at the conclusion of the counting of the electoral votes, it shall be in order to consider bills on the Private Calendar unobjected to in the House as in Committee of the Whole, the call of bills on said calendar to begin at No. 608.

The resolution was agreed to.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent to modify the resolution providing for a call of the Private Calendar on Thursday night, so that the call shall commence where the call leaves off to-morrow afternoon.

The SPEAKER. Is there objection?

There was no objection.

THE BUSHKILL BRIDGE BILL

Mr. COYLE. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with H. R. 14030, objected to to-day.

The SPEAKER. Is there objection?

There was no objection.

Mr. COYLE. Mr. Speaker, H. R. 14030, which was to-day objected to, as were most of the bills calling for bridges to be constructed by private corporations, has within it some merit which it is my aim to call to the attention of the House. It is the aim of the corporation, in the event that it gets authority from the Congress and from the Legislatures of both New Jersey and Pennsylvania, to construct a bridge across the Delaware River at or near Bushkill, Pa. Under the bill, as reported by the Committee on Interstate and Foreign Commerce, the rights of the public, as required by that committee and by the Congress itself, have been taken care of in the normal manner; that is to say, the manner which has become the practice of the Congress of recent years.

The proposed location is at a point in northeastern Pennsylvania which is 22 miles north of and 15 miles south of the nearest bridge. It will serve to connect popular and growing resort areas in New Jersey and in Pennsylvania. In addition, it affords another and direct gateway from the new Hudson River crossings at Poughkeepsie and at New York, giving access to a great recreation area in Monroe, Pike, and Wayne Counties, Pa.

The Monroe County citizens who are most vitally interested in this project have given evidence in the past of their public spirit and have stated to me that their purpose in asking for a charter for this bridge is to serve this area. They are public-spirited citizens; they have in the last two winters provided work for their unemployed in improving mountain trails and roads in this Pocono area. The money for this has in almost every case been provided by public subscription, and apparently not until the latter part of this winter has the State been called upon to help northern Monroe County in caring for its unemployed. It is their purpose to build at Bushkill one of those self-liquidating projects which it is hoped would meet the requirements of the Reconstruction Finance Corporation.

It is true that Pennsylvania and New Jersey have taken very progressive steps in recent years in abolishing all toll bridges over the Delaware River north of the Tacony Bridge, and without a doubt the proposed bridge at Bushkill would itself be freed by the two States as soon as, if not before, the time when its tolls would have paid its original cost.

There is very considerable merit in this bill under the proper protective clauses thrown around it by the Interstate and Foreign Commerce Committee, which reported the bill favorably. It does not interfere with any present local service, as there is comparatively little commercial intercourse between the two banks of the river in this area, but it would provide a useful short cut in long-distance travel between northeastern Pennsylvania and New York and New England. The War Department has approved the project; the rights of the States of Pennsylvania and of New Jersey will be taken care of by the two legislatures; but a start must be made at some point if the project is to provide work in these times of unemployment, and I trust that when this bill is again called on the calendar it may be approved by the House.

RECOGNITION OF MEMBERS FOR UNANIMOUS CONSENT TO PASS CERTAIN BILLS

The SPEAKER. About this time in the short session of Congress it has been the custom of the Speaker to recognize gentlemen to ask unanimous consent to take up for consideration certain local bills or bills that have for their purpose no general application to the entire country. It is the purpose of the Chair to follow that procedure, but in doing so he hopes to confer with the gentleman from Illinois [Mr. RAINEY] and the gentleman from New York [Mr. SNELL]. The Chair thinks this is a notice that should go into the RECORD, so that gentlemen who are on guard to object to the consideration of legislation may take notice that from now on the Chair will exercise the right to recognize various Members of the House to ask unanimous consent for the consideration of bills of the kind referred to.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2200. An act to authorize presentation of a medal of honor posthumously to the late Henry Clay Drexler and the late George Robert Cholister.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 13607. An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 8, 1933, at 12 o'clock noon.

## COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Wednesday, February 8, 1933, as reported to the floor leader:

NAVAL AFFAIRS

(10.30 a. m.)

Hearings—miscellaneous matters.

COINAGE, WEIGHTS, AND MEASURES

(10 a. m.)

Continue hearings on silver bills.

FOREIGN AFFAIRS

(10 a. m.)

Hearings to prohibit exportation of war materials.

BANKING AND CURRENCY

(10.30 a. m.)

Continue hearings on Federal land bank bill and silver.

## EXECUTIVE COMMUNICATIONS, ETC.

915. Under clause 2 of Rule XXIV, a message from the President of the United States, transmitting a report in regard to claims of certain officers and employees of the Foreign Service of the United States for reimbursement of losses of personal property suffered by them as a result of

storms (H. Doc. No. 539), was taken from the Speaker's table, referred to the Committee on Claims, and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GILBERT: Committee on the District of Columbia. H. R. 14340. A bill authorizing the sale of certain property no longer required for public purposes in the District of Columbia; without amendment (Rept. No. 1979). Referred to the Committee of the Whole House on the state of the Union.

Mr. STAFFORD: Committee on Military Affairs. H. R. 14078. A bill authorizing the Secretary of War to deed certain properties to the State of Virginia in order to connect Lee Boulevard with the Arlington Memorial Bridge; with amendment (Rept. No. 1980). Referred to the Committee of the Whole House on the state of the Union.

Mr. KVALE: Committee on Military Affairs. H. R. 11947. A bill to authorize the Secretary of War to erect one marker for the graves of 85 Confederate soldiers buried in the Old Rondo Cemetery in Miller County, Ark., in lieu of separate markers as now authorized by law; with amendment (Rept. No. 1981). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HILL of Alabama: Committee on Military Affairs. Senate Joint Resolution 134. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Manob Suriya, a citizen of Siam; without amendment (Rept. No. 1982). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. Senate Joint Resolution 178. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Julio Rodriguez Arrea, a citizen of Costa Rica; without amendment (Rept. No. 1983). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. Senate Joint Resolution 179. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Tisheng Yen, a citizen of China; without amendment (Rept. No. 1984). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DICKSTEIN: A bill (H. R. 14581) to amend the naturalization laws of the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LANHAM: A bill (H. R. 14582) authorizing the acceptance of title to sites for public-building projects subject to the reservation of ore and mineral rights; to the Committee on Public Buildings and Grounds.

By Mr. CABLE: A bill (H. R. 14583) to regulate competition, stablize trade and industry, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ERK: A bill (H. R. 14584) granting the consent of Congress to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain, and operate a toll bridge across the Allegheny River between the city of Pittsburgh and the township of O'Hara and the borough of Sharpsburg, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. CORNING: A bill (H. R. 14585) authorizing the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 14586) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD: A bill (H. R. 14587) to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.; to the Committee on Indian Affairs.

By Mr. KNUTSON: A bill (H. R. 14588) authorizing persons, firms, corporations, associations, or societies to file bills of interpleader, or bills in the nature of interpleader; to the Committee on the Judiciary.

By Mr. JACOBSEN: A bill (H. R. 14589) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD: A bill (H. R. 14590) defining the rights of certain persons with Indian tribes, and for other purposes; to the Committee on Indian Affairs.

By Mr. HUDDLESTON: Joint resolution (H. J. Res. 589) to authorize the reduction of expenditures, and for other purposes; to the Committee on Ways and Means.

By Mr. PATMAN: Joint resolution (H. J. Res. 590) to provide for an investigation of certain charges of lobbying, influencing of the Congress and Members thereof, to obtain information to be used as a basis for legislation, and for other purposes; to the Committee on Rules.

By Mr. KENNEDY of Maryland: Joint resolution (H. J. Res. 591) proposing an amendment to the Constitution of the United States reducing the membership of the House of Representatives; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 592) proposing an amendment to the Constitution relative to the operation of the eighteenth amendment; to the Committee on the Judiciary.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARY: A bill (H. R. 14591) to extend the benefits of the employees' compensation act of September 7, 1916, to J. P. Moseley; to the Committee on Claims.

By Mr. CLARKE of New York: A bill (H. R. 14592) granting a pension to Chester A. Lewis; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 14593) granting a pension to Rosella Milliman; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 14594) to place Jesse C. Harmon on the retired list of the Marine Corps; to the Committee on Military Affairs.

By Mr. LONERGAN: A bill (H. R. 14595) for the relief of James S. Cuff; to the Committee on Naval Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 14596) granting a pension to Ella Nora Kegg; to the Committee on Invalid Pensions.

By Mr. SPENCE: A bill (H. R. 14597) for the relief of Mary Grome; to the Committee on Military Affairs.

By Mr. WELCH: A bill (H. R. 14598) granting a pension to Grace M. Eigholz; to the Committee on Pensions.

Also, a bill (H. R. 14599) for the relief of Herbert Rogers Cranton; to the Committee on Naval Affairs.

By Mr. WRIGHT: A bill (H. R. 14600) for the relief of the Batson-Cook Co.; to the Committee on Claims.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10216. By Mr. BACHMANN: Petition of Mrs. William Thompson and other citizens of Rivesville, W. Va., urging that the eighteenth amendment be maintained and enforced; to the Committee on the Judiciary.

10217. By Mr. BACON: Petition of sundry citizens of Floral Park, L. I., opposing every legislative act that would legalize alcoholic liquors stronger than one-half of 1 per cent; to the Committee on the Judiciary.

10218. By Mr. BOYLAN: Resolution adopted by the Retail Dry Goods Association at its recent annual convention held in New York City, demanding a reduction of governmental expense which will insure substantial relief to all taxpayers; to the Committee on Ways and Means.

10219. By Mr. CONDON: Petition of Hiram P. Lunt, Ohan Calbarian, Clifford Rushlow, Harry W. Faubert, Rose McKenna, and 348 other citizens of Rhode Island, protesting against any repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents; to the Committee on World War Veterans' Legislation.

10220. Also, petition of John I. Stubbert, Joseph P. Maloney, Joseph Heebst, Thomas M. Halliday, Mrs. James H. Smith, and 276 other citizens of Rhode Island, protesting against any repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, and dependents; to the Committee on World War Veterans' Legislation.

10221. By Mr. CURRY: Resolution of California State Senate, concerning Senate bill 1197; to the Committee on Agriculture.

10222. Also, petition of citizens of the third California district, concerning Federal taxes; to the Committee on Ways and Means.

10223. By Mr. DELANEY: Petition of the National Cooperative Council, advocating the preservation of the agricultural marketing act, but asking the repeal of the clause under which stabilization operations in wheat and cotton were conducted; to the Committee on Agriculture.

10224. By Mr. GARBER: Petition of the Monterey Sardine Canners Association, Monterey, Calif., urging support of House bill 13999 to protect our producers against the competition of foreign countries with depreciated currencies; to the Committee on Ways and Means.

10225. Also, petition urging enactment of railway pension bills, S. 4646 or H. R. 9891; to the Committee on Interstate and Foreign Commerce.

10226. Also, petition of the Farmers Educational and Cooperative Union, Local No. 646, Fairvalley, Okla., indorsing the allotment plan for the relief of agriculture, and the Frazier bill for refinancing of agricultural indebtedness; to the Committee on Agriculture.

10227. Also, petition of certain citizens of Fairview and Major County, Okla., urging enactment of the stop-alien-representation amendment to the Constitution; to the Committee on the Judiciary.

10228. Also, petition of L. C. Fish, urging that Congress declare a mortgage holiday, abolish Federal land banks, and reorganize them into Federal mortgage banks; to the Committee on Banking and Currency.

10229. Also, petition of certain citizens of Oklahoma, making suggestions in regard to relief in existing emergency; to the Committee on Banking and Currency.

10230. Also, petition of the board of directors of the American Society of Civil Engineers, New York City, urging amendment of Title II of the emergency relief and construction act of 1932; to the Committee on Banking and Currency.

10231. Also, petition of the Beaver County Pomona Grange, Beaver County, Okla., urging retention of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

10232. Also, petition of Carl Nesbitt, Pawhuska, Okla., urging enactment of House bill 13991 for the relief of agriculture, and expressing the hope that an increase in purchasing power to the farmers will prove the foundation of general business recovery; to the Committee on Agriculture.

10233. By Mr. GUYER: Petition of 214 citizens of the District of Columbia, opposing the return of beer, the repeal of the eighteenth amendment, and the return of the liquor traffic in the District of Columbia in any form whatever; to the Committee on the District of Columbia.

10234. By Mr. HAINES: Resolution signed by L. W. Cook, secretary, and other members of Washington Camp, No. 610, Wellsville, Pa., protesting against un-American principles, and urging a tariff of at least 10 cents on each 100 pounds of coal admitted into this country; to the Committee on Ways and Means.

10235. By Mr. LAMBERTSON: Petition of R. G. Leurs, of Willard, Kans., and 27 other taxpayers of the first congressional district, urging support of the Lynn J. Frazier bill (S. 1197) proposing refinancing farm mortgages 1½ per cent interest and 1½ per cent principal; to the Committee on Agriculture.

10236. By Mr. LAMNECK: Petition of Florida Dyer, Alta J. Brady, Lora M. Kirk, Katherine M. Hoyt, and 50 other citizens of the city of Columbus, Ohio, urging support of the stop-alien-representation amendment to the United States Constitution to eliminate aliens, and count only American citizens, when making future apportionments for congressional districts; to the Committee on Immigration and Naturalization.

10237. By Mr. LINDSAY: Petition of Women's Organization for National Prohibition Reform, Washington, D. C., favoring repeal of the eighteenth amendment; to the Committee on the Judiciary.

10238. By Mr. MARTIN of Oregon: Memorial of the Thirty-seventh Legislative Assembly of the State of Oregon, with reference to a survey of the Willamette River between Oregon City and Salem, Oreg.; to the Committee on Rivers and Harbors.

10239: Also, memorial of the Thirty-seventh Legislative Assembly of the State of Oregon, with reference to Federal aid for farmers and the agricultural industry; to the Committee on Agriculture.

10240. By Mr. MARTIN of Massachusetts: Petition of Rev. Delwyn H. Martin and other residents of Bristol County, Mass., urging adoption of the so-called stop-alien-representation amendment to the Constitution; to the Committee on the Judiciary.

10241. Also, petition of Arthur C. Vincent and other residents of Rehoboth, and Adrian A. Antaya and 13 other residents of Attleboro, Mass., requesting Congress to revaluate the gold ounce, and advocating the correction of financial abuses associated with mass production; to the Committee on Coinage, Weights, and Measures.

10242. By Mr. MEAD: Petition of Erie County committee, Veterans of Foreign Wars, Buffalo, N. Y., protesting against policies pursued by National Economy League relating to veterans of wars of our Republic; to the Committee on Ways and Means.

10243. Also, petition of board of directors of the American Society of Civil Engineers, recommending modification of Title II of the emergency relief and construction act of 1932; to the Committee on Agriculture.

10244. By Mr. PERSON: Petition of Alice M. Pierce and other residents of Walled Lake, Mich., favoring the stop-alien amendment to the Constitution; to the Committee on the Judiciary.

10245. Also, resolution of the city commission of the City of Flint, Mich., favoring House bill 14125; to the Committee on Interstate and Foreign Commerce.

10246. Also, resolution of the Commission of the City of Royal Oak, Mich., favoring House bill 14125; to the Committee on Interstate and Foreign Commerce.

10247. By Mr. RUDD: Petition of Chamber of Commerce of the State of New York, opposing the Jones bill, H. R. 13991, agriculture allotment plan; to the Committee on Agriculture.

10248. Also, petition of Chamber of Commerce of the State of New York, referring to international debt settlements; to the Committee on Ways and Means.

10249. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, favoring a reduction in the cost of Federal Government of at least $400,000,000, etc.; to the Committee on Ways and Means.

10250. By Mr. SUTPHIN: Petition of the commissioners of the city of New Brunswick, protesting against the abandonment of the Delaware and Raritan Canal; to the Committee on Rivers and Harbors.

10251. By Mr. SWICK: Petition of Rev. S. Wilmer Beitler and 112 members of the First Presbyterian Church, Butler, Pa., urging the preservation and enforcement of the eighteenth amendment and Volstead Act and the adoption of proposed amendment to exclude aliens from count to apportion Representatives; to the Committee on the Judiciary.

10252. By Mr. TARVER: Petition of 200 citizens of the District of Columbia, opposing the repeal of the eighteenth amendment and the return of the liquor traffic to the District of Columbia; to the Committee on the District of Columbia.

10253. By Mr. TAYLOR of Colorado: Petition protesting against the repeal of the eighteenth amendment and the enactment of House bill 13742, authorizing the manufacture and sale of beer containing 4 per cent alcoholic content; to the Committee on the Judiciary.

10254. By Mr. TEMPLE: Petition of Canonsburg Sportsmen's Association, Canonsburg, Washington County, Pa., supporting Concurrent Resolution No. 6, American conservation week resolution; to the Committee on the Judiciary.

10255. By Mr. WATSON: Resolution passed by the Washington Camp, No. 196, P. O. S. of A., Allentown, Pa., favoring a prohibitive tariff on foreign coal; to the Committee on Ways and Means.

10256. By Mr. WELCH of California: Petition of the California State Senate Joint Resolution No. 9, adopted in senate January 26, 1933, and adopted in assembly January 26, 1933, urging passage of Senate bill No. 1197, known as the farmers' farm relief act; to the Committee on Agriculture.

10257. By the SPEAKER: Petition of the city of Phoenix, advocating the issuance of national currency to municipalities on the pledge of their bonds; to the Committee on Banking and Currency.

10258. Also, petition of Boyle Heights Post, No. 1556, Veterans of Foreign Wars, Los Angeles, Calif., urging that the National Economy League be forced to file report with the Clerk of the House of Representatives, as required by law; to the Committee on the Judiciary.

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# SENATE

## WEDNESDAY, FEBRUARY 8, 1933

*(Legislative day of Tuesday, January 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 5357) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; and

S. 4339. An act repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma.

The message further announced that the House had passed the following bills and joint resolution of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 88. An act to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof;

S. 3950. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," as applied to the Virgin Islands of the United States; and

S. J. Res. 167. Joint resolution to carry out certain obligations to certain enrolled Indians under tribal agreement.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929;

H. R. 10749. An act to authorize acceptance of proposed donation of property in Maxwell, Nebr., for Federal building purposes;

H. R. 11735. An act to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation, and for other purposes;

H. R. 11816. An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes;

H. R. 12651. An act for the relief of the Uintah, White River, and Uncompahgre Bands of Ute Indians of Utah, and for other purposes;

H. R. 13521. An act to transfer control of building No. 2 on the customhouse reservation at Nome, Alaska, to the Secretary of the Interior;

H. R. 13655. An act to amend the act of May 10, 1928, entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina" (45 Stat. 495);

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484);

H. R. 13817. An act to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931;

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint, in the State of Idaho;

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill., and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.;

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.;

H. R. 14228. An act to change the name of "Roosevelt Island" to "Theodore Roosevelt Island";

H. J. Res. 434. Joint resolution to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton standards act;

H. J. Res. 561. Joint resolution amending section 2 of the joint resolution entitled "Joint resolution authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes," approved February 5, 1929, and amending section 7 of the act entitled "An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933," approved July 19, 1932; and

H. J. Res. 565. An act to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

### THE JOURNAL

Mr. FESS. I ask unanimous consent for the approval of the Journal for the calendar days of February 6 and 7, 1933.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. SMOOT. Mr. President, I ask that the Interior Department appropriation bill be proceeded with.

The Senate proceeded to consider the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. SMOOT. I ask that the formal reading of the bill be dispensed with, and that the committee amendments be considered first.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dale | Keyes | Schuyler |
| Austin | Davis | King | Sheppard |
| Bailey | Dickinson | La Follette | Shipstead |
| Bankhead | Dill | Lewis | Shortridge |
| Barbour | Fess | Logan | Smith |
| Barkley | Fletcher | McGill | Smoot |
| Bingham | Frazier | McKellar | Steiwer |
| Black | George | McNary | Stephens |
| Borah | Glass | Metcalf | Swanson |
| Bratton | Glenn | Moses | Thomas, Idaho |
| Brookhart | Goldsborough | Neely | Townsend |
| Bulkley | Gore | Norbeck | Trammell |
| Bulow | Grammer | Norris | Tydings |
| Byrnes | Hale | Nye | Vandenberg |
| Capper | Harrison | Oddie | Wagner |
| Caraway | Hastings | Patterson | Walcott |
| Clark | Hatfield | Pittman | Walsh, Mass. |
| Connally | Hayden | Reed | Walsh, Mont. |
| Coolidge | Hebert | Reynolds | Watson |
| Copeland | Hull | Robinson, Ark. | Wheeler |
| Costigan | Johnson | Robinson, Ind. | White |
| Couzens | Kean | Russell | |
| Cutting | Kendrick | Schall | |

Mr. LA FOLLETTE. I desire to announce that my colleague the junior Senator from Wisconsin [Mr. BLAINE] is unavoidably absent from the Senate.

Mr. NORRIS. I wish to announce that my colleague [Mr. HOWELL] is absent on official business of the Senate.

Mr. FESS. The junior Senator from Wyoming [Mr. CAREY] is also absent on official business of the Senate.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

LEASE OF THE BOSTON POST-OFFICE GARAGE

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof, which were, on page 1, line 3, to strike out the word "directed" and insert "authorized"; on the same page, line 11, to strike out "and purchase" and insert a comma and "and the purchase"; on the same page, line 12, to strike out "from the date of the lease" and insert "under the lease from the date of the enactment of this act, but not in excess of"; and on the same page, line 13, after the word "options," to insert "not in excess of."

Mr. MOSES. I move that the Senate nonconcur in the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ODDIE, Mr. MOSES, and Mr. MCKELLAR conferees on the part of the Senate.

REMOVAL OF LAND-GRANT DISCRIMINATIONS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4165) to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class, which was, on page 1, line 9, to strike out "between the stations of Humboldt and" and insert "from a point about 4 miles south of Humboldt and through the station thereof to."

Mr. NYE. I move that the Senate concur in the House amendment.

The motion was agreed to.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Arkansas, which was referred to the Committee on Agriculture and Forestry.

House Joint Memorial 4 to Congress of the United States of America to enact into a law an act to authorize the Federal Farm Board to dispose of the surplus cotton and wheat by the said board; if possible, converting the cotton into clothing and wheat into food for the needy and unemployed of our Nation

*To the honorable Senate and House of Representatives of the United States of America:*

Your members of the Forty-ninth General Assembly of the State of Arkansas, the senate and house concurring, respectfully request that—

Whereas the unemployment situation of our Nation is very serious, causing an unusual amount of suffering and distress; and

Whereas the cotton and wheat held by the Federal Farm Board could be utilized toward mitigating the suffering of the destitute and unemployed of our Nation; and

Whereas the cotton and wheat held by the Federal Farm Board is a great hindrance in the stabilization of the prices of these commodities: Now, therefore, be it

*Resolved by this legislative assembly,* That it urges the enactment by Congress some act by which the Federal Farm Board may dispose of this cotton and wheat held by them to some good purpose; be it further

*Resolved,* That a copy of this memorial be forwarded to the Senate and House of Representatives of the United States and to each of the Senators and Representatives from Arkansas in Congress.

Approved February 6, 1933.

The VICE PRESIDENT also laid before the Senate a resolution of the Legislature of the State of Arkansas, favoring the prompt passage of legislation known as the Glenn-Smith bill providing for the refunding by the National Treasury of all levee and drainage district bonds, etc., which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented by Mr. ROBINSON of Arkansas on February 7, p. 3489, CONGRESSIONAL RECORD.)

Mr. ASHURST presented the following joint memorial of the Legislature of the State of Arizona, which was ordered to lie on the table:

House Joint Memorial 2

To the honorable the PRESIDENT OF THE UNITED STATES:

Your memorialist, the Eleventh Legislature of the State of Arizona, in regular session assembled, respectfully represents:

The State of Arizona, in common with every State in the Union, is confronted with the important task of providing employment for its citizens.

Funds are appropriated from time to time by the Congress of the United States for the construction of Federal public buildings and the construction of national-forest, national-park, and national-monument highways within the State of Arizona, upon which considerable numbers of men are employed.

Many of the contracts for such work are let to contractors located outside of Arizona, who usually, if not invariably, import into the State the labor required for their completion.

The employment of needy citizens of this State on such work would in some measure alleviate the serious unemployment situation in Arizona; would be a just policy, in that it would avoid adding to Arizona's burdens and duties in the matter of police protection and the protection of the legal rights of persons permanently or temporarily residing within its borders; would be a justifiable policy from an economic standpoint, since it would obviate the expense of transporting employees from other parts of the United States; and, finally, would work no injustice to any community.

Wherefore your memorialist prays that departments of the United States Government having under their charge and control the awarding of contracts for the construction of public works within the State, or the supervision of such works, if any, by force account, pursue the policy of establishing a reasonable and equitable preferential basis in connection with such contracts and works in favor of Arizona contractors, Arizona material, and par-

ticularly of Arizona labor, and that the good offices of the President of the United States be exerted to this end.

Wherefore your memorialist will ever pray.

Mr. VANDENBERG presented the following concurrent resolution of the Legislature of the State of Michigan, which was referred to the Committee on Foreign Relations:

A concurrent resolution urging the United States Senate to expedite a vote upon ratification of the Great Lakes-St. Lawrence seaway treaty.

Whereas the Great Lakes-St. Lawrence seaway treaty is now in the hands of the Foreign Relations Committee, having passed through the hands of a subcommittee where full and comprehensive hearings were granted to all interested parties; and

Whereas sufficient publicity has been given to this project so as to enlighten the whole of our people; and

Whereas it now appears that there exists a real and imperative need for a waterway outlet for the products of the great Middle West; and

Whereas it appears that the immediate effect of ratification would result in the expenditure of large sums of money for labor and materials; and

Whereas such outlay by the Government would permit of great increase in employment, thereby lessening the burden of the present depression for which there seems to be no immediate remedy: Now, therefore, be it

*Resolved by the senate (the house of representatives concurring)*, That the fifty-seventh Legislature of the State of Michigan requests the Senate of the United States to delay no longer in bringing the matter of ratification before that body for final consideration.

January 18, adopted by the senate.

February 2, adopted by the house of representatives.

DON W. CANFIELD,
*Secretary of the Senate.*
MYLES F. GRAY,
*Clerk of House of Representatives.*

Mr. KING presented a resolution adopted by the Board of Commissioners of Salt Lake City, Utah, favoring the passage of legislation to exempt from taxation States, State agencies, and publicly owned utilities, which was referred to the Committee on Finance.

Mr. KING also presented a resolution adopted by the Board of Commissioners of Salt Lake City, Utah, favoring the passage of legislation to establish a standard of integrity and sound economy of municipal bond issues and giving to municipalities which meet such standard the same rights enjoyed by national banks to receive currency on the pledge of their bonds, which was referred to the Committee on Finance.

Mr. CAPPER presented a resolution adopted by the Board of Commissioners of the city of Kansas City, Kans., favoring the passage of legislation authorizing the issuance of a special series of postage stamps in honor of an anniversary of Brig. Gen. Thaddeus Kosciusko, which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions adopted by the Christian Church of Tyro, the University Meeting of Friends of Wichita, and local chapters of the Woman's Christian Temperance Union of Arnold, Concordia, and Downs, all in the State of Kansas, favoring the passage of legislation to regulate and supervise the motion-picture industry, which were ordered to lie on the table.

### REDUCTION IN FREIGHT RATES

Mr. CAPPER. Mr. President, transportation costs continue to be one of the heavy fixed charges which the American farmer must meet. No group in the Nation more directly feels the burden of these charges than does agriculture, because it must pay freight to market on its products and also on necessary supplies shipped to the farms from far-distant factories.

The three national farm organizations, the Farm Bureau, the Farmers Union, and the National Grange, together with the National Coal Association and the National Lumber Manufacturers Association, have recently filed with the Interstate Commerce Commission a memorial petition for a general reduction of freight rates on basic commodities.

As is stated in this petition, the Interstate Commerce Commission is asked by the petitioners—

To order the carriers by railroad engaged in interstate and foreign commerce to appear and show cause why an order should not issue requiring them to cease and desist from charging the present high level of freight rates upon all basic commodities, and that an order issue requiring them to readjust their freight-rate levels (save and except in those cases where the rates have been reduced to meet competitive agencies of transportation) to meet the emergency which continues to confront the basic commercial industries of the country.

There are those who might think that such a petition would strike at the welfare of the railroads, but there are many who believe that such action on the part of the railroads would so increase their tonnages that the net revenue at the end of each fiscal year would be greater for the railroads than is now the case, to say nothing about the increased ability of the railroads on account of such reduction in freight rates more adequately to meet competitive transportation agencies.

I offer this memorial petition to be printed in the CONGRESSIONAL RECORD and for appropriate reference.

There being no objection, the petition was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

*To the Honorable Interstate Commerce Commission:*

A serious public emergency exists with respect to the production and distribution of the products of the basic industries of the United States. The present unreasonably high level of freight rates contributes materially to the deplorable conditions now existing and constitutes an effective barrier to revival of trade in these basic commodities.

Your petitioners respectfully request your honorable body to recognize the existence of this emergency and the importance of the freight-rate level in connection therewith, and to order rail carriers engaged in interstate and foreign commerce to appear forthwith in an ex parte proceeding and show cause why they should not be required immediately to cease and desist from charging the present unreasonable and inordinately high freight rates upon basic commodities.

Your petitioners further respectfully request that subsequent proceedings be conducted without burdening the public with the cost and expense of any further public hearings than may be absolutely necessary to consider the charges made herein.

In support of this petition the undersigned respectfully represent:

I

*The severe decline in the price level of basic commodities with substantially no decline in the freight-rate level has thrown the economic structure so seriously out of balance as to imperil the ability of the industries represented by your petitioners to supply traffic for the railroads*

Since the beginning of the depression and despite all corrective efforts prices on nearly all commodities have continuously and materially declined. There has not been a corresponding decline in the cost of transportation by rail. The situation with respect to commodity prices and freight costs is graphically portrayed in Exhibit 1 appended hereto. In each of the basic industries represented herein the situation is not materially different from that portrayed by the graph.

Both transportation and production are major factors in the machinery of supplying the public with its commodity requirements. When adequate transportation is not available at reasonable cost, the products of industry and agriculture are denied access to markets, and as a result production declines. This is particularly true in the case of those commodities on which the transportation costs constitute a substantial proportion of the sales prices.

It may be conceded that freight rates should be more stable and fixed than commodity prices which fluctuate constantly and violently. But when commodity prices continue to fall for a substantial period of time, the maintenance of high freight rates imposes an undue and ever-increasing burden on the shoulders of producers and distributors of commodities subject to heavy transportation charges. In fact, such producers and distributors are in effect called upon to bear, in addition to their own burden of declining prices, the burden of the failure of transportation costs to decline. Practically speaking, the additional costs which are in fact thereby imposed are in the nature of a bounty paid for transportation services. When commodity prices decline to the point at which there is no longer any profit this bounty must be paid out of the capital assets of industry, and its continued payment means the destruction of such capital assets. This destructive process is already under way, and it is not without importance that the industries suffering most are those upon which the railroads depend for the maintenance of traffic. It will continue as long as rail transportation costs fail to conform to the prevailing economic trend of lower prices.

This process of destruction must be arrested before the industries called upon to pay excessive transportation charges are completely destroyed. The level of freight rates must be adjusted so as to put it in accord with prevailing economic conditions. The price of railroad transportation is one of the most vital major factors in the process of production and distribution which is not conforming to the prevailing economic trends of lower prices.

II

*The situation to-day is similar to that which induced the commission to take action in the proceeding known as Reduced Rates, 1922, except that the disparity between the level of commodity prices and freight rates is now much greater*

In recognition of the increase in commodity prices, and operating costs of the carriers during the period of the World War, a general increase of 25 per cent in freight rates was ordered by the Director General of Railroads through General Order No. 28, effective June 25, 1918. Prices and costs continued to increase throughout the war and postwar periods, and after the relinquishment of Federal control of the railroads on March 1, 1920, this commission immediately instituted an investigation to determine whether further increases should be made in the freight rate level. This investigation was conducted with great expedition, and the decision was announced July 29, 1930, in Increased Rates, 1920 (58 I. C. C. 220). At that time some of your petitioners, together with numerous other industries, came before the commission and advocated substantial increases in freight rates for the reason, among others, that the increase in basic commodities prices was relatively greater than the increase in freight rates. In recognition of this fact the commission permitted general increases in freight rates ranging from 25 per cent to 40 per cent in different sections of the country.

Beginning with 1921 prices of practically all basic commodities declined substantially, and before the close of the year the freight-rate situation was precisely the opposite of that which was considered by the commission in 1920. The increases in transportation costs approved in 1920 had become a serious burden on the production and distribution of commodities which had suffered serious declines in price. Agricultural food products rotted in the fields, mines were shut down, mills ceased operations, and the continuance of the high freight rates threatened further damage.

Appeals were then made to your honorable body by various interests, as a result of which the commission instituted, on its own initiative, the proceeding known as Reduced Rates, 1922, being I. C. C. Docket 13293. Hearings were held in December, 1921, and January, 1922. The situation which brought about this investigation is briefly described in the following paragraph taken from page 679 of the reported decision:

"In Increased Rates, 1920, supra, decided July 29, 1920, we designated rate groups as provided in section 15a and authorized substantial increases in freight rates, passenger fares, and certain charges. Late in that year there developed in this country a pronounced and long-continued business depression, nation-wide, a phase of the general post bellum adjustment throughout the world. Practically all traffic and all industry have been affected. There has been substantial reduction in the price of most commodities without a corresponding reduction in rates. There is a definite conviction in the minds of the shipping public that the present rate level is unreasonably high, is an effective barrier to the return of business activity, prosperity, and the usual volume of traffic, and that it should be substantially reduced."

Thus the study made by the commission at that time recognized as the underlying problem the proposition set forth herein. As a result of its findings the commission concluded that there should be a general horizontal reduction in freight-rate levels to bring them more nearly in conformity with the downward trend of commodity prices. No order was issued compelling the carriers to comply with the commission's decision because the carriers, recognizing the facts, proceeded promptly on their own motion to make the necessary rate reductions.

Immediately following the decision there was a substantial revival in business and a corresponding increase in rail tonnage. In fact, the additional revenues provided by the lower rates enabled the carriers to invest several billion dollars additional in improvement of property and facilities, and to pay substantial dividends to their stockholders during the years 1923 and 1929.

At page 708 of its decision in Reduced Rates, 1922 (cited supra), the commission pointed out that in December, 1921, the average prices of farm products were only 113 per cent of the average prices prevailing in 1913. Using the same base the average prices of farm products in December, 1932, were 62 per cent of the 1913 prices. The all commodities index price as reported by the commission for December, 1921, was 149 per cent of the 1913 prices, whereas for December, 1932, the average of all commodities was 90 per cent of the 1913 base. The commission also pointed out that the average freight revenue per ton-mile for December, 1921, was 172 per cent of the average freight revenue for the year ended June 30, 1913. The relative index price of freight transportation for 1932 is 10 per cent under that of December, 1921, or approximately an index figure of 155. From this it is evident that the disparity between freight-rate levels and commodity-price levels is much greater at the present time than it was in 1921. The foregoing comparisons are based upon statistics of the United States Bureau of Labor. If the comparison be confined to raw agricultural products, as shown by the United States Bureau of Agricultural Economics, the 1932 prices will be found to be approximately 52 per cent of the pre-war level.

There is appended hereto and marked "Exhibit 2" a statement showing the relative wholesale commodity prices of various basic commodities and of all commodities based upon the year 1926 as representing 100 per cent, from which it will be seen that in the case of all commodities shown, with the exception of bituminous coal, the index prices for December, 1932, are lower than those for the year 1921. The average price per statistics of the National Coal Association on file with the I. C. C. in Ex parte 103 for bituminous coal realized at the mines for the first six months of the coal year 1932 was $1.22 per net ton, while the average freight charge for that period was $2.27 per net ton, or 186 per cent of the price realization. The average mine realization per ton in 1932 was only about 3 per cent higher than in 1913, while the freight-rate level on coal has increased appproximately 82 per cent.

Farm products are worth less than one-half of what they were in 1926, but there has been practically no decrease in the freight-rate level in the meantime. From Exhibit 2 it will be noted that it will require 3 bushels of grain to pay the transportation charge which would have been paid for by 1 bushel of grain in 1926.

The condition of the basic industries of the country at the present time is far more serious than it was when the commission initiated the proceedings in Reduced Rates, 1922. Unemployment, wages, and rapidly declining demand combine to produce a much greater disparity between basic commodity price and transportation costs at the present time than in 1922. The situation has progressively grown worse since January 1, 1930, and has reached a stage where it is essential that rail transportation agencies assume their share of the burden of lower prices from which the industry is now suffering.

It is not contended that the present freight-rate level has been the cause of the present depression nor even that existing conditions are in all respects analogous to those which prevailed in 1921. Neither do your petitioners assert that correction of the freight-rate level will of itself alone relieve the existing commercial distress. However, its importance as a factor which not only retards recovery but tends to worsen the condition of basic industries is indeed greater to-day than was found by the commission to be the case in the consideration of the economic situation in 1922. In this respect there is a present analogy with the conditions existing in the former period and we respectfully direct the attention of the commission to the following excerpts from its conclusions at that time:

"It is our duty to initiate such rates as will enable the carriers to earn as nearly as may be a fair return, qualified as provided in the act. In 1920 we authorized large increases in freight rates and passenger fares designed to produce the necessary revenues under the conditions then prevailing. There was then little doubt of the ability of industry to bear the increased charges. The situation has since changed. The country has been passing through a period of abundant supply and slack demand, in which prices at the source have fallen off sharply. High rates do not necessarily mean high revenues, for, if the public can not or will not ship in normal volume, less revenue may result than from lower rates.

"Shippers almost unanimously contend, and many representatives of the carriers agree, that 'freight rates are too high and must come down.' This indicates that transportation charges have mounted to a point where they are impeding the free flow of commerce and thus tending to defeat the purpose for which they were established, that of producing revenues which would enable the carriers 'to provide the people of the United States with adequate transportation.' * * *

"Manifestly the depression of 1921 resulted primarily from causes other than transportation charges. But it does not follow that under present conditions existing high rates do not tend to retard the return to a more normal flow of commerce. Deflation has taken place to a greater or less extent in wages and origin prices of commodities in nearly all branches of industry, but most transportation charges are still near the peak.

"In Rates on Grain, Grain Products, and Hay, supra, we said at page 100:

"'The really vital concern of the carriers, in this situation, is to promote the return of what may be deemed normal traffic, and anything which will help toward this end is greatly to their benefit. So far as a tendency downward in their rates can be induced, and so far as the reductions in wages and prices which have already been made effective can be converted into rate reductions, we are assured that the full return of prosperity will be hastened for both industry and labor.' * * *

"We are of opinion that general reduction in the rate level, as substantial as the condition of the carriers will permit, will tend not only to lessen the transportation burden but also to equalize and stabilize the conditions under which commerce and industry are carried on, with consequently fuller assurance to the carriers of realizing the fair return contemplated by the law." (66 I. C. C. 732, 733, 734.)

III

*Experience has demonstrated that the action of the commission in decreeing an increase in the freight-rate level in 1931 did not produce the results sought*

In the summer of 1931 the owners of railroad securities, and the railroads themselves, claiming an emergency confronted them, jointly presented to the commission an application for a substantial increase in freight rates. They then recognized that there was in process a downward trend in commodity prices and a substantial decline in trade. But they argued that by increasing rail transportation costs the buying power of the railroads would be increased, the owners of railroad securities would have greater confidence, business would improve generally, the downward trend of commodity prices would be reversed, and trade would be restored to normal. In response to this plea the commission, contrary to

the precedent set in Reduced Rates, 1922, authorized the so-called freight-rate surcharges, resulting in increased costs of transportation on numerous basic commodities at a time when commodity prices were steadily declining. Although the rail carriers are a major factor in our national economic structure, these increases in the prices charged for their services neither reversed nor checked the downward trend of commodity prices. Nor did such increased charges yield the rail carriers the expected revenues. On the contrary, they have only helped to make bad matters worse.

It is obvious that a decline in commodity prices without a similar decline in the cost of rail transportation produces in effect an actual increase in the relative cost of transportation, although tariff schedules published in terms of cents per hundred pounds remained unchanged. The producer can not continue indefinitely to buy at predepression prices, even such necessities as transportation, in exchange for his products which are being sold at constantly declining prices. Such a policy of rate maintenance must operate to reduce the volume of rail tonnage and the total of rail revenue. This situation has in part accounted for the steady increase in tonnage hauled by other transportation agencies. The decreased rail traffic and revenues have resulted not only from the general business depression, but also from unreasonably high rates which force shippers out of markets entirely, or to utilize other and cheaper forms of transportation.

The rail carriers possess a tremendous transportation machine of which only about 50 per cent is now being utilized. Granaries are full and people are in want, yet the farmer of Iowa burns corn for fuel which the miner in Illinois needs for food. It is in the public interest that a greater proportion of this transportation machine be usefully employed. Lower rail-transportation costs, which would bring freight rates more into line with the prevailing commodity prices, coupled with further operating economies, would tend to accomplish this purpose and also favorably affect gross and net earnings, all of which is in the public interest.

IV

*A reduction in the freight-rate level on basic commodities will tend to discourage undue development of competitive transportation agencies and thereby preserve railroad transportation as the dominating factor in our national commerce*

The railroads are practically the only agencies of transportation which have not reduced the prices for their service during the present era of depressed prices. Highway and water transport facilities have responded to the lower commodity price levels and have made substantial rate reductions. In specific instances the railroads have made reductions to meet such competition to the extent found actually necessary in each particular case. Such reductions are no part of any policy to reduce freight rate levels so that they will more nearly correspond to the reduced commodity price levels. They are merely sporadic instances where actual diversion of moving traffic has compelled the rail carrier to take action or see the competitor enjoy the traffic upon the lower rates. In an investigation of this character the commission should not be concerned with these sporadic and specific instances other than to glean the lesson that they demonstrate. Not only do such reductions reflect the demand of industry for reduced transportation costs, but because of their local character they operate to break down uniformity of treatment, and create new discriminations in rates between the favored commodities and/or localities and those not so favored, thus reverting to the chaotic rate conditions which brought about the original enactment of the interstate commerce act.

Your petitioners represent industries producing basic commodities moving in large quantities and for which the railroads are a necessary agency in distribution. These industries furnish over 50 per cent of the total volume of rail tonnage upon which the railroads are maintaining freight rates at their peak levels (except for the year 1921) without considering the effect upon the future development of such commerce.

If this condition were but temporary, it might properly be argued that the carriers could not be expected to adjust their rate structure in response to every change in commodity prices. But the price decline has continued for three years and has grown progressively worse each year. Prices may continue at present or lower levels for a substantial period of time unless an economic balance is restored. Increases in the price level and increased activity in business will depend upon many factors, but improvement will require the cooperation of rail carriers to the extent of sharing the burdens of industry so as to stimulate the movement of commodities which to-day rot in the fields, rest in the forests, and lie untouched in the mines. It is in the interest of the carriers themselves to maintain an equitable relationship between commodity prices and rail transportation charges, and as commodity prices improve, rail carriers should be permitted to share in the improvement through a readjustment of freight rates.

It is not without significance that the adjustment of freight rates to correspond to commodity price levels has been proceeding for some time in foreign countries. A recent bulletin of the Department of Commerce lists decreases in Argentina, Brazil, France, Mexico, Netherlands, Trinidad, and British Guiana.

V

*Under conditions which prevail to-day the value of railroad property and the rate of return on railroad investment must reconcile themselves to the ultimate effect of freight rates on traffic and revenues*

Rail transportation is of basic and fundamental importance to our national prosperity. The railroad transportation machine is a necessary part of our economic structure, and it can not be severed and considered alone. It is entitled to be recognized as essential to distribution, but it is not entitled to preferential consideration, particularly if such consideration operates to cripple and hamper the industries which produce the traffic upon which the railroads live.

The dollars which your petitioner pay to the railroads for transportation services are secured from the sale of commodities which move by rail. It requires approximately twice as much, in terms of commodities, to pay the rail freight charges to-day as it required during the period from 1923 to 1930, when the freight rate charges were substantially what they are to-day (except for the surcharges which have been added). Correspondingly the capital assets of your petitioners have depreciated in value and in the case of many basic industries are worth not more than one-third of what they were in the prior period. The decline in business has reduced the earning power of your petitioners and in turn depreciated the present value of their facilities and property. In like manner it must be evident that the property of the railroads used in the service of transportation has depreciated in value to the extent of the decline in the volume of tonnage transported. This destruction of values will continue as long as the policy of the railroads continues to be to maintain freight rates at a level which discourages the movement of traffic. For the railroads to assert, under prevailing economic conditions, that their properties are to-day worth more than $25,000,000,000, and for them to contend that present freight rates should be maintained in order to give them a return upon such valuation is to disregard fundamental changes which have taken place. To the extent that the freight-rate structure is adjusted in keeping with the adjustment of commodity price levels it will encourage a greater movement of commodities and should be a basic factor in economic recovery.

The failure to reduce the costs of rail transportation will result in the further disuse of the present rail facilities and further unemployment of railroad employees. Under present conditions the freight-rate level is unreasonable, and in many cases imposes an impossible burden upon the movement of the basic products of the farms, forests, and mines of the country, thereby resulting in diversion and diminution in the volume of traffic and consequent loss to the railroads. An adjustment of the freight rates to a reasonable level will hasten the return of normal traffic movement and will immediately stimulate the movement of those commodities on which the railroad freight charges are a major part of the price realized.

Wherefore, the undersigned petitioners do hereby memorialize and petition your honorable body to order the carriers by railroad engaged in interstate and foreign commerce to appear and show cause why an order should not issue requiring them to cease and desist from charging the present unreasonable and inordinately high level of freight rates upon all basic commodities and that an order issue requiring them to readjust their freight-rate levels (save and except in those cases where the rates have been reduced to meet competitive agencies of transportation) to meet the emergency which continues to confront the basic commercial industries of the country. It is respectfully requested that your honorable body investigate these charges and handle the same with the greatest possible expedition because of the destitute and almost bankrupt condition of the principal industries of the country.

Respectfully submitted.

AMERICAN FARM BUREAU FEDERATION,
By EDWARD A. O'NEAL, *President,*
*58 East Washington Street, Chicago, Ill.*
FARMERS EDUCATIONAL & COOPERATIVE UNION OF AMERICA,
By JOHN A. SIMPSON, *President,*
*18 North Klein Street, Oklahoma City, Okla.*
NATIONAL COAL ASSOCIATION,
By C. B. HUNTRESS, *Executive Secretary,*
*Southern Building, Washington, D. C.*
NATIONAL GRANGE, PATRONS OF HUSBANDRY,
By L. J. TABER, *Master,*
*970 College Avenue, Columbus, Ohio.*
NATIONAL LUMBER MANUFACTURERS ASSOCIATION,
By WILSON COMPTON, *Secretary-Manager,*
*1337 Connecticut Avenue NW., Washington, D. C.*
WASHINGTON, D. C., *January 25, 1933.*

EXHIBIT 1 (omitted)

EXHIBIT 2

*Index of wholesale commodity prices 1913, 1921, and 1932*

(1926=100)

| | 1913 | 1921 | November, 1932 | December, 1932 |
|---|---|---|---|---|
| Farm products: | | | | |
| Grains | 71.1 | 89.1 | 33.2 | 31.7 |
| Livestock and poultry | 73.2 | 78.2 | 41.9 | 38.7 |
| All farm products | 71.5 | 88.4 | 46.7 | 44.1 |
| Anthracite coal | 58.9 | 92.5 | 88.8 | 88.7 |
| Bituminous coal | 38.1 | 77.7 | 80.4 | 80.2 |
| Lumber | 54.0 | 88.9 | 56.6 | 56.5 |
| All foods | 64.2 | 90.6 | 60.6 | 58.3 |
| Mixed fertilizers | 84.3 | 162.5 | 65.6 | 65.6 |
| Cattle feed | 82.2 | 89.2 | 40.8 | 37.1 |
| Hides and skins | 106.8 | 89.5 | 46.1 | 41.7 |
| All commodities | 69.8 | 97.6 | 63.9 | 62.6 |

Source: U. S. Bureau of Labor Statistics.

PROHIBITION AND LAW ENFORCEMENT

Mr. SHEPPARD. I present a number of memorials and communications in the nature of memorials in opposition to the repeal of the eighteenth amendment, to modification of the Volstead Act, and to legalization of beer, and so forth, from citizens of Texas, and summary of such memorials and communications. I ask that these documents may lie on the table and that the summary be printed in the RECORD.

There being no objection, the memorials and communications in the nature of memorials were ordered to lie on the table, and the summary thereof was ordered to be printed in the RECORD, as follows:

1. Memorial from Mrs. Nora P. Gray and six other citizens of Harlingen, Tex.
2. Resolution in the nature of memorial by Workers' Conference Collins County Baptist Association, in session at Foot Baptist Church, December 5, 1932, representing 55 Baptist churches and 10,000 Baptist people.
3. Resolution adopted at mass meetings in 20 churches of Austin, Tex., on December 4, 1932, with total attendance of 4,770 citizens.
4. Telegram conveying sentiment of 65 citizens of Magnolia, Tex.
5. Telegram conveying sentiment of 46 citizens of Chester, Tex.
6. Appeal from 515 members East Dallas Baptist Church, Dallas, Tex., Rev. Edgar Parker, pastor.
7. Appeal from 200 members Women's Missionary Society, Oak Cliff Methodist Church, Dallas, Tex., transmitted by Mrs. A. C. Lemburg and Mrs. John F. Turner.
8. Appeal from 200 women, Federated Missionary Society, Robstown, Tex.
9. Resolution of Men's Bible Class of Methodist Church, Beaumont, Tex., with 60 members.
10. Letter in nature of memorial from 15 members of First Methodist Church, Orange, Tex.
11. Letter in nature of memorial representing 400 women, Highland Park Missionary Society, Methodist Church, Dallas, Tex.
12. Memorial from 50 citizens of Port Arthur, Tex.
13. Letter in nature of memorial from Womans' Christian Temperance Union of Beeville, Tex., with 60 members.
14. Memorials against legalization of beer from 40 citizens of Cleburne; 2 citizens of Commerce; 163 citizens of Lexington, Beeville, West, Hillsboro, Dime Box, and McCamey; 96 citizens of Georgetown and other Texas cities and towns; 188 citizens of Caldwell; 675 citizens of Fort Worth; 34 citizens of San Antonio; 100 citizens of McAllen; 215 citizens of Mexia; 82 citizens of Beaumont; 119 citizens of Edinburg; 32 citizens of Bovina; 142 citizens of La Feria; 296 citizens of Robstown, with signers from Houston, Sinton, Taft, and Corpus Christi; 50 members First Methodist Church, of Brownsville; 355 citizens of Houston, including members of Second Presbyterian Church; 75 citizens of Garwood; 150 citizens of Galveston; 18 citizens of Bangs; 38 citizens of Hollister, Chester, Woodville, Warren, Jasper, Pedigo, and Spurger; 400 citizens of Dallas; 41 citizens of Ballinger; 57 citizens of Austin; and 6,518 citizens of Amarillo, all in the State of Texas, and 628 citizens of other places in Texas.

WAGE CUTS IN THE STEEL INDUSTRY

Mr. DAVIS. Mr. President, I ask unanimous consent to present for printing in the RECORD and appropriate reference a news statement from the Pittsburgh (Pa.) Press of February 5, 1933, by Mr. Ernest T. Weir, chairman of the board of directors of the National Steel Corporation, denouncing wage cuts. I agree with Mr. Weir when he says that we must stop this pressure on wages—that labor has done its part, and that a further reduction of wages would only produce decrease in the buying of steel.

There being no objection, the statement was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

[From the Pittsburgh (Pa.) Press of February 5, 1933]

STEEL WAGE CUTS DENOUNCED BY E. T. WEIR

Further wage cuts in the steel industry were strenuously opposed by Ernest T. Weir, chairman of the board of National Steel Corporation, in an interview to-day.

Referring to rumors that another wage cut is contemplated, Mr. Weir was outspoken in condemning the idea, declaring that labor had done its part and that a further reduction would only produce decreased buying of steel.

"Steel manufacturers are not justified in even considering any further liquidation of labor. It would be unfair," Mr. Weir declared.

"We have gone, if anything, too far along those lines. It is true that the capital invested in the industry has suffered a very heavy reduction of its earnings, but labor has certainly borne its part of the burden," he added.

CHARGES FOR SHIPMENT OF CATTLE AND HOGS

Mr. SCHALL. Mr. President, I just received a very interesting letter in reference to the charges made to shippers of cattle and hogs, which it seems to me ought to be of interest to others for the purpose of disseminating existing conditions. I ask that it be printed in the RECORD and referred to the appropriate committee.

There being no objection, the letter was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

THE FIRST NATIONAL BANK,
*Appleton, Minn., February 6, 1933.*

Hon. THOMAS D. SCHALL,
*Washington, D. C.*

DEAR MR. SCHALL: The Tri County Livestock Shipping Association, of Appleton, Minn., a cooperative concern, at their annual meeting held on January 28, 1933, passed a resolution urging that the Senators and Representatives of the State of Minnesota investigate the charges made to shippers of cattle and hogs to the Union Stockyards of South St. Paul.

I give herewith a statement of June 22, 1932, when they shipped a car of stock, containing 57 hogs and 6 head of cattle, weighing 19,755 pounds, and on this car they charged them $8.11 for yardage, 6 bushels of corn at 75 cents per bushel, 1 bale of hay at 94 cents, and 200 pounds of ground barley costing them $3.94, making a total cost of yardage and feed of $17.51. It is the understanding of this association that the profits of the stockyards company increased from $1,500,000 to $6,000,000 in the last few years.

They therefore urge that their affairs be investigated and have their charges reduced to the farmers more in line with the times. The farmer gets 10 cents per bushel for corn and 15 cents per bushel for barley, and about $4 per ton for hay, and it seems as though their charges are way too high; and an investigation is urged by this association.

I am writing now to you and Mr. SHIPSTEAD and wish that you would hand this letter to the Representatives of this State or have copy made and give to them.

Yours truly,

A. O. KREBS, *Secretary.*

REPORTS OF THE COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. BARBOUR, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 5469) to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes, reported it with amendments and submitted a report (No. 1162) thereon.

Mr. KEYES, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (S. J. Res. 237) authorizing the erection in the Department of State Building of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances, reported it without amendment and submitted a report (No. 1163) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON of Arkansas:

A bill (S. 5600) granting an increase of pension to Laura I. Robinson; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 5601) granting a pension to Elmira F. Miller; to the Committee on Pensions.

A bill (S. 5602) for the relief of James L. Barnett; to the Committee on Civil Service.

By Mr. ROBINSON of Indiana:

A bill (S. 5603) granting an increase of pension to Amanda Fess (with accompanying papers); to the Committee on Pensions.

(Mr. DILL introduced Senate bill 5604, which was referred to the Committee on Interstate Commerce and appears under a separate heading.)

By Mr. REED:

A bill (S. 5605) for the relief of Capt. L. P. Worrall, Finance Department, United States Army (with accompanying papers); to the Committee on Claims.

By Mr. HULL:

A joint resolution (S. J. Res. 251) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. LEWIS:

A joint resolution (S. J. Res. 252) directing the President of the United States of America to proclaim October 11, 1933, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929; to the Committee on Naval Affairs.

H. R. 10749. An act to authorize acceptance of proposed donation of property in Maxwell, Nebr., for Federal building purposes; and

H. R. 13521. An act to transfer control of building No. 2 on the customhouse reservation at Nome, Alaska, to the Secretary of the Interior; to the Committee on Public Buildings and Grounds.

H. R. 11735. An act to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation, and for other purposes;

H. R. 12651. An act for the relief of the Uintah, White River, and Uncompahgre Bands of Ute Indians of Utah, and for other purposes; and

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484); to the Committee on Indian Affairs.

H. R. 11816. An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 13655. An act to amend the act of May 10, 1928, entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina" (45 Stat. 495); to the Committee on the Judiciary.

H. R. 13817. An act to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on the Library.

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.; and

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; to the Committee on Commerce.

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.; and

H. R. 14228. An act to change the name of "Roosevelt Island" to "Theodore Roosevelt Island"; to the calendar.

H. J. Res. 434. Joint resolution to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton standards act; to the Committee on Agriculture and Forestry.

THEODORE ROOSEVELT ISLAND

Mr. FESS. Mr. President, I ask leave to call up for passage the bill (H. R. 14228) to change the name of "Roosevelt Island" to "Theodore Roosevelt Island." There is a similar Senate joint resolution on the calendar which has been favorably reported.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That an act to establish a memorial to Theodore Roosevelt, approved May 21, 1932 (Public No. 146, 72d Cong.), be amended as follows:

That wherever the name "Roosevelt Island" appears in sections 1, 2, and 3 of this act it shall be stricken out and the name "Theodore Roosevelt Island" shall be inserted in lieu thereof.

SEC. 2. In all public documents, records, and maps of the United States in which such island is designated or referred to it shall be designated as "Theodore Roosevelt Island."

The VICE PRESIDENT. Senate Joint Resolution 231, of similar title and text, will be indefinitely postponed.

PRINTING OF MANUSCRIPT ENTITLED "THE AMERICAN-MEXICAN FRONTIER: NEUCES COUNTY, TEX."

Mr. HATFIELD submitted the following resolution (S. Res. 353), which was referred to the Committee on Printing:

*Resolved*, That the manuscript submitted to the Senate Committee on Immigration on December 19, 1932, entitled "The American-Mexican Frontier: Neuces County, Tex.," by Paul S. Taylor, associate professor of economics at the University of California, be printed, with illustrations, as a Senate document.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 221. An act authorizing adjustment of the claim of the Wilmot Castle Co.; and

S. 968. An act for the relief of certain employees of the Forest Service, Department of Agriculture.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 5357) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg., and it was signed by the Vice President.

PROHIBITION OF EXPORTATION OF ARMS OR MUNITIONS

Mr. BORAH. Mr. President, I would like to have the attention of the Senator from Connecticut [Mr. BINGHAM].

The VICE PRESIDENT. The Senator from Connecticut will give his attention.

Mr. BORAH. The Committee on Foreign Relations reported out unanimously the joint resolution (S. J. Res. 229) to prohibit the exportation of arms or munitions of war from the United States under certain conditions. The joint resolution authorized the President of the United States under certain circumstances to lay an embargo upon the shipment of arms from the United States. The resolution afterwards passed the Senate. The Senator from Connecticut, who was interested in it, although I did not know he was interested in it, was absent. Later he entered notice of a motion to reconsider the vote by which the resolution was passed.

The situation with reference to this matter is very urgent. I want to appeal to the Senator from Connecticut, if he can within his discretion and judgment, to withdraw his notice of the motion and let the matter go to the House.

Mr. BINGHAM. Mr. President, when the resolution came from the Committee on Foreign Relations to the calendar I supposed that it would be brought up in the usual way. However, as I have the very strongest objections to it, and it would take me a considerable length of time to express them all, I asked the assistant floor leader on this side, the Senator from Oregon [Mr. MCNARY], if he would object to its consideration whenever it came up if I were not present. Unfortunately, he was ill at the time the Senator from Idaho brought up the resolution. The Senator from Idaho brought up the matter during the midst of a prolonged filibuster here, when very few Senators were on the floor. I myself was not present, and there were not more than five or six Senators, so I have been informed, who were present, and none who was particularly interested in the resolution or interested in passing it.

The Senator from Oregon was ill; otherwise it would have been objected to at once. It had not occurred to me that it was necessary to take my objection to anyone else.

The next morning, as soon as the Senate convened, I asked, in accordance with the usual practice when resolu-

tions are passed by unanimous consent in the absence of one seriously objecting to their passage, that the resolution be returned to the calendar. During my eight years' service here that procedure has been followed over and over and over again, and I never knew any objection to be offered to it except on one occasion. When a resolution is adopted by unanimous consent, without notice being given of it, with very few Senators present, and with one in opposition to it absent, it has been the almost universal custom of the Senator securing its passage to permit it, on request, to go back to the calendar. That was all that I asked be done, but the Senator from Idaho objected to that procedure and suggested that my only recourse was to enter a motion for reconsideration, which I had realized was a recourse, and I did so.

Mr. President, when the time comes that we have not more important business to transact, I shall be glad to debate the resolution. It will take me some time to express my views concerning it, because I realize that there is a very large interest back of this measure. I have received letters from very distinguished people, presidents of universities, ministers of prominent churches, and heads of church organizations, protesting against my attitude on the subject. They seem to think that my only concern might be in the possible interest of some ammunition concerns in Connecticut.

Mr. President, my opposition to this measure is very deep-seated. It is based, in part, on a belief that the passage of such legislation would get us into serious difficulty and might lead to war with the United States instead of preventing war. I have an opinion from one of the most distinguished international lawyers in the United States in which he points out that it gives the President of the United States the power to be so unneutral as to lead us directly into difficulties with foreign nations even if not into war with them. That is one of my reasons for objecting to the consideration of the resolution.

I believe that had President Wilson had this power in 1914 and 1915, if the resolution had been in effect at that time, with the belief which he held and which he expressed in public, he would have prevented our selling arms and ammunition to the Allies at that time, and the war might have been lost long before we entered into it. That is a belief which is also held by other people.

I believe also, Mr. President, that this resolution is aimed directly at interference with the first rights of nations under international law. When I studied international law and later when I had the honor of teaching classes in it, my recollection is that the very first chapter in the textbook on international law dealt with the right of national self-preservation. That is the very first right of a nation. If a nation shall be attacked, it can not preserve itself without the use of arms and ammunition, and if it does not have factories of its own, as we have and as have some foreign nations, it must buy supplies from abroad.

I am opposed to selling arms and ammunition to revolutionists or groups who desire to overthrow some nation to which we have given recognition, and I am opposed to this Nation's saying to any other nation whose right to exist we have recognized, "You shall not buy the arms and ammunition which you believe are necessary for your self-defense."

Mr. President, I do not wish to discuss the matter at this time. I have merely given a few of my reasons, which I hope at some time to express at length, why this resolution ought not to be passed; why the President of the United States ought not to have the power asked for in the resolution.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDENT pro tempore. The Senator from Idaho [Mr. BORAH] has the floor.

Mr. ROBINSON of Indiana. I want to ask a question of the Senator from Idaho, and I thought the Senator from Connecticut had concluded.

Mr. BINGHAM. I merely wish to add that I am very sorry the Senator from Idaho did not permit the resolution to go back to the calendar, where at any time he could call it up by an ordinary motion. I think that would have been in accordance with the customary procedure, and, in face of objection, he could have moved that it be considered. I think that would have been the normal procedure to have followed, but, under the circumstances, I have no recourse except to continue my motion to reconsider the vote whereby the joint resolution was passed, and at some time, when we shall have the appropriation bills and other important measures out of the way, to ask that the motion be considered.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. BORAH. I yield.

Mr. ROBINSON of Indiana. I remember very well when this matter was discussed in the Foreign Relations Committee. I was then under the impression—and, I assume, perhaps it is still true—that the joint resolution related entirely to the controversy over the Gran Chaco, the difficulties between Bolivia and Paraguay in South America, and was designed in some fashion or other to bring about a settlement down there without any further loss of life and probably, also, to help the United States in discharging its responsibilities under the Monroe doctrine.

Mr. President, there has been brought to my attention recently some complaint against this resolution based on other grounds, and I should like to have the Senator's opinion about these new developments, if they are developments. For instance, it has been suggested, with the unsettled condition in the Orient at the present time and with the rather bellicose attitude of Japan toward China at least, and in some degree toward all the remainder of the world, that if the President of the United States were given this enormous power it might, in some fashion or other, draw us into an altercation with Japan, if that power, enormous as it is, were exercised in any way that might possibly be resented by Japan. I should like, if the Senator has any views on that subject, to have him express them. I have had a number of representations along this line, I may say to the Senator, and it is in no critical vein that I make the suggestion I have just made.

Mr. BORAH. Mr. President, the only matter that has been brought to the attention of the committee or of myself as urgent in regard to this joint resolution is the South American situation. My judgment is that the other matter has not entered into the mind of the Executive with regard to the execution of this resolution.

Mr. ROBINSON of Indiana. What is the Senator's view about the possibilities along that further line by granting these broad powers?

Mr. BORAH. My view is that neither the present Chief Executive nor the incoming President would utilize the power conferred under the resolution in a way that would be likely to involve us in difficulty with either one of the situations, whether in the Orient or in South America.

Mr. President, it is necessary that somebody have some discretion and some power with reference to a situation of this kind. This is not an unusual proposal. We have granted the same authority upon numerous other occasions, and, to my knowledge, it has never been exercised in a way that subjected the United States to criticism. I can not conceive of the present Chief Executive's or the President elect's—and of course the President elect will be likely to have most to do with it under the present circumstances—exercising the power conferred in any other way than for the purpose of bringing about a peaceful solution of the controversy that is now going on.

Mr. President, I am not going to consume the time at present, but a little later I am going to undertake to get this joint resolution before the Senate. There is one way by which I can get it before the Senate and have it disposed of rather speedily, but I do not want to adopt that method if I can avoid it. The situation, however, is so urgent that I feel that it ought to be acted upon at the earliest possible moment.

Mr. WALSH of Montana. Mr. President——

Mr. BORAH. I will yield in just a moment. When it was suggested to me that the joint resolution go back on

the calendar I realized that ordinarily such a request would be granted, and if the situation had been different in the Senate from what it was I would not have hesitated to accede to the request of the Senator; but I spoke to him about his attitude and asked him whether he wanted to offer an amendment, and so forth, and he said, no, that he did not want the joint resolution to pass. I did not feel that I could connive at a program which would undoubtedly defeat its passage at this session of Congress, and so, however much I might desire to accommodate the Senator from Connecticut, I did not feel that I was in a position to yield unless the Senator from Connecticut would agree to have the resolution considered at a certain time, limit the discussion, and have a vote upon it. If that could be agreed upon, I would be perfectly willing to have it go back to the calendar; but I do feel under some obligation, under all the circumstances, to urge its passage and take advantage of any situation that may secure its passage.

I did not know of anyone in the Senate who was opposing the joint resolution. No one had indicated to me that there was opposition to it. It received the unanimous support of the committee, and, under the circumstances existing to the south, I thought there would be no opposition to it. Therefore I called it up at the time I did.

Mr. BINGHAM. Mr. President, will the Senator permit an interruption?

The PRESIDENT pro tempore. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. I yield first to the Senator from Montana, who desired to interrupt me.

Mr. WALSH of Montana. Mr. President, in view of the urgency of the matter to which the Senator from Idaho has referred, it occurs to me that perhaps the Senator from Connecticut would be willing to indicate some limited time within which he would feel justified in allowing action to be taken on the joint resolution; that he would be willing to set some limit upon the time in which he would care to discuss this joint resolution, so that we might consider and dispose of it.

Mr. BINGHAM. No; I feel so deeply about this matter that, like the Senator from Idaho, I shall use every arrow in my quiver to defeat the joint resolution, which I believe is likely to lead the United States into war, into unneutral acts, and to destroy our sense of fairness in dealing with foreign nations.

The Senator from Idaho said he did not know of anyone in opposition to the joint resolution. It was currently rumored about the Capitol and about Washington that the effort of a certain Assistant Secretary of State to push this matter through had been checkmated at its source, and that the resolution would not come before the Senate. It was currently rumored also that there would be no message from the President conveying this joint resolution. The resolution came up unexpectedly, however, and was acted upon suddenly. The resolution was not only opposed by the Assistant Secretary of War but it was opposed by the Chief of Staff of the Army. We had the Chief of Staff of the Army on record before the Appropriations Committee only a few days ago in strong opposition to the resolution.

Mr. BORAH. Mr. President, I was informed that when it was mooted that this resolution would come before the Senate, the munitions factories in the United States, with their usual celerity, moved upon the powers that be to prevent any message from being sent in at all; and, I am informed at least, that that for a time delayed action upon the resolution; but I was not aware that there was any opposition anywhere from any source except those who were engaged in selling munitions of war. I had heard that they were opposed to it, but I knew of no other opposition, and not being particularly interested in their views, of course, I paid no attention to their opposition. I repeat that, except from that source, I knew of no other opposition anywhere in regard to it. That opposition always is at hand whenever any move of this kind is made in any respect whatever.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. BINGHAM. I realized that that charge was going to be made; and I merely desire to say to the Senator that a Member of this body approached me on behalf of several ammunition factories, requesting that I withdraw my opposition and permit the matter to go through, because they did not believe that it would do them any harm, and they would like to see it go through. That is the communication which I have received from the arms factories. I happen to be particularly interested in the national defense, and in the rights of nations, and in international law as it exists at present; and my opposition to the joint resolution has not depended on any request from any ammunition factory either for or against the joint resolution. I am very strongly opposed to it in its present form, and when the time comes I shall give my reasons at length.

Mr. BORAH. Mr. President, I did not mean to intimate that the Senator himself was acting by reason of the fact that the ammunition factories in Connecticut were opposed to the joint resolution. I simply said I was informed the arms manufacturers were opposed. I did not assume, of course, that the Senator from Connecticut was controlled by any such sordid or base motives.

### OBLIGATIONS TO CERTAIN ENROLLED INDIANS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 167) to carry out certain obligations to certain enrolled Indians under tribal agreement, which were, on page 2, line 19, after "death," to insert: ": *Provided further*, That no interest on such refunds shall be payable prior to the time provided by law for the payment of interest in any such similar cases: *Provided further*, That it shall be unlawful for any person acting as attorney or agent for any claimant to receive more than a total of 5 per cent of the amount collected under the provisions of this act, and any person collecting a total amount from such claimant in excess of said 5 per cent shall be guilty of a misdemeanor and punished by a fine not exceeding $1,000 or imprisonment not exceeding six months, or both," and on page 2, beginning with line 20, to strike out all of section 2.

Mr. GORE. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Oklahoma.

Mr. KING. Mr. President, will the Senator permit me to ask him a question?

Mr. GORE. Yes, sir.

Mr. KING. I am not familiar with the joint resolution, not being a member of the committee and having just heard of it. Does it relate to allottees?

Mr. GORE. No, sir; it does not.

Mr. KING. Or to the disposition of the land of allottees?

Mr. GORE. No; it relates solely to interest on void and unconstitutional taxes which the Indians were required to pay.

The principal of the tax has been refunded. The interest has not been refunded. The law authorizing the return of the principal did not make provision for the return of interest. This measure authorizes the Government to return the interest, and one of the House amendments limits the fees to 5 per cent.

Mr. KING. Were the taxes paid to municipalities, or to the State of Oklahoma, or to the Federal Government?

Mr. GORE. Oh, no; they were Federal income taxes arising from exempt Indian allotments. The Government required the Indians to pay an income tax on their royalties. The courts held that the tax was void; that the income originating in a nontaxable source was not subject to tax. So the Government has already returned the principal, the amount of tax originally paid, but has not paid the interest. The bill passed the Senate some time since.

Mr. KING. How much is involved?

Mr. GORE. Oh, it is only a small amount. There are only a few Indians involved, and not a very large amount of money. I would not want to guess as to the amount, but it is inconsequential.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Oklahoma that the Senate concur in the House amendments.

The motion was agreed to.

UNITED STATES GEORGIA BICENTENNIAL COMMISSION

Mr. GEORGE. Mr. President, I ask unanimous consent to call up out of order, for present consideration, Order of Business 1254, Senate Joint Resolution 223, establishing the United States Georgia Bicentennial Commission, and for other purposes.

Mr. SMOOT. Mr. President, I ask the Senator if it will lead to any discussion at all.

Mr. GEORGE. I do not think it will.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia?

Mr. SMOOT. I have no objection if the matter does not lead to any discussion; but if it does I shall object.

Mr. GEORGE. The joint resolution is reported with an amendment reducing the authorized appropriation to $1,000.

Mr. SMOOT. I have not any objection.

The PRESIDENT pro tempore. The joint resolution will be read.

The Chief Clerk read the joint resolution (S. J. Res. 233) establishing the United States Georgia Bicentennial Commission, and for other purposes, which had been reported from the Committee on the Library with an amendment, on page 2, line 7, after the words "sum of," to strike out "$5,000" and insert "$1,000," so as to make the joint resolution read:

*Resolved, etc.*, That there is hereby established a commission, to be known as the United States Georgia Bicentennial Commission, for the purpose of participation by the United States in the observance of the two-hundredth anniversary of the founding of the Georgia colony, such commission to be composed of 21 commissioners, as follows: 9 persons to be appointed by the President of the United States, 6 Senators to be appointed by the President of the Senate, and 6 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The members of the commission shall serve without compensation and shall select a chairman from among their number.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, or so much thereof as may be necessary, to be expended by the commission established by this resolution for actual and necessary traveling expenses and subsistence while discharging its official duties outside the District of Columbia.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

POLICE PROTECTION ON INAUGURATION DAY

Mr. COPELAND. Mr. President, on the clerk's desk there is a joint resolution which has been passed by the House of Representatives which provides for the maintenance of public order and the protection of life and property in connection with the inauguration. It carries an appropriation of $25,000; and we have been advised in the District of Columbia Committee that it is exactly similar to the joint resolution which has passed in connection with all previous inaugurations in recent times. It is important that this measure should be given immediate effect because of the arrangements being made by the police authorities.

I ask unanimous consent that the joint resolution passed by the House may be considered here now.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. Let it be read.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (H. J. Res. 565) to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933 was read the first time by its title and the second time at length, as follows:

*Resolved, etc.*, That $25,000, or so much thereof as may be necessary, payable in like manner as other appropriations for the expenses of the District of Columbia, is hereby appropriated to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in said District from February 28 to March 10, 1933, both inclusive, including the employment of personal services, payment of allowances, traveling expenses, hire of means of transportation, cost of removing and relocating street-car loading platforms, for the construction, rent, maintenance, and expenses incident to the operation of temporary public comfort stations, first-aid stations, and information booths during the period aforesaid, and other incidental expenses in the discretion of the commissioners. Said commissioners are hereby authorized and directed to make all reasonable regulations necessary to secure such preservation of public order and protection of life and property, and to make special regulations respecting the standing, movements, and operating of vehicles of whatever character or kind during said period; and to grant under such conditions as they may impose special licenses to peddlers and vendors to sell goods, wares, and merchandise on the streets, avenues, and sidewalks in the District of Columbia, and to charge for such privilege such fees as they may deem proper.

SEC. 2. Such regulations and licenses shall be in force one week prior to said inauguration, during said inauguration, and one week subsequent thereto, and shall be published in one or more of the daily newspapers published in the District of Columbia, and in such other manner as the commissioners may deem best to acquaint the public with the same; and no penalty prescribed for the violation of any of such regulations shall be enforced until five days after such publication. Any person violating any of such regulations shall be liable for each such offense to a fine of not to exceed $100 in the police court of said District, and in default of payment thereof to imprisonment in the workhouse of said District for not longer than 60 days.

Mr. SMOOT. Mr. President, I desire to ask another question about the measure. What is the necessity for haste in passing this joint resolution?

Mr. COPELAND. The necessity for haste is due to the fact that the local police department must bring on from Baltimore uniformed officers, and detectives from other cities, in order that there may be ample protection.

Mr. SMOOT. Well, perhaps we can pass the joint resolution while we are undertaking to explain it.

Mr. COPELAND. I had no desire to discuss it. We ask for an amendment which will strike out the authorization and make it actually an appropriation. It has been passed on by the Budget Bureau.

Mr. SMOOT. I doubt very much whether that can be done in the Senate.

The VICE PRESIDENT. The House joint resolution provides for an appropriation.

Mr. COPELAND. Very well.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate Joint Resolution 236, which deals with the same subject, will be indefinitely postponed.

ARLINGTON MEMORIAL BRIDGE

Mr. REED. Mr. President, from the Committee on Military Affairs I report back favorably, with an amendment, Senate bill 5339, to authorize the Secretary of War to deed certain properties to the State of Virginia in order to connect Lee Boulevard with the Arlington Memorial Bridge, and I submit a report (No. 1161) thereon.

I ask unanimous consent for the immediate consideration of the bill, as I am sure it will lead to no argument.

The VICE PRESIDENT. Let it be read.

The Chief Clerk read the bill, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That in order to provide a connection between the Lee Boulevard and the Arlington Memorial Bridge, the Secretary of War is hereby authorized to convey to the county of Arlington, State of Virginia, for highway purposes only, all the right, title, and interest of the United States in and to a strip of land through the southerly portion of the Fort Myer Military Reservation necessary for construction of a connection from the Lee Boulevard to the Arlington Memorial Bridge, consisting of a right of way not less than 100 feet in width; said deed of conveyance to contain a restriction against the construction of buildings, fences, or other structures within 110 feet of the center line of said right of way.

SEC. 2. The Secretary of War is hereby further authorized to convey to the said county of Arlington for highway purposes only all the right, title, and interest of the United States in and to a strip of land for a continuous right of way approximately 60 feet in width within and adjacent to the southerly boundary of the

Arlington Reservation from the intersection of said reservation line with the northerly line of the right of way to be conveyed under section 1 to the east line of McKinley Street.

SEC. 3. The lands to be so conveyed are approximately as shown on plat No. 104.2–166 in the files of the National Capital Park and Planning Commission.

SEC. 4. Upon the consummation of the conveyance herein authorized to the county of Arlington, State of Virginia, the jurisdiction of the United States over said lands shall immediately cease and determine and revest in the State of Virginia.

SEC. 5. That if at any time the lands herein authorized to be conveyed to the said county of Arlington, State of Virginia, shall cease to be used for the purposes herein specified, the title in and jurisdiction over the same shall revert to the Government of the United States.

Mr. REED. Mr. President, on the southern border of the Fort Myer Reservation there is an old street-railway right of way. The street-railway company has collapsed, and the right of way is not being used for that purpose.

The State of Virginia has built a broad, new boulevard up to the edge of the reservation, and there it has stopped. This bill authorizes the State of Virginia, at its expense and not at the expense of the Federal Government, to continue that pavement in toward the end of the Memorial Bridge. It will be of great advantage to the city; it will not cost the Federal Government anything; and the committee was unanimously in favor of it.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SMOOT. If it leads to no further discussion, I have no objection.

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. The question is on the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. REED subsequently said: Mr. President, this morning the Senate was good enough to give me unanimous consent for the consideration and passage of a bill introduced by the Senator from Virginia [Mr. SWANSON]. I have to confess that I stupidly sent the wrong draft to the desk. The proper draft would have given a right of way not more than a hundred feet wide. The draft which was sent to the desk contains the words "less than," so that it would provide for a right of way not less than 100 feet wide.

There was a further provision in the amendment which we intended to incorporate in the bill granting the President the power to take this land back at any time in case, in a national emergency, the Government of the United States should need it. That provision was omitted from the draft which was sent to the desk. As both those provisions are for the further protection of the United States, I now ask unanimous consent that the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, may be reconsidered, in order that the amendment may be offered.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the votes whereby the bill was ordered to be engrossed for a third reading, read the third time, and passed are reconsidered.

Mr. REED. I now ask unanimous consent that the amendment which I send to the desk may be considered.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and to insert:

That in order to provide a connection between the Lee Boulevard and the Arlington Memorial Bridge, the Secretary of War is hereby authorized to convey to the county of Arlington, State of Virginia, for highway purposes only, all the right, title, and interest of the United States in and to a strip of land through the southerly portion of the Fort Myer Military Reservation necessary for the construction of a connection from the Lee Boulevard to the Arlington Memorial Bridge, consisting of a right of way not more than 100 feet in width, said deed of conveyance to contain a restriction against the construction of buildings, fences, or other structures within 110 feet of the center line of said right of way.

SEC. 2. The Secretary of War is hereby further authorized to convey to the said county of Arlington for highway purposes only all the right, title, and interest of the United States in and to a strip of land for a continuous right of way approximately 60 feet in width within and adjacent to the southerly boundary of the Arlington Reservation from the intersection of said reservation line with the northerly line of the right of way to be conveyed under section 1 to the east line of McKinley Street.

SEC. 3. The lands to be so conveyed are approximately as shown on plat numbered 104.2–166 in the files of the National Capital Park and Planning Commission.

SEC. 4. The deeds of conveyance shall contain a reservation reserving to the United States the right to resume possession and occupy said tracts of land, or any portion thereof, whenever in the judgment of the President an emergency exists that requires the use and appropriation of the same for the public defense, and also a further reservation that the title hereby conveyed shall revert to the United States and all rights hereby granted shall cease and be forfeited, unless the said county of Arlington shall construct the said highway and assume the obligations herein provided within three years from the date of the enactment of this act.

SEC. 5. Upon the consummation of the conveyance herein authorized to the county of Arlington, State of Virginia, the jurisdiction of the United States over said lands, subject to the conditions and reservations in said deed provided, shall immediately cease and determine and revert in the State of Virginia.

SEC. 6. That if at any time the lands herein authorized to be conveyed to the said county of Arlington, State of Virginia, shall cease to be used for the purposes herein specified, the title in and jurisdiction over the same shall revert to the Government of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Secretary of War to convey certain properties to the county of Arlington, State of Virginia, in order to connect Lee Boulevard with the Arlington Memorial Bridge, and for other purposes."

### ADVERTISING OF NONINTOXICATING BEER

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Utah yield?

Mr. SMOOT. I yield.

Mr. WALSH of Massachusetts. There is pending on the Senate Calendar H. R. 13742, known as the beer bill. The Senate committee, in reporting the bill favorably, has substituted new provisions for the House provisions.

The House bill sought to repeal existing laws prohibiting the advertising of liquor. The Senate committee incorporated in its measure a provision preventing the advertising of intoxicating liquor in certain States.

Some of the minority members of the Finance Committee have taken up this advertising provision with the Treasury Department. They have prepared an amendment which eliminates from the Senate provisions the section preventing advertising.

I ask that a memorandum explaining the existing condition of the law and a proposed amendment be printed in the RECORD, and that the amendment lie on the table.

The VICE PRESIDENT. Without objection, that order will be made.

The memorandum and amendment are as follows:

STATEMENT OF SENATOR WALSH OF MASSACHUSETTS IN CONNECTION WITH THE AMENDMENT HE PROPOSED TO OFFER TO H. R. 13742, KNOWN AS THE "BEER BILL"

The Volstead Act prohibits the advertising by any means of "liquor." The Volstead Act defines liquor as used in the act to include all beverages containing one-half of 1 per cent or more of alcohol.

The so-called "Reed bone-dry amendment," passed in 1917, before the eighteenth amendment took effect, prohibits the sending through the mails of any advertisement of "intoxicating liquors" to any place at which it is unlawful under local law to advertise such liquors. This act does not define the term "intoxicating liquors."

Both of these restrictions on advertising are in existing Federal statutes.

The House bill, providing for the manufacture, distribution, and sale of liquor containing 3.2 per cent, or less, of alcohol by weight, amends the definition of "liquor" so that it does not include beer, ale, or similar fermented liquors containing 3.2 per cent, or less, of alcohol by weight.

Therefore, under the House bill, the provision of the Volstead Act prohibiting the advertisement by any means of liquor would no longer prohibit the advertising of beer containing not more than

3.2 per cent of alcohol by weight, because the prohibition in the Volstead Act applies only to the advertising of liquor and, under the House bill, such beer would no longer be "liquor" within the meaning of the Volstead Act. However, the effect of the House bill on the Reed "bone-dry" amendment is uncertain. A doubt exists because this act does not define intoxicating liquors. This doubt should have been removed by a clear statement in the House bill that the provision of the Reed "bone-dry" amendment does not apply to the liquor authorized therein.

The bill reported by the Judiciary Committee of the Senate, and which is now pending in the Senate, provides in one section that nothing in the national prohibition act shall apply in any way to beer, wine, and fruit juices containing not more than 3.05 per cent of alcohol by weight; but there is another section in the bill which contains the so-called "Dill amendment," which prohibits the advertising of liquor authorized by the bill in dry States. Furthermore, there is the same doubt as to the effect of the Reed "bone-dry" amendment on the provisions of this bill, which amendment is not repealed.

The so-called "Dill amendment," providing for prohibiting the advertising of nonintoxicating liquors, such as beer and other liquors of alcoholic content of less than 3.05 per cent in dry States, would mean that all newspapers and radio advertising would be forbidden unless—which is not possible—it could be shown that a newspaper printed in a wet State never went outside the borders of that State into a dry State.

The amendment to be proposed by Mr. WALSH of Massachusetts would permit advertising, strikes out the Dill amendment of the Senate bill, and inserts language that removes the doubt concerning the Reed bone-dry amendment, as follows:

Amendment intended to be proposed by Mr. WALSH of Massachusetts to the bill (H. R. 13742) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes: On page 10, to strike out lines 15 to 25, both inclusive, and lines 1 and 2 on page 11, and in lieu thereof insert the following:

"(c) Nothing in section 5 of the act entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes,' approved March 3, 1917, as amended and supplemented (U. S. C., title 18, sec. 341; Supp. VI, title 18, sec. 341), shall prohibit the deposit in or carriage by the mails of the United States, or the delivery by any postmaster or letter carrier, of any mail matter containing any advertisement of, or any solicitation of an order or orders for, any of the following containing not more than 3.05 per cent of alcohol by weight: Beer, ale, porter, wine, similar fermented malt or vinous liquor, or fruit juice."

### GEORGE WASHINGTON-WAKEFIELD MEMORIAL BRIDGE

Mr. TYDINGS. Mr. President, an organization known as the George Washington-Wakefield Memorial Bridge are anxious to build that bridge across the Potomac River, connecting Maryland and Virginia. In order to do this, it has been necessary for the States of Maryland and Virginia to appropriate money to build approaches to the bridge. In the case of Virginia, I think it is necessary to build approaches for some 16 or 17 miles and two or three smaller bridges.

The work is ready to be commenced, but unfortunately we have not had an opportunity to get legislation considered which would permit the construction of the bridge. It has been approved by all the agencies of the Government. There is $3,000,000 worth of work that can be started as soon as this bill gets through.

I therefore ask that this extension of authority, which has expired in the meantime, to a completely new, business-like organization that is going to build the bridge, may now be granted.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. What is the request?

Mr. TYDINGS. For the present consideration of Order of Business 1208, Senate bill 5431.

The VICE PRESIDENT. Let it be read.

The Chief Clerk read the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

That the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va., authorized to be built by the George Washington-Wakefield Memorial Bridge, a corporation, its successors and assigns, by an act of Congress approved May 5, 1926, heretofore extended by acts of Congress approved February 16, 1928, February 26, 1929, February 19, 1930, and February 6, 1931, are hereby further extended one and three years, respectively, from the date of approval hereof.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. BORAH. Mr. President, do I understand that this is an extension of the $14,000,000 bridge?

Mr. TYDINGS. No; it is a new bridge. No work at all has been done on the project. It will cost about $3,000,000, and is to be built between southern Maryland and Dahlgren, opposite Washington's former home at Wakefield. It is a private organization composed of men of the highest type.

Mr. McKELLAR. Does it contain any authorization of an appropriation?

Mr. TYDINGS. No.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the time for the construction of a bridge across the Potomac River at or near Dahlgren, Va."

### APPLICATION OF MERCHANT MARINE LAW TO VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3950) to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," as applied to the Virgin Islands of the United States," which were, on page 2, line 4, after "United," to strike out the balance of the paragraph and insert "States, until the President of the United States shall, by proclamation, declare that such coastwise laws shall extend to the Virgin Islands and fix a date for the going into effect of same," and on page 2, beginning with line 9, to strike out all of section 2.

Mr. MOSES. I move that the Senate concur in the amendments of the House.

Mr. McKELLAR. One minute, Mr. President. Will not the Senator let this matter go over until to-morrow? I think the House amended the bill by striking out some provision in it.

Mr. MOSES. I am acting in behalf of the majority of the Committee on Commerce, which considered the bill here; but in view of the Senator's representations, I will withhold my motion for one day.

Mr. McKELLAR. I hope the Senator will let it go over until to-morrow.

### COUNT OF ELECTORAL VOTE

The VICE PRESIDENT. The hour of 12.40 p. m. having arrived, the clerk will call the roll for the purpose of ascertaining the presence of a quorum, which will be noted in the RECORD, in order that the Senate may proceed to the Hall of the House of Representatives to participate in the joint session to be held for the purpose of counting the electoral vote for President and Vice President of the United States.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Copeland | Harrison | Moses |
| Austin | Costigan | Hastings | Neely |
| Bailey | Couzens | Hatfield | Norbeck |
| Barbour | Cutting | Hayden | Norris |
| Barkley | Dale | Hebert | Nye |
| Bingham | Davis | Hull | Oddie |
| Black | Dickinson | Johnson | Patterson |
| Borah | Dill | Kean | Pittman |
| Bratton | Fess | Kendrick | Reed |
| Brookhart | Fletcher | Keyes | Reynolds |
| Bulkley | Frazier | King | Robinson, Ark. |
| Bulow | George | La Follette | Robinson, Ind. |
| Byrnes | Glass | Lewis | Russell |
| Capper | Glenn | Logan | Schall |
| Caraway | Goldsborough | McGill | Schuyler |
| Clark | Gore | McKellar | Sheppard |
| Connally | Grammer | McNary | Shipstead |
| Coolidge | Hale | Metcalf | Shortridge |

| | | | |
|---|---|---|---|
| Smith | Thomas, Idaho. | Wagner | Wheeler |
| Smoot | Townsend | Walcott | White |
| Steiwer | Trammell | Walsh, Mass. | |
| Stephens | Tydings | Walsh, Mont. | |
| Swanson | Vandenberg | Watson | |

The VICE PRESIDENT. Eighty-nine Senators having answered to their names, there is a quorum present.

Senators, under the order of the Senate adopted in furtherance of the concurrent resolution providing for the counting of the electoral vote for President and Vice President of the United States, the Senate will now proceed to the Hall of the House of Representatives. After the joint session shall have been concluded there, the Senators will return and resume legislative business.

Thereupon the Senate, preceded by the Vice President, the Secretary of the Senate, the secretary for the majority, and the secretary for the minority, assistants of the Sergeant at Arms, proceeded to the Hall of the House of Representatives.

The Senate returned to its Chamber at 1 o'clock and 45 minutes p. m., and the Vice President resumed the chair.

RECESS

Mr. McNARY. Mr. President, I move that the Senate take a recess until 15 minutes past 2 o'clock.

The motion was agreed to; and the Senate took a recess until 2 o'clock and 15 minutes p. m., at which time the Senate reassembled and the Vice President resumed the chair.

COUNT OF THE ELECTORAL VOTE

The VICE PRESIDENT. The Senator from Illinois [Mr. GLENN] is recognized.

Mr. GLENN. Mr. President, I desire to report that the two Houses of Congress of the United States met in joint session at 1 o'clock this day for the purpose of ascertaining the result of the election held on November 8 last for the office of President of the United States and Vice President of the United States; that thereupon the certificates of the electors of the several States of the votes cast by them for those offices were opened by the Vice President of the United States and delivered to the tellers. On being examined it appeared that the votes of the electors of the several States had been cast in accordance with the list which will be sent to the desk at the conclusion of my statement.

The certificates show that the state of the vote for President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for President of the United States is 531, of which a majority is 266.

Franklin D. Roosevelt, of the State of New York, has received for President of the United States 472 votes;

Herbert Hoover, of the State of California, has received 59 votes.

The state of the vote for Vice President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of electors appointed to vote for Vice President of the United States is 531, of which a majority is 266.

John N. Garner, of the State of Texas, has received for Vice President of the United States 472 votes;

Charles Curtis, of the State of Kansas, has received 59 votes.

I presume the concluding statement should be made by the Vice President of the United States, and, therefore, I send the list to the President of the Senate.

The VICE PRESIDENT (reading):

The state of the vote for President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for President of the United States is 531, of which a majority is 266.

Franklin D. Roosevelt, of the State of New York, has received for President of the United States 472 votes; Herbert Hoover, of the State of California, has received 59 votes.

The state of the vote for Vice President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for Vice President of the United States is 531, of which a majority is 266.

John N. Garner, of the State of Texas, has received for Vice President of the United States 472 votes; Charles Curtis, of the State of Kansas, has received 59 votes.

This announcement of the state of the vote by the President of the Senate shall be deemed a sufficient declaration of the persons elected President and Vice President of the United States, each for the term beginning on the 4th day of March, 1933, and shall be entered, together with a list of the votes, on the Journals of the Senate and House of Representatives.

[For tabulation of electoral vote for President and Vice President of the United States, see House proceedings of this day, page 3639.]

INTERIOR DEPARTMENT APPROPRIATIONS

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, the title of which will be stated.

The CHIEF CLERK. A bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

GOVERNMENT ACCOUNTING AND AUDITING SYSTEMS

Mr. WHEELER. I desire to call up and have considered at this time Senate Resolution 350 and Senate Resolution 351. I ask unanimous consent that those resolutions may be considered.

Mr. SMOOT. If their consideration will not lead to debate, I shall not object.

Mr. WHEELER. I am quite sure they will not lead to debate.

Mr. McKELLAR. Will the Senator state what they are?

The VICE PRESIDENT. Let the first resolution be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 350) submitted by Mr. WHEELER on the 7th instant, as follows:

*Resolved*, That the Comptroller General of the United States be, and he is hereby, directed to submit, on or before April 15, 1933, to the Senate of the United States a detailed report of the savings that may be effected through the reorganization, centralization, consolidation, and/or elimination of accounting records, accounting and audit procedures, disbursing and collecting officers, and purchasing and warehousing activities of the Governments of the United States and the District of Columbia.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. FESS. Mr. President, I asked yesterday that the resolution should go over for the day. I have since examined it, and have no objection.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was considered and agreed to.

REPORTS ON DEPARTMENTAL FUNCTIONS

Mr. WHEELER. I now ask unanimous consent for the immediate consideration of Senate Resolution 351.

There being no objection, the resolution (S. Res. 351) submitted by Mr. WHEELER on the 7th instant was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the heads of all departments, independent establishments, and Government owned and/or controlled corporations be, and are hereby, directed to submit, on or before April 15, 1933, to the President of the United States and to the Senate of the United States a detailed report of all functions, including accounting, disbursing, collecting, purchasing, and personnel, performed by said departments, establishments, and corporations, together with the authority for the performance of each function and the annual cost thereof.

VETERANS' CLAIMS

Mr. SHORTRIDGE. Mr. President, I ask unanimous consent that an editorial appearing in the Palo Alto (Calif.) Times, published in Palo Alto, Calif., under the caption "Press is Misjudged Regarding Attitude on Veterans' Claims," may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Daily Palo Alto Times, Palo Alto, Calif., Monday evening, January 16, 1933]

PRESS IS MISJUDGED REGARDING ATTITUDE ON VETERANS' CLAIMS

For some unaccountable reason the newspapers never have succeeded in getting the fact across that mere publication of a news story does not imply indorsement or approval. Publication of the facts of a murder does not indicate editorial approval of the

murder. Nor does publication of a speech, resolution, legislative bill, or motion imply sympathetic attitude toward the contents. Newspapers continually publish texts of addresses and communications which are flagrantly in opposition to the announced editorial views of the publishers. But despite that oft-repeated demonstration, evidences pop up every now and then that some readers take for granted that any quoted matter appearing in the columns is necessarily there solely for propaganda purposes of the publication.

An evidence of that sort is furnished to-day in a forum-column contribution from officials of two local veterans' organizations. The letter begins: "While the bitter controversy is going on between the National Economy League, the United States Chamber of Commerce, and the veterans, it has been brought to our notice that the press, subsidized by national advertisers, is effectually keeping the veterans' side of the argument from the public."

That statement is both erroneous and unfair. The press, to begin with, is not "subsidized" by advertisers of any sort—national or local. Moreover, neither the press nor the advertisers are in any sort of conspiracy on the question of veterans' relief. Furthermore, the press is not keeping the veterans' side of the argument from the public. The newspapers take the stories as they break. When veterans' organizations engage in a conspicuous or otherwise important activity, the stories are published. When opposition to the claims of veterans is presented importantly and conspicuously, that, too, is news, and naturally finds its way into the news columns. The papers are under no obligation to "balance books" on the news. They take the breaks as they come.

The correspondents in their forum-column letter to-day state: "Your paper (Times) published an article on December 19, 1933, followed by another on January 4, 1933, which stated that a saving of $400,000,000 in governmental expenditures could be made if the recommendations of the United States Chamber of Commerce and the National Economy League were adopted by Congress." The inference from that quotation would be that those articles were expressions of opinion by the Times. Such was not the case. The first article referred to was an Associated Press dispatch from Washington reporting recommendations to Congress by the United States Chamber of Commerce. The second was a dispatch from Washington reporting a proposal by the chairman of the House Veterans' Appropriations subcommittee. Publication of the stories implied nothing regarding the paper's attitude.

Certainly there can be no disputing the fact that statements made so conspicuously and coming from such important sources were news. And is it not important from the veterans' own standpoint that such news be published? Failure of the press to include such news in its columns would evoke the complaint that pertinent information was being suppressed so as not to allow the compensation claimants the opportunity of combating their opposition.

In order to remove any idea that may still linger regarding any conspiratorial tie-in between the policies of the allegedly "subsidized" press, the national advertisers, and any organizations, the Times hereby declares its editorial stand on the subject of veterans' claims:

First. We believe that veterans whose disabilities are service connected are entitled to every cent which they have received, which they are receiving, and which they may receive from the United States Government.

Second. In many cases we believe that the compensation of such veterans is far below the amount to which they are justly entitled.

Third. We oppose any reduction in the amounts being paid to such veterans.

Fourth. We favor the reduction or the complete elimination of compensation which is being paid to veterans whose disabilities are not service connected. We do not believe that such veterans are entitled to compensation in the first place and we believe that every cent which is paid to them takes away from compensation which should be paid to veterans with service-connected disabilities.

Fifth. We oppose the hospitalization of veterans for disability not service connected.

Sixth. We oppose the payment in advance of the "bonus" or adjusted compensation. Our reason for this opposition is based on the belief that pressure for payment will jeopardize the payment of compensation to veterans with service-connected disabilities.

We believe that the present agitation for the reduction for all payments of every sort to veterans is caused, first, by the drive for the "bonus," second by the tremendous sums paid to veterans for disabilities not service connected, and, third, the enormous cost of hospitalization of veterans for disabilities not service connected.

Our attitude may be summed up in this statement: We believe that the country can not do too much for the veteran who was disabled in service and we oppose compensation and hospitalization for the veteran whose disability was not service connected for the reason that the cost of such payment and such hospitalization jeopardizes the chances of the veteran with service-connected disability to secure just and adequate compensation.

### THE TARIFF OUTLOOK—1933

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD an address by William L. Monro, a prominent citizen and manufacturer of Pennsylvania. I am in accord with Mr. Monro when he says:

The brunt of increased foreign competition will fall with crushing weight on American labor. A factory can close down, a furnace can be drawn, and a machine can stop to await the return of better days. But there is no such waiting for our workers if they are to live and we to survive.

There being no objection, the article was ordered to be printed in the RECORD, and it is as follows:

THE TARIFF OUTLOOK—1933

By William L. Monro

We meet this year in the midst of a considerable tariff uncertainty. I say this not at all as an alarmist, but rather as an undeniable fact which makes difficult all attempts at analysis of the future and complicates attempts to formulate a program and a policy. A large part of this tariff uncertainty is political in its origin and character. In less than six weeks the present part-Republican administration will give way to an administration overwhelmingly Democratic. In the next House of Representatives the Democratic Party will have a membership of 314, which means a majority of 193. The next Senate will be made up of 59 Democratic Members, giving the party a majority of 22. In both the House and Senate, in other words, the party's majorities will be clearly more than enough to carry out a strictly Democratic tariff program, but to say what this program will be requires more analytical vision than I confess I have.

The Democratic Party stands committed to a competitive tariff for revenue, coupled with a policy of tariff reciprocity with the rest of the world. The effective adoption of such a program would seem to call for a revision of the present Hawley-Smoot law, but I know of no better way to indicate the tariff uncertainty confronting us than to refer to the lack of agreement among two of the most prominent Democratic tariff leaders in Washington. Less than a year ago Senator HARRISON, of Mississippi, who will be the new chairman of the Senate Finance Committee, publicly charged that "the Smoot-Hawley tariff bill wrecked this country," and he added, "I will stand by that statement." Less than two months before Senator HARRISON made this charge, his colleague in the House, Congressman RAINEY, who may be the new chairman of the Ways and Means Committee, admitted that the Democrats did not dare reduce the rates in the Hawley-Smoot law for fear of permitting a flood of cheap foreign merchandise to come into this country. As a further indication of the prevailing lack of tariff agreement in official Washington, I might refer to the announcement two weeks ago that both Senator COSTIGAN and Congressman LEWIS (both former members of the Tariff Commission) will propose that the new administration reduce the rates in the industrial schedules to the levels of the Democratic Underwood-Simmons Act of 1913.

Despite this disagreement, however, and the uncertainty which it suggests, it seems to me extremely unlikely that we shall go through the coming year without congressional consideration of the tariff, and, therefore, despite the uncertainty and disagreement, I propose a brief analysis of the outstanding features in the existing tariff situation which I believe will necessarily play a large part in the tariff program with which we shall have to deal.

THE TEST OF A COMPETITIVE TARIFF

First, I refer again to the Democratic Party's commitment on the tariff. The party stands pledged to a competitive tariff for revenue, supplemented by a policy of tariff reciprocity with the rest of the world. There is likely to be some difficulty, it seems to me, in actually formulating a tariff program which will fulfill these two fundamental statements of purpose, but assuming this can be done, let us consider the result. We shall have a competitive tariff, which is what the Democratic tariff law of 1913 was. The test of such a tariff, according to both President Wilson and one of its sponsors, Congressman Underwood, is to be found in the volume of competitive imports which are allowed to come into our country to compete with the products of American industry, agriculture, and labor. President Wilson was particularly specific in explaining the principle of a competitive tariff. The theory of such a tariff, he said, is "to introduce in every line of industry a competitive basis, providing for a substantial amount of importation * * *." This, I think we must assume, still holds, and in this explanation of the underlying theory of a competitive tariff we have at least a good indication of the fundamental character of the tariff law which the Democratic Party stands pledged to give us.

This proposal for a foreign competitive basis for American industries and labor overlooks the fact that the industries of this country are, without exception, more highly competitive than in any other country in the world. It also overlooks the fact that the foreign competition which is to be invited into our markets is largely from industries that are operating in their own countries under trade agreements, cartels, and the like regulating production and selling prices, all by government sanction.

RECIPROCITY IN OPERATION

Presumably a new Democratic tariff law will reserve our century-old tariff policy under which our dutiable schedules have provided for a single rate of duty per commodity applicable to all imports regardless of their country of origin. Such a tariff policy means a program of tariff bargaining with foreign countries under which, in return for concessions and advantages

granted our trade by a foreign country, we reciprocate by granting tariff concessions to our imports from that particular foreign country. This, of course, is but another way of saying that we shall reduce our duties on imports from those countries that give us tariff concessions on our exports. Query: If our rates have already been reduced to competitive-tariff levels, are they to be further reduced by this policy of international reciprocity and tariff bargaining, and is this policy of a competitive-reciprocity tariff to be inaugurated in the face of the wholesale drastic reduction in our rate structure which has been brought about by the world-wide depreciation in foreign currencies?

THE MENACE OF DEPRECIATED CURRENCY IMPORTS

No analysis of our tariff future is complete without a consideration of the increasing menace of depreciated-currency imports to our industries and our labor. I referred to this problem in my report to you a year ago, saying that 23 foreign nations were more or less completely off the gold standard; a survey of the Department of Commerce in December indicated that the number of such countries has increased to 44. A year ago, the maximum depreciation was about 30 per cent of par; this morning the Japanese yen is quoted at 20.75 cents on a par value of 49.85 cents—a depreciation of 58.4 per cent. I also referred to the fact a year ago that there is not a single provision in our tariff law to deal with this economic menace, and after a year of intensive effort, in which the Tariff League has participated to the limit of its ability and resources, we are still without a remedy against depreciated-currency imports, thanks to the refusal of Congress to act.

The menace, both actual and potential, of the unfair competition of depreciated-currency imports in our markets has reached such a point where I may say that many Democratic leaders in Washington are convinced of the need for congressional action. Further, I am informed that in the opinion of one of these legislators the failure of our efforts last spring and summer to secure remedial legislation was due in part to the lack of appreciation in the country generally of the menace of this unfair foreign competition in our markets. I think this probably was the case six months ago; in fact, I think it was probably the case up until about a month ago. But the last 30 days has brought a development on this score of tremendous importance. About a month ago the Hearst newspaper chain, impressed by the seriousness of depreciated-currency imports to our industries and our workers, started a popular campaign of truly heroic proportions in support of congressional action against these ruinous importations. This campaign by the Hearst newspapers is, in my opinion, a great public service to the American people. Here is a power that can educate and arouse the people to the seriousness of this unfair foreign competition in our markets; and the Congress never met that dares remain adamant to the demands of an aroused people.

SHORTER HOURS FOR LABOR MEANS INCREASED COSTS

Under these circumstances, action of some kind must soon be forthcoming, and we have therefore a most anomalous situation. The Democratic Party stands pledged to a downward revision of our tariff, but the party will actually assume control of our national policy confronted with the need for restoring the protective intent of the rate structure in the act of 1930. The party's course, it seems to me, should not be a difficult one to choose. With national and international conditions as they are, an abandonment of our protective-tariff policy at this time would result, I am convinced, in a setback of disastrous proportions. Even under good business conditions, we are faced with the serious problem of absorbing a surplus of labor.

Under the stress of the economic conditions of the past three years public opinion has moved far in favor of absorbing our idle labor through a reduction in the working hours per man per week. Such a program necessarily involves the question of wages as well as hours, if we are to maintain the American standard of living. To do this the employer and the employees must share the burden of increased production costs which will inevitably follow a reduction in the number of hours worked per man. To the extent that these increased costs result in higher selling prices it will invite increased importations of foreign-made competitive merchandise. This would decrease employment in this country, and I see no escape from the conclusion that a reduction in the working hours of labor, with its consequent increase in manufacturing costs, will require increases in the tariff if our rates are to equalize the difference between foreign and domestic costs.

I fully realize that we seem to have lost sight of this principle of cost equalization in the maze of economic arguments advanced in support of a competitive reciprocity tariff for this country. Cutting through the maze of discussion and propaganda, the economic case for any such tariff program rests on two principal arguments.

TARIFF REDUCTION FOR INCREASED EXPORTS—UNSOUND AND FALLACIOUS

The first of these arguments claims that a revival of our export trade and a restoration of it to something like the levels of 1928 and 1929 is the key to the return of prosperity, and that such a revival and restoration of our export trade can only be secured by a reduction in our tariff which will permit foreign producers to increase the sale of their goods in our markets. This argument is accepted at its face value by a great many people. It is publicly proclaimed by economic theorists, spokesmen for the automobile industry, bank and college presidents, and others. In short, the argument has widespread acceptance, and it is certainly not lacking in support of an apparently substantial character. Despite the impressive array of intelligence which supports and advocates it, however, I believe the argument to be thoroughly unsound and wholly fallacious.

TWO-THIRDS OF OUR IMPORTS NOW DUTY FREE

It is now generally appreciated that under our present tariff law about two-thirds of all our imports come in duty free. The importance of this lies not so much in the size of this percentage as it does in the fact that it is a fundamental principle in our protective-tariff policy to levy duties only on luxury articles and on foreign-produced merchandise that is competitive with the products of American labor, agriculture, and industry. This being so, it inevitably follows that a reduction in our tariff deliberately made so that foreign producers can take over a larger share of the American market would call for a reduction in the rates applicable to foreign-made merchandise which would compete with and displace in our markets the products of our workers, our farms, and our factories. And we are told that by increasing our imports—our competitive imports, if you please—the resulting increase in our export trade will more than make up for the unemployment of our workers and the idleness of our plants, which surely will follow an increase in competitive imports.

Now here is fallacy indeed; here, it seems to me, is a proposal contrary to common sense. Such a proposal proceeds on the naïve assumption that a reduction in our tariff on competitive imports will be automatically followed by world-wide reductions in foreign tariffs which are to-day one of the two outstanding causes of the decline in our export business. I called this assumption naïve; I would add that I consider it violent and wholly unjustified. International trade is, to a much greater degree than domestic trade, devoid of sentiment. Foreign nationals buy from us those things, and only those things, which we can sell them more cheaply than other producers can. I know of no greater proof of this than the fact that in the first quarter of 1931 England bought more wheat from communistic Russia than she did from her own Dominion of Canada. I say, therefore, that the export-traders' assumption that a reduction in our tariff will automatically be followed by a widespread movement in foreign countries to buy American goods is contrary to all known facts.

1 PER CENT EQUALS 10 PER CENT AND 2 PER CENT EQUALS 20 PER CENT

But overlook all this and consider the argument from a very simple statistical standpoint. For the past 30 years our export trade has amounted to about 10 per cent of our total annual production; not 10 per cent of our total domestic business, be it noted, but 10 per cent of what the Department of Commerce calls our total production of movable goods. The latest available figures are for 1929, and in that year our total production was valued at almost $53,000,000,000, while our total exports were valued at slightly over $5,000,000,000. The export-trade argument says we must lower our tariff to increase imports so as to increase exports. Suppose we were to do so and that we let in enough increased imports to cut our domestic production by only 2 per cent. Two per cent of $53,000,000,000 is over $1,000,000,000. To offset and make up for this 2 per cent loss to our producers calls for a 20 per cent increase in our export trade. This may all sound complicated, but it is plain arithmetic. So long as our domestic production is ten times as great as our export trade, every cut of 1 per cent in our domestic production calls for a 10 per cent increase in our export trade if we are to break even. Otherwise we sacrifice a part of our great domestic market for a mess of export porridge. Furthermore, we can only increase our export trade by engaging in a battle of prices in the world's markets with foreign producers who have the competitive advantage which comes from the lower wages, longer working hours, and the lower standards of living of foreign countries. In the face of these conditions, who is foolish enough to believe that having lowered our tariff and admitted an increased volume of imports that we can secure a corresponding increase in our export business?

WHO REALLY WILL PAY FOR INCREASED EXPORTS?

In the second place, the proponents of the argument that we must restore our export trade to some such proportions as prevailed in 1928 and 1929 seem completely to overlook the tremendously important fact that we ourselves financed our predepression export business. Thanks to the operations of our international bankers during the years from 1923 to 1928, the American people paid for the exports with which we filled the holds of almost every outgoing ship during the whole of the late-lamented boom years. In fact, as matters stand to-day, it can almost be said that we gave away most of the exports we shipped out in the predepression years, I believe that our export-trade advocates have the burden of telling us and the American people who really is going to pay for the export business we buy at the price of tearing down our tariff.

OUR 90 PER CENT DOMESTIC MARKET

Finally, the proponents of this theory that our return to prosperity is dependent upon an increased volume of export trade overlook the fact that we are ourselves our own best customers.

We regularly consume fully 90 per cent of our total production every year, and our prosperity depends upon this domestic trade to an infinitely greater degree than it does on our foreign trade. When this country is operating on a reasonably normal basis the wheels of industry are humming loudly, unemployment is at a minimum, wages are high, our people are living up to American standards, profits are being disbursed as dividends; in short, the country is prosperous, and it is prosperous because of the tremendous consuming capacity of our own markets. A return of

our domestic consuming capacity is what we need, and not a greater increase in our export trade. During the last three years of depression many of our leading industries have planned for economies and greater efficiency, so that a production of only 35 per cent or 40 per cent of capacity means operation "in the black." Under these conditions I leave to you what their showing would be under an operation of 80 or 90 per cent of capacity. I say again that our return to prosperity does not depend upon an increase in our foreign trade. We need to open up again our unrivalled market. We need a revival of confidence. We need to revolt against our own timidity and dare to go ahead. Our future lies in a dependence on and within ourselves, and not in a dependence on foreign countries and foreign markets.

THE WAR DEBTS

The other principal economic argument advanced in support of the proposal that we abandon our protective-tariff policy grows out of the relation between our tariff policy and the pressing problem of international debts.

We are a creditor Nation to the extent of approximately $22,000,000,000, after deducting the $4,000,000,000 which is estimated to be the par value of the foreign holdings of American obligations. Of the total foreign debts due us, approximately eleven and one-half billion dollars are on account of the so-called war debts, while about fourteen and one-half billion dollars represents the total of the so-called private or commercial debts, most of which are the result of our international banking operations during the 10 years after the armistice. As regards methods of payment on account there is no difference between the intergovernmental war debts and the private debts. Both can be paid, if paid at all, in three ways: By the transfer of gold, by payment in services, and by payment in goods.

In view of this most important similarity between the war debts and the postwar private commercial debts, I have been impressed during the last year at the apparent lack of consideration of the ultimate disposition of these private debts. Practically all of the discussion concerning cancellation, reduction, and revision have related to the intergovernmental war debts, apparently on the theory that if these could be satisfactorily disposed of the private debts would take care of themselves. This may be so; in any case, with this much of a comment on the close similarity between the war debts and the private debts, I shall limit myself to a consideration of the war debts as these relate to our tariff policy. It will be useful at this point to refer briefly to the magnitude of the amounts involved at this time to accomplish the annual payments of the war debts. Under the terms of the funding agreements we have with the 15 nations obligated to us on account of the war debts the total of the payments due us for 1932 amounted to $246,000,000. For 1933 the total of the payments due us amounts to $280,000,000.

THE MEANS DESTROYS THE END

Obviously, substantial payments in gold are out of the question for the time being, leaving payment in services and payment in goods as the only two available methods. Of these two methods we are most concerned with the latter—payment in goods—and payment in goods means merchandise imports into the United States. To the extent that this merchandise is competitive with the products of our own workers, farms, and factories, it means that we displace American products and American workers with foreign-made merchandise, and displacing American workers inevitably means reducing their purchasing power and their demand for goods, both foreign and domestic. Thus, I fear that in taking payment for the international debts due us in foreign-made goods we become involved in a vicious circle. Our foreign debtors can pay us in goods only to the extent that our markets can and will absorb this foreign-made merchandise. And to the extent that this foreign-made merchandise is competitive with and displaces American-made goods, to that extent we reduce the capacity of our markets to absorb our debtors' products. The means, in other words, destroys its own end, for as our foreign debtors pay their debts to us by taking over an increased share of the American market, by the very process of doing so they destroy the market which is to absorb their merchandise.

Is the alternative, it will be asked, cancellation of these intergovernmental war debts? Not necessarily, in my opinion, but the alternative, I believe, does involve certain revisions and considerable readjustment. The English debt, as it now stands, is wholly out of line with the settlements made with all our other debtors. On the basis of simple fairness, if on no other, it seems to me the English debt should be reviewed and revised, and I think, too, that our consideration of the problem will have to go beyond England as a result of the international financing of the private loans by our bankers since the original examination of our debtors' capacity to pay on which the existing funding agreements are based.

FURTHER POSTPONEMENT OF PAYMENTS NECESSARY

In the meantime, I see but one solution—a further deferring of the annual war-debt payments, both principal and interest, until such time as our debtors can pay without crippling themselves. This does not mean, nor does it require, a return to the dizzy heights we reached in 1928 and 1929. A return to what I shall call the reasonably normal conditions of 1925, 1926, and 1927 would, I believe, provide us with a highly satisfactory working basis. During each of those three years, for example, it is estimated that American tourists in foreign countries spent on the average over $600,000,000—an amount more than twice the amount of the current annual payments on the war debts on account of both principal and interest. Most of these tourist expenditures were made in the very countries obligated to us on account of the war debts, and every dollar of these expenditures is as effective in the payment of these war debts as is the transfer of gold or payment in goods. Here, in this one item of the so-called invisible trade which runs heavily against us every year is a method of paying the war debts which I think has not been given its proper attention.

I shall summarize my whole consideration of this complicated problem concerning the relation between our tariff policy and the payment of the war debts by saying that I believe the Tariff League should oppose any proposed settlement of our international debts—both public and private—made at the expense of our labor and our industries at a time when our business is reduced to a minimum and our unemployment stands at an all-time high. I shall add to this what I said to you a year ago: If and when the problem narrows down to a choice of two alternatives—one the abandonment in whole or in part of the foreign debts due us, and the other an abandonment of our American markets to foreign-made goods in order that these foreign debts may be paid—it seems to me the choice is inevitable. At all costs we must protect our workers, our farms, and our industries from a foreign competition of such ruinous character that it would lead to economic chaos and possibly to social revolution.

CONCLUSION

In conclusion: We are confronted with a tariff outlook in which the continuance of our protective policy is at stake. Serious enough under the best of conditions, the abandonment of our protective tariff at this time seems to me like a leap into the unknown. For more than three years we have struggled with a series of economic reverses of almost overwhelming proportions, and we are threatened now with another in the form of increased foreign competition in our own markets. The brunt of this increased foreign competition will fall with crushing weight on American labor. A factory can close down, a furnace can be drawn, and a machine can stop to await the return of better days. But there is no such waiting for better days for our workers. They must work if they are to live and if we are to survive.

Our greatest need is for stability. Stability begins in the market, and the violent disturbance of our markets which would inevitably follow the enactment of a competitive-reciprocity tariff at this time would be, I repeat, a setback of disastrous proportions. The Tariff League, therefore, it seems to me, should urge upon our incoming administration, even to the point of pleading with its responsible leaders, the adoption of a tariff policy which will not open our markets to the low-cost producers and labor of foreign countries. This calls first for a legislative check on the growing menace of depreciated-currency imports, and it calls for the continued maintenance of our protective-tariff policy.

My final word is a single sentence quoted from the CONGRESSIONAL RECORD: "We do not want this market flooded with the products of cheap labor in other countries." That statement was made on January 9, 1932, on the floor of the House by Congressman HENRY T. RAINEY, of Illinois, Democratic tariff leader and low-tariff advocate. I shall add to it only: "By their fruits ye shall know them."

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

Mr. SMOOT. Mr. President, I will make only a brief statement regarding the bill. The appropriations in the bill as it was passed by the House totaled $43,652,904.

The amount added by the Senate committee—that is, the net amount—is $164,940.

The amount carried by the bill as reported to the Senate is $43,817,844.

The amount of appropriations for 1933, the present fiscal year, was $67,183,684.35.

The amount carried by the bill as reported by the Senate committee is under the estimates for 1934 by $2,266,085, and, compared with the appropriations for the fiscal year 1933, represents a reduction of $23,365,840.35.

There are very few amendments to the bill, and I doubt very much whether there is any objections to the amendments which have been reported.

The VICE PRESIDENT. The reading of the bill will be proceeded with, and the first amendment of the committee will be stated when it is reached in the reading.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "Bureau of Indian Affairs, Industrial Assistance and Advancement," on page 18, line 10, after the name "Oregon," to strike out "$10,000" and insert "$20,000," so as to read:

Insect control work, Klamath Indian Reservation, Oreg. (tribal funds): For continuation of forest insect control work on the Klamath Indian Reservation in Oregon, $20,000, payable from

funds on deposit in the Treasury to the credit of the Klamath Indians.

TAX-EXEMPT SECURITIES

Mr. ASHURST. Mr. President, I offer due apology for discussing a subject not immediately related to the pending bill. Last week I had expected to address the Senate on the subject of tax-exempt securities, and I meditated a speech thereon of perhaps half an hour in length. It so happened, however, that on last Monday morning I was in conference with a body of distinguished gentlemen who fell into a discussion of the uselessness, indeed the futility, of protracted speeches in the Senate. So I began to plan to limit my remarks on the subject of tax-exempt securities to five minutes.

Mr. President, the Secretary of the Treasury estimated in his report for the fiscal year ended June 30, 1932, that on December 31, 1931, there were outstanding in the United States $22,536,000,000 in securities that are exempt from taxation so far as the normal income tax and the surtax are concerned. These figures given out by the Secretary of the Treasury are by no means an exaggeration. Here, therefore, Mr. President, is a tremendous reservoir of wealth, possessed largely by men and women of vast property, that is not paying its due proportion and share of the taxes to maintain the Federal Government, whilst the men and women who toil and do not possess large property must pay income taxes.

Recently it has been proposed in Congress and elsewhere "to broaden the base," so as to make the income tax apply to still larger numbers of persons of small means, as a way out of the Treasury deficit. I respectfully point to this vast reservoir of wealth, $22,536,000,000, which is exempt from the normal income tax and the surtax.

Some time ago I introduced a joint resolution, being Senate Joint Resolution 224, to provide an amendment to the Constitution under which hereafter no more tax-exempt securities shall be issued. I realize that it may be some time before such an amendment could be adopted and become a part of our Constitution. Happily, however, it is within the power of the Federal Government to decline further to issue tax-exempt securities, and, happily, it is within the power of every State and every county and every municipal corporation to decline hereafter to issue tax-exempt securities; and, therefore, the remedy is within their own hands. If people complain that this already vast reservoir of nontaxable securities continues to increase in volume, they have but themselves to blame.

It is well, Mr. President, to remember that every time the Federal Government issues a tax-exempt security, every time a State, a county, or a municipality issues a tax-exempt security, a double burden of taxation is thereby immediately placed upon some other person.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield.

Mr. KING. I recognize that my able friend from Arizona has been a student of this question, and I am inclined to defer to his judgment; but I challenge his attention to the fact that many representatives of States—and one of them wrote me a letter, which I received this morning—learning of the movement looking toward a constitutional amendment that would subject municipal and State securities to taxation, protest against it upon the ground that so long as the States may sell their securities free from the burden of taxation they can get a much larger amount for the bonds which they issue than if those bonds were subject to taxation. They say, too, what they lose in taxes and what the Federal Government loses in taxes the States as well as the Federal Government are more than compensated by the advantageous disposition which they may make of their securities. They can sell them above par, and they can reduce the rate of interest perhaps from 4 or 5 or 6 per cent down to 2 or 3 per cent.

I have been constrained to accept that view in the past, and I know that many able men who do not like this tax exemption have felt that perhaps, taken by and large, there was a sort of equilibrium maintained between the advantages and the disadvantages. Furthermore, there has been a sort of hostile feeling toward the Federal Government saying to the States, "We are going to tax your securities." There might arise a period when the Federal Government would want to tax the States out of existence or to limit their authority, to the extent that they might do by taxation, and thus the States would be unable really to issue securities for the maintenance of their governments.

Mr. ASHURST. Mr. President, reciprocating the compliment the able Senator from Utah was so kind as to pay to me—the Senator is a member of the Senate Committee on Finance, and is a closer student of the general subject of finance than am I; it so happens, however, that for some years I have given the subject of tax-exempt securities close consideration; and now in vindication of my assertion that most subjects before the Senate may be discussed in 5 or 10 minutes, the able Senator from Utah has in three or four minutes said about all that may be said in opposition to a refusal hereafter to issue tax-exempt securities. The able Senator, in a few sharp sentences, gave all the arguments that may hereafter be, or that have heretofore been advanced in favor of tax-exempt securities.

Mr. President, admitting for the sake of the argument that there might be a reciprocal balance—there is still another factor in this question, and it is a factor that Bismarck called an "imponderable." I tell you, Mr. President—respectfully, of course—that the American people, finding the depression long, are short in temper; and the longer the depression lasts, the shorter will be their temper.

We are obliged to confront an "imponderable." When people realize that this citizen with his breast-pockets bulging with nontaxable securities and that citizen with a safety deposit box filled with nontaxable securities have the same protection under the Government as does the man who pays taxes, it does not require a close observer to realize that there is a feeling that an unfairness exists.

It is like the old-time railroad passes: Every time a passenger rode upon a free pass the next passenger who came along and paid fare was required to pay for the transportation of the free passenger. It is an inexorable law that can not be escaped, denied, or dodged; and in my judgment, the issuance of tax-exempt securities should cease. It is time to set in motion some movement looking toward the refusal of the States and the refusal of the Federal Government hereafter to issue tax-exempt securities.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Iowa?

Mr. ASHURST. I yield.

Mr. BROOKHART. I should like to call the Senator's attention to the argument which is frequently made, that through the issuance of these tax-exempt bonds money is raised at a lower interest rate, which in effect pays the taxes by a lower interest rate. What has the Senator to say about that?

Mr. ASHURST. I do not know that the able Senator from Iowa was in the Chamber when the junior Senator from Utah [Mr. KING] made the same point.

Mr. BROOKHART. No; I did not hear it made.

Mr. ASHURST. I said in reply that, in my judgment, that is the only argument that can be made for tax-exempt securities. Assuming it to be sound, there nevertheless remains this "imponderable," which for a century has disturbed and will continue to disturb our people, to wit, the sense of unfairness in permitting one class of persons to escape taxation, to have their breast pockets bulging with nontaxable securities and their strong boxes almost bursting with nontaxable securities, while upon the other citizen a double burden of taxation is thereby placed.

Mr. BROOKHART. Mr. President, another question.

The VICE PRESIDENT. Does the Senator from Arizona yield further?

Mr. ASHURST. I yield.

Mr. BROOKHART. The Senator from Virginia [Mr. GLASS]—who, I hope, will be our next Secretary of the

Treasury—said recently that the interest rate on these Government loans should have been reduced long ago.

I have had a feeling myself that Mr. Mellon's whole administration has been a plan to maintain high interest rates. I have felt all the time that he could have reduced the interest rate on these Government bonds, because every issue since he has been Secretary of the Treasury has been oversubscribed. I have felt that always they were put out at an interest rate higher than tax-exempt bonds ought to carry. If the public authorities would hold down the interest rates, there would be still more merit in that argument, would there not?

Mr. ASHURST. When you take me into the field of finance, I do not feel at ease in measuring blades with men like the senior Senator from Utah [Mr. SMOOT] and the junior Senator from Utah [Mr. KING] and other Senators. It so happens, however, that I have given this subject of tax-exempt securities a particular study for some years, and I am convinced that the country ultimately will see the injustice of issuing tax-exempt securities.

In conclusion, I ask leave to have printed in the RECORD at the end of my remarks a copy of my joint resolution; an article from Scribner's Magazine for January, 1933, by Henry Hazlitt entitled "No Taxes to Pay"; also an article from the Chicago American written by Mr. R. P. Vanderpoel, its financial editor.

The VICE PRESIDENT. Without objection, that order will be made.

The matter referred to is as follows:

Senate Joint Resolution 224

Joint Resolution proposing an amendment to the Constitution of the United States relative to taxes on certain incomes

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued after the ratification of this article by or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of this article by or under the authority of the United States or any other State.

"SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued after the ratification of this article by or under the authority of the United States, but without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of this article by or under the authority of such State."

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NO TAXES TO PAY

(By Henry Hazlitt, in Scribner's for January, 1933)

A curious situation arises in the tax exemption of Government property itself. It is, of course, perfectly justifiable for a city not to tax its own property. The only possible objection to this type of exemption is an indirect one. It occurs when a city is operating, say, a subway or an electric-light plant in competition with a private plant and figures its costs without making any allowance for taxation. This, of course, is merely a bookkeeping difficulty and can be easily straightened out. But a more complex situation occurs when there is a great deal of tax-exempt Federal or State property in a city. This may sometimes bring added business to the city and—if part of it is a handsome post office, for example—may sometimes be a cause for local pride. But a large amount of Federal or State property in a city may bring no equivalent local benefit—it may even, if it happens, let us say, to consist of a Federal or State prison, damage business and property values. As a result the taxpayers of that city will, in effect, be contributing more than their proportionate share to the upkeep of the Federal or State Government.

Perhaps the chief reason that this whole matter of local tax exemption has hitherto attracted so little real attention is that it has been until recently comparatively small. Up to 1920, for example, the tax-exempt real estate throughout the United States was not more than 10 per cent of the total. But recently the seriousness of the problem has been growing, and one of the most striking examples of that seriousness can be found in the situation in New York City. In 1930 the value of New York City real estate was assessed at a total of just under $20,000,000,000, and of this more than $5,000,000,000 was tax exempt. Of this tax-exempt property $3,345,000,000 was Government owned, $913,000,000 represented new buildings put up under the postwar State housing law, and of the $860,000,000 of other privately owned tax-exempt property remaining $419,000,000 was religious property and $37,000,000 was the property of fraternal and benevolent organizations. The expiration since 1930 of the exemption of new buildings under the State housing law has still not greatly improved matters. Though the city's total tentative 1933 assessments have been reduced to $18,225,000,000, there has been an increase of $313,000,000 in exempt Government-owned property and of $102,000,000 in exempt privately owned property apart from new housing, with the result that the amount of tax-exempt property in New York City is still more than 25 per cent of the total. In the State of New York as a whole $6,700,000,000 in real estate is tax exempt.

It is important to stress the extent of this local tax exemption, for local taxes—practically all of which are levied on real estate—are equal to State and Federal taxes combined. But the tax exemptions under Federal laws are even more remarkable in some respects than the local exemptions. The Federal Government, for example, begins by exempting from income taxation the same type of institutions that most of the States exempt from property taxation. Thus the Federal revenue law and the laws of many of the States exempt from the income tax labor and agricultural organizations; fraternal orders operating under the lodge system; corporations; funds or foundations organized for "religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals"; farmers' cooperatives; and many other types of organization. We also exempt from taxation that part of an individual's income—provided it does not exceed 15 per cent of the total—that he gives to various religious and charitable organizations. This becomes, of course, a powerful fund-raising argument on the part of these organizations. An individual in the highest income brackets is called upon to pay up to 63 per cent of his income in Federal taxes and, perhaps, an additional amount in State taxes. In New York State, for instance, this additional tax amounts to 6 per cent, which means that the individual in the highest brackets pays up to 69 per cent of his income in taxes. The various charitable organizations, in appealing for funds, can, therefore, point out to this individual that for every $100 he gives them he is really only giving away a net amount—to him—of $31, because taxes would take the other $69 in any case.

Among exemptions in the Federal field, however, most attention has been directed to the tax-exempt bond. Prof. E. M. Patterson, in a recent article in the New Republic, has sought to show that the effect of the tax-exempt bond as a source of tax evasion has been greatly exaggerated. On December 31, 1930, the total outstanding issues of Federal, State, and local bonds, including those wholly exempt from the normal income tax and surtax of the Federal Government and those exempt only from a normal income tax, were $32,803,000,000. Professor Patterson proceeds to show that these bonds have largely gravitated into the hands of insurance, surety and bonding corporations, banks and trust companies, business corporations, and charitable institutions rather than into the hands of wealthy individuals. The Federal Trade Commission in 1924 estimated that at the end of 1922 there were $31,921,000,000 wholly and partially tax-exempt securities outstanding, of which only $4,450,000,000 were owned by individuals whose taxable incomes exceeded $10,000. From 1922 to 1929, inclusive, estates subject to the Federal estate tax showed a very low proportion of holdings of tax-exempt securities. The highest average percentage shown in any year was 8.68 per cent in 1925.

These figures are enough to show that up to the present the tax-exempt bond has not become a real menace to our income tax system. They do not prove, however, that it will not become a real menace in the future, and they do not prove that it is not vicious in principle. Why, we may ask, have not wealthy individuals bought tax-exempt bonds in the quantities we might expect them to? The answer is not a simple one. The purchase of Federal, State, and municipal bonds is virtually compulsory with many types of institutions, and these absorb them almost automatically. Other institutions invest in such bonds merely because they are moved by conservatism, and State and Federal bonds seem to them the safest of all securities. The wealthy American, on the other hand, usually derives his wealth from some particular line of business or industry with which he and his family have been associated for years. As he draws more profits from that industry, he tends to put them back into it in order to draw out still more profits. His ownership is either direct or represented largely in common stock. His rate of return on his investment, even on his new investment, was until recently very large. He is connected with his business sentimentally. And his temperament and environment make him nearly always an inveterate gambler.

That is why he had not, up to 1929, put his money largely into tax-exempt securities. But will this situation continue indefinitely? The period of high tax-exempt bond issues and of high income taxes correspond, up to 1929, with the "new era," the era of huge and often fantastic industrial profits; the era in which common stocks, in the course of a decade, could increase 1,000 per cent or more in their market values. Certainly there seemed little incentive, while this was going on, to put one's money in tax-exempt bonds, the return on which was comparatively very low and the capital value of which did not increase at all. But what may happen now that the situation has reversed itself—now that the rich have seen their industrial profits turn to heavy deficits, now that they have seen their common stocks melt away on the average to one-fifth of their value in 1929, while the only securities that have held their value have been United States Government bonds, and while income-tax rates have returned to their war-time levels? Can all this occur without profoundly altering the mental habits of the wealthy Americans? There are

probably very few among them now who do not wish that they had had their money in Government bonds—for the sake of safety of principal alone. And their regret would deepen if many of them made a cold calculation—which the "economic man" does not always do—of the real return that a tax-exempt bond would have yielded them. Under present Federal income-tax rates individuals with incomes over $100,000 receive from a 4 per cent tax-exempt security the equivalent of a return of 9 to 11 per cent on a taxable security, depending on the size of their incomes; on a 5 per cent exempt security they receive the equivalent of 11 to 13½ per cent.

Whatever may be said of the comparative harmlessness of the tax-exempt bond up to the present, it remains vicious in principle and always a potential threat to our tax structure. Even if it were true at present that the Government saved more in interest charges by making its bonds tax exempt than it lost in taxes by the same act, the tax-exempt bond could still be defended only from the narrow standpoint of government fiscal policy, and not from the broader standpoint of general social policy. For the tax-exempt bond offers immunity precisely to those "unearned incomes" that ought to pay, and in Great Britain do pay, a higher rate than "earned" incomes. And even from the narrow fiscal standpoint the case of the tax-exempt bond is far from established. For almost no individual or institution buys a tax-exempt bond for its tax-exempt feature alone, unless it believes that it will thereby save in taxes more than it loses by accepting a lower interest because of the tax-exemption. And if its calculations prove to be correct, then the Government is losing on net balance exactly what the holders of the bonds are gaining on net balance. (Actually this total governmental loss is being shifted from the State and local governments to the Federal Government.)

We come finally to the most widespread example of tax exemption—the Federal and State income taxes on individuals. In 1930 the number of persons paying Federal income tax was 2,000,000, or hardly more than 1½ per cent of the whole population. Even under the severe new law a married man with two dependents pays nothing on a net income of $3,300, and less than 1 per cent on a net income of $4,000. Not until his income goes above $25,000 does he pay as much as 10 per cent of it in income tax; from that point on, of course, it is scaled up rapidly until it approaches its maximum, Federally, of 63 per cent. Not more than 60,000 persons pay more than 10 per cent of their incomes in Federal taxes, and this small group—1 person in every 2,000—pays four-fifths of the income tax. An even smaller group, made up of those with $50,000 net income or over, numbering about 30,000—or only 1 in every 4,000 of our population—pays nearly three-quarters of our income tax. This hardly seems to bear out the frequent contention that our capitalist Government is controlled solely in the interests of the wealthy.

In Great Britain, by contrast, 5 per cent of the population pays income tax; a married man with the equivalent of $5,000 net income pays more than six times what he would have to pay in this country. Possibly a fairer comparison of the proportion of the population paying income tax is not the actual number of income-tax payers but the number of persons income taxes are paid for. Assuming that the average income-tax payer in the United States pays for three persons, the percentage of the population directly interested in income-tax rates may rise to as high as 5 per cent. But a tax system under which 95 per cent of the population does not pay the Federal tax on which chief attention is concentrated is not one that encourages public pressure for Federal economy.

I do not intend, because of these figures, to support the paradoxical thesis that in American taxation it is the poor who exploit the rich. It has been calculated for one thing that the highest 5 per cent of income receivers in the United States receive one-fourth of the entire national income; and, wholly aside from broader considerations, it would not pay the Government purely from a fiscal and administrative standpoint to extend the income-tax "base" very greatly. Moreover, if most politicians publicly support the poor against the rich in drawing up income-tax rates, because they know where their votes come from, privately their actions may favor the rich against the poor, because they know where their campaign contributions come from. This type of favoritism may make itself felt in various ways. For example, in the cities, even if the rich individual or corporation can not manage to secure a specially low assessment in return either for a direct bribe or a campaign donation or because he has a friend in politics, he can at least afford to hire lawyers and experts to contest his tax assessment and to get it reduced.

Tax favoritism is, of course, one of the means by which the great city political machines maintain themselves in power. In Chicago the assessments are notoriously inequitable. The New York World-Telegram published on October 10 last the results of a survey of 193 pieces of property in New York City which had been sold, appraised, or mortgaged since July 1. It found that 106 pieces of property sold or appraised for a total of $15,726,471 had been assessed at $20,836,000; while, on the other hand, 83 properties with a market value according to actual sales or appraisals of at least $12,995,049 were assessed at only $9,159,700. It found, as might be expected, that extreme cases of overassessment by the city were largely among small properties. Assuming that its samples were representative, it concluded that owners of 43,000 Manhattan properties will pay $40,000,000 taxes next year that should be met by owners of 34,000 underassessed properties.

These figures, it is true, take us out of the field of exemption and favoritism intended and created by the law itself. But they are enough to indicate that the unfavored taxpayer must help to support, in addition to those whom the law intentionally excuses, those who escape their just burden through lax administration or downright corruption. During the new era we did not worry very much about what such luxuries were costing us. We were rich; what did we care about a few hangers-on? But now that our wealth and income have shrunk appallingly, while taxes remain either where they were or higher, it may begin to occur to us that the farmers, for example, which we tax very heavily, are, to put it no more strongly, at least necessary to the welfare of the United States. It may even occur to us that every time we exempt somebody from taxation we are putting an added burden on everybody else. It is time to take a look at the privileged. It is time to examine the army of the tax parasites. It is time to ask a few of these strong men, dressed up as dear old ladies, to carry their own bundles.

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By R. P. Vanderpool, financial editor

Senator HENRY F. ASHURST, of Arizona, has proposed a constitutional amendment prohibiting the United States or any State or local government from issuing any more tax-exempt securities.

Governmental procedure in the United States is so cumbersome that it seems unlikely that this proposal will be enacted into law, at least in the next few years. Yet, in our opinion, it is so basically sound that we believe it should be given enthusiastic support.

The manner in which great wealth has been hoarded in tax-exempt securities is one of the evils of this generation, coming into bold relief during the current depression.

DEBTS AND CREDITS

We hear much of the huge debts of our Federal, State, and municipal governments; we hear little of the other side—that of the owners of these securities, who furnish the credit to these governments in an effort to avoid paying taxes on their incomes.

They did not fully understand at the time they granted the credit that part of the taxes would be shifted to their backs. Despite their success in evading direct taxation through purchase of tax-exempt securities, when they did begin to feel the pinch it was this same class that led the hue and cry for governmental retrenchment and lower taxes.

A POOR ARGUMENT

The argument for tax-exempt securities has been that they enabled governments to finance themselves more cheaply. But it has been a false economy. The Government has failed to realize the true cost through reduced income-tax revenues of the money it has borrowed.

This has tended to encourage Government extravagance. At the same time it has enabled certain individuals and corporations—the very ones who should be bearing a heavy tax burden in these critical times—to escape all direct payment and, by crawling into their shells, as so many of them have done, to a large extent indirect payment.

THEY DO PAY

It may be said in passing that they do pay a penalty. This comes through the prevailing economic situation, which has reduced values of practically all material things. Moreover, unless a turn comes in the fairly near future, it is quite likely to cause a collapse in Government credit and a coincident decline in the value of tax-exempt securities.

Something unperceived by those with a few or no resources is that while they may be suffering at the moment because of the general economic conditions, their future prospects are being much improved by what is transpiring.

AUTOMATIC CONFISCATION

We mean by this that an incident of the economic phenomena now taking place is that there is automatic confiscation of wealth through deflation. This wealth, in the form of values, is being taken away from individuals and becomes available for redistribution in the expansion period that will succeed the contraction years through which we have been passing.

This line of reasoning is more easily followed if the contraction and subsequent expansion are carried to extremes. For example, if values for material goods all but disappeared, the inequalities of wealth would be largely leveled and in the subsequent period of recreation of values opportunities would be much greater than in periods of stability.

OPPORTUNITIES

It is in periods of opportunities that those with the greatest initiative and greatest ability are successful.

Of course, it is also true that in such periods the unscrupulous, the manipulators, and the exploiters also operate. It is the task of government to curb these. The efficacy of government can be largely judged by its success in doing so.

The failure of government in this respect during recent years is being made conspicuous by the exposures of the last few years, particularly 1932.

Mr. BROOKHART. Mr. President, before the Senator takes his seat, may I ask him a question?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Iowa?

Mr. ASHURST. I yield.

Mr. BROOKHART. The school districts in the States and the cities and towns, as well as the States themselves,

all have the right under the Constitution to issue these tax-exempt bonds; and, of course, the Congress can not prohibit or modify or control that in any way. Does the Senator think they get at present a sufficiently lower interest rate to warrant the tax-exempt feature?

Mr. ASHURST. I think that hereafter, if we continue to issue tax-exempt securities, there might be a lower rate of interest by reason of the tax-exempt feature, but I do not believe that that has been the case heretofore. I am not at all convinced, after a study of some time under the eye of experts, that securities—Federal, State, Government, or county—have until lately been sold as a direct immediate consequence of their tax-exempt feature. I think the tax-exempt feature may have a tendency in the future to make such securities salable, but I do not believe that heretofore the fact that they were tax exempt promoted the activity of the market very much in respect to such bonds. Of course, there may have been isolated instances where tax-exempt features did promote a sale thereof, but if the bonds were good the tax-exempt feature cut but small figure.

Mr. BROOKHART. When the Treasury offers a bond issue and gets a subscription of fifteen or sixteen times the amount of the issue, does not that indicate that the interest rate is very attractive, and could be reduced?

Mr. ASHURST. That has happened lately, indeed.

Quite true during the war the issues of bonds were oversubscribed, and not because of their tax-exempt feature; I admit that in the future—that is, from now on—the tax-exempt feature will be a factor in selling bonds.

### EMPLOYMENT OF AMERICAN CITIZENS ON SLEEPING CARS, ETC.

Mr. DILL. Mr. President, I desire to take just a moment to discuss a bill I wish to introduce.

From time to time, in riding on the trains of the country, I have been impressed with the fact that colored men are the most satisfactory kind of porters we have ever had on the railroads. I am impressed now with the fact that some of the railroads, particularly in the country west of Chicago and also on some of the trains here in the East, are supplanting the colored men by the use of Japanese and Filipinos. These Japanese and Filipinos work for such exceedingly low wages that it is impossible for the colored man to live on such a wage; and the low wages of porters have already forced their standard of living below what it should be.

I am told that the railroads have attempted to use 2 Filipinos or 2 Japanese on a Pullman car to handle the work regularly done by 1 colored porter; that they can hire two of them more cheaply than the wages, low as they are, that are now paid to the one colored porter; but that they are unable to get Japanese or Filipinos who can do the work satisfactorily. They are not big enough nor strong enough physically to do that work.

In light of the fact that the colored men not only are highly acceptable as porters to the traveling public but that the colored porters look upon that work as a kind of work which they can properly do, it seems to me that we should by law protect them against the menace of the low-wage employee in the form of the Japanese and the Filipino. All we need to do is to require the railroads to employ American citizens as porters on our trains.

I therefore have prepared a bill which I desire, if I may have unanimous consent, to introduce at this time and have printed in the RECORD at the close of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The bill (S. 5604) to require the employment of American citizens on observation cars, club cars, and sleeping cars used by railroads in interstate commerce was read the first time by its title, the second time at length, and referred to the Committee on Interstate Commerce, as follows:

*Be it enacted, etc.*, That all employees of observation cars, club cars, and sleeping cars used in interstate commerce by any railroad company within the United States shall be American citizens. Violation of this act shall be punishable by a fine of not less than $1,000 or imprisonment of officials guilty of such violation for not less than 90 days, or both, for each offense, and each day of such violation shall constitute a separate offense.

### INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

Mr. KING. Mr. President, I appreciate the desire of Senators to dispose of the appropriation bills pending in Congress before this session ends. There are many measures before us that require consideration before the 4th of March. The appropriation bill which is now under consideration carries large amounts for various governmental activities. One of the important provisions of the bill deals with the Indian wards of the Government and with the policies and activities of the Indian Bureau. Nothwithstanding the importance of this and other appropriation bills I feel that it is my duty to discuss at some length the provisions of the measure before us relating to the Bureau of Indian Affairs.

For many years I have been criticizing the policy of the Government in dealing with the Indians, and have attempted to trace historically the dealings of the Government with the Indian tribes that have inhabited this Republic. I have examined into most if not all of the treaties negotiated between the United States and the Indian tribes and the hundreds of statutes which have been enacted by Congress relating to the Indians. I have attempted to ascertain what disposition has been made of the boundless territory which the Indians once possessed and what has become of the hundreds of millions of dollars received by the Indians for the lands which have passed from their ownership and possession, and from royalties, revenues, and receipts derived from such lands. I have also given no little study to the work of the Indian Bureau for many decades, with a view of determining whether as the instrument of the National Government, it has been a faithful trustee, or has dissipated Indian funds, and failed in the discharge of duties imposed by treaties and by laws.

### THE GOVERNMENT A FAITHLESS GUARDIAN

Mr. President, I have been compelled to the conclusion, as a result of my researches and investigations, that our Government has been a faithless guardian of its wards and that the agencies which it has set up to deal with the Indians have failed to perform the duties imposed upon them by law. I regret that Congress has not evinced that interest in the Indians and in their protection that treaty obligations required. As I have stated, the Indians are the wards of the Government and are therefore entitled to the highest degree of consideration. There are not only legal and binding obligations resting upon the Government from which it may not honorably escape, but there are also moral obligations which are of commanding force. The duties of a trustee to his cestui que trustent are clearly recognized by law, and the courts, and when their jurisdiction is invoked they are quick to respond to the demands of those whose lives and property are under the control and jurisdiction of trustees. A trustee who squanders the inheritance of his ward or who is indifferent to the latter's welfare, merits the condemnation of all who desire justice, and subjects himself to the corrective power of the courts.

### DRASTIC REORGANIZATION NEEDED

Mr. President, as a result of my study of the Indian question and the treatment accorded the Indians and the policy now being followed by the Government in dealing with them, I have reached a definite conclusion that there must be a radical change in the attitude of the Government toward the Indians and a complete reorganization of the Indian Bureau. Many laws relating to the Indians must be repealed; others must be modified; and sound, sane, and rational and humane policies must be adopted for the purpose of protecting and preserving the Indians and promoting their welfare. It is remarkable that the National Government, which has been so responsive to the cries of distress and to humanitarian appeals, should be so deaf and callous to the cries of the Indians and to the moral and legal responsibilities resting upon the National Government as their trustee and guardian.

From the days of the Pilgrim Fathers to the present time, the Indians seem to have been regarded by many as objects of legitimate prey; they have been treated as trespassers and outlaws, and unwelcome and illegal occupants of territory which the white man desired. Treaties have been imposed upon them by chicanery and fraud and often as the result of military force; and many treaties that have been made have been shamelessly violated, and measures ostensibly designed for the protection of the Indians have been converted into weapons of destruction.

Mr. President, the history of the Indians during the past hundred years is a tragic one, and the record of the Government and Government agencies toward the Indians is blotted and blurred and calls for the condemnation of just men everywhere. Many investigations have been made by committees and by disinterested groups of persons who desired to learn the facts concerning the Indians. Their findings and conclusions warrant a verdict that the Indians have been robbed, plundered, and despoiled of the greater part of their inheritance and subjected to cruel and inhuman treatment.

Mr. President, the criticisms which have been made from time to time by persons interested in the Indians and those who desired their just treatment have been disregarded by the Government and the Indian Bureau, and the latter has continued in its old archaic way with a contemptuous disregard of moral and legal obligations. It is quite likely that nothing can be said now that will result in changing the policies of the bureau as at present constituted, or will bring about economies and imperatively needed reforms. The Indian Bureau is a petrified, crystallized machine, indifferent to criticism, hostile to reforms, ambitious for authority, demanding increased appropriations and a rapidly expanding personnel.

As I shall show before concluding my remarks, the expenses of the bureau have been greatly augmented during the past few years, the number of employees have been multiplied, and more than one-half of the stupendous sum taken from the Indians and from the Treasury of the United States annually has been consumed by the employees of the bureau.

THE LONG STRUGGLE FOR REFORM

Mr. President, for a number of years I have been attempting to secure reforms and compel a reorganization of the bureau and to secure the adoption of plans that would protect the Indians and advance them along the pathway of civilization. I have been disappointed in the efforts made by others and myself to accomplish these results, but I can not help but believe that sooner or later the old bureaucratic methods will be thrown into discard; inefficient and callous employees will be separated from the service, and policies put into effect that will save the Indians and protect the residue of their property against the exploitations of the Government and the whites.

It was believed by many persons that under Mr. Hoover's administration important reforms would be introduced into the Indian Bureau, that waste and extravagance would be eliminated, economies introduced, and measures adopted looking to the material welfare of the Indians, and also to their moral, cultural, and spiritual development. But those who expected these results have been sorely disappointed. One looks in vain for improvement in the Indian Service during the past four years. I repeat, the same old policies are pursued, the same ruts are followed, and the same disappointing results obtained. The policy of the Indian Bureau is worse than laissez faire; it diminishes the Indians' resources and leaves them less fortified to meet the struggle for existence or to take a place in the industrial life of the communities in which they live. I shall show later in my remarks, that with the mounting demands of the Indian Bureau for appropriations and its attacks upon the diminishing resources of the Indians, a huge bureaucracy has been created which fails in its duty to the Indians and consumes more than 50 per cent of the enormous annual appropriations in meeting the salary requirements of the army of employees. A year ago I discussed the Indian situation and made a number of suggestions which I believed would be of benefit to the Indians, and introduced a bill, which, if it had been enacted into law, would have made an important contribution to improving the Indian administration.

THE ECONOMY EFFORT BY CONGRESS DEFEATED

I believe that Congress has intended during the past few years to reduce the extravagant expenditures of the Indian Bureau, but the fact is that its expenses have doubled during the preceding seven fiscal years, and this enormous increase has been incurred largely in paying higher salaries and the compensation of an increased number of employees. These expenditures, exclusive of payments to the Indians from their own funds, in the fiscal year 1926 were $13,991,470. But in 1932 the expenditures amounted to more than $27,000,000 in addition to per capitas disbursed by the bureau from tribal funds and from indefinite appropriations.

After a debate lasting several days, and in the face of uncompromising resistance on the part of the Indian Bureau, whose officials demanded even larger appropriations and denied that any reductions or economies were possible, some slight changes were made in a number of items of appropriation carried in the bill. These reductions approximated $1,250,000. Before the bill was presented to the Senate I appeared before the Appropriations Committee of the Senate and presented conclusive evidence of the unjustifiable demands made by the Indian Bureau and the unwarranted appropriations appearing in the bill under consideration by the committee. The Secretary of the Interior made, but did not support, some recommendations for economies. The officials of the Indian Bureau, as I have indicated, were violent in their opposition to any suggested reforms or reductions in the bill under consideration. I pointed out to the committee, as well as to the Senate when the bill was reported to this body, that the Indian Bureau through every preceding year had, in addition to the appropriations carried in the general appropriation bills, spent money with a lavish hand from other sources, but which, of course, reduced the tribal funds and assets belonging to the Indians. In other words, not satisfied with the large appropriations specifically provided by Congress, the bureau dipped its hands into tribal funds and into invisible sources of supply, and used the amounts so obtained in bureau activities. At the time referred to, I analyzed in detail the record for the fiscal year 1929, which showed that Congress in the regular appropriation bill for that year appropriated $16,466,000 for the Indian Service, and in addition $1,781,122 had been specifically authorized in deficiency bills, thus making a total specifically appropriated by Congress of $18,247,122. But the bureau had actually spent, in the fiscal year 1929, $21,635,478, or $3,388,356 in excess of the total of specific appropriations. Contained within this expenditure total of 1929 was $1,734,247 in excess of all appropriations whatsoever, including the so-called indefinite and continuing appropriations. This part of the overexpenditure, $1,734,247, had been simply lifted by the Indian Bureau out of tribal trust funds, with no appropriation either specific or indefinite by Congress. In addition, the bureau in 1929 had paid out in per capita payments $10,952,626.

At the expense of repetition, in order that this fact may be driven home, I challenge attention to the fact that after the specific appropriations have been made by Congress, the Indian Bureau has uniformly, for years, created large deficits and has come back to Congress with demands that they be met. Unfortunately, these demands, too often without consideration, have been granted. As a matter of fact, in nearly every instance these deficits ought not to have been created and Congress ought to have refused to meet them. There is a Federal statute prohibiting deficits, and, as I recall, there is a penalty attached to officials who create the same. It would have a salutary effect if this statute were invoked and officials of the Government made to understand that they may not violate this law by engaging in activities beyond those authorized and incurring obligations beyond those for which appropriations are made.

As stated above, I also presented during the discussion a statement of the actual expenditures of the bureau for the

fiscal year 1929 as reported by the bureau to the House Appropriations Committee. These hearings for 1931 show expenditures totaling $21,635,478, or $3,888,356 in excess of the Treasury and tribal fund appropriations made in the regular and deficiency appropriation bills.

THE BUREAU'S INVISIBLE APPROPRIATIONS

I presented a tabulation at that time showing how the Indian Bureau obtained in excess of $3,388,356, all of which had been expended largely for salaries and additional employees. A part of the bureau's total overdraft—$1,654,100—had been obtained from the so-called indefinite and continuing appropriations, and I should add in passing that these reservoirs from which funds were taken do not appear either in the regular or in the deficiency bills and are, in effect, invisible appropriations. I condemn such a system which permits funds to be taken and expenditures made of the character in question. Neither Congress nor the public can know or control, under this system, the aggregate amount expended in the maintenance and operations of the Indian Bureau or where such a system prevails in any other Federal organization within which it is found. It is a vicious system and an unsound and dangerous policy and leads to extravagance and bureaucratic autocracy. I also demonstrated that the bureau had spent from the Indian tribal funds $1,734,247 in excess even of the indefinite and continuing or invisible appropriations.

Mr. President, I ask that that tabulation which I presented last year may be printed in the RECORD. It illustrates the singular, adroit, and indefensible methods employed for the purpose of securing funds for the bureau in excess of those provided in the regular or deficiency appropriation bills.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Fiscal year 1929*

| | | |
|---|---|---|
| Total appropriation in regular bill for 1929: | | |
| From Treasury | $14,024,009 | |
| From tribal funds | 2,442,900 | |
| Total | | $16,466,909 |
| Total deficiency appropriation for 1929: | | |
| From Treasury | 1,476,684 | |
| From tribal funds | 304,438 | |
| Total | | 1,781,122 |
| Total "indefinite appropriations," for purposes other than per capita payments, appropriated under continuing authorizations | | 1,654,100 |
| Grand total of appropriations for other than per capita payments | | 19,901,231 |
| Actual expenditure (other than per capita payments) in 1929, as reported by the Indian Bureau in the House hearings for 1931 | | 21,635,478 |
| Expenditure in excess of total of special and indefinite appropriations | | 1,734,247 |
| Total tribal funds appropriated (special and indefinite) for other than per capita payments | | 4,401,438 |
| Total actual expenditure of tribal funds (other than per capita) | | 5,110,263 |
| Tribal funds expenditure (other than per capita payments) in excess of all appropriations | | 708,825 |
| Per capita payments estimated for 1929, in the Budget for 1929 | | 17,681,000 |
| Per capita payments actually made in 1929, as stated in the Budget for 1931 | | 10,952,626 |
| Per capita payments were less than estimated per capita payments in amount of | | 6,728,374 |

Summary: For purposes other than per capita payments the bureau spent $1,734,247 more than the total of all appropriations.

It spent from tribal funds $708,823 more than all tribal fund appropriations.

It paid in per capitas to the Indians $6,728,374 less than the Budget estimates of such payments.

Tribal revenue fell below estimates during the year. Hence per capitas were sharply reduced. But the amount spent for other than per capita payments was increased.

Mr. KING. Mr. President, during the consideration of the appropriation bill a year ago I further stated that the Indian Bureau would not be restricted to appropriations made or adopt measures of economy, and that efforts of Congress to effect reductions would be in vain because of the indifference of the bureau to the attitude of Congress.

THE BUREAU NOW CIRCUMVENTING CONGRESS

I stated that the Indian Bureau would circumvent congressional measures either by obtaining increased appropriations through deficiency bills or by drawing upon Indian tribal funds outside of any appropriations authorized in the bill under consideration.

Mr. President, my predictions have been verified. Even before one-half of the fiscal year 1933 has run there will have been large expenditures or commitments outside of those authorized in the 1933 appropriation bills.

I dwell on the facts because they serve to demonstrate afresh the incorrigibility of the Indian Bureau and the futility of the efforts of Congress to curb Indian Service expenditures under the system of accounting, budgeting, and appropriation which has prevailed for many years.

During the time when the regular appropriation bill was under consideration, I am informed, some Indian Bureau officials freely stated that they expected to obtain corrections, as they saw them, of the Senate's "economy madness," through deficiency bills. And in fact they did obtain, in the deficiency bill for 1932, an increase of $719,978. Many of the Indian Service items which were thus appropriated in the deficiency bill were of a character which previously had been considered and rejected by one or the other of the Houses of Congress.

However, the more striking fact in the situation does not relate to the well-known abuse of effecting pretended economies in the regular appropriation bill, to efface them a few weeks later by means of deficiency bills.

The Indian Bureau estimated and requested appropriations for a total expenditure in the fiscal year 1933 of $24,709,619.

I refer to the report of the House subcommittee on the Department of Interior appropriation for the fiscal year 1933, page 24, which demonstrates the correctness of what I have just stated. The bureau received authority in regular and deficiency appropriations for a total expenditure of $24,141,403, of which $2,190,262 were to be taken from Indian tribal trust funds.

Mr. President, when our distinguished Vice President was chairman of the Committee on Indian Affairs of the House of Representatives, and later when he was a member of the Committee on Indian Affairs of the Senate, the appropriations for the Indian Bureau rarely exceeded six or seven million dollars and the number of Indian wards then under the control of the Government was larger than at the present time, but bureaucracy's growing appetite for power is never satiated, and even when helpless wards are under bureaucratic control they must suffer because of the ambitions of bureaucratic organizations for authority and increased salaries and appropriations. As evidence of the disregard of the bureau to the limitations in appropriation bills I invite attention to the fact that though the appropriation made by Congress for the fiscal year 1933 was $24,141,403, yet before November of 1932 had come the bureau had either expended or obligated the stupendous sum of $24,609,160. Congress had authorized as stated a total expenditure from tribal funds of $2,190,262, but the bureau before October 1 of that year had spent or obligated $2,658,019 from tribal funds. I should add that these figures which I am submitting are exclusive of per capita payments to the Indians from their own funds. I repeat, Mr. President, that before three months of the fiscal year 1933 had passed the bureau in actual expenditures or in obligations had overreached the congressional authorization in the amount of $457,757, this amount being taken from the tribal trust funds. Not satisfied with the enormous amount appropriated by Congress, this voracious bureau proceeded to take from the tribal funds within three months after the appropriation bill had passed nearly half a million dollars.

THE BUREAU'S PAY ROLL IN 1933

Mr. President, I have referred to the increase in the number of bureau employees and the burden which this imposed upon the Government and upon tribal funds. In support of this statement I ask to submit a tabulation showing the

salaries for the fiscal year 1933, the total number of bureau employees, the total number of Indians, the bureau's pay roll on account of each Indian, and the ratio between bureau employees and Indians.

There being no objection, the table was ordered to be inserted in the RECORD, as follows:

*Tabulation showing the total of Indian Bureau salaries for the fiscal year 1933, total number of bureau employees, total number of Indians, the bureau's pay roll on account of each Indian, and the ratio between bureau employees and Indians*

| | |
|---|---|
| Salaries of permanent employees | $10,481,647 |
| Less deductions on account of furloughs | 865,448 |
| Net salaries of permanent employees | 9,616,199 |
| Salaries and wages of irregular employees | 1,249,003 |
| Total net salaries and wages | 10,865,202 |
| Total of permanent employees | 6,353 |
| Total of irregular employees estimated on whole-time basis at $1,000 per year | 1,249 |
| Total average number of employees | 7,602 |
| Total of Indians on reservations and at jurisdictions (report of Indian commissioner for 1932, p. 34) | 194,331 |
| Indian Bureau pay roll on account of each Indian | $56 |
| Ratio of bureau employees to Indians | 1 to 25 |

Mr. KING. This table shows the salaries of permanent employees were $10,481,647. I might add, in passing, that that is double the appropriations for the entire bureau a few years ago, and I submit that the record will show that there are fewer Indians now and their condition is worse than at a time when the entire expenses of the bureau were approximately $5,000,000 per annum.

With reference to the statement just made concerning permanent salaries, I should add that for the fiscal year 1933 there were deductions on account of furloughs as shown by the table, so that the net salaries of permanent employees were $9,616,199. However, the salaries and wages of irregular employees totaled $1,249,003, giving a total of $10,865,202 as net salaries and wages. The number of permanent employees was 6,353. I was advised this morning by one of the members of the Committee on Indian Affairs that there is one Federal employee for every 23 Indians and one employee for every 6 children in the schools. The report of the Commissioner of Indian Affairs for the year 1932 (p. 34) states that there are only 194,331 Indians on the reservations and under Federal jurisdiction. It appears, Mr. President, that as the appropriations for the Indian Bureau increase the number of Indians decrease. I suppose we should be satisfied, because the decrease of the Indians is marked by a large increase in the number of Federal employees and thus furnishes jobs for white citizens. I emphasize the fact, Mr. President, that nearly 50 per cent of the enormous appropriations made for the Indian Bureau are devoured by this army of Federal employees.

Mr. President, I have here a list of new positions created in the Indian Bureau since June 30, 1929. As I am advised, it is not a complete list, nor does it include the new positions created in the Alaskan Indian service. The list, however, shows 915 new permanent positions, and the total salaries for the new employees amount to $1,745,490 per annum. These new positions were created and these new appointments made, as I am advised, by and under the direction of the Commissioner of Indian Affairs and the Secretary of the Interior. These new appointments demonstrate the extravagance of the bureau and the apparent determination upon the part of those controlling it to build up a more powerful bureaucracy. I condemn the action of the Indian Bureau in adding to the salary list to be paid from tribal funds or out of the Treasury of the United States this enormous sum of $1,745,490.

I should add that this list does not include the irregular employees, which are enormous, nor does it show salary increases.

Mr. President, I am in receipt of a letter from Commissioner Rhoads, of the Indian Bureau, dated January 18, 1933, in reply to an inquiry which I had made, in which he states that the total of salaries paid to permanent employees of the Indian Bureau, outside of Alaska, in the fiscal year 1932, was $9,963,109. The table which I have offered for the record shows that the gross total of such salaries in the present fiscal year, 1933, is $10,481,647, an increase of $920,390 over the fiscal year 1932.

Mr. President, the figures which I have submitted showing the expenses of the bureau and the number of employees and the salaries paid, furnish incontrovertible evidence that the Indian Bureau must be reformed. This demand for reformation is reinforced by an investigation of the condition of the Indians and their lack of progress and development and protection at the hands of the Indian Bureau and the Government. Senators will recall the prolonged discussions when the appropriation bill for 1933 was before this body, in which the unsatisfactory administration of the bureau has developed and its waste and extravagance demonstrated. I think Senators will believe from the apparent concessions made that the bureau would effectuate reforms, liberalize its policies, and effect important reorganizations. The facts which I have given, as well as others which, if time permitted, I should like to present, demonstrate that no economies have resulted and that no important changes in the plans and policies of the bureau have been brought about.

### DECEPTIVE BUDGETING BY INDIAN BUREAU

Mr. President, I invite attention to the inaccurate and in effect the misleading reports of the Indian expenditures appearing in annual budgets. I have referred to the fiscal year 1932 and the appropriations carried in the bill for that year. The Director of the Budget, reporting in the Budget for 1934 on the bureau's "actual expenditures" from tribal funds in the year 1932, states the actual expenditures as $3,056,046. (See Budget for 1934, pp. 344–5.) The question arises, What did the bureau actually expend from tribal funds in the fiscal year 1932? It expended, not the amount reported by the Budget Bureau, but $3,748,689, as shown in the tabulation of Indian Bureau expenditures, printed in the House appropriation hearings for 1934, at page 496. The discrepancy therefore is $682,643; and as in every year without exception, the over-expenditures are adverse to the Indian tribal funds.

I am informed that the bureau now explains the discrepancy for the year 1932 by claiming that its own tabulation of expenditures of Indian trust funds is in error through the improper inclusion of some payments for the operation and maintenance of irrigation projects on Indian reservations. The explanation, if accepted, does but reinforce the need for an overhauling of the bureau's system of accounting and of record for the uses of Indian and Government moneys.

Permit me to restate the facts: Congress, I think, made a serious effort to curtail the Indian Bureau's expenditures in the current fiscal year; but this effort was circumvented, first through a deficiency bill, and second through a draft by the bureau against tribal funds in the amount of $457,757 in excess of the appropriated amount. So much the Budget reveals, and the facts apply only to the first quarter of the fiscal year. Already through the deficiency bill and overdrafts against tribal funds the bureau by October 1 last had brought its total expenditures to a level only $200,459 below that total which it had requested of Congress at the beginning of the fiscal year and which Congress had endeavored to reduce by more than $1,000,000. I do not wish to be understood as stating that the bureau's overdraft upon Indian tribal funds for the current fiscal year is no more than $457,757. That is the amount which the Budget reveals. The experience of every preceding year indicates that the facts will greatly exceed the Budget indications. I have pointed out that for the fiscal year 1932 the Budget totals of tribal funds alleged in the Budget to have been spent in that year were less than the actual figure of $719,978. Mr. President, that error is not a unique or sporadic one, but a repetition of errors of like character which it is believed are often made. I shall give additional facts regarding other fiscal years before I have finished.

BUREAU'S LARGE OVERDRAFTS OF PRIOR YEARS

In the three fiscal years 1926, 1927, and 1928 the Indian Bureau furnished Congress with a definite statement as to the amount of Indian tribal funds which it proposed to use for purposes other than per capita payments; the aggregate of the funds thus earmarked for proposed use by the bureau, and so reported to Congress, was $4,359,000. In other words, notwithstanding the liberal largess and indeed unwarranted appropriations by Congress for bureau maintenance, the bureau in these three years notified Congress that it proposed to dip its hands into Indian tribal funds and to take therefrom $4,359,000 for bureau maintenance. It must be obvious to Senators and the country that the course of the bureau if unchecked will within a few years exhaust all tribal funds, the aggregate of which was between six and seven hundred thousand dollars since 1887; and it seems certain that if the course of the bureau is unchecked within a short time, not only will the tribal funds be depleted but the allotted lands will have passed into the hands of the whites; and the Indians, the wards of the Government, wards who possessed lands and property worth billions, will be houseless, homeless, and propertyless. Their vast patrimony will have been squandered and they will have no means of support. This tragic picture does not reflect credit upon the Government in dealing with its helpless wards. But the facts proved to be far more extreme than the bureau's announcements to Congress had been. The reports of the Comptroller General are available for the three fiscal years 1926, 1927, and 1928, and they show that the Indian Bureau spent for its own maintenance $12,803,449 instead of the $4,359,000 which the bureau had reported to Congress that it was going to spend. That is to say, during these three years the bureau misled Congress and expended from Indian tribal funds $8,444,349 in excess of its estimates as made to Congress, or an average of $2,814,783 in each of the three years.

Mr. President, it would be superfluous to dwell at greater length upon these figures and facts which condemn the Indian Bureau, if they do not condemn Congress and the Government itself. It seems to me that these facts furnish a grave indictment against the administration and against our system of dealing with the Indians.

INDIAN BUREAU SALARIES AND INDIAN TRUST FUNDS

Mr. President, before concluding my remarks I shall show that the Indian Bureau has dissipated Indian tribal funds in the amount of hundreds of millions of dollars in the last 45 years; that it has spent on its own maintenance in excess of $110,000,000, that is, in addition to the large appropriations made as gratuities from the Treasury of the United States; and that in the fiscal year 1932 it used for its own maintenance 76 per cent of the total tribal income of all Indians of the United States. I emphasize this fact, that notwithstanding the large appropriations made by Congress for bureau maintenance, the bureau consumed 76 per cent of all the tribal income for that year. In the case of 99 of the 103 tribes possessing tribal funds or incomes, the bureau in 1932 spent for its permanent salaries 87 per cent of the total income of these 99 tribes, and for all of its uses, in the case of these 99 tribes, the bureau drew from the aggregate tribal funds an amount more than twice as great as the aggregate tribal income of that year. The aggregate tribal income was $916,956; the tribal funds spent for the bureau's permanent pay roll totaled $802,521; an additional $384,055 was taken for the bureau's so-called "irregular" pay roll; and the total bureau draft against the residual tribal funds was $1,871,717. The overdraft against the tribal income was $954,761, or 104 per cent. No per capita payments to Indians are included in these totals. The residual funds of these 99 tribes had been reduced to $5,236,944. Some of the tribes, with their funds wholly exhausted, had actually been placed in debt to the Government for Indian Bureau salary expenditures. The process pointed to early and complete ruin for the tribes.

At the present time, however, I am chiefly concerned with again reminding the Senate that it is pursuing a phantom when it seeks economy at the hands of the Indian Bureau, under existing policies and the system of accounting, budgeting appropriation, and financial control.

I sincerely hope that one of Mr. Roosevelt's first administrative acts will be to select as director of the Indian Bureau a person who has some knowledge of the mistakes and follies and abuses of the bureau and who possesses ability and courage to deal with an archaic and unjust and decrepit system for the control of the Indians and their property. Reform is imperatively needed in the Indian Bureau. The whole system under which it operates should be changed, the dead timber thrown out, and a complete reorganization from top to bottom put into effect. Only by this heroic course can the Indians be saved, their property protected and preserved, and the Indians put on the pathway of advancement materially, morally, and educationally.

So long as tribal funds exist, and so long as there are tribal incomes derived from the sale of lands, timber, and natural resources, so long as Congress shall desist from changing the Indian system, the Indian Bureau will continue to spend what it wants to spend, with practically no reference to what Congress directs that it shall or shall not spend. The bureau will continue to ignore the limitations which Congress writes into the yearly appropriation acts. It will continue to use Indian capital as a means of financing its own activities, drawing upon authorizations, real or fictitious, which do not appear in the appropriation bills, and achieving totals of expenditure largely in excess of the authorized totals.

Mr. President, as a result of the unsuccessful effort of last year to restore the statutory requirement of an annual accounting for tribal funds, the Indian Bureau this year has placed in the appropriation hearings an imperfect report on the tribal funds as of the fiscal year 1932. I have practically completed an analysis of this report in relation to the Budget, and at some date during the present session of Congress I shall offer these data for the RECORD.

THE NEEDED ACCOUNTING AND BUDGETING REFORMS

Mr. President, on April 7 last I introduced a bill whose fundamental object was to bring Indian Service expenditures genuinely within the control of Congress. All future expenditures in Indian Service were required to be specifically appropriated.

Under the system of accounting and bookkeeping employed by the bureau it is impossible to determine from what particular or specific fund appropriations are taken. One of the members of the Committee on Indian Affairs of the Senate stated to me that in attempting to discover from what fund or funds a certain appropriation relating to an agency emanated or was drawn, it was learned that there were 60 or 70 funds or parts of funds or sources of supply from which had been drawn various amounts, the aggregate of which was a large amount. It is obvious that under such an administrative or accounting system, extravagance, waste, and inefficiency inevitably result.

The bill which I introduced likewise directed that a functionalized accounting system be installed, to show the past and intended uses of Indian Service money at Washington and in the several reservations or jurisdictions, by functions. The General Accounting Office was directed by the bill to proceed with the installation of the accounting system.

The bill likewise provided for an annual accounting by the Indian Bureau, to Congress, of the uses made of Indian tribal funds. This accounting had been mandatory until the calendar year 1928, in which year the statute directing the making of an annual accounting had been repealed through the insertion, in an omnibus bill, of language excusing the Indian Office from making its annual report.

The bill was intended as a first step and, in fact, a condition precedent, to the enforcement by Congress of economy upon the Indian Bureau. The bill was resisted by Commissioner Rhoads and Secretary Wilbur, first through a delay in the making of the requisite Executive report on bills. Finally, they made their report and they condemned

each and every clause of the bill which I had introduced (S. 4338). They made no proposal of alternative reforms in the system of accounting, budgeting, or appropriations.

THE TARDY CONVERSION OF THE BUREAU

Subsequently, this important matter was taken under advisement by the Senate Indian Investigation Committee and that committee, on the 10th of last month, made a report to the Senate, stating with clearness and fullness the imperative nature of the reform which I attempted to initiate last year. The investigation committee recommended in its report a substitute text for the Indian appropriation bill as a whole, and incorporated, in the last seven paragraphs of the proposed substitute text, the substance of the bill which I had introduced. I am now advised that at this very late date, the Interior Department and Indian Bureau officials are prepared to accept the changes.

This reported willingness of the bureau to accept this needed reform is a hopeful sign, but the letter and the spirit of the plan should be put into operation at once in order to secure for the next fiscal year the benefits that will flow therefrom. I regret, however, that the bill before us indicates that the Appropriations Committee has not accepted the measure offered by the chairman of the Committee on Indian Affairs.

THE SENATE COMMITTEE'S REPORT ON INDIAN APPROPRIATIONS

Mr. President, because of the importance of this matter and the comprehensive manner in which the investigation committee has dealt with it, I ask permission to have inserted in the RECORD certain paragraphs from the report of the Senate Investigation Committee made by the committee to the Senate on January 10 last, dealing with the need for a changed system of accounting, budgeting, and appropriation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter is as follows:

The body of this report consists of a proposed substitute bill, which could be enacted as a substitute for the subject matter of the pending appropriation bill for the Interior Department (H. R. 13710, submitted to the House of Representatives December 15, 1932), beginning at page 9, line 24, to and including page 55, line 18. In elucidation of this proposed substitute bill, the subcommittee briefly explains as follows:

The substitute measure, to the beginning of the seventh from its last paragraph, consists of the appropriations bill for the Indian Service, as reported to the House of Representatives by its Appropriation Committee December 15, 1932, but with the numerous general-fund appropriations aggregated into one lump-sum appropriation from the Treasury and appropriation of the specifically appropriated tribal funds, including Indian moneys, proceeds of labor. The various indefinite appropriations, not included in the annual appropriation bill, are left unchanged. All of the substantive provisions of the House bill are preserved through a series of limitations upon the use of the lump sums.

The concluding seven paragraphs of the proposed substitute draft contain new subject matter, here summarized, and more fully discussed in the course of the present report:

(1) The Secretary of the Interior is granted a 10 per cent leeway, with respect to all of the limitations contained in the proposed bill. In cases of extraordinary emergency, he may exceed this 10 per cent leeway.

(2) All expenditures of the Indian Service, including those authorized by indefinite appropriations (which total $3,304,122 in the curernt estimates) are brought within the new accounting and reporting requirements of the substitute draft.

(3) All expenditures of the Indian Service are directed to be segregated by functions, within the District of Columbia and within each several jurisdiction or place of the Indian Service; and under such changed functional segregation, it is directed that tribal funds be reported separately from other appropriations.

(4) There is established a requirement of annually reporting the amount, income, and uses of the tribal funds of the several tribes.

(5) There is established an obligation on the Indian Service to render accounts, upon request of the individual Indian or the tribe, of trust moneys, belonging to such individual or tribe, as are held under the trusteeship of the bureau.

(6) The General Accounting Office is directed to transmit to Congress an annual report of the audited expenditures of the Bureau of Indian Affairs.

The subcommittee has at various times recommended reorganization of the Indian Service and economies in the various branches of the service. The cost of the Indian Service (exclusive of per capita payments to Indians but including approximately a million dollars transferred to the Indian Service on account of Alaska) increased from $13,991,470 for the fiscal year 1926 to $27,055,696 in the fiscal year 1932, or a more than 100 per cent increase in 6 years. Undoubtedly much of this increase was justified by increases of education, medical, and social services in these years, but the Government is now facing the necessity of curtailment in general. During this same period, due to the rapid shrinkage of Indian tribal income, the expenditure of Indian trust money for the maintenance of the Indian Bureau consumed a rapidly increasing proportion of the whole tribal income, until the percentage of the total tribal income used by the Indian Bureau in the year 1932 reached a total of 93.3 per cent.

Beginning with the appropriation act for the current fiscal year, Congress somewhat reduced the appropriations for Indian Service, although against the energetic opposition of the Indian Bureau, but the total of appropriations in the pending bill for 1934, plus indefinite appropriations, is $22,465,704, or $8,474,234 in excess of the total of actual expenditure in 1926. This 60.6 per cent increase does not include future deficiency appropriations.

Under the existing system of accounting and of Budget estimates Congress is largely helpless in the matter of enforcing intelligent, discriminating economies. A description of the method by which appropriation bills are drafted will serve to make the situation evident.

The appropriation bills for the Indian Service are derived from, and rest upon, the Budget estimates submitted by the Director of the Budget. These estimates are finally determined by the Budget Bureau, usually after much conversation, and embody precedents established by a very large number of appropriations made in prior years.

The estimates are supplemented before the Appropriations Committees of Congress by verbal testimony of the Interior Department and Indian Bureau officials.

The appropriation bill of each year, as introduced and enacted, has carried into effect the Budget estimates with their petrifaction of anterior appropriations. The pending appropriation bill, as passed by the House, contains 175 separate appropriations, which in turn are broken into subappropriations and limitations to the number of more than 400. The pending first deficiency bill (H. R. 13975) reported to the House of Representatives December 30, and drawn on the same plan as the regular Interior appropriation bill, carries special appropriations of amounts as low as $2.71 for purchase and transportation of Indian supplies, $4.26 (reimbursable) for irrigation, $7.37 for industry among Indians, and other like appropriations.

As stated, this large number of appropriations, subappropriations, and limitations represents the accretion of precedents established by appropriation acts through many years gone by—precedents whose justification is nothing except the fact that they were once enacted.

Inasmuch as the Budget estimates are not functionalized and are not presented by jurisdictions, tribes, or places of Indian Service, it is impossible for Congress to obtain from these estimates a true picture of the facts of past expenditures or the intended uses of the sought-for appropriations. When the numerous appropriations in the bill are studied, either in sequence or in their totality, it is found that they do not give an intelligible picture of the work to be performed or of the distribution of funds to functions or places; there is much overlapping; appropriations for identical types of use and even identical functions are scattered amid different parts of the bill; and, finally, when all of the 175 appropriations are totaled they are found to be substantially less than the amount of money which the Indian Bureau actually intends to spend and does spend. With respect to this last item, and as an example merely, the Indian Bureau spent in the fiscal year 1929, over and above all regular and deficiency appropriations, including indefinite and continuing appropriations, $1,734,247 of trust funds, and in addition, from indefinite appropriations not contained in the appropriation bill, it expended $1,654,100, a total in excess of the regular and deficiency appropriation acts of $3,388,347, this excess being taken from tribal funds. (CONGRESSIONAL RECORD, May 12, 1932, p. 10416.)

To the above details must be added the practice, of long standing, of reappropriating in the annual supply bills unexpended balances.

The total effect is to cause the appropriation bill to be almost hopelessly confusing. Even if the Budget estimates represented a genuine effort to forecast the expenditures in their detail, the above unsatisfactory situation would exist unaltered, because, as stated above, the Budget estimates rest upon a system of accounting which is neither functional nor geographical, whereas it should be both.

Until a changed and simplified accounting, Budget estimate system, and appropriation bill can be achieved it is the subcommittee's conviction that neither Congress nor the President can effectively deal with the needed economies in Indian Service expenditures. Reductions of appropriations, if horizontally applied to the 175 separate appropriations, or applied to individual appropriations which are not designated either for functional or geographical uses, can indeed reduce the Government's cost, but reductions thus achieved would cause material harm to the needed Indian services.

It is to meet the above situation as a whole that the subcommittee has proposed the substitute draft herein, which in its essence is an extremely simple device.

As stated, the subcommittee herein proposes no substantive change of the appropriation bill as reported to the House, other than the substitution of a lump sum conditioned by limitations which reproduce every substantive detail of the bill as reported to the House. Concerning increases, decreases, or changes of the

total sum or of the limitations, the subcommittee at this time makes no recommendation whatever. It is, however, pointed out that the mere substitution of a lump-sum appropriation for the 175 special appropriations would result in a great reduction of bookkeeping detail; inasmuch as by the present system numerous special funds have to be set up in the agencies, at the Indian Office, and in the office of the Comptroller General, and every expenditure which is made must be entered against the appropriate one of these numerous and, in some instances, omnibus special appropriations.

But as specified above, the substitute draft, in its seven final clauses, in part establishes and in part lays the foundation for drastic changes in the direction of flexibility, simplification, and effective congressional control, which changes would become fully effective in the appropriation bill for the fiscal year 1935.

The strategical change proposed in the suggested substitute draft herein would be the requirement that all expenditures of the Indian Service should be segregated functionally within jurisdictions and in the District of Columbia; reports of which functionalized expenditures would be made to Congress by the Indian Bureau and the Comptroller General as directed in the substitute draft. Neither of these offices at present makes such a report or is in a position to make it.

With such reports before it, Congress would be enabled to judge the Budget estimates in the light of the actual experience of the preceding year; and the Budget estimates could be presented in a form functionalized, localized, and supported by the detailed record of the preceding year and years.

In the light of such information, it would become possible to formulate the appropriation bill for the fiscal year 1935 with intelligible limitations directing the uses of funds for actual functions and in jurisdictions and places specified in the bill.

The language of the substitute draft likewise would insure that the uses of tribal funds, by functions and places, would be explicitly stated by the Indian Bureau, and thus could be protected in the appropriation bill.

Through the above accounting and reporting, the several million dollars of invisible appropriations expended by the bureau each year would be brought effectively within congressional control.

The subcommittee recommends immediate adoption of its suggested substitute draft, including the substantive changes found in the last seven paragraphs thereof.

The subcommittee points out that the 10 per cent leeway clause, suggested herein, is precedented by numerous items which from year to year have appeared in the Indian Service appropriations and in the appropriation bills of other departments.

The new administration, which takes office March 4, will live for one year under the appropriation act to be enacted prior to March 4.

If reorganizations of the Indian Bureau are to be made effective, or substantial economies are to be achieved or even intelligently considered by the incoming administration, it is necessary that it be empowered to the extent of the proposed 10 per cent leeway and that it be supplied with the essential information attainable only through the changed system of accounting as herein proposed.

ACCOUNTING FOR INDIVIDUAL FUNDS

The subcommittee, at hearings at a large number of reservations, has become accustomed to endless queries and complaints by individual Indians and by tribes of Indians, having to do with their stated inability to obtain from the Indian Bureau an accounting for their money, individual and tribal, which is held and administered under trust.

The amount of such funds is large, frequently being in excess of $100,000,000 at a given time, and payments in excess of $20,000,000 a year frequently are made from such funds to the Indian or in one way or another in his behalf.

The subcommittee considers that it is of elementary necessity for the Indians, whose funds are in the hands of the Indian Bureau as trustee, to be able to obtain an accounting or satisfactory reporting when they ask for it. Therefore, the subcommittee has proposed in its suggested substitute draft the following language: "On demand therefor, itemized reports or statements of the Indian moneys held in trust shall be rendered to the individual Indian or the tribe involved."

To accomplish the aforementioned desirable objectives, it is earnestly recommended that the proposed substitute draft of that portion of the Interior Department bill for 1934, dealing with Indian Service appropriations, beginning at page 9, line 24, to and including page 55, line 18 (H. R. 13170, December 15, 1932), be accepted by the Appropriations Committee of the Senate and substituted for the above-mentioned portion of the Interior Department appropriation bill.

REFORMS MUST GO DEEPER THAN FINANCE

Mr. KING. But too much may not be expected from the Indian Bureau even though the reforms called for in the bill which I offered and in the report of the committee were carried into effect. There must be a fundamental change in the structure, policies, and plans of the bureau as well as a different approach by the bureau to the entire Indian question. While it is important to bring the appropriations within the control of Congress and to establish a just, intelligible, and honest system of accounting, further important steps must be taken and the very fabric of the Indian Bureau changed.

The facts which I shall now bring to the attention of the Senate are of importance to the Indians, even though an annual saving of $8,000,000—which is the amount that could easily be saved under a proper administration and with beneficial results to the Indians—were disregarded. If the Appropriations Committees and Congress would accept the recommendations of the Senator from North Dakota [Mr. FRAZIER], as well as other recommendations which have been made, the bill before us now would contain $8,000,000 less for expenditure by the Indian Bureau, without any disadvantage to the Indians and in many respects with resultant benefits to the Indians.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield for a question.

Mr. BROOKHART. Where does that $8,000,000 go under the bill, if it does not go to the benefit of the Indians?

Mr. KING. First, may I state that more than $10,000,000 of the appropriation for the bureau goes to pay the salaries of the employees of the Indian Bureau. As I stated a few moments ago, there is at least 1 bureau official for every 25 Indians, and 1 bureau official for every 6 children attending a boarding school.

Mr. BROOKHART. Most of that expense does not relate to the Indians, does it?

Mr. KING. The $10,000,000 for salaries is paid to Federal employees in the Indian Bureau and they are dealing with the Indians, directly or indirectly. A considerable part of it is expended by the employees here in Washington. The bill before us carries approximately $21,170,000 for the Indian Bureau for the next fiscal year, more than half of which will go to pay the salaries of the employees of the bureau; and, as I have pointed out, the bureau will spend a much larger total.

Mr. BROOKHART. The Senator says that $21,000,000 is expended for the Indian Bureau.

Mr. KING. Yes; and I assert that it will expend a larger sum during the next fiscal year. When the last appropriation bill was before the Senate I showed that 52.4 per cent of the entire appropriation was required to pay the salaries and travel expenses of persons employed by the bureau; 50.9 per cent went for salaries alone. I also showed that during the first year of Mr. Rhoad's administration the salaries of Federal employees were increased 17 per cent, and before the end of the next year, 25 per cent, and that a large number of employees were added to the bureau pay roll.

BOARDING SCHOOLS AGAINST DAY SCHOOLS

Mr. BROOKHART. What part of that goes for boarding schools?

Mr. KING. A considerable portion of the entire appropriation is for boarding schools, but as I demonstrated when the last appropriation bill was under consideration, the boarding schools are failing in their purpose; they are costly and do not produce the beneficial results that follow day schools. I showed that Doctor Ryan, who recently came to the Indian Bureau, as well as others whose judgment is of value, recommended a change from boarding schools to day schools. First, because of the superior advantages and the greater benefits to the Indian children, and second, because of the immense economies that would result.

Mr. BROOKHART. Would the day schools be just as good?

Mr. KING. They are infinitely better than the boarding schools. I think that has been demonstrated and is the considered judgment of those whose opinions upon this matter are worthy of consideration. If the Senator is interested in this matter, and I know he is——

Mr. BROOKHART. I am interested. I inquired into the Indian affairs several years ago.

Mr. KING. I am glad to know that, and I commend to the Senator the report made a number of years ago by what is known as the Merrian board or commission. This

commission was appointed, as I recall, at the request of the Interior Department to study the Indian question. Doctor Ryan was a member of the commission, and wrote that part of the report dealing with Indian schools. I read the report very carefully several years ago, and I recall that a change was recommended in the school system, a change from the boarding schools to the day schools. A year ago; when the Indian appropriation bill was before the Senate, I secured an amendment by which $500,000 was taken from the boarding-school item and added to the amount to be expended for the operation and maintenance of day schools. I am told that the results have been highly beneficial. The costs per capita of the school children have been reduced one-half, thus permitting a larger number of Indian children to be placed in schools, and the progress of the children in the day schools has been very much greater than those in the boarding schools.

Mr. BROOKHART. There are some day schools now, are there not?

DEMORALIZATION BY THE BOARDING SCHOOLS

Mr. KING. Yes; there are a considerable number, costing more than $700,000; and, as I have indicated, the maintenance of day schools has a far better effect upon the children. It permits them to have contacts with their families and tends to develop a higher morale. Under the boarding-school system the children are dragged from their homes and sent from hundreds to thousands of miles away. In most instances they are not permitted to visit their homes or see their parents for years. When released from the boarding schools, there are few if any opportunities for them in the vicinities of the schools, and they return to the homes from which they were, in many instances, forcibly removed.

During the intervening years changes have taken place, and in many instances upon their return they find themselves more or less estranged and isolated. This produces a spirit of discouragement and even demoralization. Experience has demonstrated that the boarding schools have not produced satisfactory results either educationally, culturally, or morally. I emphasize these points, but it is also important to remember that the boarding-school system is extravagant and costly and, as I have stated, does not bring corresponding advantages. I stated before the Senator came into the Chamber that in the boarding schools there is one Federal employee for every six children. Millions have been spent in unnecessary buildings; costly experiments have been carried on; impractical and visionary persons have been employed, as well as persons lacking in understanding of the Indians or sympathy with the young children torn from their homes. The aggregate result of which has been that the boarding-school system has been found to be defective and wanting in those essential things so necessary for the building of Indian character and for preparing the children for useful service in life.

I call the Senator's attention to the contrast between the Indian Service of the United States and that of Canada. I discussed this matter in some detail a year ago and brought the attention of the Senate to reports which I had received showing the superior system the Canadians have employed in caring for their Indian wards. Under that system the Indians made great progress industrially and educationally, and Canada has found that day schools obtain beneficial results.

Mr. BROOKHART. Mr. President, on that subject has not the Indian Bureau authority under the present law to change the policy?

Mr. KING. Undoubtedly the Indian Bureau could recommend to Congress abandonment of the boarding-school system and the establishment of day schools among the Indians, I have no doubt that Congress would quickly respond to a recommendation of this character. The report of Doctor Ryan to which I have referred is a recommendation of day schools as against boarding schools, but the Indian Bureau has resolutely opposed the abolition of the boarding schools. I should say, however, that it has indicated that there should be a gradual increase in the number of day schools, which would mean a diminution in the number of boarding schools. However, when I attempted a year ago to have incorporated in the appropriation bill appropriations for more day schools and fewer boarding schools, fierce opposition was encountered at the hands of the bureau. However, with the support of Doctor Ryan progress was made, and $500,000, as I have stated, which was to be devoted to boarding schools, was transferred to the day-school category.

Mr. BROOKHART. Does the Senator expect to offer an amendment to this bill to increase the number of day schools?

Mr. KING. I have an amendment to propose reducing the appropriation for boarding schools $1,000,000 and applying $500,000 of the same to the establishment of day schools. Five hundred thousand dollars used for day schools will care for more children with better results than $1,000,000 expended in boarding schools. However, my proposal will be opposed by the committee and of course meets with opposition at the hands of the Indian Bureau.

THE CONTRAST WITH CANADA

With reference to the Canadian Indian policy: I pointed out in my address a year ago that the Indian population of Canada is steadily increasing; that the Indian land holdings are kept intact and are increasing; that the Indian tribal funds are increasing; that Canada distinguishes between capital and income, and as I have said, as a trustee insists upon investing capital for capital-production purposes. I also showed that the Canadian Indians have access to whatever there be of health, educational, agricultural, and economic service made available by the Dominion or its Provinces to any citizen.

I contrasted the Canadian situation with that in the United States; and I stated that Indian land holdings in this country since 1887 had shrunk from 133,000,000 acres to only 47,000,000 acres at the present time, almost entirely through the actions of the guardian Government regardless of Indian consent. I also pointed out that here, in contrast to Canada, Indian tribal funds have melted away to the amount of a loss of more than $500,000,000 since 1887.

It is pertinent to remark that if we had adopted the course of Canada this $500,000,000 would have been regarded as capital, because it was such, instead of being treated as income and dissipated. A capital investment of $500,000,000 would have found the American Indian far advanced along the path of economic independence. In my address I also stated that Canada does not employ Indian trust funds for the maintenance of its Indian Service, whereas our Indian Bureau since 1900 has expended more than $110,000,000 of Indian tribal trust money for its own salaries and conveniences, and I also pointed out that the Canadian Indian administration on a per capita basis was less than 38 per cent as expensive as our Indian administration on a per capita basis. The record shows that our Indian Bureau spends two and six-tenths times as much on a per capita basis as the Canadian Indian Bureau.

THE CONTRACT WITH MEXICO

I also referred to the Indian policy and the Indian administration methods of Mexico. There, as I indicated, the government had achieved an efficiency with economy, even more striking than that in the case of Canada. The per capita cost of schooling Indian children under our Indian bureau methods in the bureau's boarding schools was $429 per child as estimated in the budget for 1933. In Mexico the per capita schooling cost does not exceed $17 per child per year. The landholdings of the Indians in Mexico are being enlarged, and so effective are the services rendered on Indian reservations or communes, and so interested and concerned are the Indians in the government and in their relations thereto, that they are willing to pay taxes not only at a rate equal to the taxes paid by the owners of large plantation estates but indeed at a higher rate. I might add that the administrative unit through which the Mexican Government renders its Indian services is the Indian tribal group itself, organized into a cooperative landholding company called an ejida. The ejida is comparable to the Pueblo

Indian tribal organization and landholding system still going forward happily and successfully in New Mexico. But Mexico has reinforced the ejidas, which are, in their essence, holding companies, cooperative societies, credit unions, and marketing organizations of the Indians, with technical assistance in the form of rural credit, agricultural organization and guidance, assistance in the development of health programs, normal schools where the young men and women of the tribes are trained to become leaders of their own villages, communes, and neighborhoods, and generally with a very high grade of modern rural-life service. So effective as a stimulus to self-help has the Mexican system proved to be that for much of the time since the ejidas were established, about half of the 6,000 Indian schools have been financed by the ejidas themselves, even the salaries of the teachers being paid by the Indian beneficiaries of these schools. I am informed that the per capita cost of Indian schooling in Mexico is a little less than $18 a year, compared to the per capita cost under our Indian Bureau of more than $300 a year.

Mr. BROOKHART. Mr. President, will the Senator explain briefly the difference between the day school and the boarding school? I may not catch the full idea.

Mr. KING. In the case of boarding schools, I presume the Senator has visited some of them.

Mr. BROOKHART. I have visited some of the day schools, but not any of the boarding schools.

Mr. KING. I attempted to explain the difference, but perhaps did not make the matter clear. The bureau has established a number of boarding schools—more than 70—some of which are remote from the homes of Indians. The Indian children are taken from their parents, often by force, and sent to remote points where buildings have been erected by the Government to house the children and in which the boarding schools are conducted. In many places extensive buildings have been erected at a considerable cost. Many of these schools, I believe, ignore the backwardness of the Indian children, the difficulties under which they are trained, the character of education and training which they should receive. A very costly system has been adopted which calls for a large expense—costly buildings and costly administrative methods. A large administrative personnel is employed, and apparently an effort is made to absolutely remove the children from all contacts with their parents and tribes, but at the same time there is a failure to fit the children for places in the industrial or economic life of the country. The children, as I have stated, are detached from their homes and their parents, and it is obvious that this situation, when surrounded as they are by strangers and by white people, will have important results, not always for good, in the character and behavior of the children. The children are more or less captives and lack that freedom so necessary for proper development of children. My information is that animosities and resentments are developed and that many of the children when they are released from these boarding schools exhibit a feeling of anger, if not hostility, toward the policy and the Government and persons connected therewith.

THE EXAMPLE OF THE LEUPP BOARDING SCHOOL

The bureau has not only constructed buildings too costly, but it has not always acted with wisdom in selecting the points for the establishment of the schools. For instance, the bureau spent more than a million dollars in buildings at what is called the Leupp Agency. The buildings were constructed at a low point, close to the banks of the Little Colorado River. Everyone familiar with the situation knew that floods frequently came and that by erosion the river banks were washed away. The Senator from Arizona [Mr. ASHURST] stated in the Senate's Indian Committee meeting held at this place that he had objected to the establishment of the school at the place which I have mentioned. The floods did come and those at the agency were compelled to flee. The children were thereupon taken to distant points and placed in other boarding schools. In these boarding schools expensive methods were adopted, nurses were employed, and doctors and a large retinue of employees, the cost per child per annum being around $400. Now the Indian Bureau is seeking to continue this Leupp boarding school and is asking for more money for a renewed effort at flood protection.

I think the report of Doctor Ryan condemns a policy which drags the children from their homes, takes them from their parents, and sends them to distant points hundreds, and in some instances thousands, of miles away. The effect of such a system is most unsatisfactory upon the life and character of the children. Experience has shown that day schools established at or near the homes of the children, where they can come in contact with their parents and friends and those of their tribe, produce superior results. The boarding schools have been the result of a misconception of the needs of the Indians and the character of training and education which they should receive, but they have furnished jobs for thousands of employees, and the millions of dollars annually expended in building and maintaining them are of material advantage to the towns and cities near by, inhabited by white people. Too often the influence of white communities has determined the location of schools, and the inhabitants of these sections are eager to have large appropriations made for the Indian schools and their maintenance.

In the discussion a year ago I called attention to the fact that chambers of commerce and business men and bankers in some sections demanded larger appropriations for Indian agencies, and objected to economies which were being recommended for the protection of the Indians. I regret to state, but it is a fact, that communities inhabited by white people have greatly profited from the extravagance of the Indian Bureau and have been active propagandists in favor of liberal and still more liberal appropriations to be expended upon Indian reservations and upon Indian schools.

Mr. BROOKHART. What about the course of study in the boarding schools? Do they have vocational studies and studies of that kind over the day schools?

Mr. KING. My information is that the instructions given at the day schools produce better results than those imparted at the boarding schools. The Senator from North Dakota [Mr. FRAZIER], chairman of the Senate's Indian Investigating Committee, has visited most if not all the boarding schools as well as most if not all of the day schools. He and the Senator from Montana [Mr. WHEELER], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Oklahoma [Mr. THOMAS], all recommend that a change be made, not precipitately, from the boarding school to the day schools. I believe it is their considered judgment that from every point of view the change will be beneficial. Certainly the day schools have yielded better results, and it is conceded that the cost of the boarding schools is more than double the cost of day schools.

Mr. President, in my address a year ago I devoted some time to a discussion of the unjust and destructive system enforced by the Indian Bureau in connection with land allotment. Under this system the bureau has caused the destruction of the Indian landholdings, and if persisted in, the system will, with mathematical precision, continue to disinherit all of the allotted Indians until they are wholly disinherited.

The allotment system is an elaborate paternalistic, bureaucratic control; it involves each allotted Indian, his land, his funds, his operations of lease, sale, or transfer, and even the making of his will. It provides jobs for several thousand Indian Bureau employees, and imposes costs upon the Government of not less than $3,000,000 per year of administrative expense, with the sole result of stripping from the Indian his land while destroying his personal morale and his community life.

Mr. BROOKHART. Mr. President, will the Senator recur for a moment to the school matter? What would be the loss, if any, if we changed from the boarding school to the day school?

Mr. KING. There would be no loss; there would be a gain, a saving, of approximately $5,000,000 a year.

Mr. BROOKHART. The same equipment could not be used, could it?

Mr. KING. No; many of the buildings, of course, would revert to the States or be abandoned, the same as this million-dollar equipment down in the Leupp region on the Little Colorado River will have to be abandoned because of the erosion of the soil as the water advances down the canyon.

INDIAN DAY SCHOOLS IN OKLAHOMA

In further explanation to the Senator from Iowa, I may cite an example of Indian day-school work under the Indian Bureau in Oklahoma. On October 12 last, the day school and teachers' cottage at Kallihoma, Okla., were completed. The Indians themselves constructed these two buildings and the total cost to the Government was only $929. A group of Indian men gave their labor for two months to the construction, and only one white carpenter was employed for part of the time. The teachers in charge are Indians, one a full-blood Choctaw and the other a Chickasaw. The school is operated as a community center, with all sorts of adult-education and neighborhood-improvement work going on as part of the school activity.

Among the Five Civilized Tribes of Oklahoma, there are now nine rural day schools, all taught by Indian teachers. Numerous reports concerning these schools are in the Indian Bureau's files, and they show that the schools are all-round community institutions which not only provide the regular day-school training for the children, but which carry out agricultural and gardening campaigns, fruit-canning campaigns, and club activities dealing with various rural-life problems. Among the activities are community sings, and the supervisor of Indian education for Oklahoma testifies that the Cherokees, who are the Indians attending these schools, have remarkable musical talent, notably greater than that of the white people. These schools likewise are health centers.

In all of these special schools the teachers are Indians. The schools are operated by the Indian Bureau with the active help of the county school superintendent of Pontotoc County, Okla.

INDIAN DAY SCHOOLS IN ALASKA

The economy and practicability of day schools for Indians are demonstrated when we turn to the Indian service of Alaska. If there is any region where the boarding school would be a necessity, that region is Alaska. The Indians are widely scattered. Communications are difficult. The winters are long, excessively cold, and dark.

But the development of Indian education in Alaska is a recent event, and as a consequence there are only 390 Alaskan Indian children in boarding schools, while there are 4,089 Alaskan Indian children in day schools. There are 4 small boarding schools and 101 day schools. The cost of the boarding schools in Alaska is $337 for each child, while the cost of the day schools in Alaska is $89 for each child.

If the situation in Alaska were transposed to the Indian Service in the United States, and the children now being cared for in Government and mission schools and by the payment of tuition to the public schools were redistributed, so that the proportion of the children in Government boarding schools to those in day schools became identical with that now prevailing in Alaska, the result would be as follows:

There would remain in Government boarding schools 2,561 children. There would be transferred from Government boarding schools to day schools 17,862 children. The net saving, in the fiscal year ahead, would be $4,626,228.

But in fact, the day school in the United States is far more practicable than in the Alaskan Indian service, so that actually a larger number of children could be transferred from the boarding schools and a greater saving could be accomplished. The saving ought to go above $5,000,000 a year.

THE EXTRAVAGANCE OF OVERCENTRALIZATION

In my address of April 11 of last year I showed the enormous centralization of the Indian Bureau and its increasing drafts, to meet the salaries of bureau employees, upon the Federal Treasury and the tribal funds. I have received a letter under date of January 18 from Commissioner Rhoads stating that the Washington office pay roll of the Indian Bureau for 1933 is $459,433. The aggregate pay roll, when the agencies are included, is, for the current fiscal year, $10,865,550, exclusive of Alaska. There are only 195,000 Indians under the jurisdiction of the Indian Bureau, and the salaries of the bureau are 50 per cent of the entire appropriation and amount to approximately $55 or $56 for every Indian under the control of the Government. Contrast this figure with that of Canada. There the Indian Bureau has jurisdiction over 108,000 Indians. Its total pay roll for the fiscal year 1931 was $179,317. This amount covered all central-office salaries and all agency salaries, exclusive of schools and medical service. The Canadian policy is a condemnation of the inefficient and extravagant Indian policy of our Government. Our Indian Bureau is paternalistic and bureaucratic and pretends to do through paid employees all and everything which human beings normally do for themselves. Coupled with this paternalism is the Indian Bureau's policy of monopolizing the Indian Service and of duplicating, through pigmy services of its own, the work of the Department of Agriculture, the Bureau of Reclamation, the work of the State agricultural, educational, health, and welfare departments, and even the work of the courts.

BUYING INJURY FOR THE INDIANS

Under this inferior and devitalizing policy the Indians are supplied a greatly inferior service, and millions of dollars per annum of the taxpayers' money and of the Indian tribal funds are expended on needless duplication of these services. These mounting Indian Bureau costs have produced no benefits for the Indians but have resulted in definite and fatal injuries. The costly boarding-school system represents injury, the costly allotment system represents injury, and the expensive centralizing of the bureau with its duplications on a little scale and in a low-grade fashion contributes to the injurious results. The system is indefensible and is the worst in the whole field of government. I stress these matters for the purpose of compelling, if I may, attention to the imperative need of a radical reorganization of the Indian Bureau. Such a reorganization must result in effective economy, and unless it be accomplished the cause of the Indians becomes more hopeless each year.

THE PETITION OF 600 FRIENDS OF THE INDIANS

Mr. President, I invite the attention of the Senate to a remarkable document which was submitted, as I am advised, under date of January 28 to President-elect Roosevelt. It was signed by more than 600 of the country's leading educators, physicians, churchmen, social workers, and Indian welfare workers. Among the signers appear such names as those of President Robert M. Hutchins, of Chicago University; Mr. George Foster Peabody; Dr. Haven Emerson, of Columbia University; and Miss Edith Abbott, of Hull House, Chicago. The document states that—

> * * * So great is the Indian distress in many tribes and so rapid is the shrinkage of Indian property held in trust by the Government, that we do not believe we are exaggerating when we suggest that your administration represents almost a last chance for the Indians.

Mr. President, I present a copy of this communication containing the names of some of those who signed it, and ask permission to have the same inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Hon. FRANKLIN D. ROOSEVELT,
*President elect of the United States.*

DEAR MR. ROOSEVELT: The undersigned, educators, social workers, and citizens, earnestly petition you to give especial consideration to the situation of the Government's Indian wards.

In justification of our request, we point out that the Indians are dependent on the United States Government and are at its mercy in ways and to an extent true of no other elements in

our population. They are wards of the Government; their property is held and administered under the Government's trust; their personal lives are almost completely subject to control by the Government as their guardian.

They depend on the Federal Government for nearly all of the services—economic, educational, social, and human—which other populations receive through many Federal departments, through the State and county governments, through the private welfare agencies, and through their independent actions of organized self-help. These services, as supplied to Indians, have been improved in current years, but the needs and the difficulties of the Indians remain extreme, even tragic.

The Government, as trustee, has not been thrifty with the Indians' estate. On the contrary, the Indian-owned lands have dwindled with extreme rapidity from an acreage of 133,000,000 in 1887 to an acreage of only 47,000,000 at the present day. The system of property administration, not yet reorganized, insures in its very structure the continued shrinkage of Indian lands, with the complete ultimate disinheritance of more than two-thirds of the Indians still holding property under Government trust. A comparable dissipation has taken place, and is continuing, with respect to the Indian-owned natural resources and the funds derived from their exploitation.

We urge upon your attention the intense contrast between the present situation of the Indians in the United States and in our neighboring countries, Mexico and Canada. In both of these neighboring countries Indian property is increasing, not diminishing; the cultural rights of the Indians are carefully respected; and the Indians are helped to take their full place in the political, professional, social, and economic life.

So great is the Indian distress in many tribes, and so rapid is the shrinkage of Indian property held in trust by the Government. that we do not believe we are exaggerating when we suggest that your administration represents almost a last chance for the Indians.

The task of guardianship and trusteeship over the 230,000 Indian wards and their property is one of immense complication. Numerous and difficult technical procedures are involved. An extensive and conflicting body of statute law encumbers the trusteeship and guardianship services, while at the same time the Indian Bureau is vested with discretionary powers over Indian property, with immunity from court review, to an extent dangerous to the Indians and to the national honor.

There is required, we venture to suggest, not only an Indian administration of extraordinary determination and technical ability but a reorganization of the Government's system of Indian affairs, including an extensive reconstruction of Indian law.

In the light of these facts, we respectfully but most earnestly urge that in appointing the Commissioner of Indian Affairs and the Assistant Commissioner of Indian Affairs and in filling the coordinate positions affecting the Indians, outstanding ability shall be sought for and experience and technical knowledge and equipment be emphasized. If there are any appointments in the Government service which deserve to be lifted above the political considerations, the appointments to the Indian Bureau are such. They are the appointments of guardians and trustees over wards who are, by our own statute law, made wholly dependent upon the Government and placed wholly at its mercy. They are appointments for the governance of the whole of a minority race which has suffered immeasurable past wrongs at the hands of our own Government.

We make no suggestion regarding persons. But we respectfully urge that the appointments be considered from the standpoint of the Indians themselves and in the light of the solemn obligations of trusteeship and of guardianship.

Very respectfully,

Robert M. Hutchins, Chicago, president University of Chicago; George Foster Peabody, Saratoga Springs, N. Y., Hampton Institute, etc.; John A. Ryan, D. D., Washington, director department of social action, National Catholic Welfare Conference; Bishop Hugh L. Burleson, New York, National Council of the Episcopal Church; Haven Emerson, M. D., New York, professor, department of public health administration, Columbia University; Mrs. H. A. Reeve, Philadelphia, president International Federation of Home and School, formerly president National Congress of Parents and Teachers; Miss Edith Abbot, Chicago, professor, school of social administration, Chicago University; Dr. John R. Haynes, Los Angeles, regent, University of California; Virginia C. Gildersleeve, New York, dean, Barnard College; Percy Jackson, New York, Eastern Association on Indian Affairs; Lewis Meriam, Washington, chairman survey of Indian administration, Institute of Government Research; John Collier, Washington, executive secretary American Indian Defense Association; Nathan R. Margold, New York, committee on Indian civil rights, American Civil Liberties Union; Daniel C. Beard, New York, national counsellor Boy Scouts of America; Jay B. Nash, New York, professor, department of physical education, New York University; Thomas Jesse Jones, New York, educational director, Phelps-Stokes Fund; Franz Boas, New York, professor, department of anthropology, Columbia University; Mary Louise Mark, Columbus, Ohio, professor, department of sociology, Ohio State University; Charles C. Davenport, Cold Springs Harbor, N. Y., director of the laboratory of genetics of the Carnegie Institution of Washington; Sherwood Eddy, New York, formerly secretary International Young Men's Christian Association; Judson King, Washington, director National Popular Government League; Oswald Garrison Villard, New York, editor the Nation; Owen Lovejoy, New York, Children's Aid Society; Fred W. Hinrichs, jr., Pasadena, dean California Institute of Technology; Pearl Chase, Santa Barbara, Better Homes of America; Rev. Oliver Hart Bronson, Santa Barbara; Mabel C. Washburn, Santa Barbara, secretary Indian Defense Association of Santa Barbara; Frank Aydelotte, Swarthmore, Pa., president Swarthmore College; W. F. Bigelow, New York, editor Good Housekeeping; Walter Pettit, New York, New York School of Social Work; Rachel B. Barker, San Francisco, secretary Indian Defense Association of Northern and Central California; Mabel Dodge Luhan, Taos, N. Mex., author; Elizabeth Shepley Sergeant, New York, author; C. R. Mann, Washington, director American Council of Education; E. C. Lindeman, New York, New York School of Social Work; Stella M. Atwood, Riverside, Calif., legislative advisor American Indian Defense Association (formerly chairman Indian welfare committee of the Federated Women's Clubs); Stansbeery Hagar, Brooklyn, secretary of the council, Brooklyn Institute of Arts and Sciences; C. Hart Merriam, Washington, research associate, the Smithsonian Institution; H. L. Lurie, New York, Bureau of Jewish Social Research; J. Prentice Murphy, Philadelphia, Children's Bureau and Seybert Foundation; James W. Young, Chicago, professor, School of Business, University of Chicago; James Ford, Cambridge, professor, department of sociology, Harvard University; Lieut. Col. George P. Ahern, U. S. A., Washington; Frederic C. Howe, New York City, author; Julia Peterkin, New York City, author; Pauline Goldmark, New York City, social research; Mabel Kittredge, New York City, "House Keeping Center"; Donald P. Geddes, New York City, head of Columbia University publications; Morris Ryskind, New York City, author; Eva Le Gallienne, New York City, author; W. D. L. Held, Ukiah, Calif., judge of the superior court; Mrs. Martha Toles, Ukiah, Calif., county social agent; Fremont Older, San Francisco, editor, Call-Bulletin; Mrs. Blanche Hamilton, Berkeley, Calif., secretary, College Women's Club; Dr. E. F. Glaser, San Francisco, California State Board of Health; chairman, California Committee on Indian Relief; Mrs. Max C. Sloss, San Francisco, San Francisco Civic Center; Jeannie de Strange Cappel, Los Angeles, secretary, American Indian Woman's Club; Glenn E. Hoover, Mills College, Calif., professor, department of economics and sociology; George L. Cady, 287 Fourth Avenue, New York City, American Missionary Association; Stephen J. Corey, Missions Building, New York City, United Christian Missionary Society; Charles E. Schaeffer, Philadelphia, board of home missions, Reformed Church in the United States; Russell S. Showers, Dayton, Ohio, general secretary Home Mission United Brethren Church; Mrs. Daniel A. Poling, Pennsylvania Hotel, New York City, Council of Women for Home Missions; G. W. Holloway, 516 North Charles Street, Baltimore, Md., board of missions, Methodist Protestant Church; Miss Lucy Carner, 600 Lexington Avenue, New York City, national board, Young Women's Christian Association; Laurenna H. Farquhar, Wilmington, Ohio, Friends Board of Missions; Mrs. Duncan McDuffie, Berkeley, Calif., Indian Defense Association of Central, and Northern California; Charles deY. Elkus, San Francisco, president, Indian Defense Association of Central and Northern California; Donald B. Armstrong, M. D., New York, Metropolitan Life Insurance Co.; Roger N. Baldwin, New York, The American Civil Liberties Union; S. P. Breckenridge, Chicago, professor, school of social service administration, Chicago University; L. P. Chute, Minneapolis, chairman, Indian Relief Committee; George P. Clements, Los Angeles, director of agriculture, Los Angeles Chamber of Commerce; Phoebe Jewell Nichols, Oshkosh, Wis., League of Women Voters; Marion E. Gridley, Chicago, secretary, Indian Council Fire; Eleanor H. Holtzman, Chicago, first vice president, Chicago and Cook County Federation of Women's Organizations; Frank W. Creighton, New York, executive secretary, domestic missions, Episcopal Church; William Hodson, New York, Welfare Council; Hutchins Hapgood, Winchester, N. H., author; Dr. James P. Warbasse, New York, Cooperative League of the United States; Harold von Schmidt, Westport, Conn., illustrator; Lester F. Scott, New York, Camp Fire Girls of America; Miss Irene Lewisohn, New York; Mrs. A. Barton Hepburn, New York, American Indian Defense Association; Robert E. Ely, New York, director, Town Hall; Marjory A. Martin, New York, Society of Congregational Church Women of State of New York; Mabel Carney, New York, professor, teachers' college, Columbia University; Robert Gessner, New York, New York University; Dr. Frank A. Smith, New York, Home Missions Council; Bryan Foote, Newark, New Jersey Conference of Social Work; Carl C. Carstens, New York, Child Welfare League of America; Charles E. Merrill, New York, Congregational

Committee on Missions; Paul E. Stewart, Santa Barbara, superintendent of public schools; Walter West, 130 East Twenty-second Street, New York City, American Association of Social Workers; Elizabeth McCord, Philadelphia, Pa., Community Council of Philadelphia; Henrietta Roelofs, New York City, National Board, Young Women's Christian Association; Janie W. McGaughey, Atlanta, Ga., secretary women's work, Presbyterian Church; Oliver LaFarge, 205 East Sixty-ninth Street, New York City, Eastern Association on Indian Affairs; Mary Cabot Wheelwright, Boston, Mass., Eastern Association on Indian Affairs; Gertrude Ely, Bryn Mawr, Pa., Eastern Association on Indian Affairs; Herbert J. Spinden, Brooklyn, N. Y., Eastern Association on Indian Affairs; Walter V. Woeheke, Los Angeles, Ventura Free Press; Ann Shumaker, Washington, editor Progressive Education; and 498 additional signatures, which include representatives of all church bodies doing work among the Indians.

Mr. KING. Mr. President, a moment ago I stated that this bill carried $8,000,000 for the Indian Bureau which was unnecessary and that it would result in more harm than good to the Indians. I shall attempt to give some facts in support of this statement.

I have stated the main instances of waste coupled with damage to the Indians. They consist of the bureau's schooling system, its autocratic and unreviewable paternalism, which searches and enmeshes even the personal life of each Indian, and its duplication of other Government services. I shall deal with these in their turn.

MORE ABOUT THE SCHOOLING WASTES AND FAILURES

Mr. President, I ask to have inserted in the RECORD a table which gives the statistics of the number of children in Indian boarding schools in the years 1917, 1929, 1931, and 1932, and the estimated number for the fiscal year 1934.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

*Comparison of attendance figures at Indian boarding schools for sample years from 1917 through 1932, and estimated number who will be in attendance in the fiscal year ending June 30, 1934, for which the pending appropriation bill makes provision* [1]

| | 1917 | 1929 | 1931 | 1932 | Estimated for 1934 |
|---|---|---|---|---|---|
| Government boarding schools | 22,200 | 21,939 | 21,256 | 21,687 | [2] 20,423 |
| Mission boarding schools | 5,100 | 3,022 | 6,286 | 7,351 | [3] 7,351 |
| Total | 27,311 | 24,715 | 27,532 | 29,028 | 27,773 |

[1] References: Annual reports Commissioner of Indian Affairs, 1917, 1929, 1931; House hearings on Interior Department appropriation bill, 1934.

[2] This total is arrived at as follows: The pending budget is estimated for an average attendance (at Government boarding schools) of 19,230. Experience has proved that the actual attendance exceeds the advance-estimated attendance. The excess for non-reservation boarding schools in 1932 (the last year of completed record) was 6.2 per cent. Applying this correction to the estimate, the total of 20,422 is obtained as the probable average attendance at Government boarding schools in the fiscal year ahead.

[3] No estimates available. In view of increase of attendance at mission boarding schools from 1929 through 1932, it is here assumed that the attendance at these schools in 1934 will be not less than the attendance of 1932.

CONCLUSIONS FROM THE ABOVE TABLE

Disregarding qualitative facts and taking into account only quantitative facts, the boarding schools have not been diminished since 1917. If attention be given only to the Government boarding schools as distinct from mission boarding schools, the decrease in attendance from 1917 to 1932 was 2.2 per cent and the decrease from 1929 to 1932 was 1.2 per cent. The decrease from 1929 to the estimates hereunder, for Government boarding schools exclusively, in the fiscal year 1934, totals 7.1 per cent; but when all the boarding schools are considered, there is found an increase, from 1929 to the estimated total for 1934, of 18.3 per cent.

The cost to the Government, on a per child basis, for the Government schools, increased approximately 63 per cent from 1917 to the Budget estimates for 1934. The 1934 Budget estimates aggregate $7,059,000 for children in Government boarding schools numbering 19,230, which total of children should be corrected to 20,422.

Mr. KING. I shall briefly refer to the matter just inserted in the RECORD. The estimate for the fiscal year 1934 shows the total number of children in the boarding schools to be 20,422.

Mr. BROOKHART. How many are in the day schools?

FOR EACH SEVEN CHILDREN—ONE EMPLOYEE

Mr. KING. I will refer to that in a moment. The total cost for the boarding schools as estimated for 1934 is $7,059,000 and the cost for each child for the year is $346. But the costs will be greater and will be met from deficiency appropriations and tribal funds. The total salaries and wages, after deducting for legislative and administrative furloughs, amount to $3,870,909. It appears therefore that the salary expenditure for each child is $189. It will be perceived that more than half of the cost is for salaries of employees, the number of the regular employees being 2,761, and the number of irregular employees 225 on a whole-time basis at $1,000 per year. Thus the total number of employees in the boarding schools is 2,986. This gives a ratio of Government employees to children of 1 to 6.9.

THE COMPARISON WITH DAY SCHOOLS

Mr. President, these figures I have obtained from the Indian Bureau and they show the total number of children in the day schools, as estimated for 1934, to be 5,960 at an estimated total cost for the day schools of $739,000. The per capita cost is therefore $124, or approximately one-third of the per capita cost of the boarding schools. The total salaries and wages are $459,940.

The statistical tabulation shows that in 1917 there were 27,311 children in the Indian boarding schools and that in 1929 there were 29,028; the estimated number for 1934 is 27,773. I have here in tabular form information as to salary costs, and so forth, to which I have just referred, and ask that the table be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

*Indian Bureau boarding school and day school costs, with salary totals, per capita costs, and salary expenditure occasioned by each child in school*

| | |
|---|---|
| (1) Boarding schools; estimate for the fiscal year 1934 (the budget for 1934): | |
| Total of children (corrected estimate) | 20,422 |
| Total cost | $7,059,000 |
| Cost per child per year | $346 |
| Total salaries and wages (after deducting legislative and administrative furloughs) | $3,870,909 |
| Salary expenditure occasioned by each child | $189 |
| Number of regular employees | 2,761 |
| Number of irregular employees (on a whole-time basis at $1,000 a year) | 225 |
| Total of employees | 2,986 |
| Ratio of Government employees to children | 1 to 6.9 |
| (2) Indian Bureau day schools (fiscal year 1933; data furnished by the Division of Education of the Indian Bureau): | |
| Total of children | 5,960 |
| Total cost (approximate) | $739,000 |
| Per capita cost (approximate) | $124 |
| Total of salaries and wages | $459,940 |
| Salary expenditure occasioned by each child | $77 |
| Number of teachers | 242 |
| Number of housekeepers | 113 |
| Total of employees | 355 |
| Ratio of Government employees to children | 1 to 16.8 |

Mr. KING. Mr. President, the following conclusions are warranted from the figures submitted. Disregarding qualitative facts and taking into account only quantitative facts, the boarding schools have not been diminished since 1917. If attention be given only to the Government boarding schools as distinct from mission boarding schools, the decrease in attendance from 1917 to 1932 was 2.2 per cent, and the decrease from 1929 to 1932 was 1.2 per cent. The decrease from 1929 to the estimates for Government boarding schools exclusively as distinct from mission boarding schools in the fiscal year 1934 totals 7.1 per cent; but when all the boarding schools are considered there is found an increase from 1929 to the estimated total for 1934 of 12.3 per cent.

The cost to the Government on a per-child basis for the Government schools increased approximately 63 per cent from 1917 to the Budget estimates for 1934, a large part of which, of course, was caused by the increase in the number of employees. Living costs have gone down since 1917.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. BROOKHART. What class of Government employees are the ones that the Senator thinks are in excess?

THE WHOLE INDIAN SERVICE IS OVERMANNED

Mr. KING. Mr. President, there is not a division or subdivision in the entire Indian Bureau service that is not overmanned. With economy and efficiency the entire work of the Indian Bureau could be performed with one-half of the employees. There are a large number of so-called farmers who should be separated from the service, and if one of the recent employees, Mr. Cooley, were given authority to deal with the agricultural activities of the bureau he could with one-fifth of those engaged in so-called agricultural work accomplish far better results than are now obtained. Similar results, as well as advantages to the Indians, would result if like reductions were made in many of the divisions and groups in the bureau.

In the District of Columbia there are entirely too many employees. In all of the reservations, and there are more than a hundred reservations, the number of employees is entirely too great. The Senator may recall the bureau's expenses upon the Klamath Reservation. It was shown that the Indians protested against the enormous number of employees. The number of Indians in the reservation was comparatively small yet the number of employees was large and 30 automobiles were furnished for their benefit. Work was given to white employees in the construction of unnecessary roads and in other activities of but little benefit to the Indians. My recollection is that there were more than 30 buildings upon this small reservation to accommodate the white employees. An unnecessarily large force of men was employed to look after the forests, and I might say in passing that the Indian Bureau entered into unfair and improvident contracts with white lumbermen for the cutting of timber upon the reservation, and costs, which should have been borne by those having the contracts, were superimposed upon the Indians. Two intelligent Indians visited me this morning and stated that there were loaded upon them and their reservation a large number of civil-service employees; that many of them were not needed at all and that those whose services were of some benefit were needed only a portion of the year. The bureau, however, paid for the entire year, thus increasing the costs to the Government and to the Indians.

WASTES BY INDIAN IRRIGATION SERVICE

Mr. President, I proved in a number of addresses which I have delivered in the Senate in connection with Indian appropriation bills that this inefficient and extravagant Indian Bureau has expended more than $54,000,000 in the construction of so-called reclamation projects, and that $34,000,000 will be required to complete according to the unsound, ill-considered, and indeed foolish plans and projects upon which so large a sum has been expended. I shall refer to some of these projects before concluding my remarks. I might add at this point, however, that in my opinion more than $30,000,000 has been wasted in these so-called reclamation projects. They have been built largely for the benefit of the whites and have proven disadvantageous and, in many instances, disastrous to the Indians.

Mr. President, I desire to briefly discuss some of the causes of the destruction of the Indian wealth and present some facts showing the destruction in the holdings and property of the Indians.

THE DESTRUCTION OF INDIAN WEALTH BY THE GOVERNMENTAL TRUSTEE

I do not believe that any Member of this body can point out a state of affairs involving a trusteeship over property—whether trusteeship by the Government or by a private agency—that is comparable to the trusteeship of the Indian Bureau over the property of the Indians.

In the first place, it is a trusteeship which carries with it in addition an unreviewable guardianship power over the person, as well as an unreviewable trusteeship power over the property, of the interested party. A part of this guardianship consists in the absolute control over the uses of such income as may be paid to the beneficiary of the trust.

As a trustee over property, I submit that the Indian Bureau has powers unprecedented and unique and employs these powers in ways that are unprecedented. Among these powers is immunity from court review and freedom from the requirement of rendering accounting to the supposed beneficiaries of the trust.

THE UNPRECEDENTED TRUSTEESHIP

The Indian Bureau, as a trustee, is not required by law to distinguish between the corpus of the estate and the income from the estate, and it makes no distinction. It consumes, as income, capital assets in the amount of millions of dollars a year, and it distributes, as income, capital assets which under a normal trusteeship would be reinvested to preserve or increase the corpus of the estate.

I shall, in a few moments, give evidence of the well-nigh incredible abuses, with entailed instructions of Indian life and property which continue to flourish under this anomalous scheme of trusteeship and guardianship.

In 1914 an important survey of the Indian Bureau's trusteeship operations was made by the National Bureau of Municipal Research in behalf of the President's Economic Commission and of a joint committee of the House and Senate. This report (as a result, I presume, of Indian Bureau influence) was never made a public document. It was not even permitted, so far as I am advised, to go into the Library of Congress, according to a signed statement of Dr. Frederick A. Cleveland, director of the survey. Excerpts from this important document were privately printed by the Bureau of Municipal Research in September, 1915, and I desire to quote two paragraphs from a summary there given. I quote these paragraphs because they are descriptive of the situation at the present hour:

> * * * behind the sham protection which operated largely as a blind to publicity, have been at all times great wealth in the form of Indian funds to be subverted; valuable lands, mines, oil fields, and other natural resources to be despoiled or appropriated to the use of the trader; and large profits to be made by those dealing with trustees who were animated by motives of gain. This has been the situation in which the Indian Service has been for more than a century—the Indian during all this time having his rights and properties to greater or less extent neglected; the guardian, the Government, in many instances, passive to conditions which have contributed to his undoing.
>
> And still, due to the increasing value of his remaining estate, there is left an inducement to fraud, corruption, and institutional incompetence almost beyond the possibility of comprehension. The properties and funds of the Indians to-day are estimated at not less than one thousand millions of dollars. There is still a great obligation to be discharged, which must run through many years. The Government itself owes many millions of dollars for Indian moneys which it has converted to its own use, and it is of interest to note that it does not know and the officers do not know what is the present condition of the Indian funds in their keeping. Every community bordering on Indian lands still has in it persons who are using every influence at their command to obtain official action, to the end that they may get possession of Indian lands. Great corporations maintain lobbyists and unprincipled agents with a view of getting concessions, leases, and legislation which are favorable to their own selfish purposes, but unfavorable to the Indian. * * *

I now proceed to detail some of the results of the trusteeship of the Indian Bureau over the property of the Indians.

The accessible facts are incomplete because the records of the Indian Bureau are incomplete and imperfect to a baffling extent. No comprehensive data of precise accuracy exists. The Indian Bureau, after 1928, ceased publishing its estimates of the Indian wealth as the result of criticisms which pointed out that about half of the total estimate was a mere guess, unsupported by statistical facts, while the other half was largely founded on statistical estimates, which had fluctuated excessively and were not consistent from jurisdiction to jurisdiction.

However, uncontroverted facts are at hand, accurate within a small percentage, and derived from records furnished by the Indian Bureau itself, and their effect is overwhelming. They show a reduction of the Indian estate by more than three-fourths since 1887.

FORTY-FIVE YEARS AGO AND NOW

I have examined reports of Commissioners of Indian Affairs covering many years, and they bring convincing evidence that the policies of the Government and the Indian Bureau have been injurious rather than beneficial to the Indians under the control of the Government. I have taken

at random the reports of J. G. C. Atkins, who was Commissioner of Indian Affairs in 1887. They would perceive that the Indians were better off in that year than they are to-day, notwithstanding the hundreds of millions of dollars expended allegedly in their behalf since then. This report could well serve as a model as well as a reproach to the present Commissioner of Indian Affairs and to the present Secretary of the Interior, as well as to Congress.

It is a careful, blunt, honest statement, and its narrative sections are supported by a mass of interesting statistics, tabulations, and comparative statements. The commissioner states that the total Indian lands in 1887 were 133,694,985 acres. I mention this because we are regaled by statements emanating from the Indian Bureau of the wonderful agricultural development of Indian lands and the excellent irrigation systems provided the Indians and the success achieved in teaching the Indians agricultural pursuits. The facts will show that their condition as agriculturists is worse than it was in 1887, before the Government had expended tens of millions of dollars for alleged agricultural development—expenditures which are to be continued in the present appropriation bill.

My information is that in 1930 the total area owned by the Indians was 47,000,000 acres. In other words, within a limited period their holdings have been reduced 65 per cent. Can it be contended that their interests were properly guarded when they suffered a loss so stupendous?

POPULATION THEN AND NOW

Commissioner Atkins reports that the Indian population under Federal jurisdiction in 1887 was 243,229. To-day the Indian population under Federal jurisdiction is but 194,000. I emphasize what I have heretofore stated, that the Indian Bureau under Commissioner Atkins expended but a little more than $5,000,000 annually in caring for 243,229 Indians, while the present administration in the current fiscal year is spending largely in excess of $24,000,000 for bureau maintenance alone.

I repeat that when there were more than 343,000 Indians under the care of the Government, and at a time when Vice President Curtis was chairman of the Indian Affairs Committee of the House the appropriations made for all of the activities of the Indian Bureau did not exceed $6,000,000. Now, with the number of Indians under the Government's jurisdiction greatly reduced and the Indians in a worse condition than they were then, the Indian Bureau expends from $25,000,000 to $35,000,000 per annum, a portion of which comes from the Treasury of the United States and the residue from the diminishing tribal funds of the Indians.

As shown by Commissioner Atkins, the acreage actually cultivated by the Indians in 1887 was 237,265 acres, but as I have indicated, notwithstanding the millions expended by the bureau allegedly for irrigation projects and in behalf of the Indians, they are now cultivating but approximately 133,000 acres under all the projects. The irrigation projects initiated and carried forward by the bureau have cost more than $54,000,000 gross, and will require more than $30,000,000 for their completion. Later I shall discuss somewhat in detail the costs of these irrigation projects and the unsound and extravagant methods employed by the bureau in initiating, constructing, and maintaining the same.

Again referring to Commissioner Atkins's report, the excess of Indian births over deaths in 1887, as reported by the agency physicians, was 1.116 per cent. In the year 1926 the Indian deaths in the total registration area exceeded births by 200, an excess of deaths over births in the amount of six-tenths of 1 per cent.

The Indian death rate is higher than the death rate of the general population at the present time in the amount of 10 to 20 per thousand of population, varying by reservations, which means that it is twice as large as the general death rate. The continuing death and disability rates among the Indians are fully discussed in the printed hearings held on Senate Resolution 341 on February 25, 1927, and in the chapter on health found in the report on Indian administration by the Institute for Government Research. This report, as Senators know, was made at the request of Secretary Work, by Mr. Meriam, Doctor Ryan, Doctor Edwards, and other persons of ability chosen because of their special qualifications. It was intended that the survey should deal particularly with the general conditions of the Indians, especially the conditions of their health, schools, and so forth. This report, which I have before me, consists of a large volume containing hundreds of printed pages and is a mine of information concerning the conditions of the Indians.

THE TRIBAL FUNDS CONSUMED SINCE 1887

Commissioner Atkins reports that in 1887 the tribal funds and Government cash liabilities to the Indians totaled $28,778,931. At that time the Indians were entirely free from debt to the Government or to any organization or individual.

Now, though the tribal funds in the intervening years have been replenished in the amount of at least $500,000,000, pursuant to treaties with the Government and through the lease and sale of tribal assets, the total amount of tribal funds to their credit is less than it was in 1887 and the Indians are owing, as claimed by the Indian Bureau, more than $35,000,000 to the Government.

It is evident if the present policy of the bureau is continued the tribal funds owned by the Indians will be exhausted and with the loss of their lands most of them will inevitably be charges upon the Government. Instead of the Indians having been made an independent and self-sustaining part of our population they have been deprived of much of their property and denied opportunities to equip themselves to fit into their surroundings and into the economic life of our country.

Mr. President, let me briefly refer to some of the methods under which the Indian lands have been lost and trust funds dissipated.

As I have just stated, during the intervening years since 1887 there have been large accretions to the tribal funds which have gone into the general reservoir from which the bureau has annually drawn varying amounts, from five to ten million dollars, and as I have stated, millions of dollars in addition have been appropriated each year from the Treasury of the United States, which the taxpayers were compelled to meet. The appropriations from the Treasury, together with tribal funds belonging to the Indians, have been expended by the Indian Bureau to an amount of more than $500,000,000 during the past 45 years. How little there is to show for this stupendous appropriation is manifest to those who have given even a superficial study to the condition of the Indians, over whom the Government is presumed to exercise a benign guardianship. I can only say that no inconsiderable part has been wasted and profligately expended. The results, to those who are interested in the Indians and in the good name of the Government and who desire to see it discharge its moral and legal obligations, must be exceedingly disappointing.

I shall now discuss more fully the dissipation and misappropriation of Indian wealth of all forms, which has taken place since 1887, and which is continuing unchecked.

THE SHRINKAGE OF INDIAN LANDS

In 1887, the Indians owned, under government trust, 133,695,000 acres. In 1930 they owned, under government trust, 47,311,089 acres.

The gross reduction of Indian land area was 65 per cent between 1887 and 1930. The actual reduction, in terms of surface values, was much greater. Of the residual lands, 18,600,000 acres were desert or semidesert lands in Arizona and New Mexico, unirrigable and without commercial timber, and 7,390,000 (at a minimum) were lands in Nevada, California, Montana, Wyoming, Idaho, and Utah, without commercial timber, not irrigable, partly semidesert and partly available for grazing, but not farming. The total of such land, whose surface value does not exceed $2 per acre, was 25,990,000 acres, or 55 per cent of the remaining Indian lands. The diminishment of the surface value of Indian-owned lands from 1887 to 1930 can be conservatively estimated as 80 per cent. It is the more valuable lands which, through action by the Government itself, not of the Indians, as regards 95 per cent of the total of alienation, have passed

from Indian ownership. The controlling methods of alienation have been as follows:

First. Sales, nearly always under virtual compulsion, by the Indian tribes to the Government; the purchase price being paid into tribal funds and the resale price, after disposal to whites by the General Land Office, being paid into the Treasury of the United States. The total of such practically forced sales, from 1887 to 1930, was 56,444,911 acres. What total was paid to the Indians by the Government is nowhere summarized; the payment went to tribal funds under Government trust and has all been consumed by the Indian Bureau for its own maintenance and by per capita payments made to the Indians as described below. The total of resale price paid to the general treasury through the General Land Office from 1887 to 1929 was $46,011,151; part of which sum represented the resale of Indian lands "ceded to the Government" prior to 1887. A substantial part of the lands sold (under duress) to the Government by the tribes is now contained within the public domain, the national forests, and national parks, not having been resold. (References: Statistical Report of the Commissioner of Indian Affairs for 1887; table of residual Indian lands as of June 30, 1930, unpublished, prepared by the Bureau of Indian Affairs; table of Public Land Office, showing cash receipts from the disposal of public and Indian lands to June 30, 1929; Winter's Four Hundred Million Acres, published 1932, p. 336).

Second. Sales by individual Indians who have received fee patents to allotted land, the purchase price being paid to individual unrestricted Indians.

Third. Sales by the Government itself, of allotted land held in trust and of the trust allotted land of deceased allottees, the purchase price being held by the Government in trust for individual Indians.

Through the second and the third methods which I have described, 29,939,000 acres of Indian land had passed to whites between 1887 and 1930. This total is furnished by the land office of the Indian Bureau, December 22, 1932; the same communication supplies details as to a part only of the alienations. Through fee patenting, subsequently to 1906, 4,853,700 acres of the Indian allotted land have passed out of Government trust and to a 98 per cent total, approximately, out of Indian ownership. Through sale by the Government as trustee, between 1903 and 1932, 3,657,902 Indian trust-allotted acres were sold to whites, the total receipts being $37,698,613, paid into individual funds held in trust by the Indian Bureau. The balance of the 29,939,026 alienated acres, or 21,427,334 acres of allotted land, either was fee patented or sold through unsegregated transactions between 1887 and 1903, or was fee patented or sold through unrecorded transactions since 1903.

Mr. President, I digress to state that in my opinion the present commissioner and his assistants have not approved the accepted policy, which has resulted in the alienation of so much of the Indian lands. They have undoubtedly been bound by archaic laws and rules and regulations which they inherited from the past. I believe, however, that if these officials had emphasized the injurious consequences by which the Indians are losing their lands and had asked for legislation to correct the situation, Congress would have responded.

In brief, the Indians have lost, since 1887, 29,939,026 allotted acres, plus 56,444,911 acres of ceded and surplus land bought by the Government through practically forced sales; and the cash payments for the above, plus the cash derived from the lease and sale of mineral, oil, and other subsurface values, the sale of timber, and the lease of tribal and allotted surfaces, has likewise been consumed—consumed by the Indian Bureau for its own maintenance in the amount of more than $150,000,000 since 1887.

THE ALIENATION OF HEIRSHIP LANDS

The remaining trust-allotted lands pass into the class of heirship lands at a speed necessarily increasing with each year; and it is only the collapse of the market for agricultural and grazing lands at any price which now saves many millions of heirship acres from passing to whites. In spite of the collapsed market the Indian Bureau has sold to the whites, in the years 1930–1932, 224,792 acres of Indian allotted land for an average price of $13.33 per acre. (Commissioner's report, fiscal years 1930–1932.)

Mr. President, Congress ought, before it adjourns, enact a law that will interrupt this destructive alienation policy which will inevitably result in all allotted lands in the very near future passing into the hands of white people.

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. KING. I yield.

Mr. SHIPSTEAD. According to the Senator's statement, one would incline to the belief that it is almost as hard to be an Indian as it is to be a farmer.

Mr. KING. It is not difficult to understand the disadvantages under which the Indians labor and the failure of their guardian to properly administer their trust funds. No doubt the farmers, as the Senator indicates, have had their troubles. My sympathies go out to both the farmers and the Indians.

Mr. SHIPSTEAD. If the Senator will permit me, I think the Senator deserves a great deal of credit for bringing out these things as he has done in every session of Congress, calling the attention of the people of the United States to the shameful way in which our wards have been treated by the Government.

Mr. KING. I thank the Senator for his complimentary reference to my efforts in behalf of the Indians. I am afraid, however, that I have greatly irritated some Senators as well as other persons because of my persistent efforts for more than 10 years to protect the Indians and to bring about reforms in the Indian Bureau. I have believed that unless a radical change was made in the policies of the Government in dealing with the Indians, the latter would soon be dispossessed of all their property, and without homes or property would be a heavy charge upon the Government. I regret there is so little interest taken by Senators and by the public in the Indian question and in those matters affecting their welfare and development. I can not help but feel that the Government has been derelict in its duty toward the Indians and that it should now deal with this question in a just and humane way and try to rectify some of the wrongs that have been committed and prevent the inevitable disasters that threaten all the Indians of our country.

As I have stated, notwithstanding there has been no market for Indian holdings, the bureau has sold to the whites during the years 1930 and 1932, 224,792 acres of Indian allotted lands at an average price of but $13.30 per acre. That fact is shown by the report of the Indian commissioner for the fiscal years 1930 and 1932.

INDIAN IRRIGATED LANDS SACRIFICED

As for the irrigated lands of the Indians, the acreage of these lands owned by whites increased in the amount of 96.2 per cent between 1924 and 1932; and in 1932, 69.1 per cent of all the irrigated land on Indian reservations was in white hands, either through lease or through ownership.

To Indians land is life. The annihilation of the Indian landed estate under the Indian Bureau system is a racial catastrophe—and moves toward its end with the swiftness of a catastrophe when viewed even in the short historical perspective of 45 years.

THE DESTRUCTION OF INDIAN CASH ASSETS

The cash derived from the sales of Indian land, from the payment of tribal claims under Court of Claims adjudications, and from the exploitation of Indian natural resources has been deposited in tribal and individual accounts under Government trust. These funds in the main have been and are properly a part of the corpus of the Indian estate, being to 90 per cent of their total nothing but capital values turned into liquid assets. But they have been and are uniformly treated as income, not capital, and are consumed each year by nonproductive uses.

I emphasize again the difference between Canada and the United States. There the capital of the tribes is not used. Here we are destroying the capital of the Indians,

and the result can not be otherwise than calamitous to the Indians.

In part these uses have been and are the salaries, houses, automobiles, and so forth, of Indian Bureau employees and other items of current maintenance of the Indian Bureau.

In part these uses have been per capita payments made to individual members of the tribes. With these per capita payments we must now deal. Not the fact of per capita payments but the manner of their administration by the Indian Bureau is one of the darkest of the continuing scandals of the Indian affairs system.

THE RUINOUS METHOD OF PER CAPITA PAYMENTS

The per capitas are paid into individual accounts under Indian Bureau trust. In Oklahoma these accounts and the affairs of the recipients of per capitas are under the joint control of the Indian Bureau superintendents and of the local guardians who are a peculiarity of the Oklahoma situation. Outside Oklahoma the control is with the bureau superintendency alone. In the case of ward adult Indians and of minors and orphans the control is arbitrary and unlimited, and in all cases it is practically unaccountable and unreviewable.

Per capita payments exceeding $300,000,000 since 1912 have created only a negligible amount of capital value, and they have cruelly demoralized the Indian recipients. The reasons are well understood; and as they lie at the heart of Indian affairs situation, they are here stated.

First. Indian thrift is tribal; it is a conservatism and foresightedness of the community. The per capita payments have been made to individual Indians whose tribal and community life has been dismembered and, in a large number of instances, totally destroyed by the Government's deliberate and continuing policy. The detached Indian is typically not thrifty, foresighted, nor even a consecutive worker.

Second. Just as the tribal and community life has been dismembered or crushed and is still proscribed, so, equally, the individual Indians are prohibited from organizing in any of the modern manners for mutual aid, for the making of capital investments or the management of such investments when made.

Ward Indians may not enter into contracts except with the Secretary of the Interior's consent. He, practically, must become the contracting party in behalf of the Indian. Similarly, debts incurred by ward Indians are not legally collectible. The trust-administered properties are wholly controlled by the bureau. Any organization which the Indians may form exists only through bureau sufferance and subject to rules and regulations or arbitrary action of the bureau. The bureau by law "approves"—that is, selects—the attorneys who may represent the Indians. So on through scores of inhibitions whose total effect is that here described.

The Indians who receive per capita payments are wards of the Government and are subject to the laws prohibiting the making of contracts by or with the Indians, except with the consent of the Secretary of the Interior, and to all of the other restrictions of personal liberty and business enterprise elsewhere described in this memorandum, which constitute in their aggregate a denial of the constitutional rights to Indians. The Osage Indians, for example, recipients of royalties which aggregated $243,138,671 from 1915 to 1932, are members of a tribe whose institutions have been proscribed by statute as in the case of other Oklahoma Indians; they are not possessed of any form of modern business organization nor, except under rules and regulations of the Secretary of the Interior which have never been forthcoming, can they become possessed of such organization. No Secretary of the Interior or Commissioner of Indian Affairs has at any time expressed a desire to extend such facilities to the Osage Indians either by regulation or by statute; the local interests of Oklahoma, which have battened upon the Osages, would furthermore have bitterly resisted such an attempt by the Secretary or commissioner if made. It has been intended and accepted that the Osages should dissipate their so-called income, which actually has been their capital. In the last three years the income from the depleted Osage oil field has collapsed.

Identical facts have held good of the per capita payments derived from whatever source by the Indians of the Five Civilized Tribes of Oklahoma and of the Menominee Tribe of Wisconsin, the Klamath Tribe of Oregon, and so forth.

THE INDIANS COMPELLED TO SPEND WASTEFULLY

A more sinister factor must now be mentioned. The per capita payments to individual Indians have, in an overwhelming majority of instances, been paid into accounts controlled by the Indian Bureau, or by the bureau in conjunction with the local guardians in the case of Oklahoma Indians. The management of the individual accounts thus created has been one of the major activities of the Indian Bureau in the jurisdictions with large individualized incomes. The procedures of the bureau and its superintendents have been, as they are, arbitrary to a practically unlimited extent. Indians have typically found that they could receive the cash from their per capita payments if they spent it as directed by the bureau agency or local guardian, and not otherwise. Hence, in large measure, the extravagances of Oklahoma Indians who have purchased expensive cars and magnificent houses; who have paid fantastic prices to lawyers, undertakers, and mercantile agencies of all varieties.

The above factors explain the dissipation of Indian capital values through per capita payments, and they indicate some of the basic structural faults of the Indian affairs system of to-day.

THE BUREAU HAS DEVOURED THE TRIBAL TRUST FUNDS

Congress and the Indian Bureau have used the Indian capital assets for Indian Bureau maintenance, and the expenditures have been lavish. They have totaled more than $110,000,000 since 1900, and this misappropriation of the Indian estate—its diversion to unproductive administrative uses—continues to-day and is eating up a larger proportion of the available liquid capital than in 1920 or 1910. The bureau used for its own maintenance (exclusive of per capita payments) $30,930,540 of Indian tribal funds in the seven fiscal years 1926–32, inclusive. It used in the fiscal year 1932 76 per cent of the total tribal income of 1932.

No part of the Indian Bureau's trusteeship operation is more subject to criticism than its handling of the trust funds of the Indian tribes. These funds have totaled $500,000,000 since 1887. They have consisted, to more than 90 per cent of their total, of capital values turned into liquid form: Cash derived from sales of land, from payment by the Government of judgments in the Court of Claims, from the sale of timber, oil, and minerals. A proper trusteeship would have adhered to the distinction between capital and income and would have reinvested the capital to conserve the principal of the estate.

The Indian Bureau has made no such distinction but has consumed or distributed, year by year, all of the capital values which it was able to convert into liquid shape. Never, either to the Indian Tribes or to Congress, has the bureau made an accounting for its use of these hundreds of millions of dollars. The records are imperfect and are not compiled. Suits for accounting by the Indian tribes would probably be defeated through the absence of records. But I have secured the exact facts for certain typical years and I now present them. They show, among other things, a deliberate and systematic deception of Congress in the matter of the uses of tribal funds on the part of the Indian Bureau.

THE INDIAN TRUST FUND RECORD SINCE 1926

The years which I shall deal with are the fiscal years 1926, 1927, and 1928. I omit prior fiscal years because the totals and the classifications of tribal-fund expenditures are not accessible. I omit the succeeding years because, beginning with the calendar year 1928, the Indian Bureau ceased to make to Congress even the meager reports on Indian tribal funds which it had previously made. The bureau in 1928 secured the repeal of the act of May 18, 1916 (39 Stat. L. 123–159), by whose terms the reporting of tribal funds to Congress had been mandatory. After reciting the facts as to the fiscal years 1926, 1927, and 1928, I shall deal with the fiscal year 1932.

The tribal-fund balance on July 1, 1925, was $21,109,687. The tribal cash deposited in the Treasury from that date to July 1, 1928, totaled $68,581,661. The cash balance of July 1, 1925, added to the deposits of the three years thereafter, made a total of $89,691,348.

The balance of tribal funds on July 1, 1928, was $24,056,226. In other words, the bureau through these years consumed or disbursed the whole of the so-called tribal income—of tribal capital converted to liquid form.

Now I call attention to a fact which is duplicated in every fiscal year down to and including the present.

The act of May 18, 1916, whose repeal was secured by the Indian Bureau in 1928, required the bureau, in reporting to Congress on tribal funds, to state what amounts it proposed to disburse from tribal funds in the fiscal year in question. The bureau did so state, dividing its proposed expenditures into per capita payments to the Indians and payments from tribal funds for Indian Bureau support.

In the three fiscal years whose record I am now reciting, the bureau informed Congress that it was spending, or was proposing to spend, for its own salaries and other bureau costs, a total of $4,359,100 from tribal funds. And in no one of the reports for any of the fiscal years in question does the bureau divulge what it was actually spending, and had spent, and was intending to spend, for its own maintenance, from tribal funds.

The actual expenditure of the Indian Bureau for its own maintenance, taken from tribal funds, in these three fiscal years, as revealed by the reports of the Comptroller General, was not $4,359,100, but $12,803,449. The bureau's overdraft against tribal funds, taken by it and spent for its own sustenance, exceeded the acknowledged amount, in these three years alone, by $8,444,399.

At this point I may state the total which the Indian Bureau has taken from the Indian tribal capital and spent for its own maintenance since 1926. In the seven fiscal years, 1926–1932, the bureau thus expended—misappropriated, as I think—$30,930,539 of the Indian tribal assets. In the fiscal year 1932, the total of Indian assets which the bureau was able to convert into cash was only $4,015,278, and of this sum the bureau used, for its own salaries and maintenance, $3,068,608, or 76 per cent of the total. There remained, of Indian tribal funds for all tribes, after the proposed expenditures from these funds for the fiscal year 1933 had been deducted, only $11,591,215. But as I have already explained, the bureau in the case of 99 out of the 103 tribes possessing tribal funds took for its own uses, in 1932, more than twice the entire tribal income of that year, and reduced the funds of these 99 tribes to $5,236,944.

Thus, with the diminishment of Indian wealth under bureau ministration, and with the diminishment of the bureau's ability to turn Indian assets into cash, the point has at last been reached where the Indian Bureau—the trustee—is devouring for its own salaries and upkeep more than 76 per cent of the Indian tribal cash, leaving less than 24 per cent for the Indian owners of the money, and in the case of 99 of the tribes is devouring the whole income, leaving nothing for the Indians themselves, and actually putting them into debt to the Government for the Indian Bureau's salaries.

The fiscal year 1933 probably will bring the Indian Bureau's consumption of the total of tribal cash to 100 per cent; the Indians will get nothing at all, and the bureau will proceed to consume the pittance which remains of tribal funds.

### THE WASTAGE OF INDIAN NATURAL RESOURCES

Third. I refer now, Mr. President, to the natural resources of the Indians. Under pressure of exploiting interests, and in order to obtain revenue for its own use and those per capita payments for Indians which are promptly devoured by the local white communities as above described, the Indian Bureau has steadfastly pursued a policy of getting immediate revenue through exploitation of oil and gas, timber, and agricultural and grazing land, tribal and allotted, without up to the last three or four years even professing to be concerned with the husbanding of the properties. On the contrary, it was a definitely stated policy of the Indian Bureau, as voiced by an important official of the bureau in 1919, to liquidate the Indian properties at an early date. The frank testimony on this point, given before the Indian Investigation Committee of the House of Representatives, had immediate reference to the Indian forests but was a deliberate statement of general policy toward Indian natural resources.

The professions of the conservationist have been made by officials of the Indian Bureau since 1929, but the facts of record have not at any point supported their professions. Reference is here made, for purposes of definiteness, to the reports of the Senate subcommittee on Indian investigation, dealing with the timbered reservations of the Klamaths in Oregon and of the Mescalero Apaches of New Mexico and other reservations possessing natural resources.

Subsequently to making its report on the Klamath Reservation and on the devastations proceeding at that reservation in 1930, the Senate subcommittee has accumulated hundreds of pages of testimony, which drives any unprejudiced reader to the conclusion that the forestry division of the Indian Bureau is in practice the agent of lumber companies and while sheepmen, indifferent not alone to timber and soil conservation but to the plain obligations resting upon the Government as trustee.

### A CONCRETE CASE OF PRESENT MISUSE OF INDIAN FUNDS

I refer, Mr. President, in support of this statement to the printed hearings, volume 13 and volume 22 of the special committee headed by the Senator from North Dakota [Mr. FRAZIER], and also to the report, submitted by that Senator on December 22, 1931, in which serious criticism is directed against the bureau for its handling of the timber reserves. I ask permission to have inserted in the Record a number of excerpts from that report, and I shall indicate to the reporter the excerpts to be inserted.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, that order will be made.

The excerpts referred to are as follows:

On a previous occasion, when reporting on the Klamath Agency of Oregon, the subcommittee pointed out that the tribal estate of many of the Indians, turned into cash through the sale of natural resources, is being rapidly exhausted by the Indian Bureau.

The Mescalero Apache Reservation of 472,200 acres is occupied by 696 Apache Indians. Its chief values are its timber and its grazing range. At the time of the subcommittee's hearings (May 4, 1931) a meager ration was being supplied to 31 of their aged and infirm Indians. The Indian Bureau provides schooling on the reservation for 107 Apache children and an additional 17 attend public school; 38 children from the reservation are at distant boarding schools. A hospital is maintained by the Indian Bureau with an average attendance, as stated to the subcommittee at the hearings, of 12 to 14; but in addition to his duties at the hospital the doctor answers sick calls from the Indians.

The Indian agency's activities in the matter of Mescalero Apache property have to do (a) with the timber, and (b) with the livestock, particularly the tribal herd, which has dwindled from 7,500 in 1928 (House appropriation hearings for 1930, p. 1205) to 3,000 in 1931. The timber income and tribal-herd income alike are absorbed by the expenses of the agency. In addition, $10,000 from the tribal fund was spent for water development in 1930 and $10,000 in 1931. The income from the sale of timber has been, through each successive year, used up by the Indian Bureau for administration. The income from leases of tribal lands has been similarly used. The income from the rapidly diminishing tribal herd likewise has been used for Indian agency maintenance. The whole tribal estate, in practical effect, with the exception of the area used for grazing 1,000 head of cattle, 18,000 sheep, and 10,000 goats, is treated as belonging to the Indian agency, not to the Indians, and its yield of income and principal are being consumed in agency salaries and other Indian agency costs.

The reservation superintendent, Mr. P. W. Danielson, when testifying before the subcommittee on May 4, 1931, repeatedly affirmed that the total of tribal funds annually used by the agency was $55,000. Reference, however, to the Indian Bureau's detailed reports of expenditures established that the bureau's draft against the Mescalero tribal fund has fluctuated between $70,000 and in excess of $110,000 through successive years. (House appropriation hearings, Interior Department appropriation bill, p. 704.) In addition, the bureau has obtained from Congress a gratuity appropriation for this reservation of $64,309 for 1928, $76,186 for 1929, $97,661 for 1930, and $87,390 for 1931. In the fiscal year 1930 the total expenditure at the Mescalero Apache Reservation was $208,436.22. The tribal funds used by the Indian Bureau in 1930 totaled $110,774. (House appropriation hearings, Interior Department bill, fiscal year 1932, p. 704.) The per capita expenditure, nominally in behalf of each Indian then resident on the reservation, was $306. Out of the tribal fund there was contributed for

each Indian $163 to the maintenance of the Indian agency, and the Government, through gratuities, contributed an additional sum of $143 per capita. Indian agency salaries, as distinct from irregular labor, totaled $70,280, or $103 for each Indian, according to the tabulation of expenditures for 1931, which was made a part of the subcommittee's hearings at the Mescalero Agency.

Indians have been led to believe that they are tax exempt, but the Mescalero Apaches are not tax exempt in the sense that their tribal funds are used for the purpose of the agency administration. If the American people as a whole paid an average per capita tax equal to the per capita contribution of the Mescaleros to reservation costs in 1930, the tax fund would total more than $20,000,000,000 a year. If Government in all its branches, national and local, were supported as lavishly, on a per capita basis, as is the Indian agency on the Mescalero Reservation, the tax fund would total more than $36,000,000,000, or more than a third of the aggregate national income.

It has been stated above that the Mescalero Apaches received, in return for their heavy contribution, supplemented by the Government's heavy contribution, but little of tangible service from the Indian Bureau. More than three-quarters of a million dollars of Mescalero Apache trust money has been used by the Indian Bureau in 10 years. There are fewer than 700 Indians. The large expenditures, as explained above, do not represent per capita or other cash payments made to the Mescalero Indians, except that in 1930 $22,013.12 of tribal funds was loaned to individual Indians and applied on their store debts; hence it can not be asserted that the Apaches have squandered their money. As one example of conditions on the reservation, the subcommittee found, within a quarter mile of the agency headquarters, an Apache woman more than 80 years old. This old woman was one of the 31 receiving, twice each week, a small ration paid for from the tribal fund. Her home was a set of poles with a canvas around the poles, and when it rained the rain came in. The place was not ditched, and for weeks before the subcommittee's arrival, this old woman had been living in a sea of mud and water. The bureau's field matron, under questioning, admitted that she had not visited the place or sought to help.

The subcommittee points out that it does not favor uncontrolled per capita payments from tribal income, but that the tribe's income should be used for the industrial advancement of the tribe's members instead of being used for the support of the Indian agency in unproductive ways.

The evidence adduced at the hearings at Mescalero through Indian and Indian Bureau testimony alike showed that the Indians are practically denied the use of most of their reservation, and denied the advantages of their reservation's income; are burdened with impossible debts, part of them for improvements needed by the general community of whites; and are forced to carry an immense burden of Indian agency salaried employees. The agency witnesses testified that for the tribal herd of 3,000 head, the agency was employing a supervisor and seven other salaried employees. The evidence further disclosed that for overseeing the timber, although no timber operations were in progress, and specifically for supervising the sale of timber, although the sale of timber had ceased the preceding year, the agency was employing a forest supervisor, a senior ranger, a forest ranger, and two timber scalers on an all-the-year basis. An Indian agency pay roll of $70,280 for salaries as distinct from irregular was being maintained in 1931. The committee believes that the work of this agency as well as every other agency visited could be conducted with fewer employees. This is particularly true of the forestry department of the Indian Bureau where the overhead expense to the Indians is far beyond what it should be. The Indians' timber is being squandered on a lot of high-priced employees while the Indians are going without sufficient food and clothing. Every Indian on a reservation that has a timber reserve should be encouraged to build himself a good home and should be furnished lumber and advice and help in building it.

Generally speaking there are too many subagents and too many farmers, too many foresters, too many scalers, and too many so-called experts, and too little good for the Indian has been accomplished. The Indian Bureau is a good example of bureaucracy gone mad.

The subcommittee has dwelt at some length on the Mescalero Apache tribal fund and agency financial records because in its essentials this record typifies the situation at reservations where the Indian Bureau uses Indian trust moneys.

The use of Indian tribal funds for Indian Bureau maintenance, and without regard to Indian wishes or to the duty of conserving the Indian property and building it up, is causing the rapid impoverishment of the Indian tribes without even, in the typical and more numerous cases, saving money to the United States. This conclusion becomes evident as soon as the Indian Bureau's expenditures at reservations with large tribal funds or tribal incomes are compared with its expenditures at reservations without large tribal funds or tribal incomes, where expendtures must be made from gratuities which are effectually controlled by Congress. From the tabulation of the expenditures of 13 reservations, appended to this report, the following facts are pointed out as examples:

The New Mexico Pueblos are administered through gratuities. They receive, according to the subcommittee's observations, when compared (for example) with the Mescalero Reservation and the Klamath Reservation previously reported on, an intensive and efficient human service, and their properties for several years past have been reasonably safeguarded by the Government. Omitting reimbursables, the Pueblo cost per capita in 1930 was $38.40—$36.70 gratuitous and $0.70 tribal. The Navajo and Hopi Reservations are administered principally through gratuities. The total per capita in 1930 was $47.70—$42.70 gratuitous and $5 tribal. The California Mission Indians receive a comparatively intensive service—educational, medical, and social. Their per capita cost in 1930 was $50.40, of which all except $0.40 was gratuitous. For the whole of California, outside Yuma (18,509 of the 19,197 Indians) the total per capita expenditures in 1930 was $24.55, of which $24 was gratuitous. For the Pimas, numbering 4,449, the total per capita was $42.50, of which $39 was gratuitous.

In striking contrast are the reservations having substantial tribal funds or tribal incomes. At Mescalero, as already pointed out, the gratuitous expenditure per capita was $143 in 1930, and to this gratuitous amount, so large in comparison with the above examples, there was added a tribal fund expenditure of $163 per capita. At Jicarilla, to a gratuitous per capita of $131 there was added a tribal fund per capita of $102. For the Colorado Utes, to a gratuitous per capita of $92 there was added a tribal fund per capita of $94. Exceptions, as noted in the appended tabulation, are the Osages, the Klamaths, and Menominees, where the heavy per capita expenditure is levied chiefly against tribal funds.

The subcommittee has stated above that at the Mescalero Apache reservation it found not a superior, not a more generous service to the Indians, as a result of the very large expenditures, but instead, that it found a meager and deficient service. Previously, the same state of affairs at the Klamath Reservation has been described by the subcommittee. The subcommittee in its many hearings on the reservations has found it to be almost uniformly true that the Indians who are surrendering tens, even hundreds of thousands a year from their tribal funds in payment for agency services and in whose name large gratuities also are being spent, are no more served, and no better served, than those living on reservations dependent on gratuities.

In sum: The subcommittee finds that the past and continuing use of tribal funds by the Indian Bureau is of little benefit to the Indians. It means, if continued as at present, the ultimate dissipation of the Indian estate, with no human gains to the Indians and not even a saving of expense to the United States. That the policy of to-day is not different from that of earlier days is shown by a comparison of the totals of tribal funds from the four Apache Reservations, asked for and secured in the fiscal year 1930 and the fiscal year 1932, for "general support and administration." (As explained above, the actual expenditures from tribal funds have been larger.)

The comparison follows:

| | 1930 | 1932 |
|---|---|---|
| San Carlos Apache | $89,300 | $107,500 |
| Fort Apache | 135,300 | 143,900 |
| Mescalero Apache | 55,000 | 55,000 |
| Jicarilla Apache | 60,000 | 60,000 |
| Total | 339,600 | 366,400 |

The showing is in fact more serious than the above comparison on its face would indicate. Since 1930 the chief source of replenishment of the funds of three of the four Apache Reservations has diminished or stopped altogether with the decline of the lumber market. At the Jicarilla Reservation the stoppage is permanent, all the timber having been now cut over; there will be no new timber income for 50 years or longer, according to the testimony of the superintendent of this reservation given at the subcommittee's hearings at the Jicarilla Reservation. The present policy, if it continues, means the complete destruction of many of the tribal funds at a very early date. It is a situation which as a whole calls for the immediate attention of Congress.

Respectfully submitted.

LYNN J. FRAZIER,
*Chairman.*
BURTON K. WHEELER.
ELMER THOMAS.

WASHINGTON, D. C., *December 22, 1931.*

Mr. KING. Mr. President, the wealth of all Indian tribes has been and now is steadily and rapidly dwindling except in the case of those tribal Indians on reservations in the Southwest, who are (a) unallotted and (b) still permitted to function through their own corporate institutions—I refer particularly to the New Mexico Pueblos—with some help from the Indian Bureau, and, in the case of the Navajos, with important help from the Indian traders. It happens that these intact groups of Indians do not possess natural resources inviting the exploiter; although the record of Navajo oil leasing, which was discussed at considerable length at the last session of Congress, requires correction of this statement, while the record of spoliation of Pueblo Indian lands, and of the present effort by the Indian Bureau to prevent the payment of compensation to the Pueblos for lands lost through Government dereliction, appears likewise to form an exception; even these tribes

have seen their capital assets mishandled by the bureau in current years.

Other isolated exceptions are found on reservations containing no covetable natural resources, whose physical structure has made land allotment impossible; for example, the Cherokee Tribe of western North Carolina, now that the effort at forced allotment of this tribe's lands has been blocked, is in a situation comparable to that of some of the Pueblos.

THE DESTRUCTION OF INDIAN LIFE WHICH ACCOMPANIES THE DESTRUCTION OF INDIAN WEALTH

The recital of the destruction of Indian wealth (an unabated destruction) should not omit the consideration, ultimately more important, of that destruction of Indian ambition, industry, hope, self-respect, and generally of Indian human values, which has proceeded incidentally to the spoliation of the Indian property. I repeat my words used on the floor of this body on April 11 last:

* * * There has been a destruction of intangible assets no less striking. Most important among these has been the discouraging, indeed, the systematic repression and destruction, of tribal organization and tribal ambition. Individual initiative has been discouraged if not prohibited. The bureau has proceeded on the principle that the Indian should do nothing for himself which a paid employee of the Government conceivably might do for him. The Indian, though struggling to farm under irrigation projects, has been denied access to credit under conditions which would make success in agriculture impossible to any white man. This fact was recognized and clearly stated by Secretary Work in his annual report for 1927, but to the present date nothing has been done to remedy the situation. Neither the present Secretary of the Interior nor the Commissioner of Indian Affairs has suggested any plan to meet this situation. The Indian has been trained to expect to fail; a sense of inferiority has been forced on him by the multiform tutelage in which he has been held, by the failures due to artificial restrictions and handicaps to which he has been foredoomed. A sense of hopelessness has been created by the spectacle of the steady melting away of all his material wealth through actions by a guardian from whom he, an Indian ward, could not even take refuge in the courts. * * *

THE BUREAU'S $53,000,000 IRRIGATION SYSTEM

Mr. President, it had been my purpose to deal extensively with the subject of Indian irrigation projects. A total of $53,151,698 belonging to the Government and the tribes has been invested in these projects, and after deducting all repayments by irrigationists to the Government and the tribes, there stands a net investment of $47,013,259. The net cost per irrigated acre, to the Government and the tribes, stands at $109 when the projects as a whole are considered; and to this cost must be added the cost to the irrigationists of preparing the land for the use of water, which exceeds $30 an acre on the average. The average value of this irrigated acreage is less than $60. Only 133,134 acres within all the projects are irrigated by the Indians. Within these projects, 191,423 acres formerly owned by Indians are now owned by whites, and 106,751 Indian-owned acres are leased by whites. White ownership of irrigated lands within the Indian projects has increased 95 per cent since 1924, and the Senate Indian Investigation Committee, reporting on January 10, last, found that substantially the entire Indian ownership of alloted lands within the Indian system will have been extinguished, and all the lands will have passed to white owners, within a brief period, unless reforms shall be instituted in the Indian Bureau's irrigation division and in the allotment system of the bureau.

Owing, however, to the limitations of time, I shall omit a proper discussion of these Indian irrigation projects, but shall endeavor to bring the matter to the attention of the Senate before adjournment. I shall, however, briefly call the attention of the Senate to one important feature in the situation. I do this because it sheds a flood of light on the policies and the results of the Indian Bureau in their entirety and points the way toward new policies, not only in Indian irrigation but in Indian administration as a whole.

INDIAN IRRIGATION AGAINST INDIAN BUREAU IRRIGATION

The Indian investigation committee of the Senate made, on January 11 last, an important report on Indian irrigation and related matters. Among the committee's recommendations is the one which I shall quote, as follows:

That the minor projects of Indian irrigation, summarized in group 2, Table 2, of the present report, shall continue to be administered by the local superintendencies of the Indian Bureau and the Indians themselves, with technical advice and assistance, as required, from the Reclamation Service of the Interior Department.

The table which is referred to by the subcommittee is of peculiar interest. This table sets up a comparison between two groups of the irrigation projects on Indian lands. Group 1 consists of the 29 projects built and administered by the irrigation division of the Indian Bureau, and group 2 consists of the 40 projects built and administered by the Indians themselves or by the local superintendents in cooperation with the Indians.

The group 1 projects, built and maintained by the Indian Bureau, represent a net cost to the Government and the Indian tribes of $39,959,546. The group 2 projects represent a net cost of $1,224,622.

Under the Group 1 projects, a total of 2,865 Indians are farming. Under the Group 2 projects, a total of 2,950 Indians are farming.

Under the Group 1 projects nearly three-fourths of the irrigated acreage is owned or leased by whites; while under the Group 2 projects only 3.9 per cent of the acreage is irrigated by whites.

The net cost, per irrigated acre, under the Group 1 projects, is 55.3 per cent greater than is the net cost per irrigated acre under the Group 2 projects.

The committee's report analyzes and explains these remarkable contracts, and the results are overwhelmingly favorable to the Group 2 projects—projects which the Indians themselves, or the Indians in cooperation with their local superintendents, have built and now continue to maintain.

I call attention, however, to the fact that the overwhelming bulk of the Government's expenditures have been made in the Group 1 projects, built and maintained by the Indian Bureau's irrigation division. These Group 1 projects have devoured a gross investment of $45,924,912. On previous occasions I have stated to the Senate the details of some of the projects falling under Group 1—details of fantastic extravagance, and of infinitesimal results.

I have mentioned this item in the important report of the Senate's Indian Investigation Committee, with the object of bringing into the focus of the Senate's attention that error which, in my judgment, is at the very foundation and heart of the Indian Bureau system.

THE INDIAN BUREAU'S FUNDAMENTAL ERROR

It is the error of taking away from the Indians both the power to act for themselves and the responsibility of acting for themselves. The bureau, increasingly through each year for the past 45 years, has proceeded in building up its centralized, overmanned machinery and personnel, with the effect of sucking out of the Indians their very life energies, and of charging enormous costs against the Government and the tribes, and of achieving a bureau system whose irresponsibility and inefficiency have become more and more extreme until at present the bureau, in most of its operations, appears as a conglomeration of destructive, and very expensive, operations unconnected with the real life and need of the Indians. The bureau, divorced from the purposes which brought about its creation, has reached the point where the Indians are almost forgotten and the bureau is its principal excuse for being.

I have dwelt upon the report of the investigation committee because it shows that even in a technological matter such as irrigation and reclamation is, or should be, the bureau has proved itself to be infinitely inferior in capacity to the Indians themselves. I wish that the Senators would examine this important report by the investigation committee, and I earnestly hope that the report will be given consideration by the new Secretary of the Interior.

INDIAN IRRIGATION SYSTEMS CENTURIES OLD

The history of Indian irrigation provides, as it were, a symbol and an embodiment of the history of the Indian Bureau. The pioneers of irrigation in the United States

were the Indians themselves. When the white man came to America he found more than 100 Indian tribes farming under efficient irrigation systems built and maintained by the Indians through cooperative labor. These tribes were not only the Pueblos of New Mexico, whose irrigation systems the Indian Bureau has not yet destroyed, and which are at least a thousand years old.

When the Spanish missionaries entered the region which is now Arizona, they found numerous tribes, not Pueblos, practicing a highly efficient irrigation. Concerning the Pimas, the Jesuit missionary, Father Eusebio Kino, wrote in 1709 to the King of Spain: "They have very rich and fertile lands abounding in wheat, maize, beans, groves, and so forth." But not only were the Pimas at that date farming by irrigation. The valleys of San Pedro and Santa Cruz, in Arizona, were inhabited by a now extinct people, the Sobaipuris. The Sobaipuris numbered 4,500, and as Bolton, the historian, reports: "All of these Indians were then practicing agriculture by irrigation, and raising cotton for clothing, and maize, beans, calabashes, melons, and wheat for food." Likewise, the Papagos, when the Spaniards came, were found to be irrigating. The Indians along the Colorado River were farming in a manner identical with that familiar for thousands of years in the Nile delta of Egypt. Even at the date of the American Civil War, the Pima Tribe, under its ancient irrigation ditches, was producing large surplus crops, which supplied a portion of the food of United States troops in Arizona during the war.

While I have not examined the archæological findings, I am able to report, as a fact of Indian Bureau record, that many other tribes, outside of the Southwest area, were farming under efficient irrigation systems at a date prior to the beginning of irrigation construction by the Government in the areas where these Indians resided. Among the tribes outside Arizona and New Mexico who were thus farming were the Uintah and Ouray Tribes of my own State, and the Flathead Tribe of Montana.

These ancient irrigation enterprises, Indian-built and Indian-operated, cost the Government nothing at all. They were built and maintained through the cooperative labor of the tribes. The lands which they watered were fertile, and the tribes were self-maintaining under their irrigation systems. I may add that, in regions to the south of the Rio Grande, the Indians, before the coming of the white man, had carried their irrigation projects forward to a high degree of technological competition and perfection so that populations, dense even according to modern standards, were subsisting through Indian-built irrigation systems on the Mexican plateau.

THE BUREAU DESTROYED THE INDIAN SYSTEMS

What would have been the practicable, economical, statesmanlike policy of the Indian Bureau in the light of these facts? It would have been that identical policy which is now recommended, as a policy of reconstruction and salvage, by the Senate's Indian investigation committee. The Senate's committee finds that even to-day, the Indian-built and Indian-operated irrigation projects are very much more economical, more fertile, and more beneficial to the Indians than are the projects built and operated by the Indian Bureau.

A wise and humane policy, if it had been instituted 30 years ago, would have predicated itself upon the well-established and far-extended irrigation activities of the Indian tribes as of that date. The tribal operations would have been supplemented by such technological help as the tribes might need, and those tribes not yet farming by irrigation, but living in areas where irrigation was advantageous, would have been led to adopt methods similar to those of their fellow Indians who had so long farmed by irrigation.

The Indian Bureau adopted exactly the opposite policy. There were large tribal funds available for expenditure, and the Indian Bureau plunged into the most reckless spending of these funds; and in so doing it projected and built enormous irrigation systems which enveloped and destroyed the existing Indian irrigation systems. These bureau-built systems in nearly all cases were planned and constructed without reference to economic demand. In many cases, as repeatedly told in the report of the irrigation advisors to the Secretary of the Interior in 1928, the projects were built without due consideration of water supply, so that no water was available for the ditches when built. In still other cases soil conditions were ignored, just as the bureau has continued to ignore them. The San Carlos Apache Reservation presents a contemporary case, where a large investment of Indian tribal funds was sunk by the Indian Bureau in an extensive irrigation project on soil later found to be entirely worthless because of its alkalied condition. I am informed that on the Pima Reservation within the last two years irrigation projects costing hundreds of thousands of dollars have been found largely useless because they were placed in areas where the soil did not justify irrigation. In still other cases the bureau expended millions of dollars for irrigation systems in regions where the precipitation was adequate for dry farming, and, again, in regions where the growing period was too short to permit of farming. Among the last-mentioned cases are the Blackfeet and Klamath projects, which I discussed last year.

In addition to thus ignoring the Indians' own irrigation systems, and in addition to physically destroying these systems, the bureau ignored the tribal organizations which through previous decades and centuries had built and maintained the irrigation systems. In other words, the bureau ignored and in many cases deliberately obliterated the social and economic institutions which, when the bureau started its own enterprise, were taking care of the Indian irrigation needs with no cost to the Government.

And added to these mistakes and follies, if not wrongs, the bureau proceeded to allot Indian lands within the irrigation projects with the result of forcing the rapid alienation of these lands through sales to whites and the leasing to whites of such lands as were not alienated.

THE FUTURE IRRIGATION POLICY

These historical facts, which I merely summarize and which are recited through hundreds of pages of the report of the Committee of Irrigation advisors, are of importance because they have an immediate bearing on future policy. It is of tremendous importance that the Indians themselves are even to-day proving to be more efficient as builders and operators of irrigation systems than is the Indian Bureau. The future policy, equally necessary for governmental economy and for the tribal and individual development of the Indians, must be one of vesting in the Indians themselves the responsibility for their irrigation systems, with help from their local superintendents and with such technological help as may be necessary to be furnished by the General Reclamation Service.

The irrigation division of the Indian Office should be abolished and its functions as an overhead agency should be transferred to the General Reclamation Service, and the detailed administrative functions affecting the more than 100 Indian projects should be shifted back into the reservations themselves and wherever possible placed under control of the tribal councils, the superintendents always being expected to cooperate with the Indians in their agencies.

I have dwelt upon this phase of the irrigation situation because it shows how the Indian Service, in its totality, must be reorganized. I have repeatedly contrasted the Canadian and Mexican Indian policies and results with those of our Indian Bureau. The contrasts are striking at many points, but nowhere so striking as in the emphasis placed by Canada and Mexico on Indian self-help. These countries appear to be straining every nerve and exhausting their technical resources to permit and help and even to compel the Indians to support their own lives, to chart out their own destinies, to bear their own burdens, and to stand on their own feet as groups and as men. The whole effort of our Indian Bureau has been and is exactly the opposite. The bureau seeks to dictate Indian destiny. The bureau seeks to do for the Indians all that in their history they have done for themselves. The bureau methodically tries to multiply the paid jobs held by white men in order to do for the Indians, or to pretend to do for them, everything

which normal, self-respecting men and communities do for themselves. Hence the limitless appetite of the Indian Bureau for appropriations to pay its employees. Hence the denial to the Indians of legal status and of legal rights and the facilities for individual and cooperative self-help. There can be nothing but increased wastes to the Government and increased destructions of Indian property and utter final demoralization for the Indians on the lines which our Indian Bureau is still apparently determined to pursue.

There is an economy of many millions a year to the Government, and there is hope and renewed life for the Indians on those lines, which reverse the present policy of the bureau, which are so well exhibited and demonstrated by the facts which I have cited about Indian irrigation.

CONCLUSION

Mr. President, there is much more that should be said in connection with this important question and other features of the Indian problem presented for the consideration of the Senate and brought to the attention of the public; but I have already occupied so much of the time of the Senate that I must pretermit any further discussion. My object in presenting these matters is to challenge the attention of the bureau officials and those who are interested in the welfare of the Indians to the importance of the Indian problem, the derelictions of the Indian Bureau, and the imperative necessity of policies being adopted and measures enacted that will save the Indians and protect the remnants of their property from spoliation and destruction. Moreover, it is my desire that the new administration will take cognizance of the matters which I have discussed and will resolutely address itself to remedying an intolerable condition which has been so unfair and unjust to the wards of the Government. Legislation should be enacted that will completely reorganize the bureau and compel the abandonment of policies which have been so injurious and harmful to the Indians, and the adoption of measures that will bring succor and relief and protection and salvation to the Indians under the jurisdiction of the Government. The inefficiency and tyrannous bureaucratic system which now prevails and which controls the Indians must be destroyed.

The PRESIDING OFFICER (Mr. FESS in the chair). The clerk will report the pending amendment.

The CHIEF CLERK. On page 18, line 10, after the word "Oregon," it is proposed to strike out "$10,000" and insert "$20,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 19, line 16, before the word "of," to strike out "$315,000" and insert "$373,000" and in line 20, after the word "Indians," to insert "and not to exceed $2,500 may be used, in the discretion of the Secretary of the Interior, for paying in whole or in part expenses of Federal, State, or county extension agents and home-demonstration agents or specialists in extension work detailed for cooperative work in the Indian Service," so as to read:

For the purpose of developing agriculture and stock raising among the Indians, including necessary personnel, traveling and other expenses, and purchase of supplies and equipment $373,000, of which not to exceed $15,000 may be used to conduct agricultural experiments and demonstrations on Indian school or agency farms and to maintain a supply of suitable plants or seed for issue to Indians, and not to exceed $2,500 may be used, in the discretion of the Secretary of the Interior, for paying in whole or in part expenses of Federal, State, or county extension agents and home-demonstration agents or specialists in extension work detailed for cooperative work in the Indian Service.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. I desire to offer an amendment on page 15 by striking out part of line 8 and all of lines 9, 10, and 11. I presume that that may not be done at the present time?

The PRESIDING OFFICER. The amendment would not be in order at this time under the unanimous-consent agreement.

Mr. SMOOT. Under the agreement which has been entered into, committee amendments are to be considered first; but there are not many amendments, and probably the Senator's amendment may be offered in a short time.

Mr. KING. I thank my colleague.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 21, line 24, after the figures "$75,000," to insert "Klamath, Oreg., $3,000," and in line 25, after the words "in all," to strike out "$140,000" and insert "$143,000," so as to read:

Industrial assistance (tribal funds): For the construction of homes for individual members of the tribes; the purchase for sale to them of seed, animals, machinery, tools, implements, building material, and other equipment and supplies; and for advances to old, disabled, or indigent Indians for their support, and Indians having irrigable allotments to assist them in the development and cultivation thereof, the unexpended balances of the appropriations under this head contained in the Interior Department appropriation act for the fiscal year 1933, and the act of June 27, 1932 (47 Stat. 335), are hereby continued available during the fiscal year 1934, together with the following amounts payable from tribal funds on deposit in the Treasury: San Carlos, Arizona, $50,000; Kiowa, Comanche, and Apache, Oklahoma, $75,000; Klamath, Oregon, $3,000; Truxton Canyon, Arizona, $15,000; in all, $143,000.

The amendment was agreed to.

The next amendment was, under the subhead "Education," on page 33, line 23, after the name "Texas," to insert a colon and the following additional proviso: "*Provided further*, That $6,000 of this appropriation shall be used for aid of the public-school districts of Uintah and Duchesne Counties, Utah," so as to read:

For the support of Indian schools not otherwise provided for, and other educational and industrial purposes in connection therewith, including tuition for Indian pupils attending public schools, $3,590,800: *Provided*, That not to exceed $15,000 of this appropriation may be used for the support and education of deaf and dumb or blind, physically handicapped, or mentally deficient Indian children: *Provided further*, That $4,500 of this appropriation may be used for the education and civilization of the Alabama and Coushatta Indians in Texas: *Provided further*, That $6,000 of this appropriation shall be used for aid of the public-school districts of Uintah and Duchesne Counties, Utah.

The amendment was agreed to.

The next amendment was, on page 36, line 2, after the word "improvements," to strike out "$203,000; in all, $475,600" and insert "$192,000, to be immediately available; in all, $464,600," so as to read:

For lease, purchase, repair, and improvement of buildings at Indian schools not otherwise provided for, including the purchase of necessary lands and the installation, repair, and improvement of heating, lighting, power, and sewerage and water systems in connection therewith, $272,600; for construction of physical improvements, $192,000, to be immediately available; in all, $464,600.

The amendment was agreed to.

The next amendment was, on page 36, line 7, after the name "New Mexico" and the colon, to strike out "Eastern Navajo, repairs to school building, $11,000," so as to make the proviso read:

*Provided*, That not more than $7,500 out of this appropriation shall be expended for new construction at any one school or institution except for new construction authorized as follows: New Mexico, Northern Navajo, construction of heating and power systems, $57,000; North Dakota, Turtle Mountain, improvement of water supply and sewer system, $17,000; South Dakota, Pine Ridge, central heating plant, $38,000.

The amendment was agreed to.

The next amendment was, in the item for Haskell Institute, Lawrence, Kans., on page 37, after line 16, to insert the following proviso:

*Provided*, That the unexpended balance of the appropriation contained in the Interior Department appropriation act, fiscal year 1933, for shop building, including equipment, is hereby continued available until June 30, 1934.

Mr. KING. Mr. President, I ask my colleague how much is the unexpended balance, and is it deemed necessary for further expenditure?

Mr. SMOOT. The amount is $3,500. That, I will say to the Senator, is for the shop building, in order to make it of real assistance to them. We might just as well complete it now as to have any further delay.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 38, line 5, after the figures "$128,680," to insert a colon and the following proviso: "*Provided*, That the unexpended balance of the appropriation contained in the second deficiency act, fiscal year 1932, for new school building and auditorium, including equipment, is hereby continued available for the same purpose until June 30, 1934," so as to read:

Pipestone, Minn.: For 325 pupils, $97,440; for pay of superintendent, drayage, and general repairs and improvements, $17,740; for septic tank and sewer system, $13,500, to be immediately available; in all, $128,680: *Provided*, That the unexpended balance of the appropriation contained in the second deficiency act, fiscal year 1932, for new school building and auditorium, including equipment, is hereby continued available for the same purpose until June 30, 1934.

The amendment was agreed to.

The next amendment was, on page 39, line 9, after the figures "$116,000," to insert a colon and the following proviso: "*Provided*, That the unexpended balance of the appropriation contained in the Interior Department appropriation act, fiscal year 1933, for central heating plant, is hereby continued available for the same purpose until June 30, 1934," so as to read:

Wahpeton, N. Dak.: For 350 pupils, $104,250; for pay of superintendent, drayage, and general repairs and improvements, $11,750; in all, $116,000: *Provided*, That the unexpended balance of the appropriation contained in the Interior Department appropriation act, fiscal year 1933, for central heating plant, is hereby continued available for the same purpose until June 30, 1934.

The amendment was agreed to.

The next amendment was, on page 41, line 15, to increase the appropriation for certain nonreservation boarding schools from $3,745,000 to $3,755,000.

Mr. KING. Mr. President, I shall have an amendment to offer to this amendment in the event that an amendment which I shall offer to the text earlier is accepted; but if my amendment is rejected, then I shall have no amendment to offer. I suggest to my colleague that this be passed over.

Mr. SMOOT. Why not agree to it, and then, if my colleague's amendment is agreed to, we will revert to this?

Mr. KING. I have no objection to that procedure.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, under the subhead "Conservation of health," on page 47, line 10, after the word "appropriation," to insert a colon and the following additional proviso:

*Provided further*, That the unexpended balances of the appropriations contained in the Interior Department appropriation act, fiscal year 1932, for construction and equipment of the Albuquerque Sanatorium and employees' quarters, New Mexico, and the Sioux Sanatorium and employees' quarters, South Dakota, are hereby continued available for the same purposes until June 30, 1934.

Mr. KING. Mr. President, I submit an inquiry.

In one part of the bill there is an amendment which refers to an unexpended balance. I have investigated and find that there was no unexpended balance. I am wondering if the Senator has investigated to determine whether these amendments now being offered, and which assume that there is an unexpended balance, accurately state the facts. In other words, were appropriations made, and out of those appropriations can it be accurately stated that there are some unexpended balances?

Mr. SMOOT. Mr. President, I will say to my colleague that the same question arose last year. Therefore I had the Bureau of Indian Affairs send a complete list showing the amounts of the unexpended balances, and I assure the Senator that those balances are there.

Mr. KING. I know there has been criticism of this policy of reappropriating unexpended balances without knowing what they were; and I am advised that in the case of some unexpended balances there have been diversions of the funds from the very purpose for which they were intended. It seems to me we ought to adopt the policy that unexpended amounts should be covered into the Treasury, and when appropriations are needed the Government officials should present facts to committees and to Congress sufficient to justify further appropriations.

Mr. SMOOT. Mr. President, I do not know of a year when we have ever been so particular about this very subject as this year. There is to-day an unexpended balance of $1,021,989; and I think these two items—this one, and the one we acted upon before—are about the total amount we have asked for.

Mr. McKELLAR. Mr. President, I will say to the Senator that these are small buildings that ought to be completed; and, of course, it would be a waste of money unless they were.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, under the subhead "General support and administration," on page 51, line 2, after the name "Klamath," to strike out "$50,000" and insert "$44,900," and in line 3, after the words "in all," to strike out "$54,570" and insert "$49,470," so as to read:

Oregon: Klamath, $44,900; Umatilla, $4,570; in all, $49,470.

The amendment was agreed to.

The next amendment was, on page 51, line 11, after the name "Colville," to strike out "$30,000" and insert "$35,000," and in line 14, after the words "in all," to strike out "$37,740" and insert "$42,740," so as to read:

Washington: Colville, $35,000; Neah Bay, $4,740; Puyallup, $2,000, of which $1,000 shall be available for the upkeep of the Puyallup Indian Cemetery; Taholah (Quinaielt), $1,000; in all, $42,740.

The amendment was agreed to.

The next amendment was, on page 51, line 16, after the name "Keshena," to strike out "$50,000" and insert "$55,000," and in line 21, after the words "in all," to strike out "$52,000" and insert "$57,000," so as to read:

Wisconsin: Lac du Flambeau, $2,000; Keshena, $55,000, including $5,000 for monthly allowances, under such rules and regulations as the Secretary of the Interior may prescribe, to such old and indigent members of the Menominee Tribe as it is impracticable to place in the home for old and indigent Menominee Indians, and who reside with relatives or friends; in all, $57,000.

The amendment was agreed to.

The next amendment was, on page 51, at the end of line 23, to increase the total appropriation for general support of Indians and administration of Indian property under the jurisdiction of certain agencies, to be paid from the funds held by the United States in trust for the respective tribes, etc., from $524,950 to $929,850.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Reclamation," on page 67, after line 9, to insert:

Interchange of appropriations: Ten per cent of the foregoing amounts shall be available interchangeably for expenditures on the reclamation projects named; but not more than 10 per cent shall be added to the amount appropriated for any one of said projects, except that should existing works or the water supply for lands under cultivation be endangered by floods or other unusual conditions, an amount sufficient to make necessary emergency repairs shall become available for expenditure by further transfer of appropriation from any of said projects upon approval of the Secretary of the Interior.

Mr. KING. Mr. President, I should like some explanation of that. It seems to me rather an unwise method of legislating to allow a latitude of 20 per cent to change appropriations from one purpose to another.

An appropriation of a million dollars is made for project A, and 10 per cent of it may be diverted and used for project C or D or E, or some other enterprise. Congress might have been unwilling to add 10 per cent to project C, D, or F, and yet this provision gives to the department that has the spending the discretion to take from one project money appropriated for one purpose and use it for an entirely different purpose.

Mr. McKELLAR. Mr. President, I shall be very happy to make the explanation which the Senator desires as to how this provision happens to be in the bill.

The Senate will recall that last year all the appropriations in this bill were cut in the aggregate 10 per cent. It will be remembered also that the department and the department heads all said that that would destroy the department; that they could not get along on the amount appropriated, and many such expressions as that.

It was believed by our committee at the time that in order that no injustice should be done in any particular place within the department an interchangeable fund of 10 per cent should be provided, and it was provided in the bill last year. I want to add that I think the department is in just as good condition with the 10 per cent cut, and the 10 per cent interchangeable amount, as it was last year with the larger appropriation.

The Senator will recall that the Senate cut down the appropriations of the Interior Department from some $55,000,000 to $45,000,000, with, however, the permission given to the head of the department to make this interchangeable 10 per cent arrangement. This year our bill is still less than the $45,000,000. It is $43,000,000. We have cut it still further. Although the department last year claimed that they could not get along with the cut that was then made, the Congress has cut the amount this year by a little more than $2,000,000.

It will be remembered that yesterday we agreed to the Bratton amendment requiring all departments to cut down their expenditures 5 per cent. That amendment undoubtedly will become the law, as I believe. With that the law, and with these appropriations reduced as they have been, it seemed to the committee very wise that we should continue for one more year the 10 per cent interchangeable amount; and that is the reason for it, as I understand.

Mr. SMOOT. That is the situation.

Mr. KING. Mr. President, I want to ask my colleague if this money may be diverted to pay larger salaries or increase the personnel in any branch.

Mr. SMOOT. No; I will say to the Senator that that is not the object. The Senator from Tennessee [Mr. McKELLAR] has explained the whole object of the amendment, and I could not say anything more than he has said. That was the object that the committee had; and I think, taken as a whole, the result of it will be a saving in the end.

Mr. McKELLAR. Mr. President, if the Senator will yield to me, it certainly worked well last year. The Senator will recall that the heads of the bureaus in that department, and the head of the department, all said that they could not get along on the $45,000,000 appropriation. With this 10 per cent interchangeable fund they did get along well, however, and the department now is in just as good condition as it was last year. They are making no complaint; and even though the total was reduced from $55,000,000 to $45,000,000 last year, we have still further reduced it this year by about $2,000,000, as I remember the sum.

Mr. SMOOT. Mr. President, I will say to my colleague that another thing is this: There are some places where it is absolutely impossible to take off the 10 per cent, and there are other places where the department officials feel that they could take off 12 per cent instead of 10 per cent, and allow the 2 per cent to apply upon items that it is impossible to reduce; and we allowed that privilege.

Mr. BRATTON. And this allows them to meet emergent situations which may arise at different places within the service.

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 71, in line 6, after the word "thereto," to strike out "$300,000" and insert "$325,000," and in line 7, after the word "exceed," to strike out "$265,000" and to insert in lieu thereof "$280,000," so as to read:

Geologic surveys: For geologic surveys in the various portions of the United States and chemical and physical researches relative thereto, $325,000, of which not to exceed $280,000 may be expended for personal services in the District of Columbia.

Mr. KING. Mr. President, I note that there is an increase in this appropriation of $25,000, and the bill provides that $280,000 of the appropriation of $325,000 shall be spent for personal services in the District of Columbia.

The appropriation is under the head of "Geologic Surveys." I presume that surveys are to be made throughout the United States to determine the geological formation of the country; and yet, while it is presumed that these investigations are to be made in the field, the greater part of the $280,000 is to be spent by the bureau here in Washington for the salaries of its numerous employees.

Mr. SMOOT. Mr. President, I want to explain to my colleague the reason why that is done this year.

The field work has been away ahead of the work in the District of Columbia. The surveys are no good whatever to the citizens of the United States unless the reports are prepared in the District of Columbia, where everything is put into shape for the public's information. The committee thought it undesirable to spend any more money in the field for surveys when we have two or three years' accumulation here. Therefore we give them the money to get the information out where it was intended in the first place it should go. If it does not reach the hands of the men interested in the development of the resources of the United States, then all of the other work is wasted. It is no good lying here in the departments. Therefore we gave this amount, in order to permit that to be done.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 71, after line 11, to insert:

For continuation of the investigation of the mineral resources of Alaska, $30,000, to be available immediately, of which amount not to exceed $15,000 may be expended for personal services in the District of Columbia.

Mr. KING. Mr. President, I have had a number of complaints, one from a resident of Alaska, against any further appropriations for the investigation of the mineral resources of Alaska, and also a protest against further appropriations for the so-called Alaska Railroad. I presume the latter item is also carried in this bill. I have repeatedly called attention to the burden this railroad is upon the taxpayers of the United States. My recollection is that assurances have been given that the railroad would soon be self-sustaining, or that some plan would be adopted that would relieve the Government of further costs in its operation. But it seems there is to be no end to the demand for Government gratuities or subsidies.

Mr. SMOOT. It is carried in the bill. The estimate was for $60,000 for Alaska and $30,000 to be expended for personal services in the District of Columbia. We report $30,000 to be available for Alaska, and $15,000, or one-half the amount that was estimated, for personal services in the District of Columbia.

The Delegate from Alaska appeared before the committee. He stressed the fact that gold has been discovered in a new district in Alaska, which is going to be of untold benefit to the people of Alaska. He virtually demanded that we appropriate the $60,000 estimated for, based upon the facts he presented, but the committee thought the best thing to do was to cut it in two and see what happens. If it becomes really necessary, the additional amount can be provided in the extra session of Congress, which no doubt will be called.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 72, line 22, after the word "binding," to strike out "$100,000" and insert "$120,000," and in line 24, after the words "in all," to strike out "200,000" and insert "$220,000," so as to read:

Printing and binding, etc.: For printing and binding, $120,000; for preparation of illustrations, $15,000; and for engraving and printing geologic and topographic maps, $85,000; in all, $220,000.

The amendment was agreed to.

The next amendment was, on page 73, line 11, after the word "thereto," to strike out "$200,000" and insert "$225,000," so as to read:

Mineral leasing: For the enforcement of the provisions of the acts of October 20, 1914 (U. S. C., title 48, sec. 435), October 2, 1917 (U. S. C., title 30, sec. 141), February 25, 1920 (U. S. C., title 30, sec. 181), and March 4, 1921 (U. S. C., title 48, sec. 444), and other acts relating to the mining and recovery of minerals on Indian and public lands and naval petroleum reserves; and for every other expense incident thereto, including supplies, equipment, expenses of travel and subsistence, the construction, maintenance, and repair of necessary camp buildings and appurtenances thereto, $225,000, of which amount not to exceed $40,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 75, line 24, to change the total appropriation for the United States Geological Survey from $1,927,500 to $2,027,500.

The amendment was agreed to.

The next amendment was, under the heading "National Park Service," on page 77, line 12, after the figures "$3,000," to strike out "(which rate shall be subject to any compensation reduction or furlough without pay retirement effective during the fiscal year 1934;" in line 22, after the word "work" to strike out "$49,200" and insert "$54,200;" and in line 23, after the words "in all," to strike out "$50,000" and insert "$55,000," so as to make the paragraph read:

Acadia National Park, Me.: For administration, protection, and maintenance, including $3,000 for George B. Dorr as superintendent, $3,000 for temporary clerical services for investigation of titles and preparation of abstracts thereof of lands donated to the United States for inclusion in the Acadia National Park, and not exceeding $1,800 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $54,200; for the construction of physical improvements, $800; in all, $55,000.

The amendment was agreed to.

The next amendment was, on page 81, line 8, after the word "work," to strike out "$18,500" and insert "$25,000," and in line 9, after the words "in all," to strike out "$20,000" and insert "$26,500," so as to read:

Lassen Volcanic National Park, Calif.: For administration, protection, and maintenance, including not exceeding $1,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $25,000; for construction of physical improvements, $1,500; in all, $26,500.

The amendment was agreed to.

The next amendment was, on page 84, line 20, after the word "work," to strike out "$38,500" and insert "$40,940," and in line 22, after the words "in all," to strike out "$45,000" and insert "$47,440," so as to read:

Zion National Park, Utah: For administration, protection, and maintenance, including not exceeding $1,150 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $40,940; for construction of a checking station, employees' quarters, and water system at the east entrance, $6,500; in all, $47,440.

Mr. KING. Mr. President, I shall not offer any amendment to these various appropriations for the national parks, but I want to register my protest against the policy of the Government in creating so many parks and monuments, and appropriating unnecessarily large amounts for the maintenance of no inconsiderable number of the same.

I think that in this period of depression, when the imperative needs of the country are so great and its revenues are so small, drastic reductions should be made whenever possible. I do not underestimate the value and advantages of parks, but there can be extravagance in the creation and maintenance of national parks. Expenditures should bear some relation to revenues. What might be justified in days of prosperity may be condemned in periods of adversity.

There has been a mania to establish national parks. I have had many communications favoring the creation of more national parks—two or three in my own State. It seems to be the understanding that every interesting or beautiful or unique spot of mother earth must be converted into a national park, to be maintained at the expense of the Federal Government.

I hope the new administration will make a comprehensive study of the park question and adopt a sound and sane policy that will meet all legitimate needs.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 86, line 22, after the word "work," to strike out "$63,000" and insert "$70,000," and on page 87, line 2, after the words "in all," to strike out "$140,000" and insert "$147,000," so as to read:

Forest protection and fire prevention: For the control and the prevention of spread of forest insects and tree diseases, including necessary personnel and equipment for such work, $70,000; for fire-prevention measures, including necessary personnel and fire-prevention equipment, $68,400; and for fire-prevention improvements within national parks and national monuments, $8,600, including not exceeding $3,800 for a storehouse and $1,600 for a lookout station; in all, $147,000.

The amendment was agreed to.

The next amendment was, under the heading "Temporary government for the Virgin Islands," on page 94, line 16, after the name "St. John," to strike out "$105,000" and insert "$98,500"; in line 17, after the name "St. Croix," to strike out "$105,000; in all, $210,000" and insert "$98,500; in all, $197,000," so as to read:

For defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1934, municipality of St. Thomas and St. John, $98,500, and municipality of St. Croix, $98,500; in all, $197,000.

The amendment was agreed to.

The next amendment was, on page 94, line 24, after the word "than," to strike out "$100,000" and insert "$90,000," so as to make the proviso read:

*Provided*, That the amount herein appropriated for each municipal government shall be expended only if an equivalent amount is raised by municipal revenues and applied to the operating costs of the respective government, except that for the fiscal year 1934 the contribution to either municipal government shall not be less than $90,000.

The amendment was agreed to.

The next amendment was, on page 95, line 1, after the word "exceed," to strike out "$105,000" and insert "$98,500," and in line 2, after the word "exceed," to strike out "$105,000," and insert "$98,500," so as to make the further proviso read:

*Provided further*, That should the revenues of the municipality of St. Thomas and St. John, during the fiscal year 1934, exceed $98,500, and/or the revenues of the municipality of St. Croix exceed $98,500, such excess revenues may be expended for municipal improvements and operating costs of the municipalities under such rules and regulations as the President may prescribe.

The amendment was agreed to.

The next amendment was, on page 100, line 4, to increase the total appropriation for the Howard University from $632,500 to $1,092,500.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BRATTON. Mr. President, on page 15, line 9, I move to strike out the following language:

And such other purposes, except per capita payments, as may be.

With that language omitted, the provision would read:

Purchase of land and water rights, and so forth, Pueblo Indians, New Mexico (tribal funds): For the purchase of additional land and water rights, development of water for irrigation and domestic use, purchase of equipment for industrial advancement of direct benefit to the several pueblos involved, as follows:

The object of the amendment, Mr. President, is to conform the appropriation to the so-called Pueblo Land Board act approved June 7, 1924.

Mr. SMOOT. I have no objection to the amendment.

Mr. KING. Mr. President, according to my recollection, the law would not permit the purchase of equipment for

industrial advancement. Of course, the Senator from New Mexico knows better than I, but the statute, according to my recollection, provides that the money shall be used for the purchase of additional lands and water rights, and the development of water for irrigation and domestic uses, but does not authorize the purchase of equipment for industrial advancement, and certainly not for other purposes.

Mr. BRATTON. Mr. President, I have asked to have stricken out the words "and such other purposes."

Mr. KING. I note that, but I was wondering whether the Senator's amendment is not a little too broad. Should he not move to strike out the words "purchase of equipment for industrial advancement," in order that there may be no conflict between this provision and the existing law?

Mr. BRATTON. Mr. President, I have the act before me. It reads:

That all sums of money which may hereafter be appropriated by the Congress of the United States for the purpose of paying in whole or in part any liability found or decreed under this act from the United States to any pueblo or to any of the Indians of any pueblo, shall be paid over to the Bureau of Indian Affairs, which bureau, under the direction of the Secretary of the Interior, shall use such moneys at such times and in such amounts as may seem wise and proper for the purpose of the purchase of lands and water rights to replace those which have been lost to said pueblo or to said Indians, or for purchase or construction of reservoirs, irrigation works, or the making of other permanent improvements upon, or for the benefit of, lands held by said pueblo or said Indians.

That is the language of the act.

Mr. KING. I think it would not include the purchase of equipment for industrial advancement. If the Senator desires it, however, I shall not object.

Mr. BRATTON. I am not willing to have just the language "and such other purposes" included. With that stricken out I am content to have the committee text stand.

Mr. SMOOT. I have no objection to the amendment.

The PRESIDING OFFICER. Will not the Senator from New Mexico state the amendment he desires to offer?

Mr. BRATTON. On page 15, line 9, I move to strike out the language "and such other purposes, except per capita payments, as may be."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GORE. Mr. President, I have offered and had printed an amendment beginning on line 20, page 13, to strike out beginning with the word "Provided," to the end of the sentence. I find, on further examination, that the proviso covers not only attorneys but other employees. I do not desire to strike out the provision as to other employees. I think they ought to be under the civil service. So I modify my amendment and move to strike out, on line 22, the words "attorneys and other."

Mr. SMOOT. Let the amendment be reported.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 13, line 22, the Senator from Oklahoma moves to strike out of the proviso the words "attorneys or other," so that the proviso would read:

*Provided*, That no part of this appropriation shall be available for the payment of employees unless appointed after a competitive examination by the Civil Service Commission and from an eligible list furnished by such commission.

Mr. SMOOT. If we take the attorneys out, it will mean that they will not come under the civil service.

Mr. GORE. That is the point.

Mr. SMOOT. Mr. President, I doubt the wisdom of that. We have never had any trouble in the past with this. I want to say to the Senator frankly that I do not know just what the effect would be, but if he desires to have the amendment agreed to, I will accept it, and let it go to conference, and then I will look into the matter.

Mr. GORE. Mr. President, I would be glad to have the amendment agreed to and taken to conference. It will lift some six or seven attorneys out of the civil service who never ought to have been placed under the civil service.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. President, the junior Senator from Montana [Mr. WHEELER], who is a member of the Committee on Indian Affairs, has been compelled to leave the Chamber on account of illness, and he has left with me three amendments he desires to have proposed to the bill. At his request I send to the desk an amendment and ask that it be reported.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 10, the Senator from Utah, on behalf of the Senator from Montana, moves to strike out lines 20 to 22, inclusive, as follows:

For pay of judges of Indian courts where tribal relations now exist, at rates to be fixed by the Commissioner of Indian Affairs, $15,000.

Mr. KING. Mr. President, I am sure that the Committee on Indian Affairs, of which the able Senator from North Dakota [Mr. FRAZIER] is chairman, and of which the Senator from Montana [Mr. WHEELER] is a member, unanimously reached the conclusion that this item ought not to be retained. I call upon the chairman of the Committee on Indian Affairs to give his view with respect to the item.

Mr. SMOOT. Mr. President, this question has been discussed in years past. The courts referred to ought to exist. I see no reason on earth why this item should be stricken out.

Mr. KING. May I say to my colleague that statements have been made to me by Indians, as well as by the Senator from Montana [Mr. WHEELER] that these Indian courts, so-called, are mere jokes, if that is not too temperate an expression. The agent in charge names the persons who are to be judges, so-called. They are his creatures, they represent him, their voice is his voice, and their judgment is his judgment. Indians have complained to me that the maintenance of these so-called courts is a disadvantage to the Indians; that they act in an arbitrary manner and exercise authority not judicial, and often most oppressive. Many of the Indians are very much opposed to them, and the Senator from Montana asked me to tender the amendment which I have offered.

Mr. SMOOT. Mr. President, I would like to ask the Senator how we are going to have order on the reservation if we do not have courts there? I can not think of anything that would tend to bring about more disorder on a reservation than to eliminate this item from the bill.

Mr. FRAZIER. Mr. President, on some reservations the Indian courts are doing pretty good work. On other reservations they do not seem to function at all. It is largely a matter dependent upon the superintendent. If they have the right kind of a superintendent the courts, I think, perform a good function for the Indians. Generally some old Indian is the judge and he gets a salary ranging from $30 to $50 a month and sometimes not even that much. It is about the only means they have of punishing for offenses that are committed by the Indians on the reservations. I agree with the junior Senator from Utah [Mr. KING] that in many cases the courts do not amount to anything at all and are a joke, but on reservations where they have a good live superintendent and he is interested in the Indians, they seem to function very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah on behalf of the Senator from Montana.

The amendment was rejected.

Mr. KING. Mr. President, at the request of the Senator from Montana [Mr. WHEELER] I send to the desk another amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 10 strike out lines 23 and 24, and on page 11 strike out lines 1 to 3, inclusive, as follows:

For pay of Indian police, including chiefs of police, not to exceed $70 per month each and privates at not to exceed $50 per month each, to be employed in maintaining order, and for purchase of equipment and supplies, $150,000.

Mr. SMOOT. Mr. President, if we are going to have the courts we have to have the Indian police. They are all hooked together. Both of the items are placed in the bill in order that there shall be some agency to keep order. If we strike out this item we might as well strike out the previous item.

Mr. KING. Mr. President, I can only say that those members of the committee who have been making a searching investigation for two or three years of the Indian situation and visiting all the reservations, as I understand it, favor the amendment. At any rate, one of the most active and earnest in making the investigation was the junior Senator from Montana [Mr. WHEELER]. He is very much in favor of the amendment. I can not speak with any authority, but in his behalf I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. KING. Mr. President, at the request of the junior Senator from Montana I send to the desk another amendment and in his behalf ask the adoption of it.

The PRESIDING OFFICER. The clerk will report the amendment.

The CHIEF CLERK. On page 11, strike out lines 4 to 6, as follows:

For the suppression of the traffic in intoxicating liquors and deleterious drugs, including peyote, among Indians, $95,300.

Mr. SMOOT. Mr. President, the same principle applies here as to the last two items.

The PRESIDING OFFICER. The question is on the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The bill is still open to amendment.

Mr. FRAZIER. Mr. President, I offer the following amendment on page 6.

The PRESIDING OFFICER. Let the amendment be stated.

The CHIEF CLERK. On page 6, strike out lines 1 to 4, as follows:

Expenses of Indian commissioners: For expenditures of the Board of Indian Commissioners, $11,430, of which not to exceed $6,330 may be expended for personal services in the District of Columbia.

Mr. FRAZIER. Mr. President, this appropriation has been carried in the Interior Department appropriation bill for years. I do not know exactly how long it has been carried. It is sort of a continuing appropriation for a board of 10 or 12 people appointed from various parts of the country called the Board of Indian Commissioners. They visit Indian reservations, make some investigations, and make recommendations to the department. I think many of the members of the board are very capable people and interested in Indian matters. But they have no particular authority. The appropriation was cut from $12,500 last year to $11,430, the same amount that is proposed this year.

We have a subcommittee of the Committee on Indian Affairs operating under a resolution adopted by the Senate to investigate Indian matters throughout the country. We have been continuing those investigations for some five or six years. I think the subcommittee has done a great deal of good. We have recommended certain legislation, and some of it has been enacted into law. We have taken up matters with the department and have gotten the department to change its methods in some respects. We have created some interest in the Indians among the white people living in the districts contiguous to where the Indians live and have brought about in many instances better conditions for the Indians.

I introduced a resolution at the beginning of this session providing for $10,000 for a continuation of this work by the subcommittee of the Committee on Indian Affairs of the Senate. The resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I went before the committee. There seemed to be some objection to continuing the work of our subcommittee. I simply want to make the point that we can save $11,430 here and continue the investigating work by our committee. There are a number of reservations that need to be visited and investigations made and some work done on things recommended to be done by that committee. I am not going to be chairman of the Committee on Indian Affairs after this session, and I do not know who will be, but I should like to see that work continued. I can not see any particular value in continuing this expense for the Board of Indian Commissioners. I think it might well be cut out and we might well make a saving of that much to the Indians.

Mr. ROBINSON of Arkansas. Mr. President, I do not believe the amendment of the Senator from North Dakota should be agreed to. The Board of Indian Commissioners was created, as I remember, in 1869. It is composed of 10 of the most distinguished philanthropic persons in the country. The members of the commission receive no compensation. They devote their time without mercenary consideration to the services which they perform. Some years ago, when acting as chairman of a joint commission of the two Houses to investigate Indian affairs, it was my conclusion that the Board of Indian Commissioners perform a very helpful and advantageous service.

I am going to place in the RECORD a list of the commissioners who are now serving. The commission now is composed of Samuel A. Eliot, D. D., of Boston, Mass.; Warren K. Moorehead, of Andover, Mass.; Frank Knox, of Chicago, Ill.; Malcolm McDowell, Wilmette, Ill.; Hugh L. Scott, whom every Senator well knows.

Let me digress to say that General Scott is perhaps more familiar than any other living man with the history of the Indians and with their problems. It will be recalled that General Scott went into the West at the time of the Custer raid, and during all the period that has elapsed since then he has been an active student of Indian problems. He is well known to the Indians, and they have great affection for him. He devotes his time and his services and receives no compensation whatsoever. The same is true, as I have already stated, of the other members of the commission.

The remaining members of the commission are Mrs. Flora Warren Seymour, of Chicago; John J. Sullivan, of Philadelphia; Mary Vaux Walcott, of Washington, D. C., who is the widow of the late Secretary of the Smithsonian Institution. She is a renowned philanthropist and very much interested in Indian troubles and affairs. G. E. E. Lindquist, of Lawrence, Kans., and Charles H. T. Lowndes, of Easton, Md., are the remaining members.

A brief history of this commission, together with a copy of the Executive order issued by the then President of the United States when the commission was created, will be placed in the RECORD. General Grant's order defines the duties of the commission. Notwithstanding the fact that sometimes the commission does not function as effectively as at other times, it is a body of very renowned citizens who have safeguarded the rights of the Indians in many instances during the last few years. I think it would be unfortunate to deprive the commission of its appropriation, which would be the equivalent of denying it the opportunity to function.

Mr. President, I ask leave to place in the RECORD the data to which I have referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The data are as follows:

THE BOARD OF INDIAN COMMISSIONERS

The Board of Indian Commissioners, which was created in 1869, is a body of 10 unpaid citizens appointed by the President from persons "eminent for intelligence and philanthropy." They visit and inspect Indian agencies and other branches of the Indian Service and confer with the Secretary of the Interior and the Commissioner of Indian Affairs on questions relating to the administration of Indian affairs.

The appropriation for the expenses of the board is to pay for traveling expenses and for maintaining an office in Washington. The members of the board travel in all parts of the Indian coun-

try, visiting reservations, schools, hospitals, and all other activities of the Federal Government which are conducted for the welfare of the Indians. Reports are filed with the Secretary of the Interior following the trips made by the board members, and these in turn are transmitted to the Office of Indian Affairs. From 50 to 70 units of the Indian Service are visited each year. The board holds three or more meetings in Washington each year, and conferences are held with the officials of the Department of the Interior in regard to various questions involved in the management of the affairs of the Indians.

On the membership of the board are lawyers, physicians, military officers, clergymen, and others who have an interest in promoting the progress and welfare of the Indians of the country. The board makes an annual report giving its recommendations and observations on the Federal Government's work for the advancement of the Indians.

Because of its somewhat independent character, the board is in a position to impartially and disinterestedly make surveys of conditions on Indian reservations and in Indian schools. The broad latitude permitted by law and Executive order enables it to secure information and well-founded opinions regarding the difficult problems involved in forwarding the Indian's social and economic progress which are not generally available to salaried employees.

MEMBERS OF THE BOARD OF INDIAN COMMISSIONERS

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Samuel A. Eliot, D. D., Boston, Mass., was appointed to the Board of Indian Commissioners in 1909, and has served as chairman since 1928. He is the son of the late Charles W. Eliot, former president of Harvard University. He served as secretary and later president of the American Unitarian Association for a period of 30 years. He is now pastor of the Arlington Street Church (Unitarian) in Boston. He has been actively interested in a number of educational institutions and has traveled extensively in the Indian country for the last 20 years.

Warren K. Moorehead, Andover, Mass., has been a member of the board since 1908. He is head curator of the department of archæology of Phillips-Andover Academy. He has conducted many archæological expeditions in various parts of the country and has written numerous books and papers on archæological research. He has been interested in Indian affairs for many years.

Frank Knox, Chicago, Ill., was appointed a member of the board in 1911 when editor of the Sault Ste. Marie (Mich.) News. He later moved to Manchester, N. H., and became editor and proprietor of the Manchester Union and Leader. He served as general manager of the Hearst newspapers from 1928 to 1931, and now is proprietor and editor of the Chicago Daily News. He served in the Spanish War and the World War. He has long been interested in public affairs; he recently served as chairman of the antihoarding committee appointed by President Hoover. He has made investigations of Indians in Utah, Colorado, Arizona, and California.

Malcolm McDowell, Wilmette, Ill., was appointed a board member by President Wilson in 1917. He served as the board's secretary from 1915 to 1931. He is a newspaper man by profession and is now on the staff of the Chicago Daily News. He has traveled in all parts of the Indian country and has written numerous documents upon the Indians and their problems.

Hugh L. Scott, Princeton, N. J., is a major general, United States Army, retired. He was appointed a member of the board in February, 1919. After his graduation from West Point he served in numerous Indian campaigns from 1876 to 1891; served in the Cuban and Philippine campaigns from 1898 to 1906. Had charge of the Fort Sill Apache Indians in Oklahoma, and took an important part in the settlement of Indian troubles in the Southwest. Was Chief of Staff of the Army at the beginning of the World War, was a member of the United States military commission to Russia, and commanded Camp Dix, N. J., until the end of the war. He is recognized as about the best-informed officer in the Army on Indian matters, and has written various reports and monographs on the plains Indians. For several years he has been chairman of the New Jersey State Highway Commission, offices at Trenton, N. J.

Flora Warren Seymour (Mrs. George Steele Seymour), Chicago, Ill., was appointed a member of the board in October, 1921. She was in the Indian Service from 1909 to 1915, is a lawyer, and in recent years has written books on historical subjects and the affairs of the American Indian.

John J. Sullivan, Philadelphia, Pa., was appointed a member of the board in 1924. He is actively engaged in the practice of law and is also interested in the banking business in Philadelphia. He is the author of numerous books on legal subjects and lectures at the University of Pennsylvania. He has made regular trips to the Indian country since his appointment to the board.

Mary Vaux Walcott, Washington, D. C. She was appointed a member of the board in 1927. She is the widow of the late Dr. Charles D. Walcott, former secretary of the Smithsonian Institution. She has traveled extensively in the West, is an artist of note and interested in scientific work, and has traveled widely in the Indian country.

G. E. E. Lindquist, Lawrence, Kans. He was appointed a member of the board in 1930, is missionary at large for the Society for Propagating Gospel Among the Indians, and has been active in missionary work among the Indians for about 20 years. He has written numbers of books on Indian subjects and has an intimate acquaintance with conditions throughout the Indian Service.

Charles H. T. Lowndes, Easton, Md., rear admiral, United States Navy, Medical Corps, retired, appointed to the board in 1930. Entered the Medical Corps of the Navy in 1889, served as a medical officer in Alaska, Nicaragua, the Philippines, and at sea; has been in charge of the naval hospitals at Washington and New York and after retirement for a time was medical director of the Georgetown University Hospital, Washington, D. C. Since becoming a board member has made investigations of the Indian medical service.

EXECUTIVE ORDER AND LAWS RELATING TO THE BOARD OF INDIAN COMMISSIONERS

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*Executive order*

EXECUTIVE MANSION,
*Washington, D. C., June 3, 1869.*

A commission of citizens having been appointed, under the authority of law, to cooperate with the administrative departments in the management of Indian affairs, consisting of William Welsh, of Philadelphia; John V. Farwell, Chicago; George H. Stuart, Philadelphia; Robert Campbell, St. Louis; W. E. Dodge, New York; E. S. Tobey, Boston; Felix R. Brunot, Pittsburgh; Nathan Bishop, New York; and Henry S. Lane, Indiana—the following regulations will, till further directions, control the action of said commission and of the Bureau of Indian Affairs in matters coming under their joint supervision:

1. The commission will make its own organization and employ its own clerical assistants, keeping its "necessary expenses of transportation, subsistence, and clerk hire, when actually engaged in said service," within the amount appropriated therefor by Congress.

2. The commission shall be furnished with full opportunity to inspect the records of the Indian Office and to obtain full information as to the conduct of all parts of the affairs thereof.

3. They shall have power to inspect, in person or by subcommittee, the various Indian superintendencies and agencies in the Indian country; to be present at payment of annuities, at consultations or councils with Indians; and when on the ground to advise superintendents and agents in the performance of their duties.

4. They are authorized to be present, in person or by subcommittee, at purchases of goods for Indian purposes and inspect said purchases, advising with the Commissioner of Indian Affairs in regard thereto.

5. Whenever they shall deem it necessary or advisable that instructions of superintendents or agents be changed or modified, they will communicate such advice through the office of the Commissioner of Indian Affairs, to the Secretary of the Interior; and in like manner their advices as to changes in modes of purchasing goods or conducting the affairs of the Indian Bureau proper. Complaints against superintendents or agents or other officers will in the same manner be forwarded to the Indian Bureau or Department of the Interior for action.

6. The commission will at their board meetings determine upon the recommendations to be made as to the plans of civilizing or dealing with the Indians, and submit the same for action in the manner above indicated, and all plans involving the expenditure of public money will be acted upon by the Executive or the Secretary of the Interior before expenditure is made under the same.

7. The usual modes of accounting with the Treasury can not be changed, and all the expenditures, therefore, must be subject to the approvals now required by law and by the regulations of the Treasury Department, and all vouchers must conform to the same laws and requirements and pass through the ordinary channels.

8. All the officers of the Government connected with the Indian Service are enjoined to afford every facility and opportunity to said commission and their subcommittees in the performance of their duties and to give the most respectful heed to their advice within the limits of such officers' positive instructions from their superiors; to allow such commissioners full access to their records and accounts; and to cooperate with them in the most earnest manner to the extent of their proper powers in the general work of civilizing the Indians, protecting them in their legal rights, and stimulating them to become industrious citizens in permanent homes instead of following a roving and savage life.

9. The commission will keep such records or minutes of their proceedings as may be necessary to afford evidence of their action, and will provide for the manner in which their communications with and advice to the Government shall be made and authenticated.

U. S. GRANT.

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LAWS

*Appointment of Board of Indian Commissioners to be made by the President*

(Sec. 2039, Revised Statutes)

There shall be a Board of Indian Commissioners, composed of not more than 10 persons, appointed by the President, solely, from men eminent for intelligence and philanthropy, and who shall serve without pecuniary compensation.

*Agencies, etc., to be inspected by Board of Indian Commissioners*

(Act of May 17, 1882 (22 Stat. L. 70))

Section 2040 of Revised Statutes be, and the same is hereby, repealed. And hereafter the commission shall only have power to visit and inspect agencies and other branches of the Indian Service, and to inspect goods purchased for said service, and the Com-

missioner of Indian Affairs shall consult with the commission in the purchase of supplies. The commission shall report their doings to the Secretary of the Interior.

*Secretary to the Board of Indian Commissioners*

(Sec. 2040, Revised Statutes)

The Board of Indian Commissioners mentioned in the preceding section (R. S. 2039) shall have power to appoint one of their own number as secretary, who shall be entitled to such reasonable compensation as the board may designate, payable from any moneys appropriated for the expenses of the board.

(Act of August 24, 1912 (37 Stat. L. 521))

Hereafter the Board of Indian Commissioners are authorized to employ a secretary, not a member of said board, and pay his salary out of the appropriation herein made or which shall hereafter be made for said board.

Mr. SMOOT. Mr. President, I want to plead with the Senate not to accept the amendment. Gen. Hugh L. Scott did a great service in the State of Utah during the last Indian uprising in that State.

Mr. FRAZIER. Mr. President, will the Senator permit me to say that Hugh L. Scott will be just as much interested in the Indians whether he is a member of this board or not.

Mr. SMOOT. He has to have some help in the way of a clerk and some office expenses involved in collecting the information.

Mr. ROBINSON of Arkansas. He devotes a large part of his time to the service. He travels all over the Indian country.

Mr. FRAZIER. Oh, no. He is highway commissioner in New Jersey.

Mr. ROBINSON of Arkansas. I was in the West two summers ago visiting my friend the Senator from Wyoming [Mr. KENDRICK] and found General Scott there spending a prolonged period visiting the reservations, going among the Indians, doing everything he could to encourage them and to promote their interests. I think a service like that is well worth the clerk hire which is required to perpetuate it. People of this character, who are willing to devote their efforts and time to a task of this nature, ought to receive some encouragement.

Mr. SMOOT. Mr. President, there is one case that I know of where General Scott was enabled to save a great many lives. There was an uprising among the Indians in the southeastern part of the State of Utah. Nobody could have handled the situation as General Scott did. He was on the spot before anyone called him. Not only that but there was not a life lost. There was a complete understanding brought about, and there has been no uprising since he was there years ago.

Mr. FRAZIER. Mr. President, I want to say a word further, if I may. I appreciate the work General Scott has done, and the work other members of the board have done, but I still think General Scott would be interested in the Indians and do just as much for them as he is now even if he were not a member of this commission, because he has been interested in Indians for years and years.

I want to call the attention of the Senate to the fact that this commission has been in existence for something over 60 years. Those who are familiar with Indian conditions at the present time would find it very difficult to explain the good work which it is said this commission has done during the 60 years in improving the condition of the Indians.

If the conditions could be any worse than they are at the present time, God help the Indians. That is the situation. Our committee last fall, out in the great State of California, found Indians who were living in an old hut plastered up with mud, the plaster falling out, and we could see through the roof in places. An old woman, who must have been 90 years of age or more, was sitting in the ashes near the little fireplace at the end of that little hut in order to keep warm. Conditions like that prevail all over that section of the country. Some of the $12,000 that is provided for here would take care of that old woman; and there are literally thousands of similar cases.

In South Dakota last year Gutzon Borglum, the sculptor, who is working out in the Black Hills, became interested in a group of Indians who were living near the Black Hills. He investigated and found that they were going hungry; that they were cold. He took their case up with the department, but could not get anything done. Finally he got in touch with some other officials here and obtained a number of Army blankets and sent them to those Indians. Again this winter he is doing the same kind of work. He donated out of his own herd beef cattle with which to feed the Indians last winter, and he got others to do the same. The Indians are still in desperate circumstances; and it seems to me, Mr. President, that this fund could be well saved and could be put to better use.

I have nothing against the commission nor the work they are doing; but, as I have previously said, they have no authority except to make some investigations. In the past, under former administrations, it was current talk that when complaint was made as to some reservation that conditions were not as they should be, the Indian Bureau would send out some of the members of the commission, and they would go out and apply a coat of whitewash and submit a report favorable to the department.

I do not think that the statement should be made about the present situation, however. Those who are on the commission at this time, especially those whom I know, are very high-grade people. I have known General Scott for years. He used to be in North Dakota and spent a great deal of time in the Army service there. I have nothing against him in the world; in fact I count him as a good friend of mine, but I do feel that this money might well be saved.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was rejected.

Mr. KING. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out the proviso commencing on line 25, page 28, as follows:

*Provided*, That the unexpended balance of the appropriation of $55,000 contained in the Interior Department appropriation act, fiscal year 1932 (46 Stat. 1127), for purchase of sites for reservoirs, construction headquarters and administrative uses, is hereby made available for the same purpose until June 30, 1934.

Mr. KING. Mr. President, this provision of the bill is a good deal of a "joker." In the first place, there is no unappropriated balance; there is no item to which it refers. It is a misrepresentation of the situation wherein it seeks to convey the impression that an unexpended balance is being continued available. There is no unexpended balance in the amount or for the purpose indicated. An item was carried in the Interior Department appropriation act for the fiscal year 1932. The Indian Bureau sought in the deficiency bill for the fiscal year 1933 to have the item of appropriation continued available. It was not expended, I may say, and the effort was made to have it continued available. The language, however, was stricken from the bill at the request of the senior Senator from North Dakota [Mr. FRAZIER], who acted, as I am informed, on the request of the Flathead Indian Tribe. The language in the pending bill provides a new appropriation but seeks to disguise it as an authorization for the appropriation of an unexpended balance.

However, the proviso is objectionable for reasons more essential than the improper and misleading character of its language. It is claimed by the Indians that a long course of arbitrary action and of a lack of frankness in dealing with Congress lie back of this proviso. It entails an effort to deprive the Flathead Tribe of Indians of valuable lands.

To make the situation plain, I will state that at different periods, going back 20 years, the Indian Bureau has taken possession of lakes and reservoir sites belonging to the Flathead Indian Tribe. Some of these lakes, Mr. President, because of their beauty, are to-day worth thousands of dollars, indeed, tens of thousands of dollars for summer homes, resorts, and as suitable places for people who are seeking recreation in the summer, but the Indian Bureau has taken possession of 15 lakes without the consent of the Indians, and now, as I shall show in a moment, it seeks to deprive them of their fee-simple title for an inadequate sum.

Fifteen of such sites have been taken, with an acreage of 8,588.76. These areas have been made a part of the Flathead irrigation district; that is, they have been made such by the arbitrary action of the Indian Bureau. The irrigated lands of this district are farmed not by Indians but by whites. To be exact, of 52,649 irrigated acres, the Indians irrigate only 1,249 acres, while the whites own outright 48,348 acres of the irrigated lands.

Through these years the Flathead irrigation district has paid no rent to the tribe for these lands, nor has the Government paid the tribe one dollar.

The land in the areas in question is all land within or right under the reservoir sites of the district and is possessed of a perfect and a wholly prior water right. The value of irrigated land on the Flathead Reservation, as the Indian Bureau contends, is approximately $50 an acre, as shown by the tabulation prepared by the irrigation division of the Indian Office, which appears at page 620 of the House appropriation hearings for the fiscal year 1934.

With this background of facts it will be possible for the Senate to appreciate the significance of the course of action through which the Indian Office has been engaged in connection with these reservoir sites.

During the hearings on the Interior Department appropriation bill for 1932 Mr. Clotts, the bureau's irrigation engineer, briefly described the reservoir sites. Keep in mind these are beautiful lakes of great value, covering more than 8,000 acres of land. He did not report that any appraisal had been made to determine the value of these sites, but stated that the bureau requested $55,000 to be used in purchasing the sites from the tribe, and then added:

> The appropriation of $55,000 will dispose of the entire matter at one time.

The Indian Bureau's request for $55,000 at that time was granted by Congress, though, as I contend, the entire situation was not understood by Congress; and thereupon the superintendent of the reservation, Mr. Coe, and an acting assistant to the bureau's irrigation director, Mr. Wathen, without consulting the Flathead Tribe, submitted an appraisal of the sites. They did not ask for a third party to make the appraisal, or seek to exercise the right of eminent domain, but they made the appraisal without consulting the Indians who owned the land.

I have stated that the Indian Bureau finds such acreage when irrigated to be worth $50. But the Indian Bureau fixed, for class 1 agricultural lands, values ranging from $3.50 to $7 per acre, and for class 2 agricultural lands values ranging from $3 to $3.50 per acre.

As I have stated, the tribe was not consulted nor even notified when the effort was made to obtain the appropriation. On learning the facts the Indians assembled and the matter was laid before the Flathead Tribe. Superintendent Coe reported to Commissioner Rhoads, May 30, 1932:

> After considerable discussion the matter was voted upon. The result was practically unanimous against a sale at this time.

The Indians, with entire propriety, insisted that the appraisal was indefensibly low, and likewise that they were entitled to be paid, if the land was to be taken from them, rent for the sites for the many years during which the Government had attempted to occupy and claimed jurisdiction over them.

The title, it should be clearly understood, is in the Flathead Tribe; and the alienation of the land, if it shall be alienated, will take place in the present, but the value of the same will be as of a date 20 years back, under an appraisal made by the Indian Bureau, without the consent of the Indians and without the intervention of a court or of proper experts who have knowledge of the value of the lands.

I am told, Mr. President, that many persons would give thousands of dollars for some of those lakes, using them and the land around them for summer resorts.

On June 15, 1932, the tribal council of the Flathead Tribe sent to Commissioner Rhoads and to various Members of Congress an energetic protest against the entire scheme of the bureau, and as a result of this protest and of the facts which, in my opinion, justified it, the Senate eliminated the item from the deficiency bill for 1933.

But the Indian Bureau, as usual, is not content to abide by the wishes of the tribe or by the actions of Congress.

Assistant Commissioner Scattergood appeared before the Appropriations Committee on November 21 last. His testimony is found at page 701 of the House hearings on the Department of the Interior appropriation bill for the fiscal year 1934. He insisted, of course, that the appropriation should be made and that this land should be acquired or taken from the Indians at the prices indicated.

After taking possession of the lands years ago, never paying them a cent, never having paid rent, what right have we to say now, "We will pay you $55,000 for this land," when, as I am advised by persons who have visited it and by Indians who are familiar with it, the land is worth infinitely more?

If this land is indispensable for the needs of the Government, let the Government bring the necessary action for condemnation, and pay a reasonable price. Mr. President, there is no occasion for haste in this matter. Nothing will be done during the next few months. Further investigation should be made, and the wishes of the Indian owners should be considered and their interests fully protected.

Mr. SMOOT. Mr. President, this is simply a continuation for one year. It is approved by both Senators from Montana. They both desire the continuation for a year.

In the hearings, this question was brought up. In answer to Mr. HASTINGS, I want to read what Mr. Scattergood said:

> Well, I am going to keep an open mind, Mr. HASTINGS, on the question of appraisal. All we were asking at the time was that the amount previously estimated to be sufficient to cover this item be continued available.

That is, for one year; and that is all they are doing.

> I hope when the lands are reappraised they will take into consideration the number of years that each particular reservoir has been out of Indian possession, so that that will be an element in calculating the value, not exactly as if it were interest on the money but use and occupancy of that land would be a proper element to be taken into consideration in fixing that appraisal.

Again, he says in his testimony:

> Now, in the ordinary course of work that was taken up last spring on the reservation, the superintendent and the project engineer submitted a proposed basis of settlement, utilizing the figures per acre from $2.50 to $10, those figures being the basis of compensation paid by the entrymen to the tribe at the time the reservation was opened, and it seemed that that same basis was a fair basis to be used.
>
> As soon as this estimate came to the office I immediately sent it back and said, "Has this been submitted to the Indians; do they know about it, and do they approve it?" We felt they would be very much pleased, of course, to have this settlement made. Well, the Indians referred it to some others of their friends here, and the question was brought up as to whether or not this was a proper basis of valuation; also whether or not there had been taken into consideration the number of years involved in the use of each one of these reservoir sites; or, to put it the other way, that the Indians had been deprived of their use.

This is the Indian Commissioner. The Indian Commissioner says here that the $2.50 to $10 valuation is to be revalued. Both Senators from Montana asked that this provision be put in, and approved of it, and it was put in for that reason.

I want to assure my colleague that the revaluation is going to take place; and if this project is carried out, the valuation appraised will be entirely different than it was years ago, before the project was even thought of.

Mr. KING. Mr. President, I think my colleague is in error in stating that the Senators from Montana desire this. My information is just the reverse. If they should approve of this provision I should regard it with less concern, because I have confidence in them. However, they may be in error, as I may be in error in the position I have taken. Conceding that they approve, I still believe that no action should be taken at this time, that further investigation be made, and the Indians be further consulted in the matter.

Mr. President, the Indians protested against this provision of the bill, and the Senator from North Dakota [Mr. FRAZIER], the chairman of the Indian Affairs Committee, went before the committee and had it stricken from the bill.

I respectfully submit that my colleague is in error when he says that this is a continuing appropriation.

Mr. SMOOT. Mr. President, I did not say it was a continuing appropriation. I said the proposition is to extend it for a year—not that it is a continuing appropriation.

Mr. KING. Perhaps it is a difference of interpretation. An appropriation was made in 1932. That expired, and the Indian Bureau attempted in the deficiency bill to have it continued. Under the protest of the Senator from North Dakota [Mr. FRAZIER], as well as others, including the Indians, it was stricken from the deficiency bill. The appropriation now is dead, and the provision before us is a de novo appropriation.

Mr. SMOOT. I want to say to my colleague that he is mistaken. Somebody is giving him the wrong information.

Mr. KING. I have looked at the record.

Mr. SMOOT. It is not dead, Mr. President. It will be, however, unless we agree to this amendment extending it for another year.

Mr. KING. Mr. President, let us consider that life is not quite extinct, nevertheless, it is conceded that it needs vitalization by this amendment. My colleague admits that it will be dead if we do not vitalize it by this amendment.

Mr. SMOOT. That is true.

Mr. KING. If the appropriation in the beginning was wrong, we ought not to vitalize it.

The Indian wards of the United States have been plundered for more than a hundred years, and whenever attempts have been made to defend them and to protect their rights the Indian Bureau has usually been silent and derelict in asserting its authority for their preservation.

The result is, as I stated in the discussion this afternoon, that the inheritance of the Indians has been wasted and their advancement retarded, if not prevented.

Their lands, which were 133,000,000 acres in 1887, have now dwindled to 47,000,000 acres. Little by little they are being shorn of their possessions.

Mr. President, the Government will lose nothing by delaying the time when the title to these lakes may be acquired by it. The Government is using the lakes and reservoirs, the Indians will not take them away from the Government. The Government is using them not for the benefit of the Indians but for the benefit of the whites. The Government went upon the Indian reservation, and, ostensibly for the benefit of the Indians, inaugurated an irrigation project; but out of the lands which are being irrigated but approximately 1,000 acres are being irrigated by the Indians, whereas 50,000 acres are irrigated and owned by the whites.

Having taken so much from the Indians, the proposition now is to take away these beautiful lakes, and to give them $55,000 for them. I say, let us postpone this, and make a proper investigation, and go into the courts, if necessary, and fix the value of the lands, if it becomes necessary that these lands should be taken for the purpose of adding to the irrigation activities of the Government.

Mr. SMOOT. Mr. President, again I say my colleague is mistaken. This is what was stated at the House hearings; and the Senator from Montana [Mr. WALSH] is here now, and he can say whether or not it is so:

> So I took it up with the two Senators of the State, and the arrangement that was made, with their full approval, was that we would ask for a continuation of this item over into 1933, because there was not time to complete the settlement on any new basis before the expiration of the 1932 fiscal year, and then that we would send it all back to the reservation with the suggestion that a proper appraisal committee should be appointed, in which the Indians would have a representative and also the water users would have a representative, because they will be the ones eventually to pay this back to the Government.

I have already read the part as to where the reappraisal was to take place. All that this provision does is to extend this just exactly as was asked and agreed to by the two Senators from Montana.

The PRESIDING OFFICER. The question is on the amendment offered by the junior Senator from Utah [Mr. KING].

Mr. WALSH of Montana. Mr. President, I trust this amendment will not prevail.

I desire to say in this connection that my colleague [Mr. WHEELER] recently, as a member of the Committee on Indian Affairs, has gone over the reservation, and is satisfied, as he informed the senior Senator from Utah [Mr. SMOOT], that this item ought to remain in the bill. This is the first intimation I have had that anybody was objecting to it.

Of course, this is quite aside from the general question of whether in the course of a hundred years the Indians have been treated right or have been treated otherwise. This provision has the approval of the department, and I can see no reason why it should be stricken out.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. KING. Does the Senator know that the Indians have violently protested against this, have not assented to it?

Mr. WALSH of Montana. I am quite aware that there is a group of Indians on the Flathead Indian Reservation who have been objecting to every appropriation that has been made by the Congress during all these years. That is quite aside from the question. The white settlers, who have paid for their lands on the Flathead Indian Reservation and put the money into the Treasury for the benefit of the Indians, paying big prices for their land, are entitled to some consideration from the Congress of the United States, as I have repeatedly asserted upon the floor of this body.

This provision is for the purpose of carrying through the irrigation project on the reservation which gave value to the lands. I repeat what I have so often said, that the project was outlined; the settlers upon the reservation had an opportunity to select their lands under the project and pay the increased price for lands which were subject to irrigation, or they had an opportunity to take their lands above the ditch, where they could not be irrigated. The lands under the ditch brought an increased price, $7 an acre—a very high price for these lands—and that went into the Treasury for the benefit of the Indians, and they have the benefit of it. I insist that the project should be carried out in good faith as it was planned by the department.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield. I do not think the Senator from Utah will accuse either my colleague or myself of any lack of interest in or concern for the Indians in our State.

Mr. KING. No. If the acquisition of these lakes is important to the rounding out of the irrigation project, does not the Senator think it would be better and fairer simply to authorize the acquisition, instead of making an appropriation and saying, "We are going to pay you this $55,000"? Why do that? Is not that a sort of threat to them that "That is all you will get"? If we were acquiring the lands of white people by condemnation, we would authorize them to go into court for the purpose of condemning the lands. We might make an upset price, but we would make provision for the owners of the lands to have a forum in which to determine their rights.

Mr. WALSH of Montana. There is no possibility of taking the lands of these Indians without paying for them. This appropriation is made for the purpose of meeting whatever agreement may be made or whatever condemnation proceedings may be instituted to pay the actual value of the property taken.

Mr. SMOOT. May I call the Senator's attention to what the department says?

> Now, if $55,000 proves not to be sufficient, and the appraisal committee brings in a larger amount, we can then come back to this committee for a supplemental appropriation.

They gave notice. They have already told us exactly what they would do, and they anticipate that it is going to be more than $55,000, and so told the committee.

Mr. WALSH of Montana. Exactly. If these allotted lands belong to the Indians, they must be acquired either by contract with the Indian who owns the land or by condemna-

tion proceedings, and this appropriation, as I understand it, is to be made in anticipation of either agreeing with the individual Indians with respect to the matter or condemning the lands.

Mr. KING. Mr. President, may I say to my friend from Montana that the Government having taken possession of these lakes a number of years ago, and still holding and using them, is there any necessity for immediately forcing through the purchase?

Mr. WALSH of Montana. It is a part of the work of completing the project. We simply make this appropriation for the purpose of completing it.

Mr. KING. Would it not be better, if this is necessary, for the Indian Bureau to take the matter up with the Indians and try to agree upon a price, instead of obtaining an appropriation in advance, as if we predetermined the amount which the Government should pay?

Mr. WALSH of Montana. Not at all. It is a matter of no consequence at all whether the negotiations are carried on before or after the appropriation is made.

Mr. FRAZIER. Mr. President, I think the junior Senator from Utah is correct in his stand in this matter. The Indians have protested, and their affairs have been handled in this matter as they have in many others—over the protests of the Indians in the past. But it does seem to me that if the Indians are ever to be listened to they should be listened to now and given opportunity to say something about how their affairs should be conducted. It seems to me the amendment the Senator from Utah has offered should be agreed to.

Mr. WALSH of Montana. Mr. President, I think that is a very unfair statement. Nobody is endeavoring to interfere with the way the Indian affairs shall be conducted. This appropriation has nothing at all to do with the affairs of the Indians. The Indians have selected their allotments under the ditch, and the white people have selected lands under the ditch. This is no effort to control the affairs of the Indians at all. The Senator must bear in mind that the white people under the project have rights in this matter just exactly the same as have the Indians, who have not any lands under the project. This is no attempt to control the affairs of the Indians at all.

Mr. FRAZIER. Mr. President, the Senator from Montana just stated that the Indians of the Flathead Reservation protested all appropriations.

Mr. WALSH of Montana. Mr. President, the Senator from Montana did not say that. The Senator from Montana said that there is a group of Indians from the Flathead Indian Reservation who have protested against a lot of these things.

Mr. FRAZIER. The group happens to be the tribal council, and has been the tribal council since I have had anything to do with the Committee on Indian Affairs.

Mr. WALSH of Montana. Can the Senator put into the RECORD the protest the tribal council has made against this item?

Mr. FRAZIER. I have not the protest available right now; no.

Mr. WALSH of Montana. I must say that I have not had any protest from the Indians in this matter, and I usually regard myself as their representative. I have certainly taken care of any protests they have offered, and I have never heard any protest against this item.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. FRAZIER. Mr. President, I have an amendment to offer on page 18.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 18, line 1, the Senator proposes to strike out "$114,430" and to insert in lieu thereof "$103,521.67."

Mr. FRAZIER. Mr. President, this would strike from the bill $10,908.33 that is comprised in salaries of some forestry men on the Klamath Reservation. Representatives of the Klamath Indians who are here in Washington, delegated by their tribe to come here to represent them, appeared before the Committee on Indian Affairs of the Senate and asked that these items be stricken out.

Mr. SMOOT. Mr. President, I remember what was said in the committee, and I am perfectly willing to accept the amendment the Senator offers and let it go to conference; and in the meantime I will try to become familiar with it, and if the facts are as the Senator states, the amendment will remain in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

Mr. FRAZIER. Mr. President, on page 17 of the bill there is a paragraph beginning with line 9, which provides for an appropriation of $197,000 for salaries of various forestry men, and so on. There is nothing in the bill to indicate what this money is for, and it is impossible to tell from the bill. In the hearings before the House committee, on page 571, Mr. Dodd, of the Indian Bureau, said that 61 employees are paid from this appropriation. The director of the forestry work gets $5,800, the assistant gets $5,000, and the remaining number from $3,500 down to $1,740.

The item includes forestry men, fire-control work, those engaged in looking after grazing on Indian reservations, and a thousand and one other things, including telephone-line building and road building. The appropriation is $197,000.

Of course, this happens to be a gratuity appropriation from the Government, but it seems to me the money might practically all be saved by transferring the forestry work in the Indian department to the division handling forestry work in the Department of Agriculture. I believe that is where it should be. There are two high-salaried men engaged in this work under the Bureau of Indian Affairs, one at $5,800, the other at $5,000.

Mr. McNARY. Mr. President, will the Senator state what his amendment is? Does he desire to eliminate the whole item?

Mr. FRAZIER. I did not offer an amendment, because I do not know how to offer an amendment the way the bill is drawn.

Mr. McKELLAR. Mr. President, it seems to me there is a great deal in what the Senator has said about the matter, but we have no facts on which we could change the item at this time, and I suggest that the Senator come before the committee when the next bill is brought in, and not wait until we are in a hurry here. We can see then if we can arrange it. If it can be arranged, the money ought to be saved.

Mr. FRAZIER. Mr. President, I wanted to call the attention of the Senate to this matter. The junior Senator from Utah called attention to the fact that the method of appropriation should be changed so that in reading the appropriation bill we would know what the items are for. There are four or five items here, one on page 17, of $197,000, which includes the fire-control work, forestry-force salaries; on page 18 there is an appropriation of $40,000; on page 18 again another item of $25,000 for fire-control work; and we can not tell exactly what the appropriations are for. Again, on page 18, line 16, there is an appropriation of $50,000, some of which is to be taken out of the fund for fire-control work. There is absolutely no rhyme or reason in the way the appropriation bill is drawn, and it should be changed, and I hope that before the next appropriation bill is brought before us it will be changed.

The PRESIDING OFFICER. If there are no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

### AGRICULTURAL DEPARTMENT APPROPRIATIONS

Mr. McNARY. Mr. President, I move that the Senate proceed to the consideration of the bill (H. R. 13872) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes.

The motion was agreed to.

INVESTIGATION BY THE COMMITTEE ON INDIAN AFFAIRS

Mr. FRAZIER. Mr. President, I report favorably, on behalf of the junior Senator from Delaware [Mr. TOWNSEND], the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, Senate Resolution 322, which provides for an appropriation of $400 from the contingent fund of the Senate to complete the work of the subcommittee of the Committee on Indian Affairs, looking toward the investigation of Indian lands which are escaping taxation. The Senator from Oregon [Mr. STEIWER] is chairman of the subcommittee. He has stated that he needs $400 to complete his report and have it printed and make his recommendation.

I ask unanimous consent that the resolution may be acted upon at this time.

Mr. McNARY. Mr. President, has the resolution the approval of the standing committee having jurisdiction of the matter, and also the Committee to Audit and Control the Contingent Expenses of the Senate?

Mr. FRAZIER. It has the approval of the Committee on Indian Affairs, and also of the Committee to Audit and Control.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

*Resolved*, That the Committee on Indian Affairs, or any subcommittee thereof, authorized by Senate Resolution 282, agreed to June 25, 1930, to investigate the relationship between the Federal Government and those of the several States wherein are located Indian reservations or unallotted tribal lands, or any other Indian lands not subject to taxation by such States or political subdivisions thereof, with a view of developing a plan by which the Federal Government may contribute fairly and equitably toward the expenses of governmental activities in said States, hereby is authorized to expend from the contingent fund of the Senate $400 in addition to the amounts heretofore authorized for such purposes.

ADJOURNMENT

Mr. McNARY. Mr. President, I move that the Senate adjourn until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 6 o'clock p. m.) adjourned until to-morrow, Thursday, February 9, 1933, at 12 o'clock meridian.

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NOMINATION

*Executive nomination received by the Senate February 8 (legislative day of January 10), 1933*

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Roderick Nathaniel Matson, of Wyoming, to be envoy extraordinary and minister plenipotentiary of the United States of America to Greece.

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# HOUSE OF REPRESENTATIVES

## WEDNESDAY, FEBRUARY 8, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, Almighty God, the light of another day has broken on our mortal vision. The angel of Thy face stands by us, bends above us, and Thou wilt be with us when all else fails. Duties await us, responsibilities are upon us. We should despair of the Republic if the high, stern note of Christian individualism were ever weakened. We praise Thee for all the powers with which we are endowed. In the whole range of them none is more sacred than the gift of free choice. We thank Thee that we are Thy rational offspring. May we this day solemnly renew our covenant and our dedication as the responsible servants of the public weal. May this consecration mean renewed, unstinted loyalty to those historic and traditional institutions which are the fruits of free and representative government. Inspire all of us with outstanding courage and conviction, and with a splendid moral sense that will stand up under the vacillations of human nature. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 13520. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 565. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

The message also announced that the Senate had agreed to the amendments of the House to a bill and joint resolution of the Senate of the following titles:

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; and

S. J. Res. 167. Joint resolution to carry out certain obligations to certain enrolled Indians under tribal agreement.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 42. Concurrent resolution to compile, print, and bind the proceedings of Congress in connection with the exercises in memory of the late President Calvin Coolidge.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 88) entitled "An act to authorize the Postmaster General to investigate the conditions of the lease of the post office in Boston, Mass., and to readjust the terms thereof," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ODDIE, Mr. MOSES, and Mr. MCKELLAR to be the conferees on the part of the Senate.

MERCHANTS AND FARMERS BANK, JUNCTION CITY, ARK.

The SPEAKER. Without objection, the Clerk will call bills on the Private Calendar unobjected to in the House as in the Committee of the Whole, beginning with No. 608.

There was no objection.

The Clerk called the first bill on the Private Calendar, H. R. 9476, for the relief of the Merchants & Farmers Bank, Junction City, Ark.

Mr. PATTERSON. Reserving the right to object, Mr. Speaker, it occurs to me that banks are usually very careful in paying out funds. It also occurs to me that if a private party were to cash a money order they would proceed to do it at their own risk. I am wondering if we should pay a bank because the bank cashed one of these money orders, when we would not pay it probably to a private party.

Mr. STAFFORD. Reserving the right to object, is the gentleman from Alabama objecting to the bill?

Mr. PATTERSON. I think we can not pass this bill just now.

The SPEAKER. Is there objection?

Mr. PATTERSON. Mr. Speaker, for the present——

Mr. PARKS. Mr. Speaker, will the gentleman yield?

Mr. PATTERSON. I yield to the gentleman from Arkansas if he desires to make a statement.

Mr. PARKS. On last Thursday night, Mr. Speaker, a companion bill to this bill was passed. It was unobjected to. There was a full explanation about it. I do not remember whether the gentleman from Alabama [Mr. PATTERSON] was present at that time or not. I sincerely trust the gentleman will not object to this bill when the other bill was passed, unobjected to. It is not only a meritorious case, but it is a case in which the equities are all on the side of the bank. The postmaster had a bond that was absolutely inadequate——

Mr. BACHMANN. Will the gentleman yield?

Mr. PARKS. Surely.

Mr. BACHMANN. The gentleman analyzed the evidence in connection with the other bill which is on all fours with the present bill.

Mr. PARKS. Absolutely.

Mr. BACHMANN. The only difference is that this is another bank.

Mr. PARKS. That is all.

Mr. BACHMANN. Would we not save time by having the gentleman from Alabama [Mr. PATTERSON] state what his objection is, because the gentleman from Arkansas fully stated in the RECORD the other night the facts about this matter.

Mr. PATTERSON. Would it not expedite the matter if it could be temporarily laid aside until I can look into the matter?

Mr. PARKS. That can not be done.

Mr. BACHMANN. We went into the proof thoroughly the other night. This is a meritorious bill and ought to be passed.

Mr. PATTERSON. Mr. Speaker, I will withdraw my reservation of objection.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, I wish the RECORD to show that I am not satisfied with the principle involved in this bill. I withdrew my objection the other evening after considerable consideration, largely upon the statement of the gentleman from West Virginia [Mr. BACHMANN], in whose judgment I have confidence. If that bill or the present bill should be vetoed by the President, I wish to feel at liberty to oppose this bill if it is ever returned to the House. I make this statement for the RECORD so as to show that this bill did not go through the Congress absolutely by unanimous consent.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,044.99 to the Merchants & Farmers Bank, of Junction City, Ark., in full settlement against the Government for money that was paid to Joe F. Tullis, who was postmaster at Upland, Union County, Ark., on post-office money orders deposited in said Merchants & Farmers Bank at different times and for different amounts, aggregating $3,044.99, which money orders were cashed by said bank, and which had been fraudulently issued by the postmaster without the knowledge of said bank that they were fraudulent. All of said money orders were paid by the Government and the money was subsequently refunded by said bank.

With the following committee amendment:

At the end of line 6, on page 2, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILMOT CASTLE CO.

The Clerk called the next bill, S. 221, authorizing adjustment of the claim of the Wilmot Castle Co.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Wilmot Castle Co. for the cost of repairing a sterilizer furnished under contract with the Medical Department of the Army, dated September 3, 1929, for installation in the hospital at Fort Meade, S. Dak., which was damaged on November 29, 1929, while being unloaded from a railroad freight car by a detail of enlisted men of the Quartermaster Corps of the Army stationed at Fort Meade, and for reimbursement of additional freight charges thereon necessitated by the accident, and to allow not to exceed $262.10 in full and final settlement of said claim. There is hereby appropriated out of any moneys in the Treasury, not otherwise appropriated, the sum of $262.10 or so much thereof as may be necessary, for the payment of said claim.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHERINE R. THEBERGE

The Clerk called the next bill, S. 914, for the relief of Katherine R. Theberge.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Katherine R. Theberge, of New Bedford, Mass., the sum of $1,284.14, in full satisfaction of her claim for damages against the United States for injuries suffered by her on December 1, 1928, when the automobile in which she was riding collided, near Beltsville, Md., with a United States Army ambulance.

Mr. PATTERSON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATTERSON: At the end of line 10, after the word "ambulance," insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMPLOYEES OF THE FOREST SERVICE, DEPARTMENT OF AGRICULTURE

The Clerk called the next bill, S. 968, for the relief of certain employees of the Forest Service, Department of Agriculture.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named employees of the Forest Service, Department of Agriculture, the sums hereinafter specified, in full satisfaction of their claims against the United States for property losses sustained by them as a result of a fire which destroyed the Squaw Mountain road camp in Mount Hood National Forest near Estacada, Oreg., on September 15, 1929: Walter L. Shriner, $115, of which $75 represents the value of a 1917 Ford roadster and $40 represents the value of carpenter tools; P. A. Worden, $21, representing the price of a tent; Ben M. Joslin, $45, representing the value of a Winona wagon; Delbert H. Shaffer, $90, representing the difference between the value of a 1925 Ford coupe and the amount of the insurance collected thereon; A. W. Lee, $100, representing the value of a 1917 Ford roadster; Charles Palmer, $100, representing the value of a 1924 Chevrolet roadster; Wilbur Linn, $35, representing the value of a 1916 Ford touring car; George Cook, $150, representing the value of a 1925 Chevrolet roadster; and Jack Marrs, $50, representing the value of a 1919 Harley-Davidson motor cycle.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JERRY O'SHEA

The Clerk called the next bill, S. 3536, for the relief of Jerry O'Shea.

Mr. BACHMANN. Mr. Speaker, reserving the right to object, is any Member of the House interested in this bill? Is the chairman of the Committee on Claims here? If no one is here to answer my inquiry, I shall object.

Mr. Speaker, I object.

HAROLD LUCE

The Clerk called the next bill, H. R. 782, for the relief of Harold Luce.

Mr. EATON of Colorado. Mr. Speaker, I object.

GEORGE JOHNSON

The Clerk called the next bill, H. R. 1229, for the relief of George Johnson.

Mr. BLANTON. Mr. Speaker, I call attention to the report of The Adjutant General making the following statements:

The records further show that this soldier enlisted March 3, 1902, at Seattle, Wash., for three years. He was assigned to the Thirty-fourth Company, Coast Artillery Corps, and served with that organization until May 11, 1903, when he deserted at Fort Stevens, Oreg., a private. He never thereafter returned to his command or reported his whereabouts or the cause of his absence to the military authorities.

There is no authority of law whereby the charge of desertion of May 11, 1903, standing on the records against this soldier may be removed and an honorable discharge issued to him.

C. H. BRIDGES,
*Major General, The Adjutant General.*

Mr. Speaker, I object.

MARY E. DAWLEY

The Clerk called the next bill, H. R. 1905, for the relief of Mary E. Dawley.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the United States Employee's Compensation Commission shall be, and it is hereby, authorized and directed to waive the statute of limitations in the application filed by Mary E. Dawley, a former employee of the State Department of the United States, for compensation under the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, in order that she may receive the same consideration as though she had applied within the specified time required by law.

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Strike out all after the enacting clause and insert:

"That the United States Employees Compensation Commission is hereby authorized to consider and determine the claim of Mary E. Dawley, of the Department of State, a former employee, as to whether she suffered an injury while employed in the Foreign Service of the United States compensable under said act after the date of its enactment in the same manner and to the same extent as if the said Mary E. Dawley had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof, provided that no benefit shall accrue prior to the enactment of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FARMERS & MERCHANTS NATIONAL BANK, GILMER, TEX.

The Clerk called the next bill, H. R. 2597, for the relief of the Farmers & Merchants National Bank of Gilmer, Tex.

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas if he does not think this bill ought to be amended so that it shows on its face what the bill covers?

Mr. SANDERS of Texas. Mr. Speaker, I may say to the gentleman that I do not object to an amendment such as he has in mind. These are the facts in the case: The money was unsigned currency and it was lost or destroyed. The bill provides for bond in double the amount.

Any amendment the gentleman wants to offer which will protect the Government is agreeable to me.

Mr. BACHMANN. The question that has been bothering me is whether or not the unsigned currency was delivered to the bank.

Mr. SANDERS of Texas. Yes.

Mr. BACHMANN. The bank receipted for it. Some time after it came into the possession of the bank it was either burned, destroyed, or thrown into the wastebasket and lost. Now the bank wants the Government to reimburse it for the amount of this unsigned currency and is willing to give bond, but the Treasury Department says a bond would not be proper insurance to the Government.

Mr. SANDERS of Texas. What would be proper insurance?

Mr. BACHMANN. I do not know. I would like the gentleman from Texas to suggest what would be proper insurance.

Mr. SANDERS of Texas. I think the bond is. This is similar to bills that have been passed in other cases. I think it is proper insurance.

Mr. BACHMANN. Has the money ever turned up?

Mr. SANDERS of Texas. The money never has turned up. This was unsigned currency. I went into this bank personally and asked them to make a statement. This unsigned currency was put on the edge of the desk where they usually put things to go into the wastebasket. It was thrown into the wastebasket and burned. The Government has not been put to a cent of loss because the currency was unsigned. The bank is offering to give bond in double the amount.

Mr. BACHMANN. Is unsigned currency negotiable in any way?

Mr. SANDERS of Texas. I do not think so.

Mr. BACHMANN. If somebody should sign it would it not then become negotiable?

Mr. SANDERS of Texas. It might; yes.

Mr. BACHMANN. In such an event it would be a charge against the Treasury of the United States?

Mr. SANDERS of Texas. The point is the bond is made double the amount. If the gentleman wants to make it three times the amount, that will be all right.

Mr. BACHMANN. It is not a question of the amount, but whether during the course of the years the bond would be sufficient security.

Mr. PATTERSON. Mr. Speaker, will the gentleman from West Virginia yield?

Mr. BACHMANN. I yield.

Mr. PATTERSON. When the Government is so well safeguarded, I do not see why the Treasury opposes the scheme. They are opposed to all such schemes.

Mr. SANDERS of Texas. The reason is the Treasury is opposed to nearly everything of this kind.

Mr. PATTERSON. Has the Treasury been advised that the bank has given the bond?

Mr. SANDERS of Texas. Of course, they will not give the bond until this bill passes, but they will make the bond in double the amount to protect the Treasury of the United States.

Mr. BACHMANN. This bill does not relieve the bank. The bank is seeking to have the Treasury reimburse it. The bank has already paid the money for this unsigned currency, and it says that if the Treasury will reimburse it it will give bond in double the amount. The question is whether, should this money in some way find its way into circulation 25, 30, 40, or 50 years hence, the bond is sufficient security to protect the Government.

Mr. SANDERS of Texas. There is no other way, and I can not understand why the bond standing there would not be sufficient security.

Mr. PATTERSON. The only question is whether the money might turn up in circulation 40 or 50 years in the future.

Mr. BACHMANN. Of course, as long as the bank is in business we have double security, because the bank would still be responsible.

Mr. SANDERS of Texas. And could they not ask for a new bond?

Mr. BACHMANN. They might in course of time.

Mr. SANDERS of Texas. I should think so.

Mr. BACHMANN. Mr. Speaker, I withdraw the reservation of objection provided the gentleman will agree to an amendment that is to be offered perfecting the bill.

Mr. SANDERS of Texas. That is all right.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,550 to the Farmers & Merchants National Bank of Gilmer, Texas.

With the following committee amendment:

Line 7, page 1, after the word "Texas," insert a colon and the following proviso: "*Provided*, That said Farmers & Merchants National Bank of Gilmer, Tex., shall first file in the Treasury Department a bond in the penal sum of double the amount of

the principal of said notes in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the notes described as follows: Thirty-one sheets of $10, $10, $10 and $20 notes, bearing Nos. 5497 to 5527, which were shipped by the Comptroller of the Currency to the Farmers & Merchants National Bank at Gilmer, Tex., on August 23, 1928."

Mr. BACHMANN. Mr. Speaker, I offer an amendment to the committee amendment. On page 1, line 7, after the word "Texas," strike out the colon and add a period and insert "Said sum represents the amount of incomplete currency received and receipted for by said bank on or about August 25, 1928, and which was later lost."

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: On page 1, line 7, after the word "Texas," strike out the colon, insert a period and the following "Said sum represents the amount of incomplete currency received and receipted for on or about August 25, 1928, and which was later lost."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LYMAN D. DRAKE, JR.

The Clerk called the next bill, H. R. 4973, for the relief of Lyman D. Drake, jr.

Mr. BACHMANN. Mr. Speaker, I am disposed to object to this bill. If there is some one here who knows the facts, I shall be pleased to discuss it with him.

Mr. SCHAFER. I will tell the gentleman the facts. They are set out in the committee report. The beneficiary of the bill was a switchman employed by the Government in the Panama Canal Zone. By reason of defective equipment in the way of the old link-and-pin coupling he had his foot badly mutilated and partially amputated. The evidence before the committee indicates that the accident resulted through no fault of the employee. The bill carries a very small amount in view of the serious injury which this man suffered.

Mr. BACHMANN. As I understood from the report, the injury was due to the man's own neglect.

Mr. SCHAFER. It was not due to his neglect. If the gentleman knows anything about switching box cars with the old link-and-pin coupling or if he had listened to the testimony, he would readily reach a conclusion that the accident was due to defective equipment.

Mr. BACHMANN. When did this accident happen?

Mr. SCHAFER. In 1908.

Mr. BACHMANN. How many years ago is that?

Mr. SCHAFER. It has been a considerable number of years, but this Congress has been giving relief in meritorious cases, even though they are of long standing. Just because the relief which is indicated in this bill has been denied over a long period of time is no reason for not making a small appropriation to partially compensate this injured employee.

Mr. BACHMANN. What has the gentleman to say about the offer that was extended by the Panama Railroad Co. for this man to reenter the service at 44 cents an hour and waive the physical defect, retaining his position, which he voluntarily refused?

Mr. SCHAFER. A man with one-tenth of the disability that this man received in line of duty could not follow the strenuous occupation of a railroad switchman, particularly in the old days when they did not have the automatic coupling but had the old link-and-pin coupling. I may state that the entire Claims Committee carefully considered this bill and had a hearing on the bill and had the beneficiary before the committee.

Mr. BACHMANN. But this man was offered a position by the Government as a machinist at 44 cents an hour, and he did not want to work and did not take the position. They would have waived any physical defect.

Mr. SCHAFER. The gentleman is an attorney and has practiced in industrial cases and knows how long a man would hold a position when he is offered one after he has been injured. Furthermore, the man was in a critical condition at the time.

Mr. BACHMANN. I am disposed to object, Mr. Speaker.

The SPEAKER. Is there objection?

Mr. BACHMANN. I object.

SARD S. REED

The Clerk called the next bill, H. R. 5261, for the relief of Sard S. Reed.

Mr. STAFFORD. Reserving the right to object, as I recall, this is a case for the relief of a postmaster, and the department reported adversely, because they did not believe the postmaster had taken sufficient care in using the iron safe for the custody of the funds.

Mr. McKEOWN. No; I think the objection was made because he had not invested the semiannual amount in stamps every two weeks.

Mr. STAFFORD. Let me read from the report:

The burglary was investigated by an inspector, and it was found that the entrance to the building where the post office was located was gained by prying open one of the rear windows. The combination of the safe was broken off, as above stated, but the bolt to which the dial was attached was not punched out, nor was the interior mechanism of the safe damaged in any way. The money had been left in the inner steel chest, and the door to this chest was found open the next morning and was not mutilated in any way.

Mr. McKEOWN. The gentleman knows that these expert burglars do not depend on breaking open the safe; they can unlock these small safes. I will say to the gentleman that this was a case where they simply opened the safe. They probably knocked off the dial to mislead.

Mr. STAFFORD. Well, Mr. Speaker, I will resolve the doubt in favor of the postmaster.

Mr. PATTERSON. It occurs to me that the postmaster had a right to allow this amount.

Mr. McKEOWN. No; this is a case where the postmaster did not have the right; this claim is too large.

Mr. PATTERSON. They have the authority to allow it up to a certain amount.

Mr. McKEOWN. No; he did not have authority at that time. This is a clear case under the rules of the House.

Mr. STAFFORD. May I call the gentleman's attention to this further statement from the report.

Upon consideration of the evidence the postmaster's claim was disallowed September 29, 1927, because the funds lost in the burglary had not been protected in the manner prescribed by section 110 of the regulations, and that at least $400 in stamp funds were lost through the postmaster's failure to make a requisition for stamp stocks during the second half of the month of April as more fully explained in a letter dated September 29, 1927, reporting the settlement of the claim, a copy of which is also inclosed.

Mr. McKEOWN. I will say to the gentleman, I think that was a boom town where that happened. If the gentleman thinks that $800 ought not to be paid to him, I will accept an amendment to reduce it.

Mr. STAFFORD. I think it should be reduced.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of Sard S. Reed, postmaster at Earlsboro, in the sum of $1,163.70 on account of the loss of postal and fixed credit funds resulting from the burglary of the Earlsboro post office on May 1, 1927.

With the following committee amendment:

Page 1, line 5, strike out the sum "$1,163.70" and insert "$1,115.90."

Mr. STAFFORD. Mr. Speaker, following the suggestion of the author of the bill, I offer the following amendment in lieu of the committee amendment.

The Clerk read as follows:

Line 5, strike out "$1,163.70" and insert "$715.90."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY B. HINES

The next business on the Private Calendar was the bill (H. R. 7757) for the relief of Mary B. Hines.

The SPEAKER. Is there objection?

Mr. BACHMANN. I object.

Mr. GUYER. This is a bill where a woman defending the property of the United States had her arm shot off in 1911. I think it is an outrage that she has waited this long for relief.

Mr. BACHMANN. If the gentleman will read the report, he will find that in 1911 she did not have her arm shot off. She did not have her arm taken off, as a matter of fact, until 1932.

Mr. GUYER. That does not make any difference. The amputation of the arm was because she had had it shot in 1911.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, will the gentleman from West Virginia withhold his objection until the author of the bill can make a statement?

Mr. BACHMANN. Certainly.

Mr. JOHNSON of Missouri. Mr. Speaker, the evidence shows that the claimant was a postmistress at the small town of Cedar.

Mr. BACHMANN. I understood that her husband was the postmaster.

Mr. JOHNSON of Missouri. Her husband was postmaster, and she was assistant postmistress. In 1911 a robber attempted to rob the post office. He had a gun pointed at her husband. She grabbed the arm of the bandit, and he then turned the gun upon her and shot her in her arm. She did not make any claim until this bill was presented for the reason that she and her husband got along fairly well in financial matters as long as he lived. Later they moved to Sedalia, Mo. She had a great deal of trouble with her arm, but she made no claim. Her husband died in 1926. About three years ago her arm began to cause her a great deal of trouble, from which she suffered continuously.

The bullet remained in her arm during all this time. This bill was introduced in December, 1931, and since presenting the bill, claimant's arm has been amputated. This was done at Sedalia, in February, 1932. The evidence clearly shows that she took the oath of office as assistant postmistress, and that the delay in presenting her claim was because she was not trying to get her claim allowed unless it was absolutely necessary. To-day she is wholly dependent upon charity, and has not been able to pay her hospital bills. This claimant was seriously injured in the line of duty and in defense of the property of the United States. No claim ever had more merit than this claim. I do hope, in justice to claimant, you will not object.

Mr. BACHMANN. It may be true that she is dependent upon charity, but that does not make the Government responsible. Does not the gentleman think, in order to get this claim in proper shape, so that the committee would have all of the facts, it would have been well to get a letter from the Post Office Department certifying that she was the assistant postmistress there, and giving the committee the benefit of the report of the inspector who investigated the case? All these post-office cases are investigated by an inspector.

There is not a bit of evidence here outside of an old newspaper clipping, which did not even mention her name. As far as the committee is concerned, this may be a proper case for relief, but the committee can act only on what is in the report and the facts that we gather from it. I can not, under the circumstances, with the condition the report is in, let this bill pass; but I think if the gentleman can get a report from the Post Office Department giving the committee the benefit of the report of the inspector, then, if the facts appear there to be as stated by the gentleman, perhaps I would not have any objection.

Mr. JOHNSON of Missouri. I wish the gentleman would not object at this time, or at least would let the matter go over temporarily, rather than making objection.

Mr. BACHMANN. I am very glad to have the matter go over, if the gentleman can get additional evidence.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that this bill be passed over temporarily.

Mr. STAFFORD. Mr. Speaker, reserving the right to object——

Mr. BLANTON. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object, if the gentleman does not wish me to point out that there is a supplementary report.

The SPEAKER. The gentleman from Wisconsin objects.

SARD S. REED

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the proceedings whereby H. R. 5261, for the relief of Sard S. Reed, was passed be vacated in order that I may offer a minor amendment.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to vacate the proceedings whereby the bill H. R. 5261 was passed. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 1, line 5, after the word "Earlsboro," insert the word "Oklahoma."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ANGELO J. GILLOTTI

The next business on the Private Calendar was the bill (H. R. 8597) for the relief of Angelo J. Gillotti.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The War Department reports:

He was absent without leave from August 12 to 26, 1924; was tried by summary court-martial, and was sentenced to confinement at hard labor for 30 days and forfeiture of $14 of his pay. On November 4, 1924, he deserted at the Presidio of Monterey, Calif., and did not return to military control. On October 6, 1931, he was discharged from the Army on account of desertion.

I object.

IRENE BRAND ALPER

The next business on the Private Calendar was the bill (H. R. 9223) for the relief of Irene Brand Alper.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, with the understanding from the gentleman from New York that he will protect the House in a reduction of this amount from $15,000 to $1,250, I shall not object.

Mr. BLACK. The committee recommends that reduction.

Mr. BLANTON. And the House will be protected in preserving that reduction in the closing days of Congress?

Mr. BLACK. Yes.

Mr. BACHMANN. Does not the gentleman think that this bill ought to be amended so that it will read that this is in full settlement of all claims against the Government of the United States?

Mr. BLANTON. That will be offered, of course. It should be in full settlement.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Irene Brand Alper the sum of $15,000 in full settlement for an injury incurred by her when 19 years old, when she was seriously injured and crippled for life by being struck down and run over on the 14th day of August, 1921, by the United States Navy car No. 2499, in the city of New York, through the careless and negligent operation of said car by an employee of the United States Government employed at the time to operate said car.

With the following committee amendments:

Page 1, line 5, strike out "$15,000" and insert "$1,250."

Line 8, strike out the figures "14th" and insert in lieu thereof "11th."

The committee amendments were agreed to.

Mr. BACHMANN. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Line 5, after the word "settlement," insert "of all claims against the Government of the United States."

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. FITZPATRICK. Suppose she has some other claim against the Government?

Mr. BACHMANN. But I am referring to this particular claim.

Mr. FITZPATRICK. Then the gentleman should make it clear and put that in.

Mr. BACHMANN. That is what I did.

The amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment by Mr. BACHMANN: Page 2, after line 3, strike out the colon and insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

WILLIAM H. SAGE, JR.

The Clerk called the next bill, H. R. 995, authorizing the President to order William H. Sage, jr., before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation.

Mr. BLANTON. Reserving the right to object, Mr. Speaker, I wish to call attention to the report from the Secretary of War, which reads as follows:

Captain Sage voluntarily resigned from the service for his own convenience. A few days prior to his resignation he was examined as to his physical condition by a board of medical officers at Walter Reed General Hospital. After a careful consideration of the medical history of the case and as a result of observation, physical examination, and X-ray findings, the board found that Captain Sage was not physically incapacitated in any degree for active service and that no physical defects were found which would interfere with his resignation from the Army or warrant a recommendation for retirement on account of physical disability.

The War Department says that the enactment of the proposed legislation would constitute preferential treatment of an individual of a class to the prejudice of others in the same category who have not been accorded similar treatment, and recommends against the bill, and I object.

If the gentleman from Virginia [Mr. WOODRUM] desires to make a statement about the matter, I will reserve my objection, but ultimately I shall be forced to object.

Mr. WOODRUM. Mr. Speaker, in the first place, this bill was introduced by my colleague, our distinguished deceased friend, Mr. Tucker. On his deathbed he asked me to look after this bill for him and to bring a message to his colleagues of his interest in it. This bill does not retire this officer, and we have passed many such bills. The War Department always objects to them, and they will tell you, if you talk to them privately, that they are forced to object because they do not want to be put into the position of consenting to a man going back before the retiring board after he has resigned.

Mr. BLANTON. Will my friend yield?

Mr. WOODRUM. I yield.

Mr. BLANTON. As to what Mr. Henry St. George Tucker said, the gentleman probably knows that I was as good a friend of our deceased colleague as he had in the House, and I would do anything in the world for him individually, consistent with my duty and under my oath, but because my friend, Henry St. George Tucker, introduced a bill that should not pass, it does not deter me from objecting when I think it ought not pass. I am going to object.

Mr. WOODRUM. I want to explain the bill.

The SPEAKER. The gentleman from Texas objects.

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, before presenting a resolution, which I shall present in a moment, I wish to say that if the resolution is adopted I will ask unanimous consent that the order providing for a call of the Private Calendar on to-morrow night be canceled.

I offer a resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 372

*Resolved*, That on Thursday, February 9, 1933, after the reading of the Journal, it shall be in order to consider bills on the Private Calendar unobjected to in the House as in Committee of the Whole, the call of bills on said calendar to begin where the last call ended.

Mr. SNELL. Reserving the right to object, as I understand, this does away with the special session to-morrow evening?

Mr. RAINEY. I intend to ask unanimous consent that the order providing for a call of the Private Calendar on to-morrow night be canceled, if this resolution is adopted.

The SPEAKER. The gentleman from Illinois stated that if the resolution was adopted he would then ask unanimous consent that the order providing for a night session to-morrow evening be vacated.

Mr. SNELL. That is what I wanted to know.

The SPEAKER. Is there objection?

Mr. BACHMANN. Reserving the right to object, I would like to ask the gentleman from Illinois [Mr. RAINEY] if he expects to have any definite night each week through the remaining days of Congress for the consideration of the Private Calendar?

Mr. RAINEY. Every week there will be one night devoted to the Private Calendar unless we can do it during the daytime.

Mr. BACHMANN. Can we agree tentatively so that the committees can prepare these bills and be ready for them?

Mr. RAINEY. Thursday night seems to be about the only night we are able to agree upon, so I presume it will always be Thursday night.

Mr. BACHMANN. Can we understand that on next Thursday night and the following Thursday night of each week there will be a call of the Private Calendar?

Mr. RAINEY. Unless it is possible to use some time during the day, that will be the rule.

The SPEAKER. Is there objection?

There was no objection.

The resolution was agreed to.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that the order by which the House ordered a night session on the Private Calendar to-morrow night be vacated.

Mr. SCHAFER. Reserving the right to object, why can not the House consider the Private Calendar to-morrow night, and at the regular session to-morrow consider bills on the Democratic program about which we hear so much? We hear the Republicans are blocking that program. Why not take to-morrow to consider that program and have the night session on the Private Calendar?

Mr. BLANTON. O Mr. Speaker, that is bunk.

Mr. SCHAFER. Mr. Speaker, I object.

Mr. RAINEY. Then I move that the order entered for to-morrow night be canceled, Mr. Speaker.

The SPEAKER. That matter can be arranged, permit the Chair to say, without any trouble. One objection can not prevent it.

Mr. RAINEY. I may say there will be no call of the Private Calendar to-morrow night.

Mr. SNELL. Will the gentleman yield to me to ask a question?

Mr. RAINEY. I yield.

Mr. SNELL. Can the gentleman tell what will be the program on Friday?

Mr. RAINEY. We expect to have the District of Columbia appropriation bill.

Mr. SNELL. The gentleman expects to consider the District of Columbia appropriation bill on Friday?

Mr. RAINEY. The District of Columbia appropriation bill on Friday; yes, sir.

COUNTING THE ELECTORAL VOTE

At 1 o'clock p. m. the Doorkeeper, Mr. Joseph J. Sinnott, announced the Vice President of the United States and the Senate of the United States.

The Senate entered the Hall, headed by the Vice President of the United States and the Secretary of the Senate, the Members and officers of the House rising to receive them.

The Vice President took his seat as the presiding officer of the joint convention of the two Houses, the Speaker of the House occupying the chair on his left.

The VICE PRESIDENT. Mr. Speaker and gentlemen of the Congress, the Senate and House of Representatives, pursuant to the requirements of the Constitution and laws of the United States, have met in joint session for the purpose of opening the certificates and ascertaining and counting the votes of the electors of the several States for President and Vice President. Under well-established precedents, unless a motion shall be made in any case, the reading of the formal portions of the certificates will be dispensed with. After ascertainment has been had that the certificates are authentic and correct in form, the tellers will count and make a list of the votes cast by the electors of the several States.

The tellers heretofore appointed will take their places at the desk.

The tellers, Mr. GLENN and Mr. KING on the part of the Senate, and Mr. GIFFORD and Mr. JEFFERS on the part of the House, took their places at the desk.

The VICE PRESIDENT. The Chair hands to the tellers the certificates of the electors for President and Vice President of the State of Alabama, and they will count and make a list of the votes cast by that State.

Mr. JEFFERS (one of the tellers). Mr. President, the certificate of the electoral vote of the State of Alabama seems to be regular in form and authentic, and it appears therefrom that Franklin Delano Roosevelt, of the State of New York, received 11 votes for President, and John Nance Garner, of the State of Texas, received 11 votes for Vice President.

The VICE PRESIDENT. If there be no objection, the Chair will omit in the further procedure the formal statement just made, and will open in alphabetical order and pass to the tellers the certificates showing the votes of the electors in each State, and the tellers will read, count, and announce the result in each State as was done with respect to the State of Alabama.

There was no objection.

The tellers then proceeded to read, count, and announce, as was done in the case of Alabama, the electoral votes of the several States in an alphabetical order.

The VICE PRESIDENT. Gentlemen of the Congress, the certificates of all the States have now been opened and read, and the tellers will make final ascertainment of the result and deliver the same to the Vice President.

The tellers delivered to the Vice President the following statement of the result:

The undersigned, OTIS F. GLENN and WILLIAM H. KING, tellers on the part of the Senate; LAMAR JEFFERS and CHARLES L. GIFFORD, tellers on the part of the House of Representatives, report the following as the result of the ascertainment and counting of the electoral vote for President and Vice President of the United States for the term beginning on the 4th day of March, 1933.

*Electoral vote for President and Vice President*

| Electoral votes of each State | State | For President | | For Vice President | |
|---|---|---|---|---|---|
| | | Franklin D. Roosevelt, of New York | Herbert Hoover, of California | John N. Garner, of Texas | Charles Curtis, of Kansas |
| 11 | Alabama | 11 | | 11 | |
| 3 | Arizona | 3 | | 3 | |
| 9 | Arkansas | 9 | | 9 | |
| 22 | California | 22 | | 22 | |
| 6 | Colorado | 6 | | 6 | |
| 8 | Connecticut | | 8 | | 8 |
| 3 | Delaware | | 3 | | 3 |
| 7 | Florida | 7 | | 7 | |
| 12 | Georgia | 12 | | 12 | |
| 4 | Idaho | 4 | | 4 | |
| 29 | Illinois | 29 | | 29 | |
| 14 | Indiana | 14 | | 14 | |
| 11 | Iowa | 11 | | 11 | |
| 9 | Kansas | 9 | | 9 | |
| 11 | Kentucky | 11 | | 11 | |
| 10 | Louisiana | 10 | | 10 | |
| 5 | Maine | | 5 | | 5 |
| 8 | Maryland | 8 | | 8 | |
| 17 | Massachusetts | 17 | | 17 | |
| 19 | Michigan | 19 | | 19 | |
| 11 | Minnesota | 11 | | 11 | |
| 9 | Mississippi | 9 | | 9 | |
| 15 | Missouri | 15 | | 15 | |
| 4 | Montana | 4 | | 4 | |
| 7 | Nebraska | 7 | | 7 | |
| 3 | Nevada | 3 | | 3 | |
| 4 | New Hampshire | | 4 | | 4 |
| 16 | New Jersey | 16 | | 16 | |
| 3 | New Mexico | 3 | | 3 | |
| 47 | New York | 47 | | 47 | |
| 13 | North Carolina | 13 | | 13 | |
| 4 | North Dakota | 4 | | 4 | |
| 26 | Ohio | 26 | | 26 | |
| 11 | Oklahoma | 11 | | 11 | |
| 5 | Oregon | 5 | | 5 | |
| 36 | Pennsylvania | | 36 | | 36 |
| 4 | Rhode Island | 4 | | 4 | |
| 8 | South Carolina | 8 | | 8 | |
| 4 | South Dakota | 4 | | 4 | |
| 11 | Tennessee | 11 | | 11 | |
| 23 | Texas | 23 | | 23 | |
| 4 | Utah | 4 | | 4 | |
| 3 | Vermont | | 3 | | 3 |
| 11 | Virginia | 11 | | 11 | |
| 8 | Washington | 8 | | 8 | |
| 8 | West Virginia | 8 | | 8 | |
| 12 | Wisconsin | 12 | | 12 | |
| 3 | Wyoming | 3 | | 3 | |
| 531 | | 472 | 59 | 472 | 59 |

OTIS F. GLENN,
WILLIAM H. KING,
*Tellers on the part of the Senate.*
LAMAR JEFFERS,
CHARLES L. GIFFORD,
*Tellers on the part of the House of Representatives.*

The state of the vote for President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for President of the United States is 531, of which a majority is 266.

Franklin D. Roosevelt, of the State of New York, has received for President of the United States 472 votes.

Herbert Hoover, of the State of California, has received 59 votes.

The state of the vote for Vice President of the United States, as delivered to the President of the Senate, is as follows:

The whole number of the electors appointed to vote for Vice President of the United States is 531, of which a majority is 266.

John N. Garner, of the State of Texas, has received for Vice President of the United States 472 votes.

Charles Curtis, of the State of Kansas, has received 59 votes.

This announcement of the state of the vote by the President of the Senate shall be deemed a sufficient declaration of the persons elected President and Vice President of the United States, each for the term beginning on the 4th day of March, 1933, and shall be entered, together with a list of the votes, on the Journals of the Senate and House of Representatives.

The VICE PRESIDENT. Gentlemen, the purposes for which the joint convention has been called having been accomplished, the presiding officer dissolves the joint convention, and the Senate will return to its Chamber.

The SPEAKER resumed the chair.

Mr. SNELL. Mr. Speaker, I desire to take this opportunity to express publicly my personal congratulations to our able and efficient Speaker, who to-day has been so overwhelmingly elected Vice President of the United States. [Applause, the Members rising.] May I wish him success

in his new position, and may it be as pleasant to him as his service of many years in the House has been. I know I express the will of all your colleagues in the House when I extend to you our sincere congratulations and good wishes for the future. [Applause.]

The SPEAKER. Mr. Minority Leader, may I express my appreciation for your kind words concerning my service as Speaker and accept your congratulations upon my election as Vice President?

I do not think it out of order for me to say publicly what I have said privately—I would rather remain in the House of Representatives. [Applause.] I have enjoyed my service here. My ears and my eyes and whatever intellect I may have may be over there, but my heart will always be in the House of Representatives.

MILITARY STOREKEEPER

The Clerk called the next bill on the Private Calendar, H. R. 1536, to provide for the appointment of a military storekeeper.

The SPEAKER pro tempore (Mr. BANKHEAD). Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, from my acquaintance with the bill I can not see why the Congress should, by congressional enactment, give a preferential status or preferred rank to some preferred person in the War Department, regardless of how meritorious the service of such subordinate or Army official may have been. I realize that on one or two occasions we have recognized such service by special act by conferring military rank upon some department official, but while such cases may have been meritorious, I do not think we should extend this to some noncommissioned officer of the War Department.

Mr. JAMES. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. JAMES. Michael Ilitz is an outstanding character. From my experience in the Army and out of the Army, Michael Ilitz, commonly known as Mike, is the most efficient enlisted man I have ever seen. Anyone who has ever traveled on an Army transport knows Michael Ilitz.

Mr. BLANTON. Is he married or single?

Mr. JAMES. He is single; and under this bill will get less money than he is now getting.

Mr. BLANTON. The department reports that he will get $1,789 more under the bill if he is single than he now receives.

Mr. JAMES. If the gentleman will read the supplemental report he will find that he will get $250 less under this bill than he is now getting.

Mr. BLANTON. The War Department states that if single he will get $1,789 a year more. The supplemental report is signed by an individual and not by the War Department.

Mr. JAMES. If the gentleman will read the supplemental report, dated April 12, 1932, he will find that he will get $250 less under this bill than he is now getting.

Mr. BLANTON. That is not from the War Department?

Mr. JAMES. Yes; in a supplemental report through a letter dated April 12, 1932, which letter was written at my suggestion.

Mr. BLANTON. The War Department said it would cost $1,789 a year more if he were a single man than he now receives. On account of the friendship we all have for our distinguished colleague from Michigan, it hurts like everything to object to this bill, but ultimately I am going to object to it. If, however, our friend wants to make an explanation, I will withhold my objection.

Mr. JAMES. I want to say a few words about this man.

Mr. BLANTON. If we grant $1,789 a year extra pay to every good fellow named "Mike" in the United States, the Treasury will soon be empty.

Mr. JAMES. As I have stated, this man will get $250 less under this bill than he is now getting.

Michael Ilitz enlisted in 1898 as a private, and after the war was over volunteered as a nurse in yellow-fever cases in Cuba. After this he went to Samoa and served about 13 years in foreign service, when he was retired. When the World War broke out he tried to get back into the Army, but could not get back because the War Department wanted to use him for demonstrating a field kitchen which he had patented and turned over to the Government without cost. After the war was over he went into the Army Transport Service. He is now in the Army Transport Service as quartermaster on the largest transport we have, the *Republic*.

Mr. BLANTON. The supplemental report which the gentleman refers to here is from some one named George Van Horn Moseley; who is he?

Mr. JAMES. Deputy Chief of Staff of the Army.

Mr. BLANTON. Why did not this come from the War Department?

Mr. JAMES. It did come from the War Department.

Mr. BLANTON. He simply signs it as George Van Horn Moseley.

Mr. JAMES. He is Deputy Chief of Staff.

Mr. BLANTON. Everything that comes from the War Department is signed officially by some official authorized to speak for the War Department.

In this supplemental report it is stated that our good friend Mike now draws $4,649.80. How much more does he want to draw?

Mr. JAMES. He will draw less by $250.

Mr. BLANTON. Why do you want to bother him if he is now drawing $4,649.80?

Mr. JAMES. Because he would like to be a major when he retires.

Mr. BLANTON. So that socially he can sit a little higher at the table somewhere?

Mr. JAMES. No; he will not sit at any particular table.

Mr. BLANTON. Right now I think when a man is drawing $4,649.80 he ought to be satisfied.

I object, Mr. Speaker.

UNION SHIPPING & TRADING CO.

The Clerk called the next bill, S. 2531, for the relief of the Union Shipping & Trading Co.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Reserving the right to object, can anyone give an explanatipn why this bill should provide for a special rule of evidence as is set forth?

Mr. BLANTON. Mr. Speaker, this bill involves $85,000 and is too large to be passed under unanimous consent, and I object.

H. P. MILLIGAN

The Clerk read the next bill, H. R. 928, for the relief of Howard P. Milligan.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Reserving the right to object, I would like to ask the author of the bill if this is the same beneficiary for whom a bill was passed nearly four years ago, and after being passed by the Senate was vetoed by the President?

Mr. SCHAFER. It is the same individual. It was not vetoed by the President. The President failed to sign it. He did not prejudice it by a veto. He failed to sign it because of an objection by the War Department. The War Department indicated that it would establish a precedent, but as a matter of fact it does not establish a precedent.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call the attention of the sometimes careful legislator from Milwaukee to what the War Department says. The Acting Secretary of War says:

> It is my opinion that special legislation of the type carried in this bill could be justified only in exceptional cases where the beneficiaries' attainments and qualifications are of such high standard that their reappointment to the active list would be a distinct benefit to the service. The case of former Major Milligan does not constitute such an exception. He was one of the officers selected for discharge in order to accomplish the reduction in the commissioned personnel required by the acts of Congress approved June 30, 1922, and September 14, 1922.

He says further:

> Further, the War Department is consistently opposed to legislation which would single out an individual of a class for preferential treatment not accorded to others of that class.
>
> Accordingly I recommend that H. R. 13440 be not favorably considered by your committee and be not enacted into law.

If we are going continually to show preferential treatment of our friends scattered over the country here and there, ultimately we are going to have more men on the pay roll than we have off. There will not be enough people left off the pay roll to pay the taxes or to even raise enough money to pay the annual pensions and emoluments.

There are plenty of men who served the country in France who ought first to be taken care of.

Mr. SCHAFER. I want to say that this man, Mr. Milligan, has had exceptional service. He was the director of infantry training in the Wisconsin University, and he got into a difficulty over some social affair. The department only sends the best men to these universities for training.

Mr. BLANTON. Why is it that the War Department recommends one way and the committee recommends another?

Mr. SCHAFER. The gentleman knows that the War Department is not always infallible. The proceedings were a star-chamber affair and no record kept.

Mr. BLANTON. I am not for giving special rights to anybody. I am for giving all the American people equal rights.

Mr. SCHAFER. Then the gentleman should object to every bill on the calendar, because every one gives some one a preference that others do not have.

Mr. BLANTON. Mr. Speaker, I object.

### ENROLLMENT OF CERTAIN PERSONS WITH THE OMAHA TRIBE OF INDIANS

The next business on the Private Calendar was the bill (H. R. 2319) to investigate the claims of and to enroll certain persons, if entitled, with the Omaha Tribe of Indians.

The SPEAKER. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object, and in this connection put into the RECORD a statement of Judge Shiras in the case of Sloan against United States, One hundred and eighteenth Federal Reports, at page 283, in a case decided October 31, 1902, in which he states, regarding the persons whose names are included in this bill:

> In numerous reports of the alloting officers introduced in evidence in these cases it is reported that none of the several claimants was recognized by the tribe as members entitled to allotment, and these findings of fact have been approved by the Secretary of the Interior, and they will, for the reasons stated, be accepted as final by this court in the further consideration of these suits.

I submit for your further consideration the report of Indian Commissioner C. J. Rhoads on January 20, 1932:

> DEPARTMENT OF THE INTERIOR,
> OFFICE OF INDIAN AFFAIRS,
> *Washington, January 20, 1932.*
>
> Memorandum for the Secretary.
>
> The accompanying letter of December 23, 1931, from Hon. EDGAR HOWARD, chairman House Committee on Indian Affairs, requests report on H. R. 2319, a bill to investigate the claims of and to enroll certain persons, if entitled, with the Omaha Tribe of Indians.
>
> Briefly, the proposed legislation is to enroll 48 persons, including the various members of the Frost, Barada, and other related families with the Omaha Tribe of Nebraska, and to appropriate funds for them in lieu of lands and payments with the tribe of which they claim to have been deprived.
>
> The records show that the applications of certain members of the families referred to for enrollment with the Indians mentioned were rejected by the department in 1891, as the applicants were not residing with the Omaha Tribe at the time of the treaty of March 6, 1865 (14 Stat. L. 667), were not included in the certified roll of 1871 submitted by the Omaha council containing the names of all Indians and mixed-blood persons entitled to rights on the Omaha Reservation, and belonged to the mixed-blood families provided with allotments on the Nemaha Reservation, Nebr., by the Omaha Tribe under the tenth article of the treaty of July 15, 1830 (7 Stat. L. 328). Subsequently, some of the applicants entered suit in the United States Circuit Court of Nebraska under the acts of August 15, 1894 (28 Stat. L. 305), and February 6, 1901 (31 Stat. L. 760), alleging that they had been unlawfully denied land allotments on the Omaha Reservation.
>
> The court held in an opinion rendered October 31, 1902 (118 Fed. Rep. 283), that with the exception of two of the plaintiffs, namely, Thomas L. Sloan and Garry P. Myers, none of the plaintiffs was entitled to the rights sought. The court held also that the act of August 7, 1882 (22 Stat. L. 341), relating to the lands of the Omaha Tribe of Indians in Nebraska, and providing that, with the consent of the tribe, allotments in severalty should be made from certain lands within its reservation, superseded all previous legislation on the subject, and dealt with the tribe as it existed on the date of the act; and that the right to allotments thereunder was not confined to such persons as were members of the tribe at the date of the treaty of March 6, 1865, and entitled to allotments under its provisions.
>
> It was also held by the court that in some exceptional cases persons might be recognized to be members of the tribe, and as such entitled to allotments, although not upon the reservation when the act of 1882 took effect; but such recognition should be limited to such persons, if any, whom the tribe clearly deemed to be members.
>
> In this connection attention is respectfully invited to the case of Sloan *v.* United States (118 Fed. Rep. 283), which goes fully into the facts and contains a history of the matter. Reference is made also to the hearings before the Senate Committee on Indian Affairs, Sixty-fifth Congress, second session, on S. 3992, to investigate the claims and to enroll certain persons therein referred to with the Omaha Tribe, which hearings were printed in 1918, and are entitled "Claims of Certain Indian Tribes."
>
> Similar bills have been introduced from time to time in Congress, but have failed to be enacted, as adverse reports have been made thereon by this department.
>
> In view of the court decision mentioned, and as the persons named in the bill have not been recognized by the Omaha Tribe as members thereof, it is recommended that the instant bill be not enacted into law.
>
> C. J. RHOADS, *Commissioner.*

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. HOWARD. Mr. Speaker, will the gentleman withhold his objection until the author of the bill may have opportunity to make a statement?

Mr. EATON of Colorado. I reserve my objection.

Mr. HOWARD. Mr. Speaker, I am the author of the bill. I call the attention of the gentleman and the attention of the House to the fact that the tribal council of the Omaha Tribe of Indians has unanimously requested the passage of this legislation. It does not seek to immediately enroll anybody. It seeks to give the Secretary of the Interior a chance to investigate and to enroll these certain persons if, in his judgment, he deems it proper. That is all.

Mr. EATON of Colorado. It is 50 years now since this enrollment was completed, and upon the statute of 1901 these identical individuals covered by this bill, who were then at least 31 years younger than they are now, were unable to make their proof. I object.

Mr. HOWARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOWARD. That is whether or not the Speaker knows of any action taken by the society of objectors which will lead to the necessary objection to everything in the nature of an Indian bill?

The SPEAKER pro tempore. The Chair is unable to state any conclusion on that question, and in addition doubts very much whether that is a parliamentary inquiry.

### DONGJI INVESTMENT CO.

The next business on the Private Calendar was the bill (H. R. 2872) for the relief of the Dongji Investment Co. (Ltd.).

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Mr. Speaker, I object.

Mr. HOUSTON of Hawaii. Mr. Speaker, will the gentleman reserve his objection?

Mr. BACHMANN. Yes.

Mr. HOUSTON of Hawaii. I would like to see whether I can not remove the objection. This is a bill to relieve this eleemosynary corporation of a surcharge that was made against it when it was not able to perform its contract with the Navy Department. In the first place, the Navy Department went into the open market for the purpose of obtaining what is known as ohia keel blocks, which are blocks of a certain kind of wood grown only in the Hawaiian Islands. The Dongji Investment Co. was the only company that submitted a bid, so that the Navy Department was not in a position of having accepted this bid when it might have taken a lower one. Subsequently the company was not able to fulfill its contract, because it had difficulty with the timber that was cut, and it forfeited the contract, and the department then went out in the open market and purchased the ohia keel blocks, and surcharged this institution with the greater amount of money it cost them. It probably would have cost the Navy Department that in the first place

if they had gotten it from a recognized dealer in lumber, but they took it from this eleemosynary institution, which had not yet established its saw mills and did not have an established business, under the idea that the Navy would get the thing cheap, but the Navy found out they could not get it. The Navy Department will not have lost any money if this bill is passed. The corporation has assets only of the value of about $15,000, against which there are outstanding some liabilities of $30,000, and the chances are that they will not be able to collect and will merely drive the institution completely out of business.

Mr. BACHMANN. Mr. Speaker, I think the gentleman has stated the facts rather correctly.

Mr. HOUSTON of Hawaii. The department approves the bill.

Mr. BACHMANN. I am opposed to relieving bonding companies and insurance companies who require the principal to pay them a premium for the chance that they take, and the United States Fidelity & Guaranty Co. went security for the faithful performance of this contract for the Navy Department to the extent of $2,300.

Mr. HOUSTON of Hawaii. That is correct.

Mr. BACHMANN. If the legislation passes, the bonding company will be relieved after they have collected the premium on the bond, for making good in the performance of this contract, and I must object as long as this legislation will have anything to do toward relieving a bonding company that has been paid for the chance that it took. I object.

EXPLOSIONS AT NAVAL AMMUNITION DEPOT, LAKE DENMARK, N. J.

The Clerk called the next bill, H. R. 5444, to provide an additional appropriation as the result of a reinvestigation, pursuant to the act of February 2, 1929 (45 Stat., p. 2047, pt. 2), for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926.

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, on a former occasion when the Private Calendar was being called a bill of similar import of an omnibus nature providing for reascertainment of the damages by the Comptroller General over those ascertained by the Secretary of the Navy was objected to. I have examined both bills, and I can not see wherein the bills differ, except that the present bill relates to different claimants.

Mr. STEWART. The gentleman will notice that the Comptroller General, Mr. McCarl, has approved each of these items. They are very small. These people have been kept out of their money since 1926. This terrible explosion took place there in my district. A naval arsenal blew up and spread destruction for miles in every direction. Most of those people are poor people and can ill afford to be kept out of this money.

Mr. STAFFORD. I am not acquainted with the legislation whereby we delegated to the Comptroller General the reascertainment of the amount of the claims, but I am directing the attention of the gentleman from New Jersey to the fact that a bill of similar import, involving other claimants, was objected to on the prior call of the Private Calendar.

Mr. STEWART. Yes.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BLANTON. The gentleman will note that by a special bill passed by the Congress, the matter was referred to the Comptroller General of the United States for reinvestigation and reascertainment of the amount. Both the Navy Department and the Comptroller General recommend the payment of this exact amount covering the various claims specified. For that reason I have not objected to the bill, because when the Navy Department and the Comptroller General both pass upon them, I never object to them.

Mr. STAFFORD. I examined the other bill to which objection was made and I can not see any reason why objection should have been entered. I am only calling attention to the fact that objection was made, and I thought there might be some reason why the other bill was objectionable and this was not.

Mr. SCHAFER. Reserving the right to object, I objected to the other bill, which my colleague has just called to the attention of the House, and I am going to object to this bill. The Navy Department made an investigation and it considered the amount of damages that was properly payable. Certain of the claimants were not satisfied with the findings as to the amounts determined by the Navy Department. Then there was jammed through the Congress legislation ordering the Navy Department to turn about-face and to increase, in a few cases, the original amounts which they determined. In view of the fact that this bill is to indicate that the Navy Department was incompetent when it made its first findings, which were not accepted by a few of the claimants, I am going to object to it.

Mr. STEWART. Will the gentleman reserve his objection?

Mr. SCHAFER. I will reserve the objection.

Mr. STEWART. I think the gentleman can understand that in the confusion following such a major catastrophe as occurred there it would be impossible to obtain a full list of claimants and a full statement of the damages. The matters to which the gentleman referred took place when I was not a Member of this Congress, but when my predecessor, Mr. Ackerman, had introduced this bill, but it was not presented in time, and it therefore came to me for consideration. I sincerely hope the gentleman, in view of the fact that the property of these people was destroyed and that they have been kept out of their money for such a long time will reconsider his position.

Mr. SCHAFER. I have no objection to the claims which were not already acted upon by the Navy Department and the amount of damages set by the Navy Department. What I object to is the portion of this bill which includes a certain small percentage of claimants who would not accept the actual findings of the Navy Department as to damages, and then, under an act of Congress, the Navy Department reopened and reviewed those few claims and increased the amount of damages. Certainly they should not have any second review just because they protested the findings of a qualified naval board in the first instance.

Mr. McSWAIN. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. McSWAIN. Could the gentleman meet that by allowing this bill to pass the objection stage and then offering an amendment to that effect?

Mr. SCHAFER. If the gentleman is willing to prepare the amendment, that might be possible. I have been working on these private claims in the Claims Committee, and I do not feel like preparing amendments myself. If the gentleman will prepare an amendment and take out of this bill the claims which were increased over the original findings of the Navy board, I shall not object.

Mr. STAFFORD. Every one of the claims in this bill provides for an increase over the original adjudication.

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. BLANTON. The gentleman from New Jersey [Mr. STEWART] says he has the bill which has been reported and which the gentleman from Wisconsin says he approves of. Would the gentleman agree to allow the gentleman from New Jersey to ask unanimous consent to substitute that bill for the bill now under consideration?

Mr. BACHMANN. Is that the bill which was objected to in the last Congress?

Mr. BLANTON. That was the bill that carried the amounts which the gentleman from Wisconsin said he would not object to.

Mr. BACHMANN. I would oppose that bill if it is the same bill that was objected to before in the last Congress.

Mr. BLANTON. Does it not carry a less amount than is carried in the bill under consideration?

Mr. SCHAFER. Mr. Speaker, in view of the convincing argument of the gentleman from Texas, and in view of the fact that I leave my mind open for consideration of facts on the Private Calendar bills, I will withdraw my reservation of objection.

Mr. BACHMANN. Well, reserving the right to object, I do not think this bill ought to pass under the circumstances. Only the other night there was a bill of the same kind, providing for other claimants, growing out of the same accident, and that bill was objected to. Now, on the same facts, after that bill has been turned down, here we are taking another part of it and passing it.

Mr. BLANTON. Here is the difference: The gentleman from West Virginia knows that Gen. J. R. McCarl, the Comptroller General, is called by everybody the most cold-blooded official of the United States in passing on claims against this Government. Whenever J. R. McCarl approves a claim we can rest assured that there is merit in it, that it is just, and that it is due by the United States Government.

This claim was submitted to Gen. J. R. McCarl. He is answerable to nobody else on earth except the Congress. He is not responsible to any other power on earth except the Congress. He has approved this claim. He has approved every item in the bill. He recommends that the bill be passed in settlement of the claims—all little claims, some in very small amounts. I hope the gentleman from West Virginia will not stop this bill. I was one of those who objected to the other one.

Mr. BACHMANN. Why does not the gentleman ask unanimous consent that we pass this bill and along with it the one which was objected to previously?

Mr. BLANTON. That one also ought to be submitted to General McCarl to pass on.

Mr. BACHMANN. It was submitted to him; they are all on the same basis.

Mr. STEWART. He has passed on all of them.

Mr. BLANTON. I shall not interpose any objection to this bill which General McCarl recommends.

Mr. BACHMANN. Is the gentleman from Texas in a position to give assurance to the House that if this bill passes we will not be relieving some insurance company which has been paid a premium for the protection of the property?

Mr. BLANTON. I do not know. I am not going to say that, because I do not know. I do know that the Comptroller General of the United States, in whom I have implicit confidence, says it ought to be paid.

Mr. BACHMANN. I will agree with the gentleman along that line, but I think we should at least have assurance that in passing this bill we are not relieving some insurance company that has been paid a premium for carrying the risk.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, a detailed examination of the various appendixes covering all these claims will show that they are in very small amounts, and it is to be inferred that they were not covered by any surety company. Most of these are not for damages covered by fire insurance but arise from damage to property which is not generally covered by fire insurance.

Mr. BLACK. Can not the objection of the gentleman from West Virginia be met by an amendment to the effect there shall be no assignment of any of these claims to any insurance company?

Mr. BACHMANN. When our good friend Mr. Ackerman, who preceded the gentleman from New Jersey [Mr. STEWART] was here he introduced a bill which provided for payment of all these numerous claims. Some insurance companies were included. However, they had already been given a premium for accepting the responsibility, and the bill was defeated in the last Congress for that particular reason. The bill comes up again, and indirectly we are going to relieve insurance companies.

Mr. BLACK. Mr. Speaker, I will accept any amendment the gentleman offers to the effect that there shall be no assignment of any award under this bill to any insurance company.



Mr. BACHMANN. If we are going to pass this bill with appropriate amendments and safeguards, we ought to have the understanding that we will pass the other one which was objected to the other night. The two bills are on all fours. If the gentleman will prepare the proper amendment, I shall be pleased to look at the other bill again.

Mr. BLANTON. We can not pass two bills at the same time.

Mr. BLACK. Mr. Speaker, I ask unanimous consent that this bill be passed for the time being to permit opportunity to prepare an amendment, to be called up later in the afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

FRANCES SOUTHARD

The Clerk called the next bill, H. R. 7038, for the relief of Frances Southard.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, this is a case of where a child ran into the truck rather than the truck running into the child.

Mr. COCHRAN of Missouri. The facts show just the opposite. Has the gentleman read the affidavits?

Mr. STAFFORD. I have read the affidavit of Jenny C. Rousseau, and the facts as gleaned from the bill are these: The children were returning from school——

Mr. COCHRAN of Missouri. The corner is blocks away from the public school.

Mr. STAFFORD. Returning from school, crossing the regular crosswalk, and one of the children ran across the street not at the regular crosswalk——

Mr. COCHRAN of Missouri. There is no such thing as a regular crosswalk in St. Louis. No marks of any kind at the crossing.

Mr. STAFFORD. Not at the regular crosswalk, but some 10 or 15 feet beyond the regular crosswalk. It is true that the evidence rather supports the contention that the truck driver turned the corner rather sharply. If the truck driver had not turned the corner sharply there would not be any basis for the claim against the Government.

Mr. BACHMANN. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BUCHMANN. I have this in mind; this evidence is conflicting. The two women say that the child was crossing at the regular crosswalk. The boys who testified before the coroner at the inquest testified that the child was not crossing at the regular crosswalk. So in that respect the witnesses differ as to whether the child was crossing at the proper place.

I think there is some merit in this claim. If the gentleman will agree to a limitation of $2,500, I shall not object.

Mr. COCHRAN of Missouri. I am simply making this statement in the absence of the author of the bill, who has been called to the department on important business, and because I know the situation at this corner. The city had just removed a traffic light there and a left-hand turn had never been permitted until a few days before this accident.

Mr. BACHMANN. Quite generally the committee has followed the rule that where the beneficiary is an adult the amount is $5,000, and in the case of a child the amount is less.

Mr. COCHRAN of Missouri. In the absence of the author of the bill, I shall take the responsibility of accepting the gentleman's amendment.

Mr. BLACK. I think probably we might as well accept the amendment, but while we are accepting so many of these reductions I do not want this to be established as a general principle.

Mr. BACHMANN. I may say to the chairman of the Committee on Claims that prior to his becoming chairman of the committee there was a rather definite understanding among the different committees handling such matters that where an adult lost his life the amount should be $5,000 and in the case of a child it should be less than that amount. This child was only 9 years old.

Mr. COCHRAN of Missouri. It is late in the session and the bill can not be reached again, and I shall take the responsibility of accepting the amendment, in the absence of my colleague.

Mr. BACHMANN. I think the bill should be further amended by putting in the age of the child.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Frances Southard, of St. Louis, Mo., to compensate her in full for all claims she may have against the United States arising out of the death of her son, William Southard, who was struck by an automobile truck belonging to the United States Government in the city of St. Louis on the 10th day of March, 1930.

With the following committee amendment:

Page 1, line 10, after the figures "1930," insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I offer an amendment to strike out, in line 4, "$5,000" and insert "$2,500."

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: On page 1, line 4, strike out "$5,000," and insert in lieu thereof "$2,500."

The amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I offer a further amendment, in line 7, page 1, after the word "Southard," insert the words "aged 9."

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: Page 1, line 7, after the word "Southard," insert "aged 9."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PETER BESS

The Clerk called the next bill, H. R. 657, for the relief of Peter Bess.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter Bess, of West Springfield, Mass., the sum of $500, which sum represents the payment by him of a fine originally imposed in violation of the law by the United States District Court of Massachusetts and subsequently revoked by an order of the said court.

With the following committee amendment:

Page 1, line 10, after the word "court," insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, there should be a further correction of this bill; and I offer an amendment, after the word "court" and before the committee amendment, add a comma and the following, "on June 18, 1930."

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: After the word "court," in line 10 on page 1, insert a comma and the words "on June 18, 1930."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WILLIAM H. AMES

The Clerk called the next bill, H. R. 1842, for the relief of William H. Ames.

Mr. HOPE and Mr. GRISWOLD reserved the right to object.

Mr. TINKHAM. Mr. Speaker, this is a very simple case. An automobile in which the claimant was riding was in collision with a vehicle owned and operated by the American Railway Express Co. when that organization was under the control of the United States Government. The claimant was permanently injured. The Government did not contest the liability; in fact, made him an offer of $1,000. While the negotiations were in progress and, apparently, they were in progress for some time, the statute of limitations ran. The statute of limitations having run, Mr. Ames's only relief was through an act of Congress, so this bill was introduced.

Mr. HOPE. Will the gentleman yield?

Mr. TINKHAM. In just a moment.

I want to read one statement which appears on page 2 of the committee report.

It says:

It can not be doubted that Mr. Ames was misled by frequent visits from the claim agent. He was lulled into a sense of security and led to believe that he could effect settlement without bringing suit against the director general.

Mr. PITTENGER. If the gentleman will yield, I wrote that report, and ordinarily I would not write that kind of a report, but in going over the files and the record I used that language because it is correct. I know the methods of some of these claim agents; they deliberately mislead the man, fool along and do not get anywhere, but after the time the statute of limitations has expired——

Mr. BLANTON. There is no question of internationalism in this bill, is there?

Mr. TINKHAM. Not at all.

Mr. BLANTON. When the gentleman says "he was lulled into," and so forth, there were no Federal agents who thus lulled him? There were no stool pigeons, or wire tapping?

Mr. TINKHAM. No agents and no stool pigeons and no wire tapping involved. [Laughter.]

Mr. GRISWOLD. The bill calls for $2,000, but there is no medical testimony as to what the injuries were. The assistant director general says:

Mr. Ames received a severe injury of the right upper arm, the effects of which were rapidly disappearing, and that in his opinion there would be no permanent disability, and that he would probably be entirely well in two weeks.

That was the statement made by Dr. George W. Moss.

Mr. PITTENGER. If the gentleman will turn over to page 5, he will find a letter from Mr. Ames stating:

On account of wife being an invalid for the past six years and under the constant care of a nurse, and I myself being confined to the house for the past four years, we find ourselves at the age of 80 and 74 years, reduced financially and our life savings practically exhausted.

Mr. GRISWOLD. That is a letter from the claimant himself. All the medical testimony there is in this report is the man would be well in two weeks.

Mr. TINKHAM. He was a man well along in years at the time of the accident. He was offered $1,000.

Mr. HOPE. I object.

BETHEL CEMETERY CO.

The Clerk read the next bill on the calendar, H. R. 2217, for the relief of the Bethel Cemetery Co., the Presbyterian Church, Harold S. Stubbs, George Morgan, Edward Stapp, William J. Howard, David J. Seacord, Mary L. McIntire, Emma E. Foard, Herbert C. Hannigan, Sisters of St. Baisl, Edward Bedwell, and Rachel A. Loveless.

Mr. STAFFORD. Reserving the right to object, here is a provision for appropriating $964.29 for the repair of a pump or waterworks furnishing water for cemetery purposes.

Mr. GOLDSBOROUGH. This is the Bethel Association. They use these waterworks for the whole cemetery.

Mr. STAFFORD. As I understand, this claim arises out of the Government's increasing the depth of the Chesapeake & Delaware Canal, making it a sea-level canal, making it necessary to pump water——

Mr. GOLDSBOROUGH. Not to pump, but for an injury to these wells.

Mr. STAFFORD. It is rather difficult for me to understand how they could suffer a damage of a thousand dollars merely by interfering with existing wells.

I do not understand about these other claimants. Here is a church at $146, and then there is a man named Stubbs for $175.45. All these seem to have arisen since the last session at which we passed a bill recognizing the principle in the case of two claimants. All of a sudden they crop up as weeds after a freshet.

Mr. BACHMANN. Am I right about this? At the last session, when the calendar was called, did we not pass a claim reimbursing a man because his cellar was flooded and he had to cement it and pump the water out of it?

Mr. STAFFORD. Yes; that is all growing out of this.

Mr. GOLDSBOROUGH. Oh, no; that is a mistake. They did not all grow out of this.

Mr. STAFFORD. They arose out of the construction work in connection with the Delaware & Chesapeake Canal.

Mr. PITTENGER. That was some other claim.

Mr. STAFFORD. Yes. It seems the claims are developing fast over on the far shore of Maryland.

Mr. GOLDSBOROUGH. The claim mentioned is a claim which passed the Senate that I had no connection with. It was introduced by Senator Bayard; it had to do with something about a cellar up near Wilmington, on this same canal. That is a matter with which I had no connection whatever. I do not believe the bill ever passed.

Mr. STAFFORD. It passed when we last considered the Private Calendar.

Mr. GOLDSBOROUGH. In the Seventy-first Congress the bill passed both the House and the Senate and was signed by the President. It provided for the relief of 25 individuals at Chesapeake City. After the bill had been reported, or about the time it was to be reported by the Committee on Claims, these other individuals, whose names appear in the bill which we are now considering, presented their claims to me, and I thought it would be fair to include it in a separate bill. They are not afterthoughts at all. The War Department sent a man down there to make an investigation.

Mr. STAFFORD. My eye lights immediately, I do not know why, on the name in this private act the gentleman hands me of the Bethel Cemetery Co.

Mr. GOLDSBOROUGH. I will explain that.

Mr. STAFFORD. One of the claimants in this bill received $166.51. If we had in that act incorporated the perfecting clause that the money should be in full payment of all claims, I do not think this cemetery company would be here now asking for an additional sum of $964.29.

Mr. GOLDSBOROUGH. I think that was put in the bill, but of course subsequent legislation repeals prior legislation.

Mr. STAFFORD. Yes; it was put in, in full settlement of all claims against the Government, arising by reason of losses sustained by these various persons, among others the Bethel Cemetery Co. Why is the Bethel Cemetery Co. trying to get an added claim against the Government and nearly $1,000?

Mr. GOLDSBOROUGH. They spent the $166, and thought that they were going to get water, but did not get water. It was then necessary for them to dig other wells in order to get water, which is absolutely necessary for the maintenance of that cemetery, which is 2 miles east of Chesapeake City and covers a very large area. They had to do a lot of work up there before they got water, and I will say to the gentleman that the War Department made a very careful examination and say here that the Bethel Cemetery Co. has receipted bills for $1,286.76, so that the $964.29, the amount of the present claim of said company, is additional to the $166.51 in the previous claim. The War Department further says that the claim in equity is just and payable by the Government.

Mr. BACHMANN. Of course, if they had gone on there prospecting more for water they could have added more expense.

Mr. GOLDSBOROUGH. But they got the water, and the claim is over.

Mr. BACHMANN. But the question the gentleman from Wisconsin is interested in, as am I, is whether or not they ought to be paid that much in this particular instance.

Mr. STAFFORD. I have difficulty in bringing myself to the conclusion that this additional expenditure is for replacement and putting them in the same condition as they were before. They have gone to added expense, and seem to have simply said that "Uncle Sam is rich and we have not got adequate water, so we may as well put in a fine water works and get some more."

Mr. GOLDSBOROUGH. Oh, I have personal knowledge of that well, and it is about the same kind of well that they had before.

Mr. STAFFORD. Mr. Speaker, the assurance of the gentleman that he has personal knowledge is sufficient for me and I withdraw the reservation of objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Bethel Cemetery Co. $964.29, the Presbyterian church $141.28, Harold S. Stubbs $175.45, George Morgan $27.72, Edward Stapp $105.89, William J. Howard $40.25, David J. Seacord $47.50, Mary L. McIntire $68.25, Emma E. Foard $125, Herbert C. Hannigan $64.48, Sisters of St. Baisl $687.57, Edward Bedwell $87.58, and Rachel A. Loveless $96.76, out of any money in the Treasury not otherwise appropriated, in full settlement of all claims against the Government of the United States by reason of the losses and damages caused, respectively, to the said Bethel Cemetery Co., the Presbyterian Church, Harold S. Stubbs, George Morgan, Edward Stapp, William J. Howard, David J. Seacord, Mary L. McIntire, Emma E. Foard, Herbert C. Hannigan, Sisters of St. Baisl, Edward Bedwell, and Rachel A. Loveless by reason of the damages to the wells on the properties of the said claimants caused by the lowering of the water level of the Chesapeake and Delaware Canal at the town of Chesapeake City, in Cecil County, in the State of Maryland.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HOWARD M'KEE

The Clerk called the next bill, H. R. 6275, for the relief of Howard McKee.

Mr. SCHAFER. Mr. Speaker, I object.

Mr. JOHNSON of Oklahoma. Will the gentleman withhold his objection?

Mr. SCHAFER. Yes; I will.

Mr. JOHNSON of Oklahoma. I am not the author of this bill, but I am familiar with the claim. It is sponsored by the distinguished gentleman from Colorado [Mr. TAYLOR].

In the year of 1917, when there were many thousands of Government troops at Fort Sill, near the city of Lawton, Okla., a great fire swept the city of Lawton and destroyed property of many citizens there, because of the fact that the Government was using all the water for troops and none could be had to fight the fire. It was clearly a case wherein the Government was at fault; and all of the other parties whose property was destroyed and who submitted their claims have been paid by special bills introduced by me and, as I recall, passed Congress in 1929. This claimant knew nothing about the original bill at the time, and for that reason only was left out in the preparation of my bill. This claimant is not a constituent of mine, but his claim is a just one, and I sincerely trust that the gentleman from Wisconsin will be good enough to withdraw his objection.

Mr. SCHAFER. There is one thing I would like to have cleared up. Does the gentleman know whether or not this property was covered by insurance? If it was covered by insurance, of course, the gentleman understands this will be for the relief of the insurance company.

Mr. PITTENGER. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. PITTENGER. I can answer that. It was not covered by insurance. I investigated that for the Member who introduced the bill.

Mr. SCHAFER. He had no insurance?

Mr. PITTENGER. No; he had none.

Mr. SCHAFER. I withdraw the objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $915 to Howard McKee, of Rifle, Colo., as compensation in full for loss of property destroyed by the fire on September 24, 1917, in the city of Lawton, Okla., such loss having been the result of the inability of the fire department of the city of Lawton to control said fire because of lack of water, all available water for fire-fighting purposes having been appropriated and being used by the War Department in connection with the training of soldiers at Fort Sill and Camp Doniphan: *Provided*, That before said claim is allowed and paid, the Comptroller General of the United States shall make an investigation of said claim to determine the extent and amount of said loss and damage, and said claim shall be adjusted in amount not in excess of the amount set out herein and upon certificate issued to said claimant by the said Comptroller General of the United States.

With the following committee amendment:

Page 2, line 10, after the word "States," insert a colon and the following: "*Provided further*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ALFRED SOLLUM

The Clerk called the next bill, H. R. 10732, to adjudicate the claim of Alfred Sollum, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota.

Mr. STAFFORD. Mr. Speaker, the author of this bill advised me to-day that this claim has been incorporated in permanent legislation, and asked me to move on his behalf that the bill lie on the table.

The SPEAKER pro tempore. Without objection, the bill will lie on the table.

There was no objection.

JOSEPH E. MYERS

The Clerk called the next bill, H. R. 5704, authorizing the Secretary of War, under the direction of the President, to order Joseph E. Myers, major, United States Army, retired, before a retiring board for a rehearing of his case and upon the findings of such board, either confirm his retirement under the provisions of section 24-b, act of Congress of June 4, 1920, or place him on the retired list, as provided by section 1251 of the Revised Statutes, for disability incurred in line of duty.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, this bill seeks to place on the retired list a major who was retired under class B right after the war, and it would place him back and retire him now as a major when his first physical disability, if he had one, occurred when he was a lieutenant.

Mr. HILL of Alabama. Will the gentleman yield?

Mr. GRISWOLD. Yes. I yield.

Mr. HILL of Alabama. The bill would not necessarily place him on what we call the regular retired list. All the bill provides is that the Secretary of War shall convene a board, that the board shall investigate the case and say whether or not this man should have been placed on the retired list in the first instance, or whether he should have been retired as class B. If the board should determine that an injustice had been done, and this man had received a wrong, then the Secretary of War would have the power to place him on the regular retired list. The original injury occurred in line of duty when this man was a lieutenant in Cuba, back in 1902. For many years afterwards the man continued in service and his physical condition grew gradually worse, due in no small measure to his service in the Army.

Mr. GRISWOLD. It is my understanding from the report and from the report of the War Department that this man never at any time made application to retire because of physical disability.

Mr. HILL of Alabama. He did not.

Mr. GRISWOLD. He was retired because following the World War and the necessity of getting rid of the less capable officers, he appeared before the retiring board and they classed him as class B, due to that. Now he wants to come in under the physical-disability clause, which will bring him as a retired officer $1,072.50 a year more than he is getting now.

Mr. HILL of Alabama. This is not my bill and I have no personal interest in the matter. I happen to be chairman of a subcommittee of the Committee on Military Affairs which held a very thorough and exhaustive hearing on this bill, and after having had all the evidence presented to that subcommittee, we were unanimous in the opinion that this man had been done an injustice, and that he had received a wrong that should be redressed.

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. BLANTON. As to the matter of injustice, permit me to say the Secretary of War in his report says:

A careful investigation of the record of Major Myers indicates that he was not the victim of either error or injustice, and that his rights, as well as those of the Government, were carefully safeguarded in the course of the proceedings which culminated in his retirement. He is physically and mentally sound and the department is consistently opposed to special legislation of the type carried in this bill, which would discriminate in favor of an individual of a class when others in the same category are not similarly favored.

The War Department recommends that this bill be not favorably considered, and that it be not enacted into law.

Mr. HILL of Alabama. May I say during my 10 years of service on the Committee on Military Affairs I have never known the War Department to favorably recommend any of these bills. The language which the gentleman has read to the House is what we might term the usual form language that the War Department uses with reference to these matters. The gentleman from Texas must remember this fact: That if this man was unjustly retired by being placed in class B, that was an error on the part of the War Department, and the War Department does not come here and confess error in these matters.

Mr. BLANTON. The gentleman knows, as a member of the Military Affairs Committee, that all of the personnel of the Army, through the War Department, get every single advancement they are entitled to naturally, and under the rules and regulations of the department. Now, for Congress to step in and give some extra advancement, that means thousands of dollars a year to the Treasury and to the taxpayers, in addition to continually going over the head of the War Department and the Navy Department and putting thousands of men on the pension rolls in addition to those who are entitled to pensions, will bankrupt this Government if it is not stopped.

Mr. HILL of Alabama. Let me say to the gentleman that I agree with him; but this is an exception because an injustice has been done. Mistakes are made by officers in the Army just as mistakes are made by Members of Congress and everyone else in the world.

Mr. BLANTON. And the gentleman from Oregon [Mr. MARTIN] knows that I am talking good logic when I am backing up the War Department and the Navy Department in these recommendations. The gentleman is with me on it.

Mr. HILL of Alabama. I am sure the gentleman from Oregon will state that some errors have been made by these different boards.

Mr. BLANTON. Not many errors have been made.

Mr. MARTIN of Oregon. I will state very frankly that these officers who were class B'd have every chance in the world of beating the board, but had I been running the War Department I would have class B'd a great many of them.

Mr. EATON of Colorado. Mr. Speaker, I demand the regular order.

Mr. HILL of Alabama. Will the gentleman withhold his demand for the regular order for a moment?

Mr. EATON of Colorado. I will.

Mr. HILL of Alabama. I have a letter from Maj. Gen. G. F. Morrison, who was chairman of the board that class B'd this man. Major General Morrison says this:

> I have carefully read the recent letters from your former commanding officers. As I told you at the time I, as a member of the board, would not have placed you in class B had such evidence been available. With this information before me I can not but believe you entitled to the redress sought.

There is no doubt about the fact that all the evidence was not presented to the board that class B'd this man, and he really did not have his day in court. He has been done a serious injustice. The bill ought to pass. It simply gives him another hearing before a board.

Mr. EATON of Colorado. This man is now getting $150 a month. He seeks to have himself designated in a higher rank so he may get $250 a month.

Mr. HILL of Alabama. No; he is not seeking to have himself placed in a higher rank.

Mr. EATON of Colorado. That is what appears in the report from a statement on behalf of the War Department signed by Patrick J. Hurley, Secretary of War.

Mr. HILL of Alabama. What this man seeks is to remove the stigma from his good name and have an opportunity to present his case again. The Committee on Military Affairs believes he should have this chance. We are not now passing on the justice of this man's case, but are providing that he may have it passed upon. I am sure the gentleman from Colorado would be the last one in this House who would want to have him deprived of his rights.

Mr. EATON of Colorado. The gentleman is absolutely correct.

Mr. HILL of Alabama. I hope the gentleman will at least give this man a chance.

Mr. EATON of Colorado. The report of the Secretary of War clearly shows this man was not the victim of either error or injustice. This is legislation in favor of a special class; for that reason I object.

GEORGE CALDWELL

The Clerk called the next bill, H. R. 3611, a bill for the relief of George Caldwell.

Mr. GRISWOLD. Mr. Speaker, I object.

Mr. SWING. Mr. Speaker, will the gentleman withhold his objection that I may point out what I believe is an obvious discrimination and injustice warranting favorable consideration of this case?

Mr. GRISWOLD. Mr. Speaker, I reserve the objection to permit the gentleman to make a statement.

Mr. SWING. Captain Caldwell entered the Regular Army as a private in 1895 and served more than 20 years. When the World War started he had been six years in the rank and grade of ordnance sergeant. The War Department then took him out of the position of ordnance sergeant and successively promoted him to second lieutenant, first lieutenant, and captain. Then finally came the general law for reduction of the number of officers, and he was retired with the rank only of warrant officer. If he had been left alone in his position of ordnance sergeant, with the longevity which the general law allows, he would have been at the end of the war much better off. But because of his ability and patriotism, he was promoted successively to the positions where he could and did render the greatest and best service to his country. Now he is penalized because of that same patriotism, ability, and service by being retired at a lower grade paying approximately $85 per month.

Mr. GRISWOLD. Mr. Speaker, will the gentleman yield?

Mr. SWING. I yield.

Mr. GRISWOLD. That was done of his own volition. For business reasons, according to the report, he asked to be retired as a captain and accept one year's pay, probably because he could get it in cash, in preference of being retired as a warrant officer and getting $85.10 the rest of his life. He chose the lump sum and retirement as a captain.

Mr. SWING. Then the gentleman must not have read the report.

Mr. GRISWOLD. Yes; I have read the report.

Mr. SWING. The report says Caldwell has been retired as a warrant officer. Did the gentleman read his record of distinguished service and the decorations for valor beyond the call of duty during the World War, including the French croix de guerre, citations in orders, for conspicuous bravery, by General Pershing and Marshal Petain?

Mr. GRISWOLD. Yes; and I give him all the credit in the world for those things.

Mr. SWING. He received the decoration for bravery from France and was recommended for the distinguished-service medal of his own country.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SWING. I yield.

Mr. BLANTON. I wish to call the attention of the gentleman from California to what Hon. Dwight F. Davis, Secretary of War, said:

> There appears to be no reason why the beneficiary of this bill who, in accordance with his expressed preference, was retired as a warrant officer, should be reappointed as captain and immediately placed on the retired list with the rank and retired pay of that grade, to the prejudice of others of that class of former officers eliminated under the same conditions.

He says this bill ought not to be passed and recommends against it.

Mr. SWING. It was obviously this man's intention and desire to continue his service to his country in the Army, but he was up against the gun. When a man is shown the door, and he takes his hat and says he will go, can it be said he left of his own volition? This man did not want to retire. He wanted to serve, and his distinguished war record entitled him to continue. But if the interests of the Government were best served by a reduction in the number of Army officers, some notice ought to be taken of the hardship and injustice done this splendid officer by retiring him in a grade that leaves him far worse off than if he never had been promoted above ordnance sergeant, which position he held at the opening of the war. If retired in that grade and rank, with his earned longevity, he would now be drawing $138 per month instead of $85, now allowed him.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. SWING. I yield.

Mr. STAFFORD. The gentleman was in Congress when the Committee on Appropriations thought it was good policy to save $30,000,000 by reducing the officer personnel. The only way to reduce the officer personnel was to eliminate some of the men, and those eliminated were the least desirable. Those eliminated as the least desirable were given one year's pay. Does the gentleman think it justified that one should be singled out for preferred consideration by being brought back on the pay roll of the Government as a retired officer?

Mr. SWING. Unless there was some outstanding service which would merit this, and in this case a reading of the report discloses such service.

Mr. BLANTON. Will the gentleman yield?

Mr. SWING. Yes.

Mr. BLANTON. I have in my scrapbook the report of one of my friend's state-wide speeches in California promising the people of that State to reduce the expenses of this Government. His speech appealed to me so much that I am now following it by helping to stop the passage of this bill.

Mr. SWING. I have not seen the speech, but the gentleman makes a very good one. I do not want economy at the expense of an injustice to any man. If this man had been permitted to continue in his then capacity of ordnance sergeant he would be drawing the pay now as a retired ordnance sergeant of $138, whereas he is penalized for his

promotions and only draws $85. He would have been better off not to have been a commissioned officer, but he responded to the call of his country and took the commissioned rank, where he could best serve his country.

Mr. GRISWOLD. Mr. Speaker, I object.

ESTELLE M. GARDINER

The Clerk called the next bill, H. R. 5270, for the relief of Estelle M. Gardiner.

Mr. BACHMANN. Mr. Speaker, I object.

Mr. OLIVER of New York. Will the gentleman reserve his objection?

Mr. BACHMANN. I reserve the objection.

Mr. OLIVER of New York. Mr. Speaker, this was an accident to a constituent of mine, under these circumstances: There is an avenue up our way about as wide as Pennsylvania Avenue. If we take this [indicating] as north and this as south and this as a crossway, a mail truck was going north on this side; Mr. Gardiner stepped off of this corner and went across the street on the cross walk. A car was going south and the mail truck was coming up here [indicating], and as Mr. Gardiner stepped from behind this other car the mail truck hit him and knocked him down, and in a couple of weeks he died.

The department itself says that there was negligence on the part of the driver, and if the gentleman from West Virginia will read that report he will find it so states.

Mr. BACHMANN. I may say to the gentleman from New York that I have read this report very carefully. When I saw that my good friend, the gentleman from New York, had introduced this bill I read it again to be sure, because I know his ability as a lawyer and his fairness, and I wanted to be sure I was right. So I have read that report very carefully.

Mr. OLIVER of New York. I can not understand why the gentleman is not convinced after reading the report.

Mr. BACHMANN. I may say to the gentleman there are two reasons. One is that there was a contributing cause for this man's death, and the other is that the claimant here appears to be a sister of the deceased, and there is no showing in the record that she was absolutely dependent or that the deceased was employed and qualified to contribute toward her support. I could eliminate this feature were the dependent the mother or a dependent father or a child, but the gentleman will appreciate that we are going far afield when we include brothers and sisters, unless they establish sole dependency, in trying to compensate them for the death of some member of the family.

Mr. OLIVER of New York. The sister has submitted a letter, which is not in the report, showing that the deceased was her sole support.

Mr. BACHMANN. I do not find that in the report.

Mr. OLIVER of New York. It is not in the report, but the committee has the letter.

Mr. BACHMANN. The gentleman will appreciate that all we have to go on in these cases is the printed report and we must follow the report. If there is anything of that sort in the case I would be pleased for the gentleman to clear it up.

Mr. OLIVER of New York. The letter was filed with the committee a long time ago, stating that the deceased was her sole support. There was no rebuttal from the department and there was no necessity to submit any further proof than her assertion, when her statement was the fact.

Mr. BACHMANN. But I do not find in this statement of the beneficiary that he was her sole support. I understand she paid the funeral bill and he could not have been supporting her to any great extent if she had to pay the funeral bill.

Mr. OLIVER of New York. He had given her money from time to time out of which she paid the funeral bill.

Mr. BACHMANN. Does the gentleman know whether the deceased was employed or not?

Mr. OLIVER of New York. The deceased was employed. I understand he was an architect. She says in this letter, "Consequently, my brother being my sole support, I am left practically with no income."

This is her statement and the department would have rebutted this statement if it were not true. The committee may have left this out of the report, and I am sorry it left it out.

Mr. BACHMANN. Does the gentleman know the amount he contributed to the support of this sister?

Mr. OLIVER of New York. My best information is $150 a month and all that the committee recommends is $5,000.

Mr. BACHMANN. I am willing to accept the gentleman's statement when he assures the House with respect to this particular item that the deceased was gainfully employed and was supporting his sister to the extent of $150 a month. What does the gentleman from New York say about the contributing cause of this man's death, a chronic cardiorenal disease, which is a heart and kidney condition?

Mr. OLIVER of New York. As the gentleman well knows, when a man is injured in an automobile accident and dies directly as a result of such injury two weeks later on, you do not go back to see whether he has some kidney complaint or headache, or something of that sort. This man was 63 years old when several bones were broken and he was bruised and thrown down on the street and it could not be said that he died of some kidney complaint.

Mr. BACHMANN. Would this man have died if it had not been for this chronic disease?

Mr. OLIVER of New York. Of course he would have died in the years to come, because he was 63 years old and did not have such a long life expectancy.

Mr. BACHMANN. In view of what the gentleman has said relative to these two inquiries, if the gentleman will accept an amendment striking out $5,000 and inserting $2,500, I shall not object.

Mr. OLIVER of New York. The amendment is forced upon me and I am glad to accept it.

Mr. BACHMANN. I do not want the gentleman to accept it in that way.

Mr. OLIVER of New York. I am saying that somewhat facetiously. If the gentleman, who has the power to destroy my bill thinks that is the right amount, I am not going to argue with the gentleman. I have too high a regard for the gentleman's sense of justice to do that. The gentleman has a duty here and I accept the amendment with grateful thanks to the gentleman for his attitude.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Estelle M. Gardiner the sum of $10,000 damages suffered by reason of her brother, John Henry Gardiner, being struck and fatally injured by a Government automobile which was driven by an employee of the Post Office Department.

With the following committee amendment:

Page 1, line 6, strike out the figures "$10,000" and insert "$5,000."

Mr. BACHMANN. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amend the committee amendment by striking out "$5,000" and inserting in lieu thereof "$2,500."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. BACHMANN. I offer the following amendment.

The Clerk read as follows:

Page 1, line 6, after the figures "$2,500," insert "in full settlement of all claims against the Government of the United States."

The amendment was agreed to.

Mr. BACHMANN. I offer the following amendment.

The Clerk read as follows:

At the end of the bill strike out the period, insert a comma, and add the following: "in the city of New York on August 4, 1930."

The amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DELLA O'BRIEN

The Clerk read the next bill on the calendar, H. R. 7128, for the relief of Della O'Brien.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. I will reserve an objection.

Mr. BOLTON. What is the gentleman's objection based on? This is a very meritorious case. The girl was killed through no fault of her own but by the negligence of the driver of a post-office truck. She was the sole support of her mother and sister.

Mr. BACHMANN. How old was she?

Mr. BOLTON. Twenty-seven years of age.

Mr. BACHMANN. I will not object.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Della O'Brien, of Cleveland, Ohio, the sum of $10,000 in full settlement of all claims against the Government of the United States on account of the death of Nora O'Brien, daughter of the said Della O'Brien, resulting from injuries received February 9, 1931, when a United States mail truck struck her: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert "$5,000."

The amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I move to strike out the last word. I do so at this time for the reason that in going over the Private Calendar I have noticed that one gentleman in the House, a Member of the Committee on Claims, has taken a lot of his own time in preparing reports upon these bills on the Private Calendar.

I can not let this opportunity pass without paying the gentleman a little compliment for the time he has taken in order to perfect some of these measures in order to assist Members in getting their bills considered on the Private Calendar. I think it is very appropriate at this time to tell the House of the very fine work in this connection which has been done by the gentleman from Minnesota [Mr. PITTENGER]. [Applause.]

Mr. BLACK. Mr. Speaker, I rise in opposition to the motion but not to the sentiment of the gentleman from West Virginia [Mr. BACHMANN]. I want to join in the tribute the gentleman from West Virginia paid the gentleman from Minnesota [Mr. PITTENGER]. I have not seen in my time in the House any harder-working member of any committee on which I have served than the gentleman from Minnesota. It is all right to say a few kind words for him. He is leaving us at the end of this session. He has a very important bill before the Committee on Claims which the Committee on Claims has studied very carefully. It is at some place on the calendar and relates to the Minnesota fire claims. I hope the House will recognize his great service to the Committee on Claims in respect to the Private Calendar by at least giving proper consideration to his own bill. [Applause.]

Mr. BLANTON. Mr. Speaker, the office of our friend from Minnesota [Mr. PITTENGER] is close to mine, and I have observed many times how he works at night as well as in the daytime. I would go a long way to do a kindness to our friend from Minnesota, and when his bill comes up I may or may not object to it. The chances are that I shall, but I say this while we are passing, that all good things might likewise be said about our friend from New York [Mr. BLACK]. Our friend from Minnesota works because he likes to work, while our friend from New York does not do any more work than he has to, but he is busy all the time. [Laughter.] A man who is chairman of the Committee on Claims has to work. He can not get out of it. But I want to compliment him for the genial way in which he goes along with us fellows here, who do the hard work on these bills on the floor of the House. Whenever he makes an agreement with us, you can bet your head on it that he is going to stand by it and see to it that the House is protected in any agreement that is made about a bill. He is always ready to listen to suggestions, and he always has a smile to go along with us. I take my hat off to him. [Applause.]

The pro forma amendment was withdrawn, and the bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ANNIE M. EOPOLUCCI

The next business on the Private Calendar was the bill (H. R. 5150) for the relief of Annie M. Eopolucci.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. Mr. Speaker, I object.

Mr. BLOOM. Mr. Speaker, will the gentleman reserve his objection?

Mr. SCHAFER. I reserve my objection.

Mr. BLOOM. Mr. Speaker, may I ask the gentleman from Wisconsin what his objection is?

Mr. SCHAFER. It is self-evident, the reason why I object. This is a bill to grant insurance benefits to the relative of some one who was killed before we entered the World War. It is a bill to take money out of the insurance fund of the Veterans' Bureau, which the veterans who have paid insurance premiums have an interest in, and pay an insurance claim on a policy which did not exist for a death which occurred prior to our entrance into the World War.

Mr. BACHMANN. When did we enter the World War?

Mr. BLANTON. In 1917, on April 6.

Mr. BACHMANN. That is when the war risk insurance act was passed and this occurred on April 1. The war risk insurance act went into effect on April 6.

Mr. BLANTON. Oh, no.

Mr. BLOOM. Will the gentleman permit me to explain this case?

Mr. BACHMANN. Let me clear this one point. Referring to page 2 of the report, I find a statement that the war risk insurance act went into effect on April 6, 1917.

Mr. BLANTON, The gentleman will remember that the war resolution was voted after midnight of April 6, 1917, along about 2 or 3 o'clock in the morning.

Mr. BACHMANN. I call attention to what the report says.

Mr. BLOOM. Please let me explain. On April 1, 1917, the ship on which this young man was serving was torpedoed. He had been in the service for 10 years prior to this time. When this young sailor boy went into the lifeboat, the lifeboat contained food and water and that was the last time that anyone saw the boy or the sailors that were in the lifeboat. It was adrift in the open sea. The Navy Department to-day claims that the young man officially died on the 1st of April, according to their records. There is no telling whether this young man was alive on April 6. He may have been alive on April 6, and this widowed mother is claiming for the death of her son only the same as all widowed mothers have received in war insurance for the death of their sons. It is not taking any-

thing out of the Treasury that she is not entitled to. She gave her all for our country, and under the circumstances I do not think that the Navy Department or the War Department has a right to claim that the boy was dead on April 1. Suppose he was adrift on the high seas on April 6 or 7. The report shows that he had enough food and water in this boat to last him for 10 days.

So therefore this widowed mother is entitled to the same consideration as all other mothers. Let me say this also to the gentleman, that this lady is not a constituent of mine. This lady lives in the District of Columbia. She is a widowed mother, and at least she is entitled to some consideration.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLOOM. Certainly.

Mr. SCHAFER. The gentleman has made a very impressive argument, and I will say to the gentleman that I will not object to the consideration of the bill if the gentleman will offer an amendment that the payment of the money will come out of the Treasury of the United States, so that it is not taken out of the war-risk insurance fund under the Veterans' Bureau.

Mr. BLOOM. Well, we have voted $2,500 and $5,000 to people who were killed by accidents on the streets, and here is a widowed mother asking for no more than everyone else has received.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLOOM. Yes.

Mr. SCHAFER. I realize that, but the gentleman realizes that the veterans who have paid insurance premiums have an interest in this insurance fund. Certainly the gentleman should not object to having this come out of the Treasury of the United States instead of out of the insurance fund of the Veterans' Administration.

Mr. STAFFORD. Will the gentleman yield?

Mr. BLOOM. Certainly.

Mr. STAFFORD. Last week when we were considering the independent office establishment appropriation bill, the gentleman having charge of the bill [Mr. WOODRUM] acquainted the House with the fact that the Government is paying millions and millions of dollars out of the Treasury on insurance claims. Further, we can not, in the administration of this bill, if it is put into effect, provide for piecemeal, monthly payments, through the Treasury Department as is the case in the administration of the war insurance act. This bill seeks to grant to this widowed mother the payment of all accumulated monthly installments to which she would be entitled up to date, and then to continue the plan up to the extent of $5,000. The administration necessarily, if it is going to carry out the purpose of the bill, must be by the Veterans' Administration.

Mr. BACHMANN. Will the gentleman yield?

Mr. BLOOM. I yield.

Mr. BACHMANN. The gentleman from Wisconsin [Mr. SCHAFER] makes the point that there were no premiums paid on this insurance and it is taken out of the war-risk insurance fund.

Mr. STAFFORD. But in the administration of that fund the Government is contributing millions and millions of dollars because the premiums are not adequate to meet the requirements of the law. The United States Treasury is paying millions of dollars to this fund.

Mr. BACHMANN. In other words, as I understand the point made by the gentleman from Wisconsin [Mr. SCHAFER], she is getting a preference that no others are getting.

Mr. STAFFORD. Oh, no; suppose this person had died on April 7. He would not have contributed a single premium. All those who died between April 6 and the time when we passed the law, on October 6, 1917, did not pay any premiums, but we paid the beneficiaries as if they had paid premiums.

Mr. BACHMANN. I agree with the gentleman absolutely, but the gentleman from Wisconsin [Mr. SCHAFER] was directing his attention to that particular thing. I think this was the first boy killed in the World War. It is an outstanding, meritorious case, and I think it ought to be paid, but the question is whether it ought to be paid out of this fund or out of the Treasury of the United States.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLOOM. Certainly.

Mr. SCHAFER. Because my colleague from Wisconsin [Mr. STAFFORD] has muddied the waters and, by indirection, tried to indicate that I did not know what I was talking about, I call attention to the fact that this bill does set out a special class, because it provides for the payment under the same conditions as if he had lived and had made a bona fide application for war-risk insurance. If he had lived and made a bona fide application for war-risk insurance, the money would have come out of the insurance fund in which all veterans have an interest.

Mr. BACHMANN. But this man could have been alive at the time the war risk insurance law was passed.

Mr. SCHAFER. Oh, yes. Two months ago we thought we might have beer before Christmas, too. I object, Mr. Speaker, unless the gentleman will offer an amendment to pay it out of the United States Treasury.

Mr. BLOOM. Will the gentleman reserve his objection, please?

Mr. SCHAFER. Yes.

Mr. BLOOM. The gentleman must remember that this boy had no opportunity to pay anything into the war-risk insurance. The boy was out on the open sea, and there is no telling if this boy was alive on the 7th or the 8th. He still would not have paid one cent to the war-risk insurance if he had been alive on the 7th or 8th, and if he had died then the mother would be entitled to this money. I am sorry the gentleman takes exception to the remarks made by some other gentleman, but if the gentleman knew this case——

Mr. STAFFORD. I owe an apology to the House for intruding myself into the discussion of this bill and muddying the waters.

Mr. BLOOM. If the gentleman knew this case as well as I do he would not object, because this widowed mother lost two sons in the war and she is entitled to some consideration.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLOOM. Yes; certainly.

Mr. SCHAFER. There is a great difference in the case of this automatic payment of insurance where death occurred prior to the enactment of the act, but by passing this bill as it is reported, you are giving the same benefits in the case of a death which occurred prior to the World War that you would have given if the soldier had lived and had made an application for insurance.

Mr. BACHMANN. How does the gentleman know he died before we were in the World War?

Mr. SCHAFER. Then I will ask the gentleman how he knows he would have made an application for insurance? I know many who did not make applications for war-risk insurance.

Mr. BLOOM. May I say this? He does not have to make application. It automatically comes to him. He does not have to make application, because he was on the high seas. This young man should receive the benefit of the doubt. This widowed mother lost two sons in the World War and is now going around trying to get a job.

Mr. SCHAFER. Maybe we can settle this is a minute. Under the language now carried in the bill the beneficiary will receive $5,000 because the boy died before the insurance law was enacted. Therefore the expenditure will come out of the Treasury of the United States directly through the Veterans' Administration and not out of the insurance fund of the veterans.

Mr. BACHMANN. Certainly.

Mr. BLOOM. In a way; yes.

Mr. SCHAFER. Will the gentleman look into the matter and take it up with the Veterans' Bureau to make sure this money will not be taken out of the insurance fund?

Mr. BLOOM. I shall be very pleased to do that.

Mr. SCHAFER. Mr. Speaker, with that understanding, I withdraw my objection.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I hope the gentleman will consent to this amendment: "But without any allowance for interest on such principal amount or deferred installments."

Mr. BLOOM. I will accept the amendment.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Director of the United States Veterans' Bureau is authorized and directed to pay to Annie M. Eopolucci, mother of John E. Eopolucci, all such installments of money which she would be entitled to receive if the said John E. Eopolucci who, while serving as a member of the armed guard of the United States Navy on the steamship *Aztec*, lost his life when said steamship was torpedoed and sunk on April 1, 1917, this while in the active naval service of the United States, had made a valid application for war-risk insurance in the sum of $5,000 under the war risk insurance act, as amended, had named the said Annie M. Eopolucci as his beneficiary and had died while such insurance was in effect, and, further, that it shall be held that such insurance shall be held to have matured as of the date of death and shall be paid retroactively such installments as may be due on the date of the enactment of this act.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 5, after the word "act," insert the following: "but without any allowance for interest on such principal amount or deferred installment."

The amendment was agreed to.

Mr. STAFFORD. I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: At the end of the bill add the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

M'NEILL-ALLMAN CONSTRUCTION CO.

The Clerk called the next bill, H. R. 6435, authorizing the relief of the McNeill-Allman Construction Co. (Inc.); of W. E. McNeill, Lee Allman, and John Allman, stockholders of the McNeill-Allman Construction Co. (Inc.); and W. E. McNeill, dissolution agent of McNeill-Allman Construction Co., to sue in the United States Court of Claims.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. DOUGHTON. Mr. Speaker, will the gentleman reserve his objection?

Mr. EATON of Colorado. I will reserve it to permit the gentleman to make a statement.

Mr. DOUGHTON. This, in my opinion, is a very meritorious claim. It has been considered twice by the Committee on the Judiciary. On one occasion elaborate hearings were held and every phase of the matter was gone into.

Mr. EATON of Colorado. How did the Committee on the Judiciary acquire jurisdiction?

Mr. DOUGHTON. I am not a lawyer. I could not tell the gentleman. It was referred there in two Congresses, by the Parliamentarian, I presume. I did not have it referred there.

This is a claim, if the gentleman will indulge me, of a corporation formed in 1921 for the purpose of road construction. In 1922 they made their income-tax return and soon afterwards discovered they had reported a profit of $11,000, whereas they had sustained a loss of $3,474. They took the matter up with the collector of internal revenue and asked for a refund. They received notice from the income-tax division of the collector's office that they would probably receive a notice of overassessment within three or four years, and consequently were misled or lulled to sleep, and the time elapsed within which they could bring suit according to law.

This bill asks only that they be permitted to go to the Court of Claims and that the matter may be adjudicated on its merits.

This is certainly a very meritorious claim.

Mr. EATON of Colorado. My objection is based upon several grounds. First, this case has never been considered by the Committee on Claims of the House.

Second. There is no report from anybody, the Commissioner of Internal Revenue or anyone else, as to the justice of this claim, or that there is anything due or coming to these people.

Third. On page 3460 of the CONGRESSIONAL RECORD for the first session of the Seventy-second Congress, the policy of the House in connection with claims for refund of taxes upon which the statute of limitations had run was set forth by the Speaker, and I ask unanimous consent to incorporate that statement at this place. In short, it is that these claims on which the statute of limitations has run shall not be subject to favorable consideration by unanimous consent. The statement of the Speaker is as follows:

The SPEAKER. Permit the Chair to make a statement with regard to this bill.

The Committee on Ways and Means of the House of Representatives, of which the Chair had the honor to be a member, thoroughly considered the question of waiving the statute of limitations with reference to taxes that were paid to the United States Treasury. In a survey the committee found that there were something over $4,000,000,000 against which the statute of limitations had been invoked. The Chair notices in the report on this bill that the Treasury Department calls attention to that fact.

The Chair makes this statement with a view to calling it to the attention of the gentleman from Idaho. If the precedent of waiving the statute of limitations on taxes paid to the United States Treasury is established, the Chair wonders where the limitation will stop, especially in view of the fact that there are now more than $4,000,000,000 in the Treasury in claims against which the statute of limitations has run.

Mr. DOUGHTON. Does not the gentleman think we should give consideration to the claim of people who have been misled by officials of the Government?

Mr. EATON of Colorado. There are millions of dollars and probably billions of dollars represented by claims based upon so-called misstatements or misrepresentations of officials of the Government; but in this case, no matter what the gentleman's statement is, the Committee on Claims, which handles hundreds of these claims in every Congress, has had no opportunity to pass upon the claim.

Mr. DOUGHTON. The bill carries no money provision; it simply carries the right to sue; it simply provides that the statute may be waived and that the case may be adjudicated on its merits. It does not carry any appropriation whatever. It just gives them the right to have the claim heard and settled on its merits.

Mr. EATON of Colorado. That is why the gentleman is here.

Mr. DOUGHTON. I imagine it is.

Mr. EATON of Colorado. Yes; and many similar bills have been rejected in this Congress representing millions of dollars.

Mr. DOUGHTON. Not similar claims to this in which the people were misled or lulled to sleep by statements of an official of the Government. In this case I have a letter signed by the chief of the Income Tax Bureau, which caused the taxpayer to believe he would receive notice of overassessment.

Mr. EATON of Colorado. Mr. Speaker, I object.

NAVAL AMMUNITION DEPOT, LAKE DENMARK, N. J.

The SPEAKER pro tempore. The Clerk will call the bill H. R. 5444, Private Calendar No. 629, under the previous order of the House.

The Clerk called the bill (H. R. 5444) to provide an additional appropriation as the result of a reinvestigation, pursuant to the act of February 2, 1929 (45 Stat. 2047, pt. 2), for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosions at

the naval ammunition depot, Lake Denmark, N. J., July 10, 1926.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the sum of $14,090.55 be appropriated, out of any money in the Treasury of the United States, to make payment of claims for property damage, death, or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926, to the respective persons and in the respective amounts as recommended by the Comptroller General of the United States and as fully set forth in House Document No. 716, Seventy-first Congress, third session, pursuant to the act of March 2, 1927 (44 Stat., pt. 3, p. 1800), and the act of February 2, 1929 (45 Stat., pt. 2, p. 2047).

Mr. STEWART. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEWART: Page 2, after line 6, insert "No part of the sums herein appropriated shall be paid to any insurance company or other indemnifier, nor shall any claimant be paid for the whole or that part of any claim for damages which has been paid to such claimant by an insurance company or other indemnifier."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DONGJI INVESTMENT CO. (LTD.)

Mr. BACHMANN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 628, a bill for the relief of Dongji Investment Co. (Ltd.), to which I objected because it sought to relieve a bonding company. An amendment like the one just adopted will be offered to this bill.

Mr. BLANTON. Mr. Speaker, we do not want to establish the precedent now of going back to bills that have been objected to. We had an understanding with the gentleman from New Jersey about this particular bill, but there will be other requests coming in here and we ought to go through with the calendar.

Mr. BACHMANN. Mr. Speaker, this is a kind of church organization over there, composed of a number of poor people who are involved in this case.

Mr. BLANTON. I shall not object to going back to this bill, but I shall object to any similar requests.

The SPEAKER pro tempore. The gentleman from West Virginia asks unanimous consent to return to Calendar No. 628. Is there objection?

There was no objection.

The Clerk called the bill (H. R. 2872) for the relief of the Dongji Investment Co. (Ltd.).

Mr. SCHAFER. Mr. Speaker, reserving the right to object, we went back to this bill after the gentleman made the statement that it was for the relief of a church. We find the title of the bill is for the relief of the Dongji Investment Co. Do investment companies run churches over there?

Mr. BACHMANN. Yes; this organization was incorporated under this name. It is composed of a number of poor people at this place who were protected under this organization, and the only thing I am trying to do is to say that the bonding company is not to be reimbursed. The rest of the claim is very meritorious.

Mr. CULKIN. Perhaps the investment is in the next world.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Dongji Investment Co. (Ltd), an Hawaiian corporation, organized under the laws of the Territory of Hawaii, be, and it is hereby, released from any and all claims for damages which the United States of America may have against it arising out of its breach of contract No. N311S-2830, dated March 18, 1929, by and between the Dongji Investment Co. (Ltd.) and the United States of America.

Mr. BACHMANN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: On page 1, line 6, after the word "damages," insert a comma and the following: "in excess of the amount of the performance bond given by such company."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WILLIAM J. COCKE

The Clerk called the next bill, H. R. 6283, for the relief of William J. Cocke.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call attention to the report on this bill. The Secretary of War states as follows:

The claim from Mr. Cocke was first submitted to the War Department in 1919, but after an adverse ruling had been made thereon by the Judge Advocate General on August 28, 1919, claimant presented his case to the War Department Claims Board, which, on November 5, 1920, denied the claim on merits and because of lack of jurisdiction. It was thereupon filed as case No. C-355, with the Court of Claims. By reference to volume 59, page 969, Court of Claims Reports for 1923-24, it will be seen that the suit was dismissed without formal opinion on January 28, 1924. Later the claim was reopened in said court but the case was again dismissed by that tribunal on two grounds, namely, because the plaintiff had no legal right to recovery, and because the amount of loss was not ascertainable.

The department reports against this bill. If passed, it would take $9,116.88 out of the Treasury, and I object.

Mr. BACHMANN. Reserving the right to object, in addition to that, there was a provision in the contract relieving the Government of responsibility.

Mr. BLANTON. There was such a provision in the contract.

Mr. WEAVER. Will the gentleman withhold his objection?

Mr. BLANTON. I withhold it.

Mr. WEAVER. This is a good illustration of how gentlemen do not digest the reports.

Mr. BLANTON. We have digested that part of it.

Mr. WEAVER. The gentleman read it correctly. I will say to you that this man entered into a contract with the War Department.

Mr. BACHMANN. If the gentleman can show that this man has a meritorious claim, I will not object.

Mr. BLANTON. Let me say to the gentleman that Patrick Hurley, Secretary of War, says:

The Government's obligation thereunder has been discharged. It is the view of this department that William J. Cocke is not entitled to any compensation other than what he has already received in connection with transactions pertaining to these agreements, and favorable consideration of this bill is not recommended.

Mr. WEAVER. In answer to the gentleman I will have to explain the contract and bids. During the war the War Department advertised for bidders to take away the garbage from the various war camps established in the South. One was at Greenville, S. C. William J. Cocke entered into a contract with the Government, my Government and your Government, that they would deliver to him the garbage of that camp.

In order to carry out his part of the contract he was compelled to purchase a large number of hogs—and this is the way adopted by the War Department for the disposition of the garbage—and in addition to buying the hogs he had to build pigsties, purchase trucks, to help get rid of the garbage, and they did not deliver to him a single pound. If you say that is fair treatment, then I have nothing more to say.

Mr. BLANTON. I am only giving the gentleman what the Secretary of War says. He says there was this provision in the contract:

Nothing herein contained shall be deemed to impose any obligation on the part of the United States to guarantee the delivery of any specific quantity of garbage.

Mr. STAFFORD. The opinion of the Court of Claims is just the opposite to the gentleman's bald statement that they did not deliver any garbage to him.

Mr. WEAVER. Let me read what the Court of Claims says about it:

The complaint of the plaintiff centers exclusively around the fact that under the contract he was to receive all of the garbage of the specified classification to be delivered to him by the Government at certain transfer points fixed by the commanding officer of the camp, and this is precisely what the contract provided. In

so far as the nonobservance of this covenant is involved, the case is free from difficulty. It was not carried out. Large quantities of garbage which the plaintiff should have had were diverted, some of it stolen, and much of it sold to other parties. The plaintiff had established at approved points outside the camp extensive pigsties, purchased a number of hogs, and was fully equipped to fatten the same upon the garbage he expected to receive.

Mr. STAFFORD. The gentleman made a prefatory statement that none of the garbage was delivered to this man.

Mr. BACHMANN. That does not mean that none of the garbage was delivered.

Mr. WEAVER. There may have been a small quantity delivered. It said it was not carried out, and large quantities which it had were sold to other parties. The court stated in its opinion that this resulted in absolute financial disaster to this claimant.

Mr. EATON of Colorado. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

### TWENTIETH AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following communication which was read:

DEPARTMENT OF STATE,
*Washington, February 8, 1933.*

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I inclose for your records a photostat copy duly certified of the certificate dated February 6, 1933, which I have issued pursuant to section 160, title 5, of the United States Code, certifying that the twentieth amendment has become valid to all intents and purposes as a part of the Constitution of the United States.

Very truly yours,

H. L. STIMSON.

(Inclosure: Certified photostat copy of certificate dated February 6, 1933.)

### SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933; to the Committee on the District of Columbia.

### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 5357. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg.

### ADJOURNMENT

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 52 minutes p. m.) the House adjourned until to-morrow, Thursday, February 9, 1933, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

916. A letter from the Secretary of War, transmitting for the consideration of Congress draft of a proposed bill to authorize credit in the accounts of Capt. L. P. Worrall, Finance Department; to the Committee on Claims.

917. A letter from the Secretary of War, transmitting a letter pursuant to the rivers and harbors act of July 3, 1930, from the Chief of Engineers, United States Army, dated January 26, 1933, submitting data for the revised edition of Preliminary Examinations, Surveys, Projects, and Appropriations; to the Committee on Rivers and Harbors.

918. A letter from the Secretary of War, transmitting a letter, pursuant to the rivers and harbors act of July 3, 1930, from the Chief of Engineers, United States Army, on preliminary examination and survey of Keweenaw waterway, Michigan, and south shore, Lake Superior, in the vicinity of Keweenaw Point, Mich.; to the Committee on Rivers and Harbors.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FITZPATRICK: Committee on Military Affairs. H. R. 14282. A bill to confer the degree of bachelor of science upon graduates of the Naval, the Military, and the Coast Guard Academies; without amendment (Rept. No. 1986). Referred to the House Calendar.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 14059. A bill authorizing the Secretary of the Interior in behalf of Indians to purchase the allotments of deceased Indians, and for other purposes; without amendment (Rept. No. 1987). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 14432. A bill to extend temporary relief of water users on irrigation projects on Indian reservations, and for other purposes; with amendment (Rept. No. 1988). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN of Missouri: Committee on Expenditures in the Executive Departments. House Joint Resolution 547. Joint resolution to exclude certain temporary employees from the operation of the economy act; without amendment (Rept. No. 1989). Referred to the Committee of the Whole House on the state of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MALONEY: A bill (H. R. 14601) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. ALMON: A bill (H. R. 14602) to revive and reenact the act entitled "An act granting the consent of Congress to the Highway Department of the State of Alabama to construct a bridge across Elk River between Lauderdale and Limestone Counties, Ala.," approved February 16, 1928; to the Committee on Interstate and Foreign Commerce.

By Mr. CONNERY: A bill (H. R. 14603) to require contractors and subcontractors for the erection of public buildings or the performance of other public work for the United States or the District of Columbia, to file statements under oath of wages paid, hours of labor, etc., and for other purposes; to the Committee on Labor.

By Mr. CAMPBELL of Iowa: A bill (H. R. 14604) to authorize the discharge of obligations to pay money by the payment of legal tender; to the Committee on the Judiciary.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14605) to amend the air mail act of February 2, 1925, as amended by the acts of June 3, 1926, May 17, 1928, and April 29, 1930, further to encourage commercial aviation; to the Committee on the Post Office and Post Roads.

By Mr. CAMPBELL of Iowa: Joint resolution (H. J. Res. 593) proposing an amendment to the Constitution of the United States, authorizing Congress to fix the price of unmanufactured food products; to the Committee on the Judiciary.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Oregon, urging an appropriation for the improvement of Willamette River in Oregon; to the Committee on Rivers and Harbors.

Memorial of the Legislature of the State of Arizona, memorializing Congress to enact a measure which will afford the needed relief, providing, if necessary, for the refinancing by the Federal Government of all legitimate farm loans

on a long-term basis; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Oregon, memorializing Congress to pass Senate bill 1197, known as the Frazier bill; to the Committee on Banking and Currency.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTON: A bill (H. R. 14606) granting a pension to Mary M. Norris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14607) granting a pension to Nancy V. Mosher; to the Committee on Invalid Pensions.

By Mr. BIDDLE: A bill (H. R. 14608) for the relief of Chester Vernon Barclay; to the Committee on Military Affairs.

By Mr. FREEMAN: A bill (H. R. 14609) granting an increase of pension to Martha M. Tryon; to the Committee on Invalid Pensions.

By Mr. HOGG of Indiana: A bill (H. R. 14610) granting a pension to Grace A. Harper; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 14611) granting an increase of pension to Agnes D. Bloom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14612) granting a pension to Arthur C. Isenberg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14613) granting a pension to Orvis R. Beckwith; to the Committee on Invalid Pensions.

By Mr. MAAS: A bill (H. R. 14614) to authorize the presentation of a distinguished-flying cross to Maj. Francis T. Evans, United States Marine Corps; to the Committee on Naval Affairs.

By Mr. MAJOR: A bill (H. R. 14615) for the relief of William H. Harris; to the Committee on Military Affairs.

By Mr. PARKER of New York: A bill (H. R. 14616) granting a pension to Luella Bresnahan; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 14617) for the relief of Hooper Alexander, jr.; to the Committee on Military Affairs.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10259. By Mr. CULLEN: Petition of the National Retail Dry Goods Association, requesting a reduction of governmental expense which will insure substantial relief to all taxpayers; to the Committee on Ways and Means.

10260. By Mr. DELANEY: Petition of America's Wage Earners' Protective Conference of New York City, urging the early passage of House bill 14413, which will provide employment for hundreds of thousands of American workers; to the Committee on Ways and Means.

10261. Also, petition of Valdemar A. Miller, of the Colonial Council of St. Thomas and St. John, Virgin Islands, advocating the transfer of the Virgin Islands to the Navy Department; to the Committee on Insular Affairs.

10262. Also, petition of the W. T. Rawleigh Co., of Freeport, Ill., recommending the prompt elimination, reduction, or postponement of all governmental activities which can be dispensed with without injury to the public safety and protection, the money saved to be used for indispensable emergency relief; to the Committee on Ways and Means.

10263. Also, petition of Our Navy, the standard magazine of the United States Navy, protesting against the large cut in the salaries of enlisted men in the Navy; to the Committee on Naval Affairs.

10264. Also, petition of the Substitute Post Office Employees' Association, urging the passage of House Joint Resolution 576, which will return to all substitute employees the money deducted from their salaries; to the Committee on Expenditures in the Executive Departments.

10265. By Mr. DOWELL: Petition signed by 42 persons of Earlham, Iowa, urging the prohibiting of shipping arms to countries at war; to the Committee on Foreign Affairs.

10266. By Mr. DRIVER: Petition of the Legislature of the State of Arkansas, memorializing Congress to enact into law an act to authorize the Federal Farm Board to dispose of the surplus cotton and wheat held by the said board; to the Committee on Agriculture.

10267. Also, petition of the Legislature of the State of Arkansas, urging immediate passage of the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

10268. By Mr. GARBER: Petition of the Farmers' Educational Cooperative Local Union, No. 161, Farry, Okla., urging enactment of the allotment plan for the relief of agriculture and legislation for the refinancing of farm indebtedness; to the Committee on Agriculture.

10269. Also, petition of the W. T. Rawleigh Co., Freeport, Ill., urging economy in Government expenditures; to the Committee on Expenditures in the Executive Departments.

10270. Also, petition of America's Wage Earners' Protective Conference, New York City, urging enactment of House bill 14413 or similar legislation to protect American industries against the flood of foreign imports from countries with depreciated currencies; to the Committee on Ways and Means.

10271. Also, petition of the National Cooperative Council, Washington, D. C., asking opposition to all proposals for abolition of the Farm Board or transfer of any of its functions of assistance to farmers' cooperatives; repeal of section 9 of the marketing act, with the provision that the Farm Board compensate cooperatives for losses they were led into by the Farm Board's stabilization program; no reduction in the Farm Board budget greater proportionately than the reduction of budgets of other Federal agencies; and replenishment of the revolving fund to the extent of the depletion through donation of cotton and wheat to the Red Cross, such funds to be used by the Farm Board only in furthering the program of assistance to cooperatives; to the Committee on Agriculture.

10272. Also, petition of the Independent Petroleum Association, urging enactment of legislation to prevent the dumping of foreign products from countries with depreciated currencies; to the Committee on Ways and Means.

10273. Also, petition of the Philadelphia Chamber of Commerce, urging support of House bill 11642; to the Committee on Interstate and Foreign Commerce.

10274. Also, petition urging support of railway pension bills, S. 4646 and H. R. 9891; to the Committee on Interstate and Foreign Commerce.

10275. By Mr. HOWARD: Resolution adopted by the Nebraska State Senate in the forty-ninth regular session, memorializing the Congress to act favorably on Senate bill 1197, known as the Frazier bill, which has for its aim and purpose the liquidation and refinancing of agricultural indebtedness, and to encourage and promote agricultural commerce and industry, the said purpose of the bill to benefit agriculture; to the Committee on Agriculture.

10276. By Mr. LINDSAY: Petition of Valdemar A. Miller, of the Colonial Council of St. Thomas and St. John, Virgin Islands, favoring the return of the islands to the Navy Department jurisdiction; to the Committee on Insular Affairs.

10277. By Mr. LUCE: Petition of residents of Newton, Brighton, and Brookline, Mass., favoring the stop-alien-representation amendment; to the Committee on the Judiciary.

10278. By Mr. RAINEY: Petition of Mary Scroggins and four other citizens of Eldred, Ill., opposing reduction in the wages of Navy men; to the Committee on Appropriations.

10279. Also, petition of Albert H. Straight, of Mount Vision, N. Y., and 101 other residents of the State of New York, favoring the Sparks stop-alien-representation amendment; to the Committee on Rules.

10280. By Mr. RUDD: Petition of America's Wage Earners' Protective Conference, New York City, favoring the

enactment of the Connery bill, H. R. 14413, or similar legislation; to the Committee on Labor.

10281. Also, petition of Valdemar A. Miller, fourth appointed member, Colonial Council of St. Thomas and St. John, Virgin Islands, favoring the transfer of the Virgin Islands back to the Navy Department jurisdiction; to the Committee on Insular Affairs.

10282. By Mr. SPENCE: Petition of E. E. Taglaner and others, of Covington, and Rella Tompkins and others, of Ghent, Ky., protesting against the repeal of the eighteenth amendment, etc.; to the Committee on the Judiciary.

10283. By Mr. STULL: Petition of Fred D. Barker Post, No. 363, American Legion, Ebensburg, Pa., opposing any reduction in appropriations to veterans; to the Committee on Appropriations.

10284. By Mr. WYANT: Petition of Lodge No. 1528, Sons of Italy, Latrobe, Pa., protesting against continuance of furlough provision in the economy law beyond the present fiscal year, thus sending out to the country a note of hope instead of one of despair; to the Committee on Ways and Means.

10285. Also, petition of Thomas B. Anderson Post, No. 515, the American Legion, Latrobe, Pa., protesting against continuance of furlough provision in the economy law beyond the present fiscal year, thus sending out to the country a note of hope instead of one of despair; to the Committee on Ways and Means.

10286. By the SPEAKER: Petition of the city of Binghamton, N. Y., requesting that the Treasury Department be empowered to build a new post office in Binghamton on Washington-Henry Street; to the Committee on Public Buildings and Grounds.

# SENATE

## THURSDAY, FEBRUARY 9, 1933

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

O Thou who art the confidence of all the ends of the earth, who stilleth the roaring of the seas and the tumult of the people, who maketh the outgoings of the morning and evening to rejoice; hearken unto our prayer, for unto Thee shall all flesh come. Be merciful unto us, O God, be merciful unto us, for our soul trusteth in Thee, and under the shadow of Thy wings shall be our refuge until these calamities be overpast. Remove from us all doubt and fear and fill us with the spirit of true godliness. Dedicate us day by day to the joyful service of Thy will in this our generation, and own us as Thy children in time and in eternity. Through Jesus Christ our Lord.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day of Wednesday, February 8, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 914) for the relief of Katherine R. Theberge, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 657. An act for the relief of Peter Bess;

H. R. 1905. An act for the relief of Mary E. Dawley;

H. R. 2217. An act for the relief of the Bethel Cemetery Co., the Presbyterian Church, Harold S. Stubbs, George Morgan, Edward Stapp, William J. Howard, David J. Seacord, Mary L. McIntire, Emma E. Foard, Herbert C. Hannigan, Sisters of St. Baisl, Edward Bedwell, and Rachel A. Loveless;

H. R. 2597. An act for the relief of the Farmers & Merchants National Bank of Gilmer, Tex.;

H. R. 2872. An act for the relief of the Dongji Investment Co. (Ltd.);

H. R. 5150. An act for the relief of Annie M. Eopolucci;

H. R. 5270. An act for the relief of Estelle M. Gardiner;

H. R. 5444. An act to provide an additional appropriation as the result of a reinvestigation, pursuant to the act of February 2, 1929 (45 Stat. 2047, pt. 2), for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926;

H. R. 6275. An act for the relief of Howard McKee;

H. R. 7038. An act for the relief of Frances Southard;

H. R. 7128. An act for the relief of Della O'Brien;

H. R. 9223. An act for the relief of Irene Brand Alper; and

H. R. 9476. An act for the relief of the Merchants & Farmers Bank, Junction City, Ark.

### TWENTIETH AMENDMENT TO THE CONSTITUTION—CHANGE IN DATE OF INAUGURATION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of State, transmitting, for the records of the Senate, a photostat copy, duly certified, of the certificate dated February 6, 1933, issued by him pursuant to section 160, title 5, of the United States Code, certifying that the twentieth amendment has become valid to all intents and purposes as a part of the Constitution of the United States, which, with the accompanying certificate and proclamation by the Secretary of State, dated February 6, 1933, regarding the amendment to the Constitution fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress, was ordered to lie on the table.

The VICE PRESIDENT also laid before the Senate a letter from the Governor of Connecticut, transmitting certified copy of a resolution adopted by the Legislature of the State of Connecticut ratifying an amendment to the Constitution of the United States fixing the commencement of the terms of the President and Vice President and Members of the Congress and fixing the time of the assembling of Congress, which, with the accompanying paper, was ordered to lie on the table and to be printed in the RECORD, as follows:

STATE OF CONNECTICUT,
EXECUTIVE CHAMBERS,
*Hartford, February 3, 1933.*

The Hon. CHARLES CURTIS,
*Vice President of the United States, Washington, D. C.*

SIR: I have the honor to transmit herewith to you a certified copy of the resolution ratifying the proposed amendment to the Constitution of the United States, fixing the commencement of the terms of the President and the Vice President and the Members of the Congress and fixing the time of the assembly of the Congress, which proposed amendment was ratified by the Connecticut House of Representatives on January 26, 1933, and by the Senate of the State of Connecticut on January 27, 1933.

I have the honor, sir, to be, your obedient servant,
WILBUR L. CROSS.

STATE OF CONNECTICUT,
OFFICE OF THE SECRETARY,
GENERAL ASSEMBLY,
*January session, A. D. 1933.*

Resolution ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembly of Congress

Whereas the Seventy-second Congress of the United States of America, in both Houses by a constitutional majority of two-thirds thereof, has made the following proposition to amend the Constitution of the United States in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

"*Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"'ARTICLE —

"'SECTION 1. The terms of the President and the Vice President shall end at noon on the 20th day of January, and the terms of

Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"'SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January, unless they shall by law appoint a different day.

"'SEC. 3. If, at the time fixed for the beginning of the term of the President, the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"'SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"'SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"'SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission'":

Therefore be it

*Resolved by the General Assembly of the State of Connecticut*, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the General Assembly of the State of Connecticut.

*Resolved*, That certified copies of the foregoing preamble and resolution be forwarded by the Governor of the State of Connecticut to the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

STATE OF CONNECTICUT,
HOUSE OF REPRESENTATIVES.

Passed January 26, 1933.

STATE OF CONNECTICUT,
SENATE.

Passed January 27, 1933.

STATE OF CONNECTICUT,
*Office of the Secretary, ss:*

I, John A. Danaher, secretary of the State of Connecticut, and keeper of the seal thereof, and of the original record of the acts and resolutions of the general assembly of said State, do hereby certify that I have compared the annexed copy of resolution ratifying the proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembly of Congress with the original record of the same now remaining in this office, and have found the said copy to be a correct and complete transcript thereof.

And I further certify that the said original record is a public record of the said State of Connecticut now remaining in this office.

In testimony whereof I have hereunto set my hand and affixed the seal of said State, at Hartford, this 2d day of February, 1933.

[SEAL.] JOHN A. DANAHER, *Secretary.*

## MEDICAL SERVICES IN PRISONS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, relative to the furnishing of medical services in Federal prisons, and transmitting a draft of proposed legislation to amend the act entitled "An act to authorize the Public Health Service to provide medical services in Federal prisons," which, with the accompanying paper, was referred to the Committee on the Judiciary.

## PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Agriculture and Forestry:

STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the transcript, to which this certificate is attached, with the record on file in my office of which it purports to be a copy, and that the same is a full, true, and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 31st day of January, 1933.

[SEAL.] FRANK C. JORDAN,
*Secretary of State.*
By CHAS. J. HAGERTY,
*Deputy.*

Senate Joint Resolution 9

Adopted in senate January 26, 1933.

J. A. BEEK, *Secretary of the Senate.*

Adopted in assembly January 26, 1933.

ARTHUR A. OHNIMUS,
*Chief Clerk of the Assembly.*

This resolution was received by the governor this 28th day of January A. D. 1933, at 2.55 o'clock p. m.

WM. A. SMITH,
*Private Secretary of the Governor.*

Senate Joint Resolution 9, relative to memorializing Congress to pass S. 1197, known as the farmers' farm relief act

Whereas a crisis exists and hundreds of thousands of once prosperous farmers of this Nation have already lost their homes and their all by mortgage foreclosures because of the fact that the price of agricultural products has for years been below the cost of production, a condition that affects all of the people of this Nation and is largely responsible for the continuance of the depression; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors; and

Whereas unless immediate relief is given thousands and hundreds of thousands of additional farmers will lose their farms and their homes and millions more will be forced into our cities and villages and the army of unemployed will necessarily increase to alarming proportions, precipitating a condition that threatens the very life of this Nation; and

Whereas the State Legislatures of Montana, North Dakota, Minnesota, Wisconsin, Nevada, and Illinois have each and all memorialized Congress to pass Senate bill No. 1197, known as the Frazier bill, without delay, which bill provides that existing farm indebtedness shall be refinanced by the Government of the United States at 1½ per cent interest and 1½ per cent principal on the amortization plan, not by issuing bonds and plunging the Nation further into debt but by issuing Federal reserve notes the same as the Government now does for the banks through the Federal reserve bank: Now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly*, That they respectfully request and petition the Congress of the United States to pass Senate bill 1197 in order that the agricultural indebtedness of this Nation may be speedily liquidated and refinanced and agriculture saved from utter ruin and destruction and this depression brought to an intelligent and speedy end; and be it further

*Resolved*, That the governor send copies of this resolution to the President of the United States, the President of the Senate, and the Speaker of the House, and to the Representatives of this State in Congress.

FRANK F. MERRIAM,
*President of the Senate.*
WALTER J. LITTLE,
*Speaker of the Assembly.*

Attest:
[SEAL.] FRANK C. JORDAN,
*Secretary of State.*

(Indorsed: Filed in the office of the secretary of state of the State of California, January 28, 1933.)

[SEAL.] FRANK C. JORDAN,
*Secretary of State.*
By CHAS. J. HAGERTY,
*Deputy.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Indiana, which was referred to the Committee on Agriculture and Forestry:

A concurrent resolution memorializing Congress to pass Senate bill No. 1197, known as the Frazier bill

Whereas a crisis exists and hundreds of thousands of once prosperous farmers in this Nation have already lost their homes and all of their possessions by mortgage foreclosures because of the fact that the price of agricultural products has for years been below the cost of production, a condition that affects all of the people of this Nation, and is largely responsible for the continuance of the depression; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors; and

Whereas unless immediate relief is given thousands and hundreds of thousands of additional farmers will lose their farms and their homes and millions more will be forced into our cities and villages and the army of unemployed will necessarily increase to alarming proportions, precipitating a condition that threatens the very life of this Nation; and

Whereas there is pending in Congress a measure known as Senate bill No. 1197, known as the Frazier bill, which provides that existing farm indebtedness shall be refinanced by the Government of the United States at 1½ per cent interest and 1½ per cent principal on the amortization plan, not by issuing bonds and plunging the Nation further into debt but by issuing Federal reserve notes, the same as the Government now does for the banks through the Federal reserve bank: Therefore be it

*Resolved by the Senate of the General Assembly of the State of Indiana (the House of Representatives concurring)*, That the General Assembly of the State of Indiana hereby memorializes the Congress of the United States to pass Senate bill No. 1197 without delay in order that the agricultural indebtedness of this Nation may be speedily liquidated and refinanced and agriculture saved from utter ruin and destruction and this depression brought to an intelligent and speedy end.

SEC. 2. The secretary of the senate is hereby instructed to send a copy of this resolution to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each United States Senator and Member of the Congress from Indiana.

I hereby certify that this is a true and correct copy of Senate Concurrent Resolution No. 3, which passed the Indiana General Assembly January 23, 1933.

DICK HELLER,
*Secretary of Senate.*

The VICE PRESIDENT also laid before the Senate the following resolution of the Senate of the State of Nebraska, which was referred to the Committee on Agriculture and Forestry:

RESOLUTION

Memorial to the Seventy-second Congress of the United States (introduced by Senators Andersen, Pedersen, and Neubauer) to further pending legislation now before that honorable body with respect to Senate File No. 1197, now under consideration by the honorable Senate of the United States of America

Whereas there has been introduced by the Hon. LYNN FRAZIER, United States Senator from North Dakota, a bill identified and referred to as S. F. 1197 in the Senate of the United States, which said bill has for its aim and purpose the liquidation and refinancing of agricultural indebtedness, and to encourage and promote agricultural commerce and industry by establishing an efficient credit system through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and inflation may be lightened by providing for the liquidation and refinancing of farm mortgages and farm indebtedness for a reduced rate of interest through the Federal farm loan system, the Federal reserve bank system, and the postal savings depository system, and creating a board of agriculture to supervise the same; and

Whereas such proposed legislation appears to be a benefit and service to agriculture generally, and Nebraska being an agricultural State, such legislation should and would be of great benefit to the farmers of Nebraska: Now, therefore, be it

*Resolved by the Senate of the State of Nebraska*, That Congress be, and hereby is, memorialized to act favorably on Senate File 1197 of the Senate of the United States at any early date.

Adopted February 2, 1933.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 2

*To the honorable Senate and House of Representatives of the United States of America in Congress assembled:*

We, your memorialists, the Thirty-seventh Legislative Assembly of the State of Oregon, respectfully represent that—

Whereas since the World War farm products have been gradually decreasing in price; and

Whereas a crisis exists and hundreds of thousands of once prosperous farmers in this Nation have already lost their homes and their all by mortgage foreclosures because of the fact that the price of agricultural products has for years been below the cost of production, a condition that affects all of the people of this Nation and is largely responsible for the continuance of the depression; and

Whereas unless immediate relief is given thousands and hundreds of thousands of additional farmers will lose their farms and their homes, and millions more will be forced into our cities and villages and the army of unemployed will necessarily increase to alarming proportions, precipitating a condition that threatens the very life of this Nation; and

Whereas the State Legislatures of Montana, North Dakota, Minnesota, Wisconsin, and Illinois have each and all memorialized Congress to pass Senate bill 1197, known as the Frazier bill, without delay, which bill provides that existing farm indebtedness shall be refinanced by the Government of the United States at 1½ per cent interest and 1½ per cent principal on the amortization plan, not by issuing bonds and plunging the Nation further into debt, but by issuing Federal reserve notes the same as the Government now does for the banks through the Federal reserve bank: Now, therefore, be it

*Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein)*, That we, your memorialists, the Thirty-seventh Legislative Assembly of the State of Oregon, respectfully petition the Congress of the United States of America to pass Senate bill 1197, known as the Frazier bill, in order that the agricultural indebtedness of this State and Nation may speedily be liquidated and refinanced and agriculture saved from utter ruin and destruction. The farmers ask for no charity, they simply ask that American agriculture be placed on a basis of equality with other industries. They ask that the Federal reserve system be made to function for them as it is functioning for other industries. Since the Federal reserve bank is now loaning Federal reserve notes to New York banks at 1½ per cent interest—and since our Government refinanced the foreign nations to the extent of $15,000,000,000 at less than 1½ per cent interest—we feel that this bill asks nothing but simple justice and a square deal for agriculture. As a Nation we have protected industries by tariff laws for generations, and we feel that the farmer is now entitled to first consideration at the hands of Congress; and be it further

*Resolved*, That the secretary of state of the State of Oregon be, and he hereby is, authorized and directed forthwith to transmit a copy of this memorial to the President of the United States, to the President of the Senate, and the Speaker of the House, and to the Oregon delegation in Congress, with the request that they promote the passage of Senate bill 1197, known as the Frazier bill; and be it further

*Resolved*, That the Oregon delegation in Congress be requested to promote the passage of such a bill in a most energetic manner in order that the people of Oregon and the Pacific Northwest may receive the benefits to be derived therefrom.

Adopted by the senate January 20, 1933.

FRED E. KIDDLE,
*President of the Senate.*

Concurred in by the house February 2, 1933.

E. W. SNELL,
*Speaker of the House.*

(Indorsed: Senate Joint Memorial 2. Introduced by Senators Zimmerman and Brown. John P. Hunt, chief clerk. Filed: February 2, 1933, Hal E. Hoss, secretary of state.)

STATE OF OREGON,
OFFICE OF THE SECRETARY OF STATE.

I, Hal E. Hoss, secretary of state of the State of Oregon and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of Senate Joint Memorial 2 with the original thereof filed in the office of the secretary of state February 2, 1933, and that the same is a full, true, and correct transcript therefrom and of the whole thereof, together with all indorsements thereon. In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon.

Done at the capitol at Salem, Oreg., this 3d day of February, A. D. 1933.

[SEAL.]

HAL E. HOSS,
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Arizona, which was referred to the Committee on Banking and Currency:

EXECUTIVE OFFICE, STATEHOUSE,
*Phoenix, Ariz., February 1, 1933.*

The honorable the PRESIDENT OF THE UNITED STATES SENATE,
*Washington, D. C.*

SIR: I have the honor to transmit Senate Joint Memorial No. 1, in which the eleventh legislature, now in session, respectfully prays that Congress enact a measure which will afford the needed relief, providing, if necessary, for the refinancing by the Federal Government of all legitimate farm loans on a long-term basis.

Very truly yours,

B. B. MOEUR, *Governor.*

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
*State of Arizona, ss:*

I, James H. Kerby, secretary of state, do hereby certify that the within is a true, correct, and complete copy of Senate Joint Memorial No. 1 of the regular session of the Eleventh Legislature, State of Arizona, all of which is shown by the original engrossed copy on file in this department.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 30th day of January, A. D. 1933.

[SEAL.]

JAMES H. KERBY,
*Secretary of State.*

Senate Joint Memorial 1

*To the Senate and House of Representatives of the Congress of the United States:*

Your memorialist, the Eleventh Legislature of the State of Arizona, in regular session assembled, respectfully represents:

Practically all Arizona farms are encumbered by some form of mortgage, and during the past two years or more owners have been faced with the necessity of meeting their principal payments and interest, plus taxes, water charges, and other operating costs, on a 100 per cent basis, with products representing approximately 35 per cent of their former sale value.

In spite of this apparently impossible situation farmers have with courage and determination continued their activities, kept production at a normal point, and, by great sacrifices, succeeded in meeting imperative obligations.

Liquid assets have necessarily been expended and, in most cases, totally exhausted in this effort. There is a large surplus of hay, alfalfa seed, and other farm products now on the farms and in storage for which there is no market. Such products as can be sold at all are being disposed of at prices which provide only the barest sort of a living for farm families and the payment of water charges—the irreductible minimum of expenditures necessary for the continuation of farming operations.

Farm owners can not pay interest on their indebtedness and can no longer meet principal installments until better prices are to be secured for farm products. They have no assurance that leniency will be granted by their creditors for any specified time. This uncertainty threatens the morale of those engaged in the agricultural industry and the uncertainty of the future promises to bring about a wholesale abandonment of farm property in this State.

Those who find it impossible to meet their obligations are, in most cases, farmers who are willing to continue their efforts in an attempt to protect their creditors' security and to salvage at least a portion of their life savings. Because of their experience, training, and personal interest, the farmers are in a far better position to protect creditors' interests than are the creditors themselves, and will, with reasonable cooperation on the part of the creditors, willingly make further sacrifices to conserve the value of the security for which they are individually responsible.

Short-time credits, contemplating the resumption at an early date of principal payments, the additional payment of delinquent and maturing interest and other payments, offers no relief. The uncertainty of future markets precludes any constructive farm program except it be based on present conditions, and such conditions require leniency on the part of creditors if operations are to be continued.

Wherefore your memorialist, the Eleventh Legislature of the State of Arizona, respectfully prays that Congress enact a measure which will afford the needed relief, providing, if necessary, for the refinancing by the Federal Government of all legitimate farm loans on a long-term basis, with an interest rate based upon the cost to the Government of carrying out the program.

And your memorialist will ever pray.

Adopted by the senate January 13, 1933, by the following vote: 18 ayes, 0 nays, 1 not voting.

HARRY W. HILL,
*President of the Senate.*
W. J. GRAHAM,
*Secretary of the Senate.*

Adopted by the house January 17, 1933, by the following vote: 62 ayes, 0 nays, 0 absent, 2 excused.

S. A. SPEAR,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

EXECUTIVE DEPARTMENT OF ARIZONA,
OFFICE OF GOVERNOR.

This memorial was received by the governor this 18th day of January, 1933, at 9 o'clock a. m.

H. H. HOTCHKISS,
*Secretary to the Governor.*

Approved this 18th day of January, 1933.

B. B. MOEUR,
*Governor of Arizona.*

EXECUTIVE DEPARTMENT OF ARIZONA,
OFFICE OF SECRETARY OF STATE.

This memorial was received by the secretary of state this 18th day of January, 1933, at 11.55 o'clock a. m.

JAMES H. KERBY,
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Banking and Currency:

STATE OF NEVADA, DEPARTMENT OF STATE,
*Carson City, Nev., February 2, 1933.*

Hon. CHARLES CURTIS,
*President of the United States Senate,*
*Washington, D. C.*

DEAR SIR: In accordance with instructions from the legislature, we are herewith inclosing a copy of Senate Joint Resolution No. 8, introduced by Senator Branson on January 31, 1933.

Yours very truly,

W. G. GREATHOUSE,
*Secretary of State.*

Senate Joint Resolution 8, memorial to Congress

The Legislature of the State of Nevada hereby respectfully represents that—

Whereas owing to the suspension of 15 banks in the State of Nevada, of a total of 26 doing business in this State, such closed banks holding as deposits the school money of the State and 12 out of 17 counties, approximately 700 teachers in Nevada are not being paid their salaries, and within the next few weeks or days several of our high schools and various other schools will have to close for want of funds: Now, therefore, be it

*Resolved by the Senate and Assembly of the State of Nevada,* That we earnestly beseech Congress to adopt the Oddie amendment to the reconstruction finance act whereby money can be loaned to schools.

*Resolved,* That the preceding paragraphs of this memorial be transmitted by air mail to the members of the Nevada delegation at Washington, the President of the United States Senate, and the Speaker of the House of Representatives.

W. F. DRESSLER,
*President Pro Tempore of the Senate.*
V. R. MERIALDO,
*Secretary of the Senate.*
FRED S. ALWARD,
*Speaker of the Assembly.*
GEORGE BRODIGAN,
*Chief Clerk of the Assembly.*

STATE OF NEVADA, EXECUTIVE DEPARTMENT.

Approved February 1, 1933, 2.55 p. m.

F. B. BALZAR, *Governor.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of South Carolina, which was referred to the Committee on Banking and Currency:

Concurrent resolution (by Mr. Thurmond) to memorialize the Congress of the United States of America to amend the Reconstruction Finance Corporation act so as to permit the States and political subdivisions thereof to borrow money for the purpose of refunding loans to be retired by taxation

IN THE SENATE.

Introduced January 26, 1933 (obj.).
Considered and adopted January 27, 1933.
Sent to house, by order of the senate.

JAS. H. FOWLER, *Clerk.*

IN THE HOUSE.

Introduced January 27, 1933.
Concurred in, as amended, and returned to senate, by order of the house.

J. WILSON GIBBS, *Clerk.*

A concurrent resolution to memorialize the Congress of the United States of America to amend the Reconstruction Finance Corporation act so as to permit the States and political subdivisions thereof to borrow money for the purpose of refunding loans to be retired by taxation

Whereas under the Reconstruction Finance Corporation act the use of Federal credit is not extended to the State and its political subdivisions except on self-liquidating projects; and

Whereas it would be of great benefit to the State and its political subdivisions if loans could be made to the State and its political subdivisions to retire existing obligations in an orderly manner over a period of years with the advantage of a lower rate of interest than otherwise obtainable: Now, therefore, be it

*Resolved by the senate (the house of representatives concurring),* That the Congress of the United States be memorialized to amend the Reconstruction Finance Corporation act by eliminating the prohibition in the act against loans to States and political subdivisions thereof to be retired by taxation and then to extend the powers of the corporation to enable it to lend to the States and political subdivisions for the purpose of retiring existing obligations heretofore made by them, and which are to be retired by taxation.

A true copy.

JAS. H. FOWLER, *Clerk.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Michigan, which was referred to the Committee on Foreign Relations:

A concurrent resolution urging the United States Senate to expedite a vote upon ratification of the Great Lakes-St. Lawrence seaway treaty

Whereas the Great Lakes-St. Lawrence seaway treaty is now in the hands of the Foreign Relations Committee, having passed through the hands of a subcommittee, where full and comprehensive hearings were granted to all interested parties; and

Whereas sufficient publicity has been given to this project so as to enlighten the whole of our people; and

Whereas it now appears that there exists a real and imperative need for a waterway outlet for the products of the great Middle West; and

Whereas it appears that the immediate effect of ratification would result in the expenditure of large sums of money for labor and materials; and

Whereas such outlay by the Government would permit of great increase in employment, thereby lessening the burden of the present depression, for which there seems to be no immediate remedy: Now, therefore, be it

*Resolved by the senate (the house of representatives concurring),* That the Fifty-seventh Legislature of the State of Michigan

requests the Senate of the United States to delay no longer in bringing the matter of ratification before that body for final consideration.

January 18, adopted by the senate.

February 2, adopted by the house of representatives.

DON W. CANFIELD,
*Secretary of the Senate.*
MYLES F. GRAY,
*Clerk of House of Representatives.*

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on the Judiciary:

THE STATE OF IDAHO,
DEPARTMENT OF STATE,
*Boise, February 4, 1933.*

Hon. CHARLES CURTIS,
*Vice President of the United States, Washington, D. C.*

DEAR SIR: I am submitting certified copy of House Joint Memorial No. 7, as directed by resolution contained in the memorial.

Very truly yours,

FRANKLIN GIRARD,
*Secretary of State.*

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho, and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 7, enacted by the twenty-second session of the Legislature of the State of Idaho, and filed in this office the 4th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 4th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial No. 7, by judiciary committee, a joint memorial to the honorable the Senators of the United States of America.

Received and filed February 4, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 7 (by judiciary committee)

To the honorable the SENATORS OF THE UNITED STATES OF AMERICA.

We, your memorialists, the Legislature of the State of Idaho, respectfully represent—

That relief through appropriate legislation must immediately be extended to those engaged in agriculture, to home owners, and to others who now find themselves in a condition because of a depression which is not of their making that they can not meet obligations that have been justly incurred and through no fault of theirs are about to lose the savings and accumulations of a lifetime.

That the relief that can be had under the proposed amendment to the national bankruptcy act recently passed by the House of Representatives of the Congress of the United States (H. R. 14359) will be more effective, more far-reaching, and more uniform in its operations than any relief that can be had through State legislation.

We would, therefore, most respectfully but earnestly urge your honorable body to promptly pass the proposed amendments to the national bankruptcy act, and we would urge that such action be taken at the earliest possible date, to the end that if relief in this national crisis can not be had through Federal legislation that we may have time before the adjournment of our regular session to enact such State legislation, inadequate as it may be, to remedy a situation that seems to imperil our social and economic systems: Be it

*Resolved by the House of Representatives of the State of Idaho (the Senate concurring)*, That the secretary of state be instructed to send immediately by air mail copies of the foregoing memorial to the Vice President of the United States and to Senators WILLIAM E. BORAH and JOHN THOMAS.

This house joint memorial passed the house on the 3d day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

This house joint memorial passed the senate on the 3d day of February, 1933.

GEO. E. HILL,
*President of the Senate.*

I hereby certify that the within House Joint Memorial No. 7 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,
*Chief Clerk of the House of Representatives.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Indiana, which was ordered to lie on the table:

A concurrent resolution concerning the Volstead Act

Whereas there is an unmistakable manifestation of public sentiment throughout the country for the repeal of the eighteenth amendment, and pending the repeal of such eighteenth amendment, for the drastic modification of the Volstead Act, purporting to regulate and prohibit the manufacture, sale, and use of intoxicating liquor; and

Whereas this sentiment has been given emphatic expression in the State and national platforms of both of the major political parties; and

Whereas the return of a well-regulated liquor traffic will impart the much-needed impetus to the paralyzed industrial life of the Nation, afford employment for hundreds of deserving workmen, supply the impulse which is essential to terminate the intolerable industrial depression under the baneful influence of which the country is now suffering, and supply the Government with badly needed revenue: Therefore be it

*Resolved by the Senate of the General Assembly of the State of Indiana (the House of Representatives concurring)*, That the General Assembly of the State of Indiana respectfully memorializes the Congress of the United States, at its present session, to make such changes in and amendments to the national prohibition act as are constitutionally possible, and of such nature as to concretely reflect the liberal tendencies of the country, to suppress the intolerable and gigantic systems of bootlegging and organized crime which have terrorized the country and rendered life and property equally insecure, to impart the needed stimulus to the sluggish industry of the country, and to recruit the depleted coffers of the Treasury from sources which have heretofore constituted the ill-gotten gains of gangsters and the lawless elements of the underworld.

SEC. 2. That a copy of this resolution be sent by the secretary of the senate to the Speaker of the National House of Representatives and the Presiding Officer of the Senate of the United States and to each Member of Congress from the State of Indiana. The respective Houses of the Congress of the United States are hereby respectfully requested to spread this resolution upon the records of the two Houses of Congress, respectively.

I hereby certify that this is a true and correct copy of Senate Concurrent Resolution No. 1, which passed the Indiana General Assembly January 23, 1933.

DICK HELLER, *Secretary of Senate.*

The VICE PRESIDENT also laid before the Senate resolutions adopted by the board of aldermen of the city of St. Louis, Mo., favoring the passage of legislation authorizing the issuance of a special series of postage stamps to commemorate an anniversary of Brig. Gen. Thaddeus Kosciuszko, which were referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a resolution adopted by Mohliver Branch, No. 275, Workmen's Circle of the Bronx, New York City, N. Y., favoring the passage of the so-called La Follette-Costigan bill, being the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table.

Mr. COPELAND presented a memorial numerously signed of sundry citizens of Endicott and vicinity, in the State of New York, remonstrating against the passage of legislation to legalize the manufacture and sale of liquors with an alcoholic content stronger than one-half of 1 per cent, which was ordered to lie on the table.

Mr. McGILL presented the following concurrent resolution of the Legislature of the State of Kansas, which was referred to the Committee on Agriculture and Forestry:

House Concurrent Resolution 8 and memorial petitioning the Congress of the United States to enact laws and to take such other steps as may be necessary to rehabilitate agriculture to the end that business activity may be revived in the Nation

Whereas the deflation of agriculture, which has been going on for the past 12 years, has resulted in the breakdown of all other industries and commerce to the point where our social fabric is being disintegrated and the Government itself is in serious danger; and

Whereas it is now quite generally conceded by all thinking people that only by rehabilitating agriculture and restoring the purchasing power of agricultural products can business generally be restored: Now, therefore, be it

*Resolved by the House of Representatives of the State of Kansas (the Senate concurring therein)*, That the Congress of the United States be urged to enact into law as speedily as possible the national emergency act and/or similar legislation that will restore

to the basic agricultural commodities a purchasing power comparable to that enjoyed during the pre-war period of 1909 to 1914, which will in turn start all other business and industry on the upgrade; be it further

*Resolved*, That the Congress be urged to create a Federal agency to refinance our farm-mortgage indebtedness at not to exceed 3 per cent interest on a long-term amortization plan, with a deferment of all payments on the principal for a period of two years or until such time when the price of farm commodities reach a price level comparable to the pre-war period of 1909 to 1914; be it further

*Resolved*, That the secretary of state be, and is hereby, directed to transmit copies of this resolution to the Senate and House of Representatives of the United States, and to the several Members of the said bodies representing this State therein, and to the President of the United States, and to the various State legislatures now in session.

I hereby certify that the above concurrent resolution originated in the house and passed that body January 18, 1933.

J. W. BLOOD,
*Speaker pro tempore of the House.*
W. T. BISHOP,
*Chief Clerk of the House.*

Passed the senate February 2, 1933.

DALLAS W. KUART,
*President pro tempore of the Senate.*
RAY H. WELDEN,
*Assistant Secretary of the Senate.*

### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dale | King | Sheppard |
| Austin | Davis | La Follette | Shipstead |
| Bailey | Dickinson | Lewis | Shortridge |
| Bankhead | Dill | Logan | Smith |
| Barbour | Fess | McGill | Smoot |
| Barkley | Fletcher | McKellar | Steiwer |
| Bingham | Frazier | McNary | Stephens |
| Black | George | Metcalf | Swanson |
| Blaine | Glass | Moses | Thomas, Idaho |
| Borah | Goldsborough | Neely | Thomas, Okla. |
| Bratton | Gore | Norbeck | Townsend |
| Brookhart | Grammer | Norris | Trammell |
| Bulkley | Hale | Nye | Tydings |
| Bulow | Harrison | Oddie | Vandenberg |
| Capper | Hastings | Patterson | Wagner |
| Caraway | Hatfield | Pittman | Walcott |
| Clark | Hayden | Reed | Walsh, Mass. |
| Connally | Hebert | Reynolds | Walsh, Mont. |
| Coolidge | Hull | Robinson, Ark. | Watson |
| Copeland | Johnson | Robinson, Ind. | White |
| Costigan | Kean | Russell | |
| Couzens | Kendrick | Schall | |
| Cutting | Keyes | Schuyler | |

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is unavoidably absent from the Senate on account of illness.

Mr. NORRIS. I wish to announce that my colleague [Mr. HOWELL] is absent on official business of the Senate.

Mr. FESS. The junior Senator from Wyoming [Mr. CAREY] is also absent on official business of the Senate.

The PRESIDENT pro tempore. Eighty-nine Senators having answered to their names, a quorum is present.

### INVESTIGATION OF AIR MAIL CONTRACTS

Mr. BLACK. Mr. President, I ask unanimous consent to send to the desk and have read a very brief letter from Mr. D. D. Myers, of Birmingham, Ala., concerning air mail contracts. I ask then that the letter be referred to the Senate Committee on Post Offices and Post Roads, which has under consideration the resolution for a general investigation of the subject.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

BIRMINGHAM, ALA., *February 6, 1933.*

Hon. HUGO L. BLACK,
*United States Senate, Washington, D. C.*

DEAR SENATOR: As general traffic manager I operated the Cromwell Air Lines (Inc.) from Big Spring, Tex., to San Antonio, Tex., and from San Angelo, Tex., to Dallas, Tex., for about one year prior to the letting of the mail contract between Big Spring and San Antonio.

We operated 8-place Stinson planes for more than a half million miles on a daily schedule, carrying passengers and express, without a single accident.

We had fully complied with all requirements of the Post Office Department and the Watres Act, authorizing the southern transcontinental mail route.

If you will read the specifications to airline operators that had qualified to bid on the new mail contract, you can readily see why the American Airways (Inc.) were the only bidders.

* * * * * * *

The requirement of the Post Office Department, namely, 10-place, trimotored, radio-equipped planes, with sufficient space for mail, of which a very limited number had been built, were all owned by the successful bidders of the new contract, and the half-million dollar bond we would have to make to guarantee the establishment of the service within 30 days made it impossible for us or any other operator, except the American Airways (Inc.), to submit a bid.

Our contemplated bid would have been 65 cents against $1.09 that was accepted by the Post Office Department.

* * * * * * *

Until some competitive bidding is permitted on air mail contracts, the air mail deficit will continue to grow.

Sincerely yours,

D. D. MYERS.

The PRESIDENT pro tempore. The letter will be referred to the Committee on Post Offices and Post Roads.

### FARM MORTGAGES AND FARM RELIEF

Mr. COSTIGAN. Mr. President, I present for insertion in the RECORD and appropriate reference, a resolution, received from the Plateau Valley National Farm Loan Association of Colorado, urging a decrease in the interest rate on farm mortgages, a temporary deferment of amortization payments on farm mortgages with a reduction of interest rates to the capacity to pay, the refinancing of amortization payments where the borrower has made a considerable reduction of principal, and the immediate passage of bills before Congress for the relief of agriculture.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Resolutions presented and adopted by the Plateau Valley National Farm Loan Association of Colorado in annual meeting assembled

Whereas the price of all farm products is now so low that obligations contracted under other conditions can not now be met; and

Whereas a wholesale foreclosure of farm mortgages would be an economic disaster unparalleled in history to creditors and debtors alike; and

Whereas relief measures now pending before Congress promise, at least, partial relief: Therefore be it

*Resolved*—

(1) That a lower rate of interest on farm mortgages is desirable and necessary;

(2) That the amortization payments on farm mortgages should be deferred temporarily and that the interest rate should be lowered to capacity to pay;

(3) That in case where a considerable portion of the principal has been paid by the amortization payments the borrower should be refinanced at the amount still owing; and

(4) That the immediate passage of the bills before Congress for the relief of agriculture is urged as necessary to prevent the collapse of the country's basic industry.

### ISSUANCE OF NATIONAL CURRENCY TO MUNICIPALITIES

Mr. COSTIGAN. Mr. President, I also ask to have placed in the RECORD and appropriately referred resolutions advocating the issuance of national currency to municipalities on the pledge of their bonds. These resolutions were received from the City Council of Canon City, Colo., and were transmitted by Robert S. Duncan, city clerk.

There being no objection, the resolutions were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

CANON CITY, COLO., *November 7, 1932.*

Resolution advocating the issue of national currency to municipalities on the pledge of their bonds

Whereas national currency is issued to banks because of their special privilege on the pledge largely of municipal interest-bearing bonds purchased by such banks; and

Whereas the overwhelming interest burden of American municipalities is thus suffered for the benefit of specially privileged banking interests; and

Whereas the same security would exist for such currency if municipalities were themselves to deposit their bonds and receive the money loaned thereon for their public improvements directly from the Government of the United States of America; and

Whereas the interest on the municipally owned bonds so pledged would revert to the borrowing municipality: Now, therefore, be it

*Resolved*, That it is a folly and a waste to burden the public works of the people with the unnecessary debt of interest for the

benefit of the privileged manipulators of the people's currency; and be it further

*Resolved,* That the constitutional power of Congress to coin money should be exercised directly for the benefit of the people in their public works; that suitable legislation should be enacted establishing a standard of integrity and sound economy of municipal bond issues and giving to municipalities which meet such standard the same rights enjoyed by national banks to receive national currency on the pledge of their bonds; and be it further

*Resolved,* That the clerk transmit duly certified copies of this resolution to the Senate and the House of Representatives of the United States of America as a memorial to Congress from our city; and be it further

*Resolved,* That other American municipalities be, and they hereby are, invited to join in this appeal to Congress.

ROBERT S. DUNCAN, *City Clerk.*

AMENDMENT OF THE BANKRUPTCY LAW—CORPORATE REORGANIZATION

Mr. WALSH of Massachusetts. Mr. President, I have a letter from professors of corporation law of Harvard University, together with a memorandum, setting forth their opinions as to certain defects in the bankruptcy bill recently passed by the House of Representatives and now pending before the Committee on the Judiciary. I ask that the letter and the accompanying memorandum may be treated in the nature of a petition and be printed in the RECORD and referred to the Committee on the Judiciary.

There being no objection, the letter and memorandum were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

CAMBRIDGE, MASS., *February 7, 1933.*

Hon. DAVID I. WALSH,
*United States Senate, Washington, D. C.*

MY DEAR MR. WALSH: Prof. Ralph J. Baker and myself, teachers of corporation law at Harvard Law School, have been very much interested in the reorganization bill which has recently passed the House and is now pending before the Senate. We are heartily in accord with the purpose which the bill designs to accomplish, but on going over the bill carefully we believe that we have found certain defects and ambiguities in it. We have prepared the inclosed memorandum on the subject which we thought might interest you.

While some of the matters referred to in the memorandum are doubtless of minor importance, the points which we have raised with regard to the application of the act to public utilities, its possible effect in furnishing an unduly easy method of preventing the avoidance of preferences, the doubt which it seems to raise as to the possibility of providing priority for new money in a reorganization plan, the difficulties which may arise with respect to the provisions for secured creditors, and the absence of any provision for the local trial of certain claims, such as those for personal injuries, seemed to us to be matters of major importance.

Very truly yours,

E. MERRICK DODD, Jr.

MEMORANDUM ON PROPOSED AMENDMENT TO BANKRUPTCY ACT RELATING TO CORPORATE REORGANIZATION

As we are not conversant with the form of the corporate reorganization bill now pending in the Senate, this memorandum is directed to the Sumners bill, which recently passed the House of Representatives. It is confined to section 75 of that bill, the section dealing with reorganization of corporations other than railroads.

The writers of this memorandum are in sympathy with the general objects sought to be attained by the reorganization bill, and this memorandum is in no sense one in opposition to that bill, but seeks to point out ways in which we believe that the bill might be clarified and improved.

1. Application of section 75 to public utilities: Section 75 in its present form appears to be applicable not only to industrial and commercial corporations but to all public utilities other than railroads. Subsection (a) authorizes "any corporation which could become a bankrupt under section 4 of this act" to file a petition stating that the corporation is insolvent or unable to meet its debts and that it desires to effect a plan of reorganization, or in an involuntary bankruptcy proceeding to file an answer to the same effect. Under section 4 of the bankruptcy act the corporations which could become bankrupt are defined in two different ways. Subsection (a) of section 4 provides: "Any person except a municipal, railroad, insurance, or banking corporation shall be entitled to the benefits of this act as a voluntary bankrupt." Subsection (b) provides: "Any monied business or commercial corporation except a municipal, railroad, insurance, or banking corporation owing debts to the amount of $1,000 or over may be adjudged an involuntary bankrupt." In Holland *v.* Gas Co. (257 Fed. 679) it was held by the circuit court of appeals that a public utility may be a voluntary bankrupt.

Apparently, therefore, section 75 applies to public utilities such as gas and electric companies, telephone companies, motor-bus companies, and the like. The application of the section to such utilities raises a number of questions of very serious import.

In the first place the laws of many States give the State public service commission power over all security issues of utilities, including securities issued by reorganized corporations, and the laws of some States—New York, for example—give the commission somewhat broader powers over reorganizations. Under the present practice of reorganizing utilities through equity receiverships, the reorganization plan, after approval by the court, must, with respect to the new securities issued thereunder, be approved in many States by the State commission just as a railroad reorganization must in that respect be approved by the Interstate Commerce Commission. There is nothing in the language of section 75 which specifically alters this situation, but inasmuch as section 75 purports to be an exercise of the Federal bankruptcy power and as a Federal bankruptcy statute supersedes all inconsistent State laws, we believe that there is a real danger that section 75 would be construed as intended to cover the whole field and to make the confirmation of the reorganization plan by the court a final adjudication of the validity of the securities to be issued thereunder which would oust the State commission of all jurisdiction. This view is somewhat strengthened by the provision in subsection (a) that the Federal court "shall during the pendency of the proceedings under this section have exclusive jurisdiction of the debtor and its property wherever located for the purposes of this section," and also by the fact that in section 76 dealing with railroads the powers of the Interstate Commerce Commission to pass upon security issues and certain other matters are specifically set forth while no similar mention of State utility commissions is made in section 75.

In our judgment, any such construction of the act would have most unfortunate results. The State commissions are vitally concerned with the capital structure of reorganized utilities, and if such utilities are to be dealt with in section 75, appropriate language should be inserted indicating that control of State commissions over security issues is in no way abridged by that section.

Whether public utilities should be included in the bill at all is a more debatable question. We believe that the arguments which have led to the conferring of wide powers on the Interstate Commerce Commission in section 76 in connection with railroad reorganizations apply substantially to utility reorganizations, with the State commissions substituted for the Interstate Commerce Commission. Existing State statutes do not, however, give the State commissions powers comparable to those conferred upon the Interstate Commerce Commission by section 76. Hence a similar solution of the public utility reorganization problem is impracticable at the present time unless it be possible for Congress to confer upon State commissions by this bill powers comparable to those given the Interstate Commerce Commission by section 76—making the State commissions, in effect, part of the Federal bankruptcy machinery in connection with utility reorganizations.

If this is not feasible the choice would seem to lie between leaving utility reorganizations to equity, as at present, and including them in the present bill with a saving clause explicitly preserving the powers of State commissions over security issues. It is our opinion that even if commission control over security issues were explicitly preserved, there would still remain so many problems which have not been adequately explored as to the possible effect of section 75 on the whole subject of State control over reorganized utilities that it would be advisable to exclude utility operating companies altogether from section 75.

If, however, the section is to deal with utilities, there are certain matters, other than the problem of State commissions' powers, which it would be desirable to deal with by express provisions. The railroad section (76) specifically authorizes the court to apply to railroad reorganizations instituted under that section the so-called 6-months rule allowing priority to certain labor and material claims. That rule is applied in equity to utilities, but as there is no mention of it in section 75, there is doubt whether it would be applicable to proceedings under that section. This doubt should be removed.

Another peculiarity of railroad and utility reorganizations in equity is that the courts have much broader powers to issue receiver's certificates than they have in industrial reorganizations. Subsection (c) (2) provides for the issue by trustee with court approval of certificates with "such priority in payments over existing obligations, secured or unsecured, as may be lawful in the particular case." The corresponding of section 76 refers expressly to the rules established in equity receiverships as to the priorities which may be given to certificates. We believe that the language of section 76 is a good deal clearer in this respect than the language of section 75.

2. Effect of section on preferences: Preferential payments to creditors are in the present state of law generally valid unless a bankruptcy petition is filed within four months of the preference, in which the case the preference may be set aside by proceedings brought by the trustee in bankruptcy pursuant to section 60 of the act. Courts of equity have in general no power to upset preferences in receivership proceedings. The appointment of a receiver by a court of equity does not, however, prevent creditors from instituting bankruptcy proceedings. Under section 3 of the act the appointment of a receiver because of insolvency is in itself an act of bankruptcy, and even where the receiver is appointed for some other reason, bankruptcy proceedings may be instituted if the debtor is guilty of some other act of bankruptcy. The giving of a preference is such an act.

The result is that creditors who desire to have preferences upset are not prevented from doing so by receivership proceedings since they may in a proper case file an involuntary petition in bankruptcy which will supersede the receivership. Under section 75, however, the situation is very different. Subsection (a) provides

that upon the filing of a petition or answer by a corporation seeking reorganization, "the court shall enter an order either approving of it as properly filed under this section or dismissing it. If the petition or answer is so approved, an order of adjudication in bankruptcy shall not be entered and the court in which such order approving the petition or answer is entered shall, during the pendency of the proceedings under this section, have exclusive jurisdiction of the debtor and its property wherever located for the purposes of this section."

Clearly, therefore, no court is in a position to upset preferences during the pendency of reorganization proceedings unless the court in which the reorganization is pending can do so. Apparently that court has no power to deal with preferences. Under section 60 of the bankruptcy act the trustee is empowered to sue for the recovery of preferences which have been given by a bankrupt within four months of the filing of the petition in bankruptcy. A reorganization petition, if instituted by the corporation, is not, it would seem, a petition in bankruptcy, being referred to in section 73 as a proceeding "for the relief of debtors." No adjudication in bankruptcy takes place, so that the debtor is not a bankrupt. Even where a petition in bankruptcy has been filed and the reorganization proposal is made in the corporation's answer, there is no adjudication and hence no bankruptcy.

Apparently, therefore, so long as reorganization proceedings are pending, no attack on preferences can be made, and, if a reorganization is finally approved and carried out, preferences are thereby validated. There are dangers in this situation. It would seem to be possible for an insolvent corporation which desires to make a preference to follow the making of a preferential payment by the institution of a reorganization petition, or if a bankruptcy petition is filed against it to file an answer proposing reorganization and thus to validate the preference, at least if reorganization is carried out. On the other hand, it may be argued that to provide for the avoidance of preferences in reorganization proceedings might in some cases unduly complicate and delay the reorganization.

It may be doubted, however, whether the effect of section 75 in validating preferences is confined to cases where the reorganization is carried out. Subsection (c) provides that if reorganization fails the court may either dismiss the proceeding or direct the trustee to liquidate. Suppose that a reorganization petition brought by the corporation is dismissed after more than four months have elapsed. Creditors could then bring an involuntary bankruptcy petition, but the lapse of time would have validated all preferences made before the reorganization petition was filed.

Even if the trustee is directed to liquidate, it is not clear that preferences could be avoided if the original petition for reorganization were filed by the corporation and more than four months have elapsed. It appears to be the intention of the section, as indicated in subsection 1, that liquidation shall be governed by the usual bankruptcy rules. Preferences can not, however, be avoided in bankruptcy unless made within four months of the filing of a bankruptcy petition, and it is doubtful if a corporation's petition for reorganization becomes a bankruptcy petition ab initio simply because reorganization fails and an order to liquidate is made.

We suggest that this whole problem of the relation of the reorganization section to the avoidance of preferences should be given careful consideration.

3. Bankers' control over reorganizations: It is well known that where a corporation with a large amount of bonds outstanding is reorganized through equity proceedings, control of the reorganization proceedings tends to get into the hands of bankers. They usually succeed in persuading the majority of the bondholders to deposit bonds with them and accordingly come to represent the majority of the creditors. In some cases there is a real conflict of interest between these bankers and the creditors whom they represent, but the court has as a practical matter little opportunity to inquire into this conflict of interest, particularly where, as is often the case, the receiver is friendly to the bankers. Moreover, even where the court suspects that the reorganization is more favorable to the bankers than to their clients, it has difficulty in doing anything about it inasmuch as no reorganization can be put through without the consent of the majority of the creditors, and the bankers under the usual type of deposit agreement have broad powers to represent these creditors.

The present section does little, if anything, to alter this situation. Perhaps it is not practicable to do anything about it. It might, however, be possible to give either the court or the trustee or both larger powers with regard to the framing or modification of a reorganization plan, or to provide that all deposit agreements and other contracts between committees or reorganization managers and depositors should be submitted to the court and be subject to modification by the court if found to be inequitable. It would seem that these matters are so intimately connected with reorganization that Congress could properly legislate with regard to them.

4. Reorganization plan: Subsection (b) provides that the reorganization plan shall include a proposal to modify the rights of creditors and may include provisions altering the rights of stockholders. This seems to contemplate the possibility of a reorganization plan which would cut down creditors' rights while leaving stockholders' rights unaffected. Of course, such a plan could not go through unless it had the approval of two-thirds of the creditors and of the court, as provided in subsections (e) and (f). Such a plan would, however, be so inequitable and so contrary to the settled rule of Northern Pacific Railroad *v.* Boyd that there seems no reason for permitting it to be proposed. The annotations to the original Hastings bill indicate that this provision was inserted because "jurisdiction under the bankruptcy act is predicated on the power of Congress to regulate the relations between debtors and creditors." It is doubtless true that a reorganization plan which affected stockholders alone would not come within the purview of the bankruptcy power, but there seems no reason why the act should contain the suggestion that a reorganization plan might scale down debts and leave stockholders entirely unaffected.

An essential feature of most reorganization plans is the giving to persons who put new money into the enterprise a lien prior to the liens of some or all classes of old bondholders. Section 75 does not refer explicitly to this feature of reorganization plans. The language of subsection (b) (1) may be broad enough to cover it, but the matter is of such vital importance that it would seem desirable to deal with it in clear and unmistakable language.

5. Secured creditors: The rights of secured creditors are dealt with in subsections (e), (f), and (g) in a manner that does not seem either wholly clear or wholly satisfactory. Under subsections (e) and (f) secured creditors may take their security or its equivalent in value in lieu of any participation in the reorganization. This is satisfactory if their security is adequate to cover their claims, but difficulties and uncertainties seem likely to arise under the act in cases where the security is sufficiently valuable so that the secured creditor wishes to hold on to it and yet is not sufficient to cover his claim in full. In bankruptcy in such a situation the secured creditor may take his security and then prove for the balance of his claim. Under the rule which prevails in equity, on the other hand, he may keep his security and still prove for the full amount of his claim provided, of course, that he can not get more than 100 cents on the dollar from the two proceedings. The equity rule is generally regarded as undesirable, and reorganizations should be free from it. It would, therefore, seem desirable to provide explicitly that a creditor who insists upon keeping his security or its equivalent in value shall be treated in the reorganization as a claimant only for the balance of his claim, but that he shall have a right to participate in the reorganization to that extent both with respect to voting and with respect to the new securities which he must receive if the plan is to be regarded as fair. The language of the present act seems to leave his status a good deal in doubt in a situation of that sort.

Subsection (g) provides that even though two-thirds in amount of a class of secured claims has accepted the reorganization plan "any secured creditor who is unwilling to accept the benefits provided for him under the plan may file with the clerk at any time prior to the confirmation of the plan a demand in writing that his lien be afforded the protection required by subdivision (f), clause 5, of this section." On the other hand, section 76 provides that secured creditors of railroads, like unsecured creditors, shall be bound by the votes of two-thirds of the class to which they belong. The rule of section 76 appears to be more equitable, at least with respect to such creditors as bondholders, and there seems no particular reason for limiting it to railroad cases. Incidentally, subsection (g)(6) seems to give the individual bondholder greater rights than most modern trust indentures give him since they usually provide that the trustee is under no duty to take action unless requested by a substantial percentage of the bondholders. The effect of such provisions in equity reorganizations is that minority bondholders may be compelled to accept a reorganization approved by the majority. See Allan *v.* Moline Plow Co. (14 F. (2d) 912).

6. Compensation for reorganization services: Subsection (f)(2) provides for confirmation of the plan if the judge is satisfied, among other things, that "all amounts to be paid by the debtor or by any corporation or corporations acquiring the debtor's assets for services or expenses incident to the reorganization have been fully disclosed and are reasonable or are to be subject to the approval of the judge." The effect of this provision would seem to be to limit the control of the judge over reorganization expenses in substantially the same way in which the control of the Interstate Commerce Commission over railroad reorganization expenses was limited by the recent St. Paul case. If, as was provided in that case, the reorganization expenses, instead of being paid by the debtor or the new corporation, are under the reorganization plan to be paid by assessments imposed upon the stockholders, subsection (f) (2) would give the court no control over them. For the reasons stated by the dissenting judges in that case, we believe that a court or other body which has charge of reorganizations should have control over expenses of that sort. Despite the language of the majority opinion, it would seem probable that if Congress explicitly granted such a power in a bankruptcy act, the court would uphold it. The decision in the St. Paul case was rested mainly on the theory that the interstate commerce act did not confer such a power on the commission. It is true that there is some language in the opinion to the effect that such power could not constitutionally be granted to the commission, but that appears to be because the court regarded the commission's powers as based upon the commerce clause and doubted whether agreements of this sort are sufficiently related to interstate commerce. It could hardly be doubted that where they are part of the reorganization plan they are intimately related to reorganization, and the whole theory of this act is that reorganization is within the scope of the bankruptcy power.

7. Lists of security holders: Section 76 provides that railroads shall furnish lists of stockholders and known bondholders which shall be open to inspection by all stockholders and creditors. Recent litigation in certain reorganizations indicates that such a provision may be extremely important in order to enable those who

are contesting a bankers' reorganization to get bondholders' support. Its importance is certainly not confined to railroads. Section 75 (c) (3) does require the debtor to furnish such schedules and information "as may be necessary to disclose the conduct of the debtor's affairs and the fairness of any proposed plan." It might be desirable, however, to provide explicitly for the furnishing of stock and bond lists, as in the case of railroads.

8. Statement of transfers: "With such acceptance there shall be filed a statement, verified in such manner as the judge shall require, showing what, if any, claims and shares of stock have been purchased or transferred by those accepting the plan after the commencement or in contemplation of the proceeding, and the circumstances of such purchase or transfer: *Provided, however,* That if the judge is satisfied that by reason of the number of securities outstanding and the extent of the public dealing therein the preparation of such a statement would be impractical, he may direct that it be not filed." The object of this provision would seem to be to enable the court in passing on the fairness of the plan to have before it evidence as to whether the members of a particular class of security holders have acquired their claims at low prices or in an inequitable manner, but the absence of any statement in the act as to the purpose of the provision may raise doubts as to the extent to which the court is authorized to treat the information obtained by virtue of this requirement as material.

9. Proof of claims by nonresidents: Subsection (a) of the act provides that the court in which the reorganization petition is brought shall "during the pendency of the proceedings under this section have exclusive jurisdiction of the debtor and its property wherever located for the purposes of this section." In so far as this does away with the necessity for ancillary proceedings elsewhere and enables the trustee to deal with the entire property and business of the debtor wherever situated, this is a great improvement over the present equity practice. It may, however, have unfortunate results with respect to proof of disputed claims, especially those requiring oral testimony. Some of the corporations reorganized under the act may do business all over the United States. The claims are not as in bankruptcy limited to those arising out of contracts, the word "creditors" being defined for the purpose of section 75 as including "all holders of claims of whatever character against the debtor or its property." This language would cover tort claims such as those for personal injury. It is quite possible under the act that proceedings may be instituted in New York by a corporation which is doing business as far away as California and has personal injury tort claimants against it in California. To try these tort claims in New York is neither fair nor practicable. Yet the act makes no provision for trying them elsewhere, unless the provision in subsection (c) (8) for referring matters to a special master would authorize the New York Federal court to appoint a California master in such cases, or unless the provision in subsection (c) (4) empowering the court to determine the manner in which claims may be evidenced or allowed gives the court power to provide for some sort of hearing in California. This is not, however, a satisfactory solution of the matter, both because it makes it necessary for the California claimant to seek the judge in New York in order to get the appointment of a California master, and because a judge sitting in New York would scarcely be qualified to select a master 3,000 miles away. The provision of subsection (c) (4) is so vague as to be of little help. It would seem that some explicit provision for the local trial of certain classes of claims is essential to avoid injustice.

10. Effect of dismissal of proceedings on pending claims: As already indicated, the court has power, if no reorganization plan can be worked out, either to dismiss the proceedings or to decree liquidation. Doubtless the second course would be the one normally pursued, but particularly if public utilities are to remain subject to the act, cases in which the proceedings will be dismissed after months or years of futile effort to work out a reorganization may sometimes occur. The possible effect of this situation in validating preferences has already been referred to. Another important question is its effect upon claims which have been filed but not allowed. Unless the filing of such claims prevents the running of the statute of limitations, such claims may become barred by lapse of time. Perhaps the provision of subsection (a) that the court shall have exclusive jurisdiction of the debtor during the pendency of the proceedings would be enough to prevent the statute of limitations from running, but the act is far from clear on the point.

Nor is it altogether clear that the allowance of claims has any effect unless reorganization takes place. It might be well to provide expressly that the allowance of a claim is a final determination of its validity even if the reorganization proceedings are ultimately dismissed because of failure to agree upon a plan.

E. MERRICK DODD, Jr.
RALPH J. BAKER.

FEBRUARY 1, 1933.

## PENSIONS OF WIDOWS OF CIVIL WAR VETERANS

Mr. BINGHAM. Mr. President, several widows of Civil War veterans in my State have received a letter from the National Tribune, signed by Rice W. Means, urging them to subscribe for the National Tribune and disturbing them very greatly by asking them if they can prove that the physical disabilities of their husbands who died since the Civil War were contracted in the services, and stating, "The National Chamber of Commerce proposes to take your pension away from you."

This has caused a great deal of distress among a number of very worthy ladies of advanced age. I was interested to find out what proof there was in it, and I sent a letter to the chamber of commerce, and I have a letter from the president of that organization assuring me that it is a gross misrepresentation of their position. In order that the distress which has been occasioned may be somewhat officially assuaged, I ask unanimous consent that both letters may be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE NATIONAL TRIBUNE,
*Washington, D. C.*

DEAR MADAM: Can you prove the physical disabilities of your deceased veteran husband were contracted in the service?

If not, the national chamber of commerce proposes taking your pension away from you.

Veterans and widows are in more danger at the present moment than ever before.

Regardless of what you read and hear, the National Tribune wants you to know that big business, by controlling large newspapers, magazines, the radio, and other avenues of propaganda, is desirous of taking away all pensions except for disabilities which can be proven were incurred in line of duty. If they find it impossible to do that, their next move is to write a "pauper" clause in all legislation granting benefits to veterans, their widows, and dependents.

This is not an attempt to scare you. We merely want you to know the truth.

The National Tribune will fight both of these proposals with all its might and power. We also say to you that we think we will be successful, but because of the tremendous power of our enemies there is always imminent danger if we are not on the lookout.

I believe all veterans and widows receiving a pension owe it to themselves to keep informed. To do this you must read the National Tribune.

The majority of Congressmen are friendly to veterans and their cause. However, your cause must be properly presented to the Congress. The National Tribune will perform that task.

Self-interest as well as gratitude should prompt you to support the National Tribune.

Don't delay getting the news here in Washington. Send $2 for your subscription to the National Tribune at once.

Yours in comradeship,

RICE W. MEANS.

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CHAMBER OF COMMERCE OF THE UNITED STATES,
*Washington, January 31, 1933.*

The Hon. HIRAM BINGHAM,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR BINGHAM: It was kind indeed of you to bring to our attention the circular of the National Tribune representing to widows of Civil War veterans that the Chamber of Commerce of the United States is endeavoring to take their pensions away from them. We also have heard of this matter recently from other sources.

I know you realize how grossly this misrepresents the position of the national chamber. At no time has it expressed any attitude with respect to pension payments by the Government to widows of Civil War veterans.

One of the penalties of being prominently before the public seems to be misrepresentation of this kind, but it becomes doubly unfortunate when it creates unfounded anxiety among aged women who at best have scant familiarity with such matters.

With appreciation of your endeavor to ascertain the facts and with all good wishes,

Yours sincerely,

H. I. HARRIMAN, *President.*

## REPORTS OF COMMITTEES

Mr. JOHNSON, from the Committee on Commerce, to which was referred the bill (S. 5581) authorizing the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes, reported it without amendment and submitted a report (No. 1164) thereon.

Mr. BULKLEY, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 235) amending provisions in river and harbor laws relating to local cooperation in the prosecution of waterway improvements, reported it with an amendment and submitted a report (No. 1168) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and

operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho (Rept. No. 1169);

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill., and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill. (Rept. No. 1170); and

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y. (Rept. No. 1171).

Mr. BROOKHART, from the Committee on Claims, to which was referred the bill (S. 4326) for the relief of R. S. Howard Co. (Inc.), reported it with an amendment and submitted a report (No. 1165) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2508. An act for the relief of Maj. O. S. McCleary, United States Army, retired (Rept. No. 1166); and

S. 2862. An act for the relief of W. H. Hendrickson (Rept. No. 1167).

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 5989. An act for the relief of John O'Neil (Rept. No. 1172); and

H. R. 9473. An act for the relief of Olen H. Parker (Rept. No. 1173).

Mr. SHORTRIDGE also, from the Committee on Naval Affairs, to which was referred the bill (H. R. 5329) to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929, reported it without amendment and submitted a report (No. 1174) thereon.

Mr. TYDINGS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9166) for the relief of William E. B. Grant, reported it with an amendment and submitted a report (No. 1175) thereon.

Mr. METCALF, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9272) to correct the rating of John Huntz Roloff, Fleet Naval Reserve, reported it with an amendment and submitted a report (No. 1176) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 5553) to relieve destitution in the District of Columbia, reported it with an amendment and submitted a report (No. 1177) thereon.

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (S. 5052) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late Annie Regina Brahler from St. Mary's Cemetery to Cedar Hill Cemetery, reported it with amendments and submitted a report (No. 1178) thereon.

### POINTS OF HISTORIC INTEREST IN THE NATIONAL CAPITAL

Mr. WALSH of Massachusetts. From the Committee on Printing I report two Senate resolutions. They are of a formal nature, and I ask unanimous consent for their immediate consideration.

The PRESIDENT pro tempore. The first resolution reported by the Senator from Massachusetts will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 354), as follows:

*Resolved*, That a revised and corrected edition of Senate Document No. 10, Seventy-first Congress, first session, entitled "Points of Historic Interest in the National Capital," be printed, with illustrations, as a Senate document, and that 5,000 additional copies be printed for the use of the Senate document room.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

### REPORT OF DAUGHTERS OF THE AMERICAN REVOLUTION

The PRESIDENT pro tempore. The clerk will read the second resolution reported from the Committee on Printing by the Senator from Massachusetts [Mr. WALSH].

The Chief Clerk read the resolution (S. Res. 355), as follows:

*Resolved*, That the Thirty-fifth Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1932, be printed, with illustrations, as a Senate document.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

### ENROLLED BILL PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on February 8, 1933, that committee presented to the President of the United States the enrolled bill (S. 5357) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg.

### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 5606) for the relief of Julia E. Smith; to the Committee on Claims.

By Mr. SMOOT:

A bill (S. 5607) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund; to the Committee on Banking and Currency.

By Mr. BULKLEY:

A bill (S. 5608) to permit payment of any sum due under the civil service retirement act to a deceased employee or a former employee who has become incompetent where no demand has been made by an administrator, executor, or guardian; to the Committee on Civil Service.

By Mr. WAGNER:

A bill (S. 5609) to amend the emergency relief and construction act of 1932; to the Committee on Banking and Currency.

By Mr. JOHNSON:

A bill (S. 5610) for the relief of Catherine Wright; to the Committee on Claims.

By Mr. BANKHEAD:

A bill (S. 5611) to authorize the Secretary of the Treasury in his discretion to acquire a new site in Huntsville, Ala., and to construct a building thereon for the accommodation of the courts, post office, and other Government offices; to the Committee on Public Buildings and Grounds.

### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Claims:

H. R. 657. An act for the relief of Peter Bess;

H. R. 1905. An act for the relief of Mary E. Dawley;

H. R. 2217. An act for the relief of the Bethel Cemetery Co., the Presbyterian Church, Harold S. Stubbs, George Morgan, Edward Stapp, William J. Howard, David J. Seacord, Mary L. McIntire, Emma E. Foard, Herbert C. Hannigan, Sisters of St. Baisl, Edward Bedwell, and Rachel A. Loveless;

H. R. 2597. An act for the relief of the Farmers & Merchants National Bank, of Gilmer, Tex.;

H. R. 2872. An act for the relief of the Dongji Investment Co. (Ltd.);

H. R. 5150. An act for the relief of Annie M. Eopolucci;

H. R. 5270. An act for the relief of Estelle M. Gardiner;

H. R. 5444. An act to provide an additional appropriation as the result of a reinvestigation, pursuant to the act of February 2, 1929 (45 Stat. 2047, pt. 2), for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosions at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926;

H. R. 6275. An act for the relief of Howard McKee;

H. R. 7038. An act for the relief of Frances Southard;

H. R. 7128. An act for the relief of Della O'Brien;

H. R. 9223. An act for the relief of Irene Brand Alper; and

H. R. 9476. An act for the relief of the Merchants & Farmers Bank, Junction City, Ark.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. ODDIE. Mr. President, I submit an amendment intended to be proposed by me to House bill 13872, the Agricultural Department appropriation bill, to be inserted at the proper place. It is Senate bill 36, the Federal-aid road construction bill as passed by the Senate during the first session of this Congress. I ask that the amendment may be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

The proposed amendment is as follows:

At the proper place in House bill 13872 to insert the following:

"That for the purpose of carrying out the provisions of the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be expended according to the provisions of such act as amended: The sum of $125,000,000 for the fiscal year ending June 30, 1934; the sum of $125,000,000 for the fiscal year ending June 30, 1935: *Provided*, That in apportioning the foregoing sums among the several States and the Territory of Hawaii for said fiscal years deductions shall be made as reimbursement to the United States of the $80,000,000 emergency advance funds apportioned to such States and the Territory of Hawaii and used in road work, such deductions to be made at the rate of $16,000,000 each fiscal year, in accordance with the item 'Federal-aid highway system' of the act approved December 20, 1930 (46 Stat. 1031).

"SEC. 2. That for the purpose of carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, there is hereby authorized to be appropriated for forest roads and trails, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said section 23: The sum of $12,500,000 for the fiscal year ending June 30, 1934; the sum of $12,500,000 for the fiscal year ending June 30, 1935.

"SEC. 3. That for the purpose of carrying out the provisions of section 3 of the Federal highway act, as amended June 24, 1930 (46 Stat. 805), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations, other than the forest reservations, the sum of $3,000,000 for the fiscal year ending June 30, 1933, the sum of $3,000,000 for the fiscal year ending June 30, 1934, the sum of $3,000,000 for the fiscal year ending June 30, 1935, available until expended.

"SEC. 4. That for the purpose of carrying out the provisions of the act of April 9, 1924 (43 Stat. 90), entitled 'An act authorizing the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks and monuments under the jurisdiction of the Department of the Interior,' as amended by the act of January 31, 1931 (46 Stat. 1053), and the act of March 4, 1931 (46 Stat. 1553), there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said acts: The sum of $7,500,000 for the fiscal year ending June 30, 1934; the sum of $7,500,000 for the fiscal year ending June 30, 1935; of which sums $1,500,000 may be allocated each year, in the discretion of the Secretary of the Interior, for the construction, reconstruction, and improvement of approach roads to national parks and national monuments, inclusive of necessary bridges: *Provided*, That in lieu of the total cash appropriations herein authorized the Secretary of the Interior may approve projects, incur obligations, and enter into contracts for additional work each fiscal year not exceeding the difference between the amount of the unobligated appropriation for the particular fiscal year and the amount herein authorized for said fiscal year, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction of roads in national parks and national monuments shall be considered available for the purpose of discharging the obligation so created.

"SEC. 5. In every case in which, in the judgment of the Secretary of Agriculture and the highway department of the State in question, it shall be practicable to plant and maintain shade trees along the highways authorized by the act of November 9, 1921, and by this act, the planting of such trees shall be included in the specifications provided in section 8 of said act of November 9, 1921, and the Federal highway act of November 9, 1921, is amended accordingly."

KATHERINE R. THEBERGE

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 914) for the relief of Katherine R. Theberge, which was, on page 1, line 10, after the word "ambulance," to insert a colon and the following proviso:

*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. WALSH of Massachusetts. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PAPERS RELATING TO THE ADMISSION OF MICHIGAN INTO THE UNION

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 341) submitted by Mr. VANDENBERG January 26, 1933, as follows:

*Resolved*, That the Secretary of the Senate is instructed to make photostatic copies of the following papers and documents and deposit them in the Senate files, and thereupon to transmit the originals to the Michigan State Library in the capitol building at Lansing, Mich.:

(1) Original copy of S. 81, reported from the Senate Judiciary Committee on December 29, 1836, the same being a bill to grant statehood to Michigan.

(2) Original copy of the message of President Andrew Jackson submitted to the Senate on December 10, 1835, the same being the Executive notification of Michigan's action in qualifying for statehood.

(3) Original credentials of United States Senators Lucius Lyon and John Norvell from Michigan, who took their seats on January 26, 1837, the same being the date of Michigan's admission to statehood.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THE CALENDAR

The PRESIDENT pro tempore. Routine morning business is concluded.

Mr. McNARY. Mr. President, I submit a proposed unanimous-consent agreement.

The PRESIDENT pro tempore. The unanimous-consent agreement proposed by the Senator from Oregon will be stated.

The Chief Clerk read as follows:

*Ordered* (by unanimous consent), That the Senate proceed to the consideration of unobjected bills on the calendar, subject to 5-minute debate as provided in Rule VIII.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into. Under the agreement the calendar is in order, and the clerk will state the first bill on the calendar.

The bill (S. 268) to amend subdivision (c) of section 4 of the immigration act of 1924, as amended, was announced as first in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2642) to establish a commission to be known as a commission on a national museum of engineering and industry was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 166) to print the pamphlets entitled "Draft of Mooney-Billings Report" and "Appendix Containing Official Documents" was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 3696) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 15) to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals, in the State of Alabama, to authorize the letting of the Muscle Shoals properties under certain conditions, and for other purposes, was announced as next in order.

The PRESIDING OFFICER (Mr. FESS in the chair). The joint resolution will be passed over.

The bill (S. 572) to provide that the United States shall cooperate with the States in promoting the general health of the rural population of the United States and the welfare and hygiene of mothers and children was announced as next in order.

Mr. BINGHAM. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1058) repealing various provisions of the act of June 15, 1917, entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes" (40 Stat. L. 217), was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 97) to protect trade-mark owners, distributors, and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguishing trade-mark, brand, or name was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 80) authorizing the Secretary of War to furnish equipment, goods, and supplies to governors and acting governors for use in aid of distressed citizens was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 1039) establishing additional land offices in the States of Montana, Oregon, South Dakota, Idaho, New Mexico, Colorado, and Nevada was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1251) relating to the making of loans to veterans upon their adjusted-service certificates was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 34) to provide for review of the action of consular officers in refusing immigration visas was announced as next in order.

Mr. ROBINSON of Arkansas. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 939) to limit the jurisdiction of district courts of the United States was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2842) to authorize the construction of the Casper-Alcova division, North Platte project, Nebraska-Wyoming, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4080) to regulate the manufacture and sale of stamped envelopes was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3223) relative to the qualifications of practitioners of law in the District of Columbia was announced as next in order.

Mr. COPELAND. Over.

The PRESIDING OFFICER. The bill will be passed over.

## NORTH CAROLINA SENATORIAL CONTEST

The resolution (S. Res. 60) to hear and determine the contest of George M. Pritchard against Josiah W. Bailey for a seat in the Senate from the State of North Carolina was announced as next in order.

Mr. BULKLEY. Mr. President, that resolution should be indefinitely postponed.

The PRESIDING OFFICER. Without objection, the resolution will be indefinitely postponed.

## RESOLUTIONS AND BILLS PASSED OVER

The resolution (S. Res. 26) changing the name of the Committee on Pensions to the Committee on Veterans' Affairs and defining its jurisdiction was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 2687) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 99) to amend section 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913, was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4291) to amend section 5219 of the Revised Statutes, as amended, was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 186) favoring an expression on Mother's Day of our love and reverence for motherhood was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 436) to amend the national prohibition act, as amended and supplemented, in respect to the definition of intoxicating liquor was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2473) to provide for increasing the permissible alcoholic content of beer, ale, or porter to 3.2 per cent by weight, and to provide means by which all such beer, ale, or porter shall be made of products of American farms was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 368) for the relief of Joliet National Bank, and H. William, John J., Edward F., and Ellen C. Sharpe was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4567) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death was announced as next in order.

Mr. BRATTON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3053) to promote safety on the streets and highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor ve-

hicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. BINGHAM. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3243) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4565) to amend the railway labor act was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4726) to supplement the migratory bird conservation act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the migratory bird treaty act and regulations thereunder, and for other purposes, was announced as next in order.

Mr. BRATTON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2613) for the relief of Lynn Brothers' Benevolent Hospital was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3188) for the relief of Dr. A. M. Newton, of Pocatello, Idaho, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 10238) creating a reimbursable fund to be used for special medical and surgical work among the Indians of the Fort Peck Indian Reservation, Mont., and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3346) to provide for the escheat to the United States of certain deposits in national banks was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2370) for the conservation of lobsters, to regulate interstate transportation of lobsters, and for other purposes, was announced as next in order.

Mr. COOLIDGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1301) to renew and extend certain letters patent was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 278) to compensate the Post Office Department for the extra work caused by the payment of money orders at offices other than those on which the orders are drawn was announced as next in order.

Mr. COPELAND. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4755) to provide for grants and loans to the several States and to aid in relieving unemployment, to facilitate the construction of self-liquidating projects, to provide for the construction of certain authorized Federal public-works projects, and for other purposes, was announced as next in order.

Mr. SMOOT. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 11336) providing for additional justice of the Court of Appeals of the District of Columbia was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists was announced as next in order.

Mr. LA FOLLETTE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 175) to provide for the early completion of river and harbor projects now or hereafter authorized and adopted by Congress, including the connecting channels of the Great Lakes, and to authorize the issuance of bonds therefor was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3606) to authorize the purchase by the Government of American-produced silver, to provide for the issuance of silver certificates in payment therefor, to provide for the coinage of such silver, and for other purposes, was announced as next in order.

Mr. REED. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 8681) to develop American air transport services overseas, to encourage the construction in the United States by American capital of American airships for use in foreign commerce, and to make certain provisions of the maritime law applicable to foreign commerce by airship was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4920) to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, and for other purposes, was announced as next in order.

Mr. LA FOLLETTE. Over.

The PRESIDING OFFICER. The bill will be passed over.

## MAIL TRANSPORTATION BY MOTOR VEHICLE

The bill (H. R. 9636) to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON of Arkansas. I think the Senator from Nevada ought to explain the bill.

Mr. ODDIE. Mr. President, I have a letter from the Postmaster General dealing with the importance of this bill, which I will read and which will, I think, explain it very clearly. It is as follows:

OFFICE OF THE POSTMASTER GENERAL,
*Washington, D. C., January 10, 1933.*

Hon. TASKER L. ODDIE,
*Chairman Committee on Post Offices and Post Roads, United States Senate.*

MY DEAR SENATOR ODDIE: Your kind attention is invited to the bill (H. R. 9636) to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train. This bill was passed by the House of Representatives on March 9, 1932, and on June 27 your committee reported it back to the Senate with recommendation for its enactment. It is observed that the bill was taken up for consideration on January 3 last, under unanimous-consent agreement, but upon the request of Senator McKELLAR it was passed over.

It is believed that the proposed legislation is in the public interest and it is desired, if possible, to have the bill favorably considered and passed by the Senate during the present session. Any action that you may properly take to expedite its passage will be greatly appreciated.

Very truly yours,

WALTER F. BROWN.

I hope, Mr. President, that this bill may be passed. It has been carefully considered by the committee.

Mr. KING. Mr. President, I ask the Senator from Nevada to explain what the bill does. He has read a letter which did not furnish very much illumination.

Mr. ODDIE. Mr. President, if I may have the attention of the Senator for just a moment, let me say the committee

had studied this bill and set forth the reasons for its passage in its report, from which I read as follows:

On account of unprofitable train operation certain railroad companies are withdrawing local train service and substituting therefor motor busses over the highways. The withdrawal of these local trains has interfered with the prompt dispatch of the mails and it has been necessary to provide a substitute service in lieu of that formerly provided by train. The railroads, in most instances, are willing to provide mail service in their busses and accept pay therefor at the same rates that would be allowed for similar service by railroad.

Legislation which will authorize the Postmaster General to permit railroad and electric-car companies to perform mail service in motor busses at railroad rates of pay has been recommended by the Postmaster General in his annual reports, and the need for this legislation is again set forth in the department's letter of March 1, 1932, as follows:

"It may be stated that at the present time railroad and electric-car companies are providing satisfactory service by bus or truck over the highways in lieu of service by train at many points throughout the country, and that the total compensation for this service at regular railroad rates is approximately $250,000 per annum. We have had a recent survey made by our field officers and it is indicated that if the present manner of handling were discontinued and service placed under star-route contracts, the additional cost would be approximately $125,000 per annum.

"The matter was submitted to the Comptroller General for a ruling as to whether there is any legal objection to authorizing payment on regularly authorized railroad routes to railroad companies of record for service performed by motor vehicle over the highways in lieu of service by train. He advised that his office will not for the present question otherwise proper payments to railroad companies for this class of transportation, but if the practice is to continue beyond the fiscal year ending June 30, 1932, there should be specific statutory authority therefor by change in the wording of the appropriations or otherwise.

"It is believed the proposed legislation is in the public interest and it is desired, if possible, to have this bill introduced in order that the department may be in position to make a report on its merits in the usual manner.

"Sincerely yours,

"W. IRVING GLOVER,
*"Second Assistant Postmaster General."*

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The amendment heretofore submitted by the junior Senator from Florida [Mr. TRAMMELL] will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section, as follows:

That notwithstanding the provisions of section 502 (b) of the World War adjusted compensation act, as amended, prohibiting the making of loans to veterans upon their adjusted-service certificates prior to the expiration of two years after the date of the certificates, hereafter loans may be made upon such certificates in accordance with loan basis provided by law at any time after the date of issuance thereof.

Mr. SMOOT. Mr. President, that is entirely foreign to the bill that is before the Senate, and I think that it should be referred to the proper committee to be considered. If the amendment is to be insisted upon, I ask that the bill go over.

The PRESIDING OFFICER. The Senator from Utah objects, and the bill will be passed over.

Mr. SMOOT subsequently said: Mr. President, I objected to the consideration of Order of Business 1031, House bill 9636, not because of the bill as reported by the Senate, but on account of the amendment that was offered.

The bill is a very important bill and ought to be passed; but the amendment is foreign to the bill in every way.

I am going to withdraw my objection to the consideration of the bill and express the hope that the Senate will vote against the amendment of the Senator from Florida [Mr. TRAMMELL] and pass the bill as reported to the Senate.

Mr. ODDIE. I concur in what the Senator from Utah has said. I can not see how the Senator from Florida considered the amendment to be germane to this bill.

The PRESIDING OFFICER. Is there objection to returning to House bill 9636? The Chair hears none.

Mr. ROBINSON of Arkansas. Just a minute, Mr. President. Let us know what we are doing. What is the amendment?

Mr. ODDIE. The amendment is one that is entirely foreign to the purpose of this bill.

Mr. ROBINSON of Arkansas. I know; but what is it?

Mr. SMOOT. Let it be read.

Mr. ODDIE. My impression is that the Senator from Florida must have intended this amendment to go on another bill.

Mr. MCKELLAR. Let it be read.

Mr. SMOOT. Let the amendment be read.

Mr. ROBINSON of Arkansas. I ask to have the amendment stated.

Mr. GEORGE. Let the amendment be stated. I think it is already in the law.

Mr. ROBINSON of Arkansas. This amendment has relation to World War adjusted compensation.

Mr. DILL. It has no reference at all to this matter. Let me state it, Mr. President.

Mr. ODDIE. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Let the clerk state the amendment.

The CHIEF CLERK. The Senator from Florida [Mr. TRAMMELL] offered the following amendment:

Add a new section to the bill, as follows:

"That notwithstanding the provisions of section 502 (b) of the World War adjusted compensation act, as amended, prohibiting the making of loans to veterans upon their adjusted-service certificates prior to the expiration of two years after the date of the certificates, hereafter loans may be made upon such certificates in accordance with loan basis provided by law at any time after the date of issuance thereof."

Mr. GEORGE. That is already in existing law.

Mr. ROBINSON of Arkansas. That has already been enacted, at the last session.

Mr. ODDIE. Let that amendment be rejected.

The PRESIDING OFFICER. Is there objection to the consideration of this measure?

There being no objection, the Senate proceeded to consider the bill (H. R. 9636) to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train, which was read, as follows:

*Be it enacted, etc.*, That the Postmaster General is hereby authorized, in his discretion, to permit railroad and electric-car companies to provide mail transportation by motor vehicle over highways in lieu of service by train, the compensation for such service to be at a rate not in excess of the rate that would be allowed for similar service by railroad or electric car, payment therefor to be made from the appropriate appropriation for railroad transportation and mail messenger service or electric and cable car service.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Florida, which has been stated.

The amendment was rejected.

Mr. GEORGE. Let the bill be read, Mr. President. I have not been able to find it in my file.

The PRESIDING OFFICER. The clerk will read the bill the third time.

The Chief Clerk again read the bill, which was ordered to a third reading, read the third time, and passed.

Mr. BROOKHART. Mr. President, I desire to ask a question about that bill. Does it extend to permitting the railroads to put in competing lines with busses?

Mr. ODDIE. The bill states nothing of the kind. I do not think it would change existing law at all in that particular. There is nothing in the bill that will give authority to the railroads to establish competing lines.

Mr. BROOKHART. There is nothing in the existing law authorizing it either way at this time, and that is one of the important questions pending before the Interstate Commerce Commission.

Mr. ODDIE. Did the Senator hear the statement I made a few minutes ago about this matter?

Mr. BROOKHART. I did not hear it.

The PRESIDING OFFICER. The bill has already been passed. Does the Senator from Iowa ask unanimous con-

sent to reconsider the vote whereby the bill was ordered to a third reading and passed?

Mr. BROOKHART. I was addressing the Chair before it was passed.

The PRESIDING OFFICER. Without objection, the vote whereby the bill was ordered to a third reading and passed will be reconsidered.

Mr. ODDIE. Mr. President, I should like to read this statement, which I read a minute ago from the report:

On account of unprofitable train operation certain railroad companies are withdrawing local train service and substituting therefor motor busses over the highways. The withdrawal of these local trains has interfered with the prompt dispatch of the mails, and it has been necessary to provide a substitute service in lieu of that formerly provided by train. The railroads in most instances are willing to provide mail service in their busses and accept pay therefor at the same rates that would be allowed for similar service by railroad.

Legislation which will authorize the Postmaster General to permit railroad and electric-car companies to perform mail service in motor busses at railroad rates of pay has been recommended by the Postmaster General in his annual reports, and the need for this legislation is again set forth in the department's letter of March 1, 1932.

Mr. BROOKHART. Mr. President, I understand that the bill does not interfere with the idea of a general control of the establishment of bus and truck service, so I will not object to it.

The bill was ordered to a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER

The bill (S. 4781) authorizing an emergency appropriation for the relief of needy and distressed residents of the District of Columbia, and for the temporary care of transient and homeless persons in said District, was announced as next in order.

Mr. KING. Mr. President, that matter, I think, has been taken care of in another bill. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4046) to fix more equitably the responsibility of postmasters was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. WALSH of Massachusetts. Mr. President, that bill seems to be clearly in the public interest. I do not think there is any occasion for objection to it. It involves no public expense; it is simply designed to protect postmasters from being responsible for embezzlements on the part of the employees whom they do not select and do not name, but who are under the civil service. It seems to me that it is clearly in the public interest.

Mr. KING. Mr. President, let me ask my friend a question. He knows that we have had before us many claims for compensation of postmasters where losses have been sustained, and in some instances it has been demonstrated that there has been negligence upon the part of the postmaster, either in failing to maintain a proper safe or in failing properly to care for the funds. It seems to me that we ought rather to try to protect the Government than to absolve these postmasters.

Mr. WALSH of Massachusetts. I agree in the case named by the Senator that that ought to be done; but the situation here is this: If an employee embezzles more than $5,000 and his bond is only $5,000, the postmaster can be held for the excess over $5,000.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. ROBINSON of Arkansas. I am sure one consideration which affects this bill has not occurred to the Senator from Massachusetts. There would, in my judgment, be danger of secret collusion, which might result in loss to the Government if we enacted this bill. I ask that it go over.

Mr. WALSH of Massachusetts. That has not been called to my attention; and in view of the suggestion I think the matter ought to go over for further study and consideration.

Mr. KING. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 31) authorizing the printing of additional copies of House Report No. 2290 was announced as next in order.

Mr. LA FOLLETTE. Let that go over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

The bill (S. 3770) to prevent the obstruction of and burdens upon interstate trade and commerce in copyrighted motion-picture films, and to prevent restraint upon free competition in the production, distribution, and exhibition of copyrighted motion-picture films (a) by prohibiting the compulsory block-booking of copyrighted motion-picture films; (b) by making unlawful, unreasonable, and discriminatory protection in favor of certain theaters over others; (c) to compel the furnishing of accurate synopses of all pictures offered to theater operators before the same have been released and reviewed; and (d) to amend section 2 of the Clayton Act to make it apply to license agreements and leases as well as sales in interstate commerce, was announced as next in order.

Mr. VANDENBERG (and other Senators). Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 114) proposing an amendment to the Constitution relating to intoxicating liquors was announced as next in order.

The PRESIDING OFFICER. Let this joint resolution go over.

Mr. BLAINE. Mr. President, may I suggest that that joint resolution be indefinitely postponed, inasmuch as the Committee on the Judiciary has reported a repeal amendment.

The PRESIDING OFFICER. Without objection, the joint resolution will be indefinitely postponed.

The resolution (S. Res. 260) directing the Reconstruction Finance Corporation to report to the Senate regarding loans made or proposed to be made by it was announced as next in order.

SEVERAL SENATORS. Let that go over.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 263) to investigate conditions respecting the sale and distribution of dairy products in the District of Columbia was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (H. R. 7894) to promote safety on the streets and highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia, to prescribe penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

Mr. KING. Let this bill go over. It is an important measure, and there are many admirable features in it; but under the limitation imposed under the unanimous-consent agreement, it will be impossible to give it proper consideration.

The PRESIDING OFFICER. The bill will be passed over.

MACK COPPER CO.

The joint resolution (S. J. Res. 194) conferring jurisdiction upon the Court of Claims to render findings of facts in the claim of the Mack Copper Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.*, That jurisdiction is hereby conferred upon the Court of Claims of the United States, notwithstanding the lapse of time or any statute of limitations, to hear the claim of the Mack Copper Co. against the United States for damages to certain real property owned by Mack Copper Co. and situated in San Diego County, State of California, which was used and occupied by the United States as an Army cantonment, training camp, or for other military purposes, from May 15, 1917, to June 1, 1922, and to render findings of fact, and to report such findings of fact to Congress.

BILLS, ETC., PASSED OVER

The bill (S. 4178) to amend section 8 of the act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended, relating to misbranded foods, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 5306) to provide for the redemption of national-bank notes, Federal reserve bank notes, and Federal reserve notes which can not be identified as to the bank of issue was announced as next in order.

Mr. THOMAS of Oklahoma. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 226) to provide for the use of granite and/or marble in the erection of certain memorials and public buildings was announced as next in order.

Mr. BRATTON. Mr. President, on behalf of the senior Senator from Alabama [Mr. BLACK], who is temporarily absent, I ask that that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

FRANK I. OTIS

The bill (S. 2519) granting an honorable discharge to Frank I. Otis, first lieutenant, Fourth Regiment, United States Cavalry, was announced as next in order.

Mr. KING. Let that go over.

Mr. DILL. Mr. President, I wish the Senator from Utah would withhold his objection.

Mr. KING. I will.

Mr. DILL. This bill was introduced by my late colleague, Mr. Jones, when he was here. I recognize the general objection to overriding the dishonorable discharge of any soldier, but I desire to call attention to some of the facts in this matter.

This man was a first lieutenant in the United States Army. He served in the Spanish War and several years later he disappeared shortly before the time set for his departure from New York to San Francisco, after being under observation for insanity. The War Department dropped him as a deserter. That was in 1905. He has never been heard of from that date. He is survived by his widow, and several boys who were in the World War. His widow is in desperate circumstances. It is impossible for her to get a pension. It seems to me that under these circumstances there is a situation against which the ordinary objection would not prevail.

Mr. KING. This is merely to relieve him of the charge of desertion?

Mr. DILL. Yes; and to make it possible for his widow to apply for a pension.

Mr. KING. I withdraw the objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, after the word "discharged," to strike out "persons from the military service" and insert "soldiers"; on the same page, line 9, after "*Provided,*" to strike out "That other than as set forth herein, no bounty, pay, pension, or other emolument shall accrue prior to the passage of this act" and to insert "That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act," so as to make the bill read:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers Frank I. Otis, who was a first lieutenant, Fourth Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the United States Army as of January 3, 1906: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Frank I. Otis."

ASSESSMENT WORK ON MINING CLAIMS

The bill (S. 5137) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska was announced as next in order.

Mr. SMOOT. Mr. President, Order of Business 1155, House Joint Resolution 533, passed by the House of Representatives, is an identical measure; and I ask unanimous consent that we substitute it for this bill.

Mr. BRATTON. Mr. President, if the Senator will compare the two measures, he will find that they are not identical.

Mr. SMOOT. I have not read them. I only noticed what the calendar says.

Mr. BRATTON. The Senate committee inserted an amendment in the Senate bill which is not in the House bill.

Mr. SMOOT. Then the proper way to do would be to consider the House joint resolution, and offer the Senate amendment to it.

Mr. BRATTON. The Senator from Idaho [Mr. BORAH] is in the Chamber now.

Mr. McKELLAR. Let it go over, Mr. President.

Mr. WALSH of Montana. Mr. President, I hope the matter will not go over. The suggestion made by the Senator from Utah is pertinent. When we reach the House measure we can move to substitute the Senate bill for it.

Mr. SMOOT. Yes; we can move to strike out all after the enacting clause and insert the Senate bill.

Mr. BORAH. Mr. President, there is a difference in the two measures, and I should prefer to have the Senate bill passed and let the matter go to conference.

Mr. SMOOT. If that is done, the bill will go to the House; but if we take up the House bill, and strike out all after the enacting clause and insert the Senate bill, then it is still a House bill, and will only go to conference, and the conferees can settle the matter.

Mr. BORAH. Very well.

Mr. WALSH of Montana. Let me remind the Senator from Utah and the Senator from Idaho that it will not go to conference if we pass the Senate bill; only if we pass the House bill.

Mr. BORAH. All right.

The PRESIDING OFFICER. The bill will be passed over.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States was announced as next in order.

SEVERAL SENATORS. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

MOBILE NATIONAL CEMETERY, ALA.

The Senate proceeded to consider the bill (S. 5305) to authorize the Secretary of War to acquire 5 acres of land, more or less, opposite the Mobile National Cemetery, Ala., for use as an addition to said cemetery, and for other purposes, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 2, to strike out "$8,450" and insert "$6,000," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized and empowered to acquire by purchase, condemnation, or otherwise, the title to 5 acres of land, more or less, or rights pertaining thereto, or interests therein, said land being located opposite the Mobile National Cemetery, Ala., for use as an addition to said cemetery, and there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, a sum not to exceed $6,000 for carrying out provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of War to acquire 5 acres of land, more or

less, opposite the Mobile National Cemetery, Ala., for use as an addition to said cemetery."

LOUIS VAUTHIER AND FRANCIS DOHS

The Senate proceeded to consider the bill (S. 5161) for the relief of Louis Vauthier and Francis Dohs, which was read, as follows:

*Be it enacted, etc.*, That in consideration of their long, honest, and faithful service as civilian instructors of cadets at the United States Military Academy, the Secretary of War be, and he is hereby, authorized to appoint Louis Vauthier and Francis Dohs warrant officers of the Regular Army, and immediately thereafter to place them upon the retired list of warrant officers of the Regular Army: *Provided*, That in determining the length of service for longevity pay and retirement they shall be credited with and entitled to count all service as civilian instructors at the United States Military Academy, whether continuous or not: *Provided further*, That upon retirement for age or otherwise they shall be entitled to all the privileges, pay, and allowances of retired warrant officers of the Regular Army regardless of their age at their appointment to and acceptance of such office: *And provided further*, That the limitation in the act of June 30, 1922, on the number of warrant officers, United States Army, shall not apply to the appointees hereunder.

Mr. KING. Mr. President, I should like an explanation of this measure from the Senator from Pennsylvania.

Mr. REED. Mr. President, this is a bill which passed the Senate in the last Congress, and was favorably reported in the House, but was not reached before adjournment.

These two men have been for a long time on the list of civilian instructors at West Point. Vauthier was first an instructor in fencing, but in recent years has been an instructor in the department of foreign languages. He has been there for 24 years. There is no law under which he can be retired, but he has reached retirement age; and the War Department and both committees in the House and Senate have unanimously felt that the long service he has had merited some sort of retirement privilege. This would retire him as a warrant officer, not as a commissioned officer. I think he has clearly earned it.

Dohs has been an instructor in gymnastics for nearly a quarter of a century—some 23 years—and is now well along in the sixties. There is no law under which he could be retired either. The committee felt very strongly that it was simple justice to give him this privilege.

Mr. WALSH of Massachusetts. Mr. President, these are both civilian employees?

Mr. REED. They are both civilian employees.

Mr. WALSH of Massachusetts. May I inquire if there is any law to permit a civilian employee who has performed labors in the academy for the same period of years to have retirement?

Mr. REED. I believe that now they could get in under the civil service retirement law, but I am not sure. These cases, however, could not.

Mr. McKELLAR. How long have they been there?

Mr. REED. Twenty-three years in one case and twenty-four years in another.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL MILITARY PARKS

The Senate proceeded to consider the bill (S. 5233) to provide for the protection of national military parks, national parks, battlefield sites, national monuments, and miscellaneous memorials under the control of the War Department.

Mr. McKELLAR. Mr. President, will not the Senator from Pennsylvania explain that bill?

Mr. REED. Mr. President, this is a general bill, which would take the place of a long string of special acts, not at all uniform, relating to the different national parks. In some of them Congress has given the Secretary of War power to establish regulations, but has neglected to give him any power to enforce them. In order to make the law uniform, to apply in all cases, it was thought best to have this general legislation.

Mr. KING. Mr. President, will this involve the creation of new offices or positions?

Mr. REED. It will not result in the creation of a new office, and it will not cost a cent.

Mr. THOMAS of Oklahoma. Mr. President, has this bill any relation to the National Park Service as such?

Mr. REED. Oh, no; it does not bear at all on the National Park Service, which is under the Department of the Interior.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of War is hereby authorized to prescribe such regulations as he deems necessary for the proper government and protection of, and maintenance of good order in, national military parks, national parks, battlefield sites, national monuments, and miscellaneous memorials as are now or hereafter may be under the control of the War Department; and any person who willfully violates any such regulation shall be deemed guilty of a misdemeanor and punishable by a fine of not more than $100 or by imprisonment for not more than three months, or by both such fine and imprisonment.

SEC. 2. That the commissioners, superintendents, caretakers, officers, or guards of such national military parks, national parks, battlefield sites, national monuments, and miscellaneous memorials, or any of them, are authorized to make arrests for violations of any of the regulations prescribed pursuant to this act, and to bring the offenders before the nearest commissioner, judge, or court of the United States having jurisdiction in the premises.

PLATTSBURG BARRACKS MILITARY RESERVATION, N. Y.

The bill (S. 5270) to authorize the adjustment of a part of the western boundary line of the Plattsburg Barracks Military Reservation, N. Y., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized, in his discretion, to enter into and execute an agreement or agreements with the owners or claimants of adjoining land to fix and establish a location for the western boundary line of that part of the Plattsburg Barracks Military Reservation, N. Y., acquired from Pliny Moore, and others, by deed dated December 30, 1814, and he may, if he deems it advisable, give to or receive from such owners or claimants appropriate releases, by way of quit claim deeds or otherwise.

DISPOSAL OF SURPLUS REAL ESTATE

The Senate proceeded to consider the bill (S. 5304) to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department.

Mr. McKELLAR. Mr. President, will not the Senator from Pennsylvania explain this bill? It seems to be a rather important measure.

Mr. REED. Mr. President, there were four Confederate cemeteries listed in this bill for abandonment. Three of them have already been completely abandoned, that is to say, the bodies which once were there have been moved to more appropriate and larger military cemeteries. There are a few bodies, I believe, left at the Balls Bluff Cemetery. It is desired to move them to Arlington. They will get better care at Arlington, and the Balls Bluff Cemetery is a tiny cemetery, remote from Washington. It is not big enough to justify a regular caretaker, and it will be much more satisfactory, I think, to move the bodies.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in accordance with, and under the applicable provisions and conditions of, an act entitled "An act authorizing the use for permanent construction at military posts of the proceeds from the sale of surplus War Department real property, and authorizing the sale of certain military reservations, and for other purposes," approved March 12, 1926 (44 Stat. 203), the Secretary of War is hereby authorized to dispose of the several tracts or parcels of real property hereinafter designated, or portions thereof, upon determination by him that said tracts or parcels, or portions thereof, are no longer needed for military purposes:

Confederate lot, Greenlawn Cemetery, Indianapolis, Ind.; tract designated No. 2 of Confederate Cemetery, Point Lookout, Md.; Balls Bluff National Cemetery, Va.; Soldiers Lot, Camp Dennison, Ohio.

SEC. 2. That the Secretary of War is hereby authorized and directed to discontinue the national cemetery at Balls Bluff, Va., established under the provisions of section 18 of the act of Congress approved July 17, 1862 (12 Stat. 596), and the Secretary of War is further authorized to disinter and remove to the nearest national cemetery the remains of the soldiers buried in said cemetery.

RELIEF IN THE VIRGIN ISLANDS

The bill (S. 5126) to extend the provisions of the Reconstruction Finance Corporation act and the emergency relief and construction act of 1932 to the Virgin Islands was con-

sidered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That (a) the first sentence of subsection (b) of section 1 of the emergency relief and construction act of 1932 is amended by inserting after "Puerto Rico" a comma and "the Virgin Islands."

(b) The last sentence of such subsection is amended to read as follows: "Before any amount is paid under this section to the Governor of Puerto Rico, the Governor of the Virgin Islands, or the Governor of the Territory of Alaska, Puerto Rico, the Virgin Islands, or the Territory of Alaska shall enter into an agreement with the corporation for the repayment of such amount with interest thereon as herein provided, in such installments and upon such terms and conditions as may be agreed upon."

(c) Subsection (f) of such section is amended to read as follows:

"(f) As used in this section, the term 'Territory' means Alaska, Hawaii, the Virgin Islands, and Puerto Rico."

SEC. 2. (a) The last paragraph of subsection (a) of section 201 of such act is amended to read as follows:

"The provisions of this subsection shall apply with respect to projects in Puerto Rico, the Virgin Islands, and the Territories to the same extent as in the case of projects in the several States, and as used in this subsection the term 'States' includes Puerto Rico, the Virgin Islands, and the Territories."

(b) Section 206 of such act is amended by inserting after "Hawaii," wherever it appears in such section, "the Virgin Islands,".

CURTIS JETT

The bill (S. 3870) for the relief of Curtis Jett was announced as next in order.

Mr. WALSH of Massachusetts. Mr. President, I would like to have an explanation of this bill. It appears to be a measure where the benefits of the general retirement provisions by act of Congress are being bestowed upon an individual. I would like to have an explanation of it.

Mr. SMOOT. Let the bill go over.

Mr. LOGAN. This beneficiary is a Spanish-American War veteran and desires to have his discharge show that he was a good soldier.

Mr. WALSH of Massachusetts. The purpose of the bill is to grant retirement?

Mr. LOGAN. There is no retirement about it. It would not even give him a pension.

Mr. WALSH of Massachusetts. What benefit would it bestow on him?

Mr. LOGAN. It would give him this benefit: He is an eastern Kentucky mountaineer, and he does not like to have his record show that he was not a good soldier.

Mr. WALSH of Massachusetts. I thought from reading the report that emphasis was laid upon his disabilities at the time he was given his discharge, and that the purpose was to lay the foundation for the benefit of the general retirement law.

Mr. LOGAN. No. Evidently the Senator has read another report.

Mr. SMOOT. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

NAVAL ORDNANCE PLANT, SOUTH CHARLESTON, W. VA.

The bill (S. 3171) to authorize the disposition of the naval ordnance plant, South Charleston, W. Va., and for other purposes, was announced as next in order.

Mr. LA FOLLETTE. Let that go over.

Mr. HATFIELD. Mr. President, I can not understand why anybody should object to this bill. A similar bill has passed the House of Representatives.

Mr. LA FOLLETTE. Mr. President, I will say to the Senator from West Virginia that my attention was just called to this measure this morning, and I want some time to look into it. I understand that there were no hearings held by the Naval Affairs Committee, and I want to look into the matter. I will be glad to confer with the Senator later.

I ask unanimous consent that my objection may also be interposed to Order of Business 1153, House bill 4657, a similar bill.

The PRESIDING OFFICER. Senate bill 3171 will be passed over.

BETTY M'BRIDE

The Senate proceeded to consider the bill (S. 4230) for the relief of Betty McBride, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 5, to strike out "1930" and to insert in lieu thereof "1931," so as to read:

*Be it enacted, etc.*, That the Secretary of the Navy be, and he is hereby, authorized and directed to pay, out of the appropriation, "Pay, subsistence, and transportation, Navy, 1931," to Miss Betty McBride, dependent sister of the late William McBride, fireman, first class, United States Navy, who died December 26, 1929, in the naval service, an amount equal to six months' pay at the rate said William McBride was entitled to receive at the date of his death: *Provided*, That it be shown to the satisfaction of the Secretary of the Navy that the said dependent sister was actually dependent on said enlisted man, and the determination of such fact by the Secretary of the Navy shall be final and conclusive on the accounting officers of the Government.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELMO K. GORDON

The Senate proceeded to consider the bill (H. R. 2844) for the relief of Elmo K. Gordon, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 7, to strike out the words "authorized to be," so as to read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Elmo K. Gordon, former seaman, first class, the sum of $648, being the amount due him for salary for one year at the rate of $54 per month, and said amount is hereby appropriated out of any money in the Treasury not otherwise appropriated: *Provided*, That no back pay, allowances, or emoluments shall become due because of the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JACK C. RICHARDSON

The Senate proceeded to consider the bill (H. R. 8120) for the relief of Jack C. Richardson, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 3, to strike out the words "That the Secretary of the Treasury is hereby authorized and directed to pay to Lieut. Jack C. Richardson, United States Navy, out of any money in the Treasury not otherwise appropriated, the sum of $143.04" and to insert the words "That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $143.04, to be paid to Lieut. Jack C. Richardson, United States Navy," so as to read:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $143.04, to be paid to Lieut. Jack C. Richardson, United States Navy, in full satisfaction of his claim for expenses incurred while traveling around the world on the German airship *Graf Zeppelin* under orders of August 5, 1929, issued by the Navy Department.

The amendment was agreed to.

Mr. KING. Mr. President, may I ask the Senator from California whether this man was in the Government service and was under orders in making this trip?

Mr. SHORTRIDGE. I understand that he was. I do not recall the details of the case, but the committee considered the measure very carefully.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DOUGLAS B. ESPY

The Senate proceeded to consider the bill (S. 4135) for the relief of Douglas B. Espy, which had been reported from the Committee on Naval Affairs with an amendment to strike out the words "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Douglas B. Espy, chief machinist's mate, United States Navy, the sum of $1,033" and to insert the words "That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $743.50, to be paid to Douglas B. Espy, chief machinist's mate, United States Navy," so as to read:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $743.50, to be paid to Douglas B. Espy, chief machinist's mate, United States Navy, as compensation for the loss of personal effects destroyed by fire in the Government quarters occupied by him while stationed at the naval radio station at Cavite, P. I., reimbursement for such loss having been refused by the Navy Department as not authorized under existing law.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NAVAL RADIO STATION, SAVANNAH, GA.

The Senate proceeded to consider the bill (S. 2374) to authorize and direct the Secretary of the Navy to convey by gift to the city of Savannah, Ga., the naval radio station, the buildings, and apparatus located upon land owned by said city, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That if and when the naval radio station at Savannah, Ga., is no longer required for naval purposes, the Secretary of the Navy is authorized and directed to convey by gift, to the city of Savannah, State of Georgia, the said naval radio station, which radio station is located on land belonging to the city of Savannah, together with all the buildings and apparatus thereof; but no expense shall be caused the United States hereunder.

LIEUT. ARNOLD R. KLINE, UNITED STATES NAVY

The bill (S. 4445) authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the rank of lieutenant (junior grade), Supply Corps, United States Navy, was announced as next in order.

Mr. BULKLEY. Mr. President, I ask that the identical House bill (H. R. 698) be substituted for the Senate bill.

There being no objection, the Senate proceeded to consider the bill (H. R. 698) authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the grade of assistant paymaster with the rank of lieutenant (junior grade) in the Supply Corps, United States Navy.

Mr. McKELLAR. Mr. President, I would like to have somebody explain this measure.

Mr. BULKLEY. Mr. President, this officer has developed defective vision, which will probably make it impossible for him to get his ordinary promotions in the line. This bill is to authorize his transfer to the Supply Corps and is recommended by the Navy Department.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Senate bill 4445 will be indefinitely postponed.

SILVER SERVICE OF THE U. S. S. "PADUCAH"

The Senate proceeded to consider the bill (S. 4480) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Woman's Club of the city of Paducah, Ky., the silver service in use on the U. S. S. *Paducah*.

Mr. KING. Mr. President, may I inquire of the Senator from Kentucky whether this is agreeable to the officials of the State of Kentucky. I know in a number of instances where a silver service has been returned, it has been returned to the State. This seems to be a bill to return the silver service to a private organization.

Mr. LOGAN. Mr. President, I understand that it is satisfactory to the State officials, although I have no direct information.

Mr. KING. I have no objection, but I ask the Senator to make inquiry, and if it is not agreeable to the State officials, I hope he will move to reconsider, and have the proper amendment made.

Mr. LOGAN. I think it is perfectly agreeable to the State, and if it is not, I will join in asking for a reconsideration.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Navy is authorized, in his discretion, to loan to the Woman's Club of the city of Paducah, Ky., for preservation and exhibition, the silver service which was in use on the U. S. S. *Paducah: Provided*, That no expense shall be incurred by the United States for the delivery of such silver service.

SILVER SERVICE OF THE GUNBOAT "MARIETTA"

The bill (H. R. 1225) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta* was considered, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Navy is authorized, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, for preservation and exhibition, until such time as he shall determine the Navy Department has need of the same, the silver service which was presented to the United States for the gunboat *Marietta* by the citizens of Marietta, Ohio: *Provided*, That no expense shall be incurred by the United States for the delivery of such silver service.

ESSIE FINGER

The Senate proceeded to consider the bill (H. R. 5786) for the relief of Essie Finger.

Mr. McKELLAR. Mr. President, will not the Senator from California explain that bill?

Mr. SHORTRIDGE. Mr. President, the Committee on Naval Affairs took this bill under consideration and reported it without amendment. I do not recall the details and facts of the case. I think it is a meritorious measure.

Mr. SMOOT. Let us have the report read.

The PRESIDING OFFICER. The clerk will first read the bill.

The Chief Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Essie Finger, blind and dependent sister of George William Finger, late boatswain's mate, second class, United States Navy, a sum equal to six months' gratuity pay as provided for under the act of May 22, 1928.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. Mr. President, I think the statement made by the department justifies the payment to the sister, and therefore I have no objection.

The bill was ordered to a third reading, read the third time, and passed.

MEDAL OF HONOR TO RICHMOND PEARSON HOBSON

The bill (H. R. 6637) authorizing the President to present a medal of honor to Richmond Pearson Hobson was considered, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the President is hereby authorized to present, in the name of Congress, a medal of honor to Richmond Pearson Hobson, formerly an officer of the United States Navy, for distinguishing himself conspicuously by extraordinary courage and intrepidity at the risk of his life on June 3, 1898, by entering the fortified harbor of Santiago, Cuba, and sinking the partially dismantled collier *Merrimac* in the channel under persistent fire from the enemy fleet and fortifications on shore.

SIDNEY JOSEPH KENT

The bill (H. R. 7385) for the relief of Sidney Joseph Kent was considered, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Sidney Joseph Kent, who enlisted in the United States Navy in January, 1918, and who was discharged on October 23, 1918, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

GEORGE N. NICHOLSON

The bill (S. 5289) to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered, in their discretion, to reappoint George N. Nicholson as a member of the Metropolitan police department of the District of Columbia, and his compensation to commence from the date of such reappointment, no pay or compensation to be paid the said George N. Nicholson from the date of his dismissal from the Metropolitan police department to the date of any such reappointment.

AMENDMENT OF RADIO ACT, 1927

The bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, will not the Senator from Washington explain this measure? It seems to be a very important bill.

Mr. DILL. Mr. President, there are a number of amendments to the bill, and I shall not ask to have it taken up at this time, but I do give notice that at the first opportunity in a morning hour I should like to have the bill taken up. I believe it can be disposed of within an hour's time. It is very important that this legislation be passed at this session. At this time I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

PINE RIDGE INDIANS

The bill (S. 5234) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484), was announced as next in order.

Mr. FRAZIER. Mr. President, this is a bill which was introduced at the request of the Secretary of the Interior. A similar bill was introduced by the chairman of the Committee on Indian Affairs of the House of Representatives. The bill in the House, House bill 13770, was passed by the House with an amendment on February 7. It was sent to the Senate, and referred to the Committee on Indian Affairs of the Senate yesterday, and we have not had an opportunity to act upon it. The amendment is to provide for fees for attorneys who helped to look up the cases involved. They were old cases, dating back in some instances to the latter part of the seventies, under an old law that was passed in 1828.

Mr. McKELLAR. Mr. President, under those circumstances, does not the Senator think it ought to go over until his committee can act on it?

Mr. FRAZIER. No, Mr. President; the committee has acted on the Senate bill, and reported it, and it is on the calendar. But we have not had an opportunity to act on the amendment of the House. I have talked with the Assistant Commissioner of Indian Affairs, and he says the amendment is all right. I talked with one of the Representatives from South Dakota, I have talked with both the Senators from South Dakota who are interested in the bill, and they all approve the amendment. I therefore ask that the Committee on Indian Affairs be discharged from the further consideration of House bill 13770, and that we substitute it for the Senate bill.

The PRESIDING OFFICER. Is there objection?

Mr. McKELLAR. Mr. President, I see that the bill is recommended by the Secretary of the Interior as a proper accounting. I notice on page 8 of his report that statement, and therefore I shall not object.

Mr. TYDINGS. Mr. President, may I ask the Senator from North Dakota what would be the amount of the appropriation necessary to carry out the legislative act?

Mr. FRAZIER. The amount awarded to the Indians is $19,357.

The PRESIDING OFFICER. Without objection, the Committee on Indian Affairs of the Senate will be discharged from further consideration of House bill 13770, and that bill will be substituted for the Senate bill. The Chair will state to the Senator from North Dakota that there does not appear to be any amendment.

Mr. BORAH. Do I understand this is in regard to attorney fees?

Mr. FRAZIER. The amendment put on the original bill provided that the Secretary of the Interior might in his discretion investigate and ascertain the attorney or attorneys who were helpful in the matter of the claims and allow a fee to be taken out of this amount, not to exceed 10 per cent in any instance.

Mr. McKELLAR. Does the Senator mean 10 per cent of the $19,357? Is the amount in the bill as passed by the House increased?

Mr. FRAZIER. No; it is the same amount.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Senate bill 5234 will be indefinitely postponed.

BILLS PASSED OVER

The bill (H. R. 3033) for the relief of Ida E. Godfrey and others was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 967) for the relief of the American Bonding Co., of Baltimore, was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

The PRESIDING OFFICER. The bill will be passed over.

ANDERSON-TULLY CO.

The bill (S. 610) for the relief of the Anderson-Tully Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Anderson-Tully Co., a Tennessee corporation, the sum of $442.41, in full satisfaction of its claim against the United States for court costs incurred in its suit against the United States (No. 933, in admiralty) in the District Court of the United States for the Western District of Tennessee, western division, in which judgment was rendered on January 22, 1929, in favor of the said Anderson-Tully Co.

HARRY E. BLOMGREN

The bill (S. 2680) for the relief of Harry E. Blomgren was announced as next in order.

Mr. KING. Mr. President, I see that this account was disallowed by the Accounting Office. Are the facts sufficient to warrant repudiation of the finding of the Accounting Office?

Mr. DICKINSON. Mr. President, this is merely a matter of accounting in the post office at Fort Dodge, Iowa. In getting some special work done the postmaster permitted a rural carrier to use his vehicle or automobile at the regular rate per hour and supposed he could be paid. It was found after he had paid it that the Accounting Office had determined that the postmaster could not employ a vehicle owned by a rural carrier for this type of service. The result was the postmaster was compelled to pay this amount, and this is merely a matter of reimbursement.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Harry E. Blomgren, postmaster at Fort Dodge, Iowa, the sum of $26, being the amount expended by him for vehicle hire, said sum having been disallowed by the General Accounting Office.

DONNA M. DAVIS

The bill (S. 4286) to authorize credit in the disbursing account of Donna M. Davis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the account of Donna M. Davis, special disbursing agent, field service, General Land Office, Anchorage, Alaska, for payment of $35.90 made to Harold W. Merrin as reimbursement for travel expense, which amount now stands as a disallowance on the books of the General Accounting Office.

HAROLD W. MERRIN

The bill (S. 4287) for the relief of Harold W. Merrin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harold W. Merrin the sum of $124.35 as reimbursement for amounts disallowed and charged to him in connection with travel expenses to and from Alaska under official orders and reimbursed by him to the United States.

HARVEY CANAL SHIP YARD & MACHINE SHOP

The bill (S. 5203) for the relief of the Harvey Canal Ship Yard & Machine Shop was announced as next in order.

Mr. KING. Let the bill be read.

The bill was read.

Mr. McKELLAR. Mr. President, the Comptroller General recommends it and it seems to me that it ought to pass.

Mr. KING. I have no objection.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Harvey Canal and Ship Yard & Machine Shop, Harvey, La., for $135, covering storage charges on the gas screw *Dawning* for the period December 31, 1931, to May 13, 1932, 135 days, at $1 per diem, the rate prescribed in contract No. T-20c-48, dated July 7, 1931, and to allow not to exceed $135 in full and final settlement thereof. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $135, or so much thereof as may be necessary, for payment of the claim.

TEXAS POWER & LIGHT CO.

The bill (S. 5204) for the relief of the Texas Power & Light Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of the Texas Power & Light Co. for damage to and destruction of transformers loaned to the veterans' hospital at Waco, Tex., in May, 1932, and to allow not to exceed $298.65 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $298.65, or so much thereof as may be necessary, for payment of this claim.

GREAT FALLS MEAT CO.

The bill (S. 5205) for the relief of the Great Falls Meat Co., of Great Falls, Mont., was announced as next in order.

Mr. McKELLAR. Mr. President, the Comptroller General recommends the bill. It seems to me it ought to pass.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Great Falls Meat Co., of Great Falls, Mont., arising out of the purchase by said company from the Department of Agriculture, in November, 1931, of a buffalo, the carcass of which spoiled before delivery, and to allow not to exceed $50 in full and final settlement of the claim. There is hereby appropriated, out of money in the Treasury not otherwise appropriated, the sum of $50, or so much thereof as may be necessary, for the payment of said claim.

ROSE GILLESPIE AND OTHERS

The bill (S. 5207) for the relief of Rose Gillespie, Joseph Anton Dietz, and Manuel M. Wiseman, as trustee of the estate of Louis Wiseman, deceased, was announced as next in order.

Mr. McKELLAR. Mr. President, this seems to be another one of the claims which the Comptroller General has examined very carefully. It ought to pass.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claims of Rose Gillespie, Joseph Anton Dietz, and Manuel M. Wiseman, as trustee of the estate of Louis Wiseman, deceased, all of Alton, Ill., for damages caused to private property, located in Alton, Ill., due to blasting operations carried on by the United States snag boat *H. G. Wright*, while engaged in removing an old steamboat wreck from the channel of the Mississippi River near that place, and to allow on said claims not to exceed $3.72, $14.30, and $90.33, respectively, in full and final settlement thereof. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $108.35, or so much thereof as may be necessary, for payment of said claims.

MARY BYRKETT SINKS

The bill (S. 5208) for the relief of Mary Byrkett Sinks was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Mary Byrkett Sinks as reimbursement of costs to her in raising the grade of her lot in Troy, Ohio, made necessary through the action of the United States in raising the grade of an adjoining post-office building site, and to allow not to exceed $175 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $175, or so much thereof as may be necessary, for payment of the claim.

GREAT WESTERN COAL MINES CO.

The bill (H. R. 2065) for the relief of the Great Western Coal Mines Co. was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill from the junior Senator from Kentucky?

Mr. LOGAN. Mr. President, a man by the name of Bird obtained a grant from the Government and agreed to pay $16,000 for the land. It was afterwards transferred to the Great Western Coal Mines Co. and that company paid the $16,000, which went into the Treasury of the United States. Then some litigation arose. There was an investigation made by the commissioner and an appeal to the General Land Office and finally to the Secretary of the Interior.

It was decided that the Great Western Coal Mines Co. was entitled to a refund of the amount which had been paid into the Treasury. Then the matter went to the General Accounting Office. The General Accounting Office held that it could not be paid for this reason: The law provides that where an application is rejected the money shall be refunded. There was a suit instituted in this matter and the officers of the Government and the coal company reached some agreement whereby they surrendered the fee to the land back to the Government. The Government had the land, but, because of the technical language in the law and the fact that the claim had not been rejected but had been voluntarily surrendered, the Comptroller General said he was without authority to authorize payment. This simply directs the Secretary of the Treasury to refund the money which was paid into the Treasury.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay to the Great Western Coal Mines Co., out of any money in the Treasury not otherwise appropriated, the sum of $16,600 in full satisfaction of its claim for refund of purchase money paid by Richard L. Bird in connection with coal land entry No. 025342., title to the lands covered thereby having been relinquished to the United States by the Great Western Coal Mines Co. as assignee of such Richard L. Bird.

BILL PASSED OVER

The bill (S. 5294) to amend the act of May 29, 1930, for the retirement of employees in the classified civil service was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONTEST NOTICES IN MINING LOCATIONS OR CLAIMS

The bill (S. 5274) to regulate service of contest notices in all cases affecting mining locations or claims, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, the Senator from North Dakota [Mr. NYE], who reported the bill, does not seem to be present.

Mr. PITTMAN. Mr. President, the bill only provides for the taking of testimony before notaries public instead of going to the General Land Office and giving the testimony. It extends the time for notices to 20 days.

Mr. McKELLAR. I have no objection.

There being no objection, the bill was considered. The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 9, after the word "situated," to insert "such officer to be designated by the registrar of the district," and on page 2, line 4, to strike out "10" and insert "20," so as to make the bill read:

*Be it enacted, etc.*, That in all cases of contests as to the mineral or nonmineral character of land embraced in any mining location or claim, or as to the performance of labor or improvements, or as to any other matter involving the legality of such locations or claims, the proofs and testimony may be taken before any officer authorized to administer oaths within the land district where the locations or claims may be situated, such officer to be designated by the register of the district, and when duly certified by the officer taking same shall have the same force and effect as if taken before the register of the land office. The testimony and proofs may be

taken as hereinbefore provided on personal notice of at least 20 days to the opposing party; or if such party can not be found, then by publication of at least once a week for 30 days in a newspaper, to be designated by the register of the land office as published nearest to the location of such land; and the register shall require proof that such notice has been given.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL ENTRY OF LANDS

The bill (S. 5259) to provide for agricultural entry of lands withdrawn, classified, or reported as containing any of the minerals subject to disposition under the general leasing law or acts amendatory thereof or supplementary thereto was announced as next in order.

Mr. McKELLAR. Mr. President, this seems to be an important bill. Will some one familiar with the facts explain it?

Mr. WALSH of Montana. Mr. President, I think there can be no possible objection to it. Certain lands were classified as mineral lands under the general leasing act of 1920. Meanwhile the surface may be valuable for agricultural purposes, and the bill merely authorizes entry of the land for agricultural purposes, reserving the minerals.

Mr. McKELLAR. I have no objection.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That lands withdrawn, classified, or reported as valuable for any of the deposits subject to prospecting, leasing, or development under the general leasing act of February 25, 1920, or acts amendatory thereof or supplementary thereto, shall be subject to appropriation, location, selection, entry, or purchase if otherwise available in the form and manner and subject to the reservations, provisions, limitations, and conditions of the act of Congress approved July 17, 1914 (38 Stat. L. 509; U. S. C., title 30, sec. 123).

WILLIAM A. LESTER

The bill (S. 3831) for the relief of William A. Lester, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, to William A. Lester the sum of $100, paid in connection with timber and stone application No. 09583 to the Department of the Interior, on June 18, 1917, which application has been refused due to the fact that the land in question has been withdrawn from homestead entry.

ZETTA LESTER

The bill (S. 3832) for the relief of Zetta Lester was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, to Zetta Lester the sum of $400, which was paid in connection with timber and stone application No. 09608 to the Department of the Interior on August 17, 1917, which application was refused due to the fact that the land in question was withdrawn from homestead entry.

FRANKING PRIVILEGE TO GRACE GOODHUE COOLIDGE

The bill (S. 5387) granting a franking privilege to Grace Goodhue Coolidge, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That all mail matter sent by the post by Grace Goohue Coolidge, widow of the late Calvin Coolidge, under her written autograph signature, be conveyed free of postage during her natural life.

BILL PASSED OVER

The bill (H. R. 4657) to authorize the disposition of the naval ordnance plant, South Charleston, W. Va., and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over for the present. It has already gone over once.

Mr. DICKINSON. Mr. President, the record shows that the Senator from Wisconsin [Mr. LA FOLLETTE] asked that his objection be entered to the consideration of this bill at the same time he objected to a similar bill.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF RECLAMATION LAW OF APRIL 1, 1932

The bill (S. 5417) to extend the operation of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law," approved April 1, 1932, was considered and was read.

Mr. BRATTON. Mr. President, I desire to offer an amendment to the bill. On page 2, line 3, after the words "per annum," insert "for the year specified in the act approved April 1, 1932, and as amended herein."

The VICE PRESIDENT. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 2, line 3, after the words "per annum," insert "for the years specified in the act approved April 1, 1932, and as amended herein."

The amendment was agreed to.

Mr. COSTIGAN. Mr. President, I offer another amendment to the bill.

The VICE PRESIDENT. Let the amendment be reported.

The amendment was, on page 2, line 1, after the numerals "1933," to insert a comma and "and to extend the provisions of section 3 of such act, (1) so far as they relate to the extension of time for beginning construction of a drainage system upon the Uncompahgre reclamation project, to one year from and after January 1, 1933, and (2) so far as they relate to certain charges upon or for the Uncompahgre and Grand Valley reclamation projects in the State of Colorado due and payable for the year 1932, in like manner to all similar charges due and payable for the year 1933," so as to make the bill read:

*Be it enacted, etc.*, That in the administration of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law," approved April 1, 1932, the Secretary of the Interior is authorized and directed to extend the provisions of such act relating to certain charges coming due for 1931 and to one-half of certain charges due for 1932, in like manner to the remaining one-half of such charges coming due for 1932 and to all of similar charges to become due for 1933, and to extend the provisions of section 3 of such act, (1) so far as they relate to the extension of time for beginning construction of a drainage system upon the Uncompahgre reclamation project, to one year from and after January 1, 1933, and (2) so far as they relate to certain charges upon or for the Uncompahgre and Grand Valley reclamation projects in the State of Colorado due and payable for the year 1932, in like manner to all similar charges due and payable for the year 1933: *Provided*, That the deferred charges shall bear interest at the rate of 3 per cent per annum for the years specified in the act approved April 1, 1932, and as amended herein, which interest shall be paid at the same time the principal deferred herein is paid.

SEC. 2. That the last line of section 10 of said act is amended by substituting "1936" for "1934."

Mr. KING. Mr. President, I understand the amendment offered by the Senator from Colorado extends the provisions of the bill to one project only, but grants no additional rights beyond those granted to others.

Mr. COSTIGAN. It puts the two Colorado projects on a parity with the other projects.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MINING CLAIMS IN UNITED STATES AND ALASKA

The joint resolution (H. J. Res. 533) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska was announced as next in order.

Mr. BORAH. Mr. President, I move that Calendar 1109 be substituted for the House bill.

The VICE PRESIDENT. May the Chair suggest, if it is not too much trouble, that the better plan would be to amend the House measure to the form of the Senate measure. That would make it more certain of passage.

Mr. BORAH. Very well. I move to amend the House joint resolution by striking out all after the enacting clause

and inserting in lieu thereof the text of Senate bill 5137 as reported.

The VICE PRESIDENT. Let the amendment be stated.

The CHIEF CLERK. The Senator from Idaho moves to strike out all after the enacting clause and insert in lieu thereof the following:

That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than $100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United States, including Alaska, during the year beginning at 12 o'clock meridian July 1, 1932, and ending at 12 o'clock meridian July 1, 1933: *Provided*, That the provisions of this act shall not apply in the case of any claimant not entitled to exemption from the payment of a Federal income tax for the taxable year 1932: *Provided further*, That every claimant of any such mining claim, in order to obtain the benefits of this act, shall file or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock meridian July 1, 1933, a notice of his desire to hold said mining claim under this act, which notice shall state that the claimant, or claimants, were entitled to exemption from the payment of a Federal income tax for the taxable year 1932.

The amendment was agreed to.

The amendment was ordered to be engrossed for a third reading, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The VICE PRESIDENT. Senate bill 5137, providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, is indefinitely postponed.

### MISSOURI RIVER BRIDGE, OMAHA, NEBR.

The Senate proceeded to consider the bill (S. 5370) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr., which had been reported from the Committee on Commerce with amendments, in line 7, after the word "by," to insert "an"; at the beginning of line 8, to insert "heretofore extended by acts of Congress approved February 20, 1931, and June 9, 1932"; and in line 9, after the word "hereby," to insert the word "further," so as to make the bill read:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr., authorized to be built by the Omaha-Council Bluffs Missouri River Bridge Board of Trustees by an act of Congress approved June 10, 1930, heretofore extended by acts of Congress approved February 20, 1931, and June 9, 1932, are hereby further extended one and three years, respectively, from June 10, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### RAYMOND AMBROSE NICHOLS

The Senate proceeded to consider the bill (S. 3405) for the relief of Raymond Ambrose Nichols, which was read, as follows:

*Be it enacted, etc.*, That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon honorably discharged seamen of the United States Navy, Richmond Ambrose Nichols shall hereafter be held and considered to have been honorably discharged as a cook, second class, United States Navy, on June 22, 1922: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KING. Mr. President, I have read the bill and the report of the committee submitted by the able Senator from Kansas [Mr. MCGILL]. It seems that the proposed beneficiary of the bill was a deserter, and the case is not one of desertion during the Civil War but is a quite recent case. It seems to me that the conditions do not justify the relief which this bill will give him. The passage of the bill will mean, of course, that he will soon be put upon the pension list or at least will be eligible to a pension when pensions shall be granted.

Mr. MCGILL. Mr. President, this man enlisted in the Navy in 1917 and served until 1919. He served during the period of actual hostilities during the World War and was honorably discharged at the end of his service in 1919. He reenlisted about one year following his honorable discharge and served for a period of two years and then was absent for a short time. He surrendered himself and was given an undesirable discharge. By virtue of his honorable service not only during the last enlistment up to the time when he absented himself but by virtue of his service during the period of actual hostilities during the World War, the committee unanimously recommended that he be regarded as having been honorably discharged. It seems to me it is a meritorious case.

Mr. WALSH of Massachusetts. Mr. President, may I inquire of the Senator from Kansas whether or not the petitioner actually received an honorable discharge for service during the period of the World War?

Mr. MCGILL. He was honorably discharged following his service during the World War.

Mr. WALSH of Massachusetts. May I say to the Senator from Utah——

The VICE PRESIDENT. The Senator from Kansas has the floor. Does he yield?

Mr. MCGILL. I yield the floor.

Mr. WALSH of Massachusetts. Mr. President, may I say to the Senator from Utah that there is a policy rule in the Naval Affairs Committee, and I understand there is a similar policy in the Military Affairs Committee, to the effect that under certain circumstances and for certain purposes a dishonorable discharge will be lifted. First of all, no dishonorable discharge can be removed from any enlisted man's record. It is a court record, and these relief bills do not seek to remove the record of dishonorable discharge of enlisted men. They seek to permit enlisted men who are also war veterans, notwithstanding a dishonorable-discharge record, to have the benefit of the rights and privileges granted to honorably discharged veterans of various wars. Relief measures of this character, of which this is one, seek to give to a dishonorably discharged soldier or sailor the benefit of the rights and privileges of general legislation extending benefits to veterans of all wars.

As a matter of fact, if a veteran has an honorable discharge for war service, even though he is dishonorably discharged because of acts committed in a subsequent enlistment, he has practically all the benefits that are bestowed upon veterans of the various wars. There is one right, however, he does not have, and that is the right to enter the soldiers' home. One who has a dishonorable discharge of any character at any time can not enter a soldiers' home.

The purpose of these relief measures is to grant to those who have honorable discharges for war services all rights that any other war veteran would enjoy if they had never reenlisted, the theory behind our action being that if a man who has gone through the war and had a good record, 10 years afterwards reenlists and then gets drunk or commits some other offense and is dismissed, he should not be treated differently from the man who went through the war and never subsequently reenlisted, got drunk, or committed a misdemeanor that was not of a grave character.

The case now before us, may I say to the Senator, comes within that rule which seems to be accepted in both the Committee on Military Affairs and the Committee on Naval Affairs, namely, where there is established an honorable war record and an honorable discharge following the war, and where later there is a record of dishonorable discharge for a minor offense, nevertheless the rights, privileges, and benefits of veterans' legislation shall not be denied such soldier or sailor.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

### TIMOTHY J. LONG

The Senate proceeded to consider the bill (S. 3008) granting an honorable discharge to Timothy J. Long, which had been reported from the Committee on Naval Affairs, with

an amendment to strike out all after the enacting clause and to insert:

That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy, Timothy J. Long shall be held and considered to have been honorably discharged from the United States Navy on the 11th day of August, 1899: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Timothy J. Long."

WAYNE BERT WATKINS

The bill (S. 4382) for the relief of Wayne Bert Watkins was announced as next in order.

Mr. WALSH of Massachusetts. Mr. President, may I add to what I said a moment ago, that in the case of these relief bills very great care is exercised by the committee not to depart from the rule I have mentioned. There are hundreds of such relief bills pending before the committee which are without merit; and, unless the facts come within the rule I have defined, they are not reported.

Mr. McKELLAR. In the case of the bill the title of which has just been read, I notice the Secretary of the Navy recommends against it, and under those circumstances I will ask that it go over for the day.

The VICE PRESIDENT. The bill will be passed over.

Mr. SHORTRIDGE. Mr. President, will the Senator indulge me?

Mr. McKELLAR. Yes; I yield to the Senator.

Mr. SHORTRIDGE. I wish to approve everything the Senator from Massachusetts [Mr. WALSH] has said; and this immediate case falls within the rule we have established after thorough consideration, that where a man who has served his country faithfully and loyally and has been honorably discharged, thereafter voluntarily reenters the service, and, because of some more or less trifling indiscretion under the strict military rules, has been dishonorably discharged, we have considered that it would be just and in the public interest to pass a bill of this character, notwithstanding some clerk in the Navy Department has written a letter to the contrary. I hope that the Senator will withdraw his objection and that this bill may be passed.

The VICE PRESIDENT. Does the Senator from Tennessee withdraw his objection?

Mr. McKELLAR. Mr. President, if the Senator from California would make an exception to the rule which has been announced, of course, we would like to know what it is.

Mr. SHORTRIDGE. I will state the facts.

Mr. McKELLAR. I do not want to be discourteous, but it seems to me that this bill ought to go over.

Mr. SHORTRIDGE. Will the Senator pardon me just a moment longer?

Mr. McKELLAR. Certainly.

Mr. SHORTRIDGE. It appears, first, that this man falls within the rule explained by the Senator from Massachusetts. Further, it appears that in November, 1915, he enlisted in the Navy and served four years and was honorably discharged in November, 1919. This service was rendered during the period of actual hostilities during the World War.

Mr. KING. Mr. President, will the Senator from California yield to me in my time?

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Utah?

Mr. SHORTRIDGE. I yield.

Mr. KING. If the report of the Secretary is wrong, I think a different conclusion might be reached, but the report states:

His record shows the following offenses:
Absent over liberty—

And so forth.

He was honorably discharged from the Navy on November 18, 1919.

He reenlisted in 1920. On October 6, 1921, Watkins again absented himself; was tried by general court-martial, found guilty, and was ordered confined for a period of six months and to be dishonorably discharged from the Navy.

Mr. SHORTRIDGE. The sentence was remitted, I will say to the Senator.

Mr. KING. On January 19, 1921, the Navy Department approved the proceedings, but remitted that portion of his sentence which involved confinement.

This man's offenses were committed while the United States was in either an actual or a technical state of war.

Mr. McKELLAR. And, furthermore, he was absent during the time of that actual or technical state of war for 63 days. A soldier who is absent for 63 days has not a very good record.

Mr. SHORTRIDGE. Well, he fought for his country, and I want to give him some relief right here and now, but if the Senator objects, of course, I can not help it.

Mr. REED. Mr. President, I want to call the attention of the Senator from California and of the Senator from Massachusetts to the form of proviso which is used on this bill, being Senate Bill No. 4382. That proviso reads:

*Provided*, That no pension, pay, or bounty shall be held to have accrued by reason of this act prior to its passage.

That language comes down to us from the Civil War. No bounties were paid for enlistment in the World War or in the Spanish-American War. The Committee on Military Affairs at a recent meeting decided that we ought to cease to use that inappropriate language and use something that applies to the actual facts of the Spanish-American War and the World War laws.

If Senators will look at Calendar No. 1241, being Senate bill 4590, they will find a typical case of the wording of the new proviso. That wording is:

That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

I think that language safeguards the interests of the United States much better than does the use of the old Civil War language referring to "bounties." Therefore I want to suggest very respectfully to the various committees that have charge of the bills of this character that they should give thought to the adoption of the new form.

Mr. WALSH of Massachusetts. Mr. President, I think the suggestion of the Senator from Pennsylvania is a very helpful and very proper one, and I hope the committee in the future in reporting such bills will adopt the new proviso. I assume the Senator from Pennsylvania agrees that the proviso now used, though antiquated, protects the Government satisfactorily.

SEVERAL SENATORS. Regular order!

The VICE PRESIDENT. The regular order is demanded. Objection is made, and the bill goes over.

Mr. McKELLAR subsequently said: Mr. President, I withdraw my objection to the consideration of Senate bill 4382 and suggest that it be amended by substituting the proviso which has been adopted with reference to House bill 2599 and Senate bills 2582 and 4085.

The VICE PRESIDENT. Is there objection to returning to Senate bill 4382 and considering it at this time?

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. The amendment suggested by the Senator from Tennessee will be stated.

The CHIEF CLERK. In line 8, after the numerals "1921" it is proposed to strike out "*Provided*, That no pension, pay, or bounty shall be held to have accrued by reason of this act prior to its passage" and insert in lieu thereof "*Provided*, That no compensation, retirement pay, back pay, pension, or other benefits shall be held to have accrued prior to the passage of this act"; so as to make the bill read:

*Be it enacted, etc.*, That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Navy, Wayne Bert Watkins shall be held and considered to have been honorably

discharged as seaman, second class, United States Navy, on February 7, 1921: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefits shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BACHELOR'S DEGREES FOR NAVAL ACADEMY GRADUATES

The Senate proceeded to consider the bill (S. 5397) to confer the degree of bachelor of science upon graduates of the Naval Academy, which was read, as follows:

*Be it enacted, etc.*, That the Superintendent of the United States Naval Academy may, under such rules and regulations as the Secretary of the Navy may prescribe, confer the degree of bachelor of science upon all graduates of the Naval Academy.

Mr. REED. Mr. President, in regard to that bill I should like to ask the Senator from California [Mr. SHORTRIDGE] what action is being taken to reduce the number of midshipmen at Annapolis in accordance with the actual needs of the Navy? I understand that half the graduating class each year is refused commissions and turned out into civil life, and we know that each year half the graduating class can not be commissioned. I have serious doubt whether it is good policy to continue to maintain classes so large, when we know that the graduates can not be absorbed into the Navy on their graduation.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Massachusetts?

Mr. REED. I yield.

Mr. WALSH of Massachusetts. Last year we passed a special act commissioning graduates of the Naval Academy as naval officers although they were not needed by the Navy. That was done so as not to throw them out upon the cold world. This year we have not passed such an act, and there will be 200 of this year's graduating class of midshipmen who can not be commissioned in the Navy.

Mr. REED. I think that is unfair to them and it is an extravagance on the part of the Government.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 964) for the relief of Howard Emmett Tallmadge was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

HENRY DIXON LINEBARGER

The Senate proceeded to consider the bill (H. R. 2599) for the relief of Henry Dixon Linebarger, which was read, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Henry Dixon Linebarger, who served as seaman, United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States on January 22, 1919: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. REED. Mr. President, I move to amend the proviso to the form of the proviso used on Order of Business 1241, S. 4590.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Pennsylvania, which will be stated.

The CHIEF CLERK. Strike out the proviso beginning on page 1, line 8, and insert:

That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LEO JAMES M'COY

The Senate proceeded to consider the bill (S. 2582) for the relief of Leo James McCoy, which was read, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy Leo James McCoy shall be held and considered to have been honorably discharged from the United States Navy on the 10th day of August, 1924: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. WALSH of Massachusetts. Mr. President, I move that the same proviso be attached to that bill that was moved by the Senator from Pennsylvania [Mr. REED] a moment ago. That bill clearly comes within the rule of the Naval Affairs Committee.

The VICE PRESIDENT. The amendment suggested by the Senator from Massachusetts will be stated.

The CHIEF CLERK. The Senator from Massachusetts moves to strike out the proviso beginning on line 8 and to insert:

*Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

Mr. SHORTRIDGE. May I ask what was done with House bill 964?

The VICE PRESIDENT. That bill went over on objection of the Senator from Utah. Without objection, the amendment will be made as suggested by the Senator from Massachusetts.

Mr. WALSH of Massachusetts. And the same action should be taken on the next bill, Order of Business 1165, S. 4085.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DOMINICK EDWARD MAGGIO

The Senate proceeded to consider the bill (S. 4085) for the relief of Dominick Edward Maggio, which was read, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy Dominick Edward Maggio shall be held and considered to have been honorably discharged from the United States Navy on the 24th day of September, 1924: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. WALSH of Massachusetts. Mr. President, the same amendment should be attached to this bill. The proviso should be amended.

The VICE PRESIDENT. The Senator from Massachusetts offers an amendment, which will be stated.

The CHIEF CLERK. The Senator from Massachusetts moves to strike out the proviso beginning on line 8 and to insert:

That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALVA D. M'GUIRE, JR.

The Senate proceeded to consider the bill (S. 3972) for the relief of Alva D. McGuire, jr., which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of," to strike out "$91.75" and insert "$31.50," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alva D. McGuire, jr., formerly a seaman, first class, United States Navy, the sum of $31.50, in full satisfaction of his claim against the United States for compensation for personal property destroyed in 1927 by a fire at Camp Lewis, Wash.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 4144) for the relief of W. P. Fuller & Co. was announced as next in order, and was read as proposed to be amended.

Mr. KING. Mr. President, I inquire as to the wisdom of this proposal. I am not so sure but that it would break down the rules of evidence if we were to assume that all sorts of hearsay evidence will be admitted. There may be precedent for this; and I was about to ask the Senator from Montana [Mr. WALSH], who is far more familiar with such matters than I am, if there is precedent for it.

Mr. WALSH of Montana. I had the same idea that must have occurred to the Senator from Utah. I can find no justification whatever for introducing in evidence documents of the character suggested in the amendment to the bill.

Mr. SHORTRIDGE. Mr. President, the time of the collision which in a sense is the basis of the claim is remote; and I perceive no reason why, as a matter of law or as to the competency of evidence, the evidence suggested could not be made admissible or competent if it be proved to be genuine. Of course, the trial court sitting would not admit any fugitive paper, or some document not supporting or disproving a claim, unless the court found that it was a legitimate, genuine document, perhaps contemporaneous with the fact referred to.

Mr. WALSH of Montana. I shall be obliged to object to the consideration of this bill unless the amendment is withdrawn.

Mr. SHORTRIDGE. When will we have another calendar day?

The VICE PRESIDENT. Objection being made, the bill will be passed over.

CHICAGO, NORTH SHORE & MILWAUKEE RAILROAD CO.

The Senate proceeded to consider the bill (S. 254) authorizing adjustment of the claim of the Chicago, North Shore & Milwaukee Railroad Co., which was read, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Chicago, North Shore & Milwaukee Railroad Co. for reimbursement for materials furnished and labor supplied in repairing Chicago & Eastern Illinois gondola car No. 93962 that was accidentally damaged on July 24, 1928, while spotted on Government tracks at Fort Sheridan, Ill., and to allow not exceeding $120.39 in full and final settlement of said claim. There is hereby appropriated out of any money in the Treasury not otherwise appropriated the sum of $120.39, or so much thereof as may be necessary, for payment of said claim.

Mr. LEWIS. Mr. President, may I make bold to ask who introduced the measure, and what committee reports it?

The VICE PRESIDENT. The bill was introduced by the Senator from Nebraska [Mr. HOWELL] and reported by him from the Committee on Claims.

Mr. LEWIS. I have no knowledge of the details of the matter.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM POWELL

The bill (S. 1463) for the relief of William Powell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated the sum of $83 to William Powell for damage done his car, caused by a falling flag pole from the Federal Building in Rock Springs, Wyo.

DEPARTMENT OF FORESTS AND WATERS OF PENNSYLVANIA

The bill (S. 4274) to authorize the Department of Agriculture to issue a duplicate check in favor of Department of Forests and Waters, Commonwealth of Pennsylvania, the original check having been lost, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That notwithstanding the provisions of section 3646, as amended, of the Revised Statutes of the United States, the disbursing clerk of the Department of Agriculture is authorized and directed to issue, without the requirement of an indemnity bond, a duplicate of original check No. 2675700, drawn November 19, 1931, in favor of Department of Forests and Waters, Commonwealth of Pennsylvania, for $345, the original check having been lost.

ARTHUR R. SAFFRAN

The bill (S. 4782) authorizing adjustment of the claim of Arthur R. Saffran was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of Arthur R. Saffran for $560 as the proceeds covered into the Treasury of the United States from a sale not in accordance with law of his automobile, a libel for the forfeiture of which for violation of internal revenue statutes was subsequently dismissed by the United States District Court for the Southern District of New York, and to allow not to exceed $560 in full and final settlement of the claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $560, or so much thereof as may be necessary, for the payment of the claim.

C. N. HILDRETH, JR.

The bill (S. 4844) for the relief of C. N. Hildreth, jr., was considered by the Senate, and was read, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of C. N. Hildreth, jr., former collector of customs for collection district numbered 18, with the sum of $89.10, representing the amount of a payment made to the A. A. A. Garage of Miami, Fla., on voucher 851 in his August, 1928, accounts, and heretofore disallowed by the Comptroller General, such payment covering repairs to a Ford car damaged by a truck which had been commandeered by a customs officer in an effort to apprehend a violator of the customs laws, and such payment is hereby validated.

Mr. KING. Mr. President, I should like to inquire if that was recommended by the Comptroller.

Mr. FLETCHER. Yes, Mr. President. I will state that the bill has a favorable recommendation of the Treasury Department and the Comptroller General.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LESLIE JENSEN

The bill (S. 5085) for the relief of Leslie Jensen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, directed to allow credit in the accounts of Leslie Jensen, special disbursing agent at Aberdeen, S. Dak., for payments aggregating $66.50 made to Gerald E. Evans, a temporary employee in the Custodial Service, Treasury Department, at Fargo, N. Dak., and disallowed on certificate No. G–1781–T, dated October 3, 1931, for the reason that the appointment was not approved by the Secretary of the Treasury until June 4, 1930, which was subsequent to the date for which payment was made.

BOOTH FISHERIES CO.

The bill (S. 5413) for the relief of the Booth Fisheries Co. was considered by the Senate, and was read, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of the Booth Fisheries Co. for loss or damage sustained on May 21, 1931, by its steamship *Scout* in a collision with the United States Army dredge *Traverse*, in the harbor channel at Warroad, Minn., and to allow in full and final settlement of said claim not to exceed the sum of $63.75. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $63.75, or so much thereof as may be necessary, to pay said claim.

Mr. KING. Mr. President, is that recommended?

Mr. McKELLAR. It is recommended.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE, GARRISON, N. DAK.

The bill (H. R. 13535) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Garrison, N. Dak., authorized to be built by the State of North Dakota by an act of Congress approved February 10, 1932,

are hereby extended one and three years, respectively, from February 10, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

SADIE L. KIRBY

The bill (S. 5325) for the relief of Sadie L. Kirby was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior be, and is hereby, authorized and directed to issue a patent to Sadie L. Kirby, of Silver City, N. Mex., for the east half of section 35, township 15 south, range 18 west, New Mexico principal meridian, embraced in her additional entry (Las Cruces serial 040099) under the stock raising homestead act.

BILLS PASSED OVER

The bill (S. 1011) for the relief of William E. B. Grant was announced as next in order.

Mr. KING. I should like an explanation of that bill.

The VICE PRESIDENT. The bill was reported by the Senator from Maryland [Mr. TYDINGS].

Mr. KING. I see that it is stated that the claim is barred by the statute of limitations. Let it go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3493) for the relief of Grant MacInnes was announced as next in order.

Mr. McKELLAR. Mr. President, in view of the fact that the Navy Department recommends against the enactment of the bill, I object to it. Let it go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10743) to require the purchase of domestic supplies for public use and the use of domestic materials in public buildings and works was announced as next in order.

Mr. REED. Mr. President, the substance of that bill has already been enacted by the Senate as an amendment to another bill. Therefore, I think it ought to go over.

The VICE PRESIDENT. Does the Senator want it to go over or to have it indefinitely postponed?

Mr. REED. The House has not yet acquiesced in the amendment, so perhaps it had better stay on the calendar.

The VICE PRESIDENT. The bill will be passed over.

PRELIMINARY EXAMINATION OF GREEN RIVER, WASH.

The bill (H. R. 11930) to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods, was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Green River, Wash., with a view to control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917.

ROCK RIVER BRIDGE, MOLINE, ILL.

The bill (H. R. 13852) to extend the times for commencing and completing the construction of a bridge across the Rock River, south of Moline, Ill., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge authorized by act of Congress approved June 10, 1930, to be built by the State of Illinois across the Rock River at a point south of Moline, Ill., in section 16, township 17 north, range 1 west, fourth principal meridian, are hereby extended one and three years, respectively, from June 10, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

ILLINOIS AND MISSISSIPPI CANAL BRIDGE, TISKILWA, ILL.

The bill (H. R. 13743) granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Tiskilwa, Ill., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto, across the Illinois & Mississippi Canal, at a point suitable to the interest of navigation, at or near Tiskilwa, Ill., in section 1, township 15 north, range 8 east, fourth principal meridian, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

ILLINOIS & MISSISSIPPI CANAL BRIDGE, LANGLEY, ILL.

The bill (H. R. 13744) granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Langley, Ill., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the State of Illinois to construct, maintain, and operate a free highway bridge and approaches thereto across the Illinois and Mississippi Canal, at a point suitable to the interests of navigation, at or near Langley, Ill., between sections 9 and 10, township 16 north, range 7 east, fourth principal meridian, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

PEE DEE AND WACCAMAW RIVER BRIDGE, GEORGETOWN, S. C.

The bill (H. R. 13372) to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C., authorized to be built by the county of Georgetown, S. C., by an act of Congress approved May 29, 1930, are hereby extended one and three years, respectively, from May 29, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

U. S. S. "NEWPORT"

The bill (S. 5283) authorizing the Secretary of the Navy to make available to the municipality of Aberdeen, Wash., the U. S. S. *Newport* was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Navy is hereby authorized and directed to turn over to the municipality of Aberdeen, Wash., the U. S. S. *Newport* for use of the Grays Harbor district in connection with the training of the Naval Reserve organization of the district: *Provided*, That no expense to the Government shall be involved.

BONNET CARRE FLOODWAY AREA

The bill (H. R. 13523) in reference to land in the Bonnet Carre floodway area was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the proviso in section 4 of the act for the control of floods on the Mississippi River and its tributaries approved May 15, 1928, "That any land acquired under the provisions of this section shall be turned over without cost to the ownership of States or local interests," shall not apply to the lands heretofore acquired or that may be hereafter acquired in connection with the construction, maintenance, or operation of the Bonnet Carre spillway and floodway. The Secretary of War is hereby authorized to grant to any citizen, association, railroad, or other corporation, State or public agency thereof, rights of way, easements, and permits, over, across, in, and upon said lands for railway, highway, telephone, telegraph, and pipe-line crossings, and other purposes. The grants issued in pursuance of this authority shall be under such terms and conditions as the Secretary of War may deem advisable for the protection of the public interests, and may be perpetual or temporary in his discretion.

MARION F. BLACKWELL

The bill (H. R. 9714) for the relief of Marion F. Blackwell was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury, on certification by the Secretary of the Interior, be, and he hereby is, authorized and directed to pay to Marion F. Blackwell, of Laurel, Miss., such sum, not to exceed $1,000, as may be found by the Secretary of the Interior to be the fair and reasonable value of all improvements placed by said Blackwell upon the southeast quarter southwest quarter section 27, township 2 south, range 6 west, St. Stephens meridian, Mississippi, the appropriation of which is hereby authorized, for which land he was allowed to make homestead entry No. 05823, Jackson series, on October 1, 1912, and on September 20, 1916, a patent was issued to him, but on February 20, 1917, the United States District Court for the Southern Dis-

trict of Mississippi decreed that the titled and rightful claim to the land was vested prior to the patent to Blackwell in the Lampton Realty Co., thus defeating Blackwell's claim. It is further provided that he may have the option at any time within three years in lieu of payment to him of moneys hereinbefore provided of making entry of other unappropriated public lands to the amount of 160 acres under the general homestead law or 320 acres under the enlarged homestead law or 640 acres under the stock-raising homestead law anywhere in the United States where there are public lands subject to such entry and receiving United States patent for such land without payment to the United States of any fees, commissions, or other moneys and without showing of compliance with the requirements of the homestead laws in connection therewith, the patent, however, to contain a reservation of the mineral to the United States if necessary as in other entries under the same law.

CHIPPEWA INDIAN TERRITORY, MINN.

The bill (H. R. 12329) to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota was considered, ordered to a third reading, read the third time, and passed, as follows:

An act to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota

*Be it enacted, etc.*, That on and after the passage of this act the territory in Minnesota to be considered as Indian-treaty territory under provisions of Article 7 of the treaty of February 22, 1855 (10 Stat. L. 1165–1169), between the United States and the Mississippi Bands of Chippewa Indians shall be reduced to the territory within the boundaries described as follows:

Beginning at the intersection of the range line common to ranges 32 and 33 west, with the common county line of Beltrami and Hubbard Counties of the State of Minnesota. From thence, bearing north following and on said range line to the northwest corner of township 148 north, range 32 west; thence angling to the right on to the north bounds of said township and bearing east on said bounds to the northeast corner thereof; thence continuing east on the said north bounds of said township 148 north, across ranges 31 and 30 west to the county line of Beltrami and Itasca Counties; thence north on said county line to the southwest corner of Koochiching County; thence east on the south bounds of Koochiching County to the corrected range line as between ranges Nos. 25 on the west and 27 on the east side thereof; thence north on the last-described range line to the northwest corner of township 66 north of the aforesaid range 27; thence east on the north bounds of said township across ranges Nos. 27, 26, 25, 24, 23, 22, 21, 20, 19, and part of 18 to the point of intersection of said line with the Vermilion River; thence angling to the right onto a right line that will intersect the south boundary line of township 63 north, range 19 west. This point of intersection is equidistant from the southeast corner of said township 63 and the center of the railroad track of the Duluth, Winnipeg & Pacific Railroad, as measured on and along the said south bounds of said township; thence west on and along the said south bounds of township 63, crossing part of range 19 and the whole of ranges 20 and 21, to the southeast corner of Koochiching County; thence continuing west on the south bounds of said county to its intersection with the common line as between ranges 25 and 26 bearing north into Koochiching County and south into Itasca County; thence south onto the south range line, being also the west bounds of townships 56, 57, 58, 59, 60, 61, and 62 north of range 25 as in Itasca County to the southeast corner of township 56 north, range 26; thence west onto and following the south bounds of said townships to its intersection with the corrected range line common to range 25 on the west side and range 27 on the east side thereof; thence angling to the left onto and following the said range line south, from this point being the common division line as between, in part, Itasca and Aitkin Counties, to the southeast corner of township 139 north, range 25 west; thence west on and along the south bounds of said township in range 25 west, crossing ranges 25, 26, 27, 28, 29, 30, and 31 to the southeast corner of Hubbard County; thence north on the east bounds of Hubbard County to the northeast corner of township 140 north, range 32 west; thence west on and along the north bounds of township 140, ranges 32, 33, 34, and 35 to the northwest corner of said township 140 north, range 35 west, as located on county line as between Hubbard and Becker Counties; thence south on the west boundary line of Hubbard County to the northwest corner of township 139 north, range 35 west; being also the northeast corner of township 139 north, range 36 west, as in Becker County; thence west on the north bounds of said township 139 north as said north bounds crosses ranges 36 to 43, both inclusive, to a point where said north bounds intersects with the common line as between Becker and Clay Counties; thence north on and along the west bounds of said Becker County to the north bounds thereof; thence continuing north on and following the range line of ranges 43 and 44 west as it is located between the townships 143 to 146 north in Norman County to the north bounds of the said Norman County; thence east following and along the north bounds of Norman County to the northeast corner thereof, being also the northwest corner of Mahnomen County; thence continuing east following and on the north bounds of Mahnomen County to the northeast corner thereof; thence continuing east following and along the north bounds of township 146 north, range 38 west, in Clearwater County to the northeast corner thereof; thence south following and along the east bounds of said township to the southeast corner thereof; thence east following and along the south bounds of township 146 north, ranges 37 and 36 west, to the intersection of said south bounds with the west bounds of Beltrami County; thence continuing east following and along the common boundary line as between said Beltrami and Hubbard Counties to the place of beginning.

ALBERT LAWRENCE SLINEY

The bill (S. 2583) for the relief of Albert Lawrence Sliney was considered by the Senate and was read, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy Albert Lawrence Sliney shall be held and considered to have been honorably discharged from the United States Navy on the 19th day of June, 1922: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. McKELLAR. Mr. President, I suggest the same amendment as that offered by the Senator from Pennsylvania [Mr. REED] a while ago in lieu of the proviso contained in this bill.

Mr. WALSH of Massachusetts. That should be done.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from Tennessee offers the following amendment:

In lieu of the proviso beginning on line 8 insert: That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to ask the Senator from Massachusetts whether this case falls within the rule that he announced?

Mr. WALSH of Massachusetts. I am sure it does. I want to say to the Senator that I have tried to be most conscientious about these cases, being on the subcommittee, and I have invariably refused to indorse them. I think I have pending alone before that committee some 25 relief bills, and we have reported only 4 as being meritorious.

Mr. McKELLAR. This is a case of being absent without leave and also of using intoxicating liquors, and the Navy Department recommends against it.

Mr. WALSH of Massachusetts. Yes; but all that happened after honorable discharge from the war. Should a man who happens to have reenlisted after the war be treated any differently from a man who gets drunk who did not reenlist, so far as these rights are concerned?

Mr. McKELLAR. With the proviso in it, I shall not object.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISSUANCE OF PATENTS TO SCHOOL SECTIONS

The Senate proceeded to consider the bill (S. 4674) authorizing the Secretary of the Interior to issue patents to school sections 16 and 36, granted to the States by the act approved February 22, 1889, by the act approved January 25, 1927 (44 Stat. 1026), and by any other act of Congress, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 3, after the word "Interior," to insert "upon the application by a State"; in line 4, after the words "issued to," to strike out "sections 16 and 36" and insert "the numbered school sections in place"; in line 5, after the word "granted," to insert "for the support of common schools"; in line 8, after the word "surveyed," to insert "or may hereafter be surveyed"; at the top of page 2 to insert "or may hereafter vest"; and on page 2, line 8, after the word "date," to strike out "of the approval by the Commissioner of the General Land Office of the survey of the same or the date of the admission of the State into the Union, if the survey was approved prior thereto" and insert "when the State's title attaches," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Interior shall upon the application by a State cause patents to be issued to the numbered school sections in place, granted for the support of common schools by the act approved February 22, 1889, by the act approved January 25, 1927 (44 Stat. 1026), and by any other act of Congress, that have been surveyed, or may hereafter be surveyed, and to which title has vested or may hereafter vest in the grantee States,

and which have not been reconveyed to the United States or exchanged with the United States for other lands. Such patents shall show the date when title vested in the State and the extent to which the lands are subject to prior conditions, limitations, easements, or rights, if any. In all inquiries as to the character of the land for which patent is sought the fact shall be determined as of the date when the State's title attaches.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Secretary of the Interior to issue patents to the numbered school sections in place, granted to the States by the act approved February 22, 1889, by the act approved January 25, 1927 (44 Stat. 1026), and by any other act of Congress."

RIO GRANDE BRIDGE, RIO GRANDE, TEX.

The Senate proceeded to consider the bill S. 5445, which had been reported from the Committee on Commerce with amendments, on page 1, line 5, after the words "by the," to strike out "Riogrande-Camargo" and insert "Rio Grande City-Camargo," and in line 7, after the word "near," to strike out "Rio Grande, Tex., are hereby" and insert "Rio Grande City, Tex., heretofore extended by an act of Congress approved January 31, 1931, are hereby further," so as to make the bill read:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge authorized by an act of Congress approved February 15, 1929, to be built by the Rio Grande City-Camargo Bridge Co., across the Rio Grande at or near Rio Grande City, Tex., heretofore extended by an act of Congress approved January 31, 1931, are hereby further extended one and three years, respectively, from February 15, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex."

INTERNATIONAL MONETARY AND ECONOMIC CONFERENCE

The Senate proceeded to consider the joint resolution (S. J. Res. 242) authorizing an appropriation for participation by the United States in an international monetary and economic conference to be held in 1933.

Mr. KING. Mr. President, may I inquire of the chairman of the Committee on Foreign Relations if the language of this joint resolution is sufficiently broad to include the expenses of a conference which might be called by the incoming President of the United States, pursuant to the Democratic platform declarations, to be held in Washington?

Mr. BORAH. Mr. President, my recollection is that it simply provides for the authorization of $150,000 to defray the expenses of an economic conference hereafter to be called.

Mr. McKELLAR. Mr. President, has not an appropriation of $150,000 already been made for this purpose?

Mr. BORAH. No; it has not been.

Mr. McKELLAR. It was before our committee in some form.

Mr. BORAH. Yes; it was before the Committee on Appropriations.

Mr. McKELLAR. I think it has been brought up.

Mr. BORAH. Some member of the committee asked that this measure be reported out and the authorization made so that they could take care of it.

Mr. KING. Mr. President, may I say to the Senator from Idaho that at the last session of Congress I offered a resolution asking for an appropriation of $50,000, as I recall, for an economic conference that was to be called in Great Britain, to which we had been invited, and the invitation to which President Hoover accepted. My recollection is that that measure became a law. I am in hearty sympathy with this joint resolution if it will be comprehensive enough to permit the payment of the expenses of a conference which might be called by Mr. Roosevelt to be held in Washington, or elsewhere in the United States.

Mr. BORAH. Mr. President, I think it is sufficiently broad to authorize the payment of the expenses of participation by the United States in an international monetary and economic conference to be held in 1933, and for each and every purpose connected therewith, including traveling expenses, personal services in the District of Columbia, and so forth. It would seem to me to be quite sufficiently broad.

The VICE PRESIDENT. Is there objection?

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.*, That for the expenses of participation by the United States in an international monetary and economic conference to be held in 1933, and for each and every purpose connected therewith, including traveling expenses; personal services in the District of Columbia and elsewhere, without reference to the classification act of 1923, as amended; stenographic and other services by contract if deemed necessary without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; purchase of necessary books and documents; printing and binding; official cards, entertainment, hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; and such other expenses as may be authorized by the Secretary of State, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $150,000.

NELLIE E. TREUTHART

The Senate proceeded to consider the bill (S. 2469) for the relief of Nellie E. Treuthart, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "$1,516 in reimbursement" and to insert in lieu thereof "$500 in full settlement of all claims against the Government," so as to read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nellie E. Treuthart, registered nurse, United States Navy, the sum of $500 in full settlement of all claims against the Government for the loss by earthquake and fire of personal property in Yokohama, Japan, on September 1, 1923, while she was serving at the United States naval hospital, Yokohama, Japan.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF MARY AGNES RODEN

The Senate proceeded to consider the bill (S. 327) to reimburse the estate of Mary Agnes Roden, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, to strike out "$5,515.48," and to insert in lieu thereof "$5,000," so as to read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Sophie T. Walsh, administratrix of the estate of her deceased sister, Mary Agnes Roden, in full settlement of all claims against the Government of the United States for injuries received by said Mary Agnes Roden on December 11, 1926, when a United States mail truck collided with her at Lexington Avenue and Thirty-fourth Street, New York City.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRANK ANDERSON

The bill (S. 3676) for the relief of Frank Anderson was announced as next in order.

Mr. McKELLAR. Mr. President, inasmuch as the department has recommended against this measure, I think it ought to go over.

Mr. SMOOT. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

JOHN PEARCE CANN

The Senate proceeded to consider the bill (S. 2203) for the relief of John Pearce Cann, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert the following:

*Be it enacted, etc.*, That the Comptroller General of the United States is authorized and directed to settle and certify for payment to John Pearce Cann, out of any money in the Treasury not otherwise appropriated, the sum of $664.30 as in full for services rendered as a de facto United States commissioner at Wilmington, Del., for period from November 22, 1927, to February 15, 1929.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELSIE SEGAR

The bill (S. 4303) for the relief of Elsie Segar, administratrix of C. M. A. Sorenson and of Holger E. Sorenson, was announced as next in order.

Mr. KING. Mr. President, I inquire why this should not be paid by the Prohibition Unit instead of by the Government. We have made a large appropriation for the Prohibition Unit. Apparently some of their employees, in the execution, doubtless, or what they conceive to be their duty, caused a fire which resulted in damage.

Mr. SMOOT. Mr. President, I suppose there is no law authorizing us to pay for the damage, I may say to my colleague, and the only way in which it can be taken care of is through special act of Congress. As to the merits of the bill, I have not made an examination into the matter.

Mr. KING. Let it go over.

The VICE PRESIDENT. The bill will be passed over.

FEDERAL RESERVE BANK OF RICHMOND

The Senate proceeded to consider the bill (S. 257) authorizing adjustment of the claim of the Baltimore branch of the Federal Reserve Bank of Richmond.

Mr. McKELLAR. Mr. President, this is recommended by Mr. McCarl.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to settle and adjust the claim of the Baltimore branch of the Federal Reserve Bank of Richmond, as the bona fide owner of check No. 10435, dated May 17, 1927, issued by William H. Holmes, disbursing clerk United States Veterans' Bureau, for $643, to the order of Sara Rawlings in payment of adjusted compensation certificate No. 2575814, which was erroneously issued to Benson Rawlings in the sum of $643, based on an erroneous report of the War Department to the United States Veterans' Bureau of the military service of said Benson Rawlings, and to allow not to exceed $643 in full and final settlement of said claim. There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $643, or so much thereof as may be necessary for payment of said claim.

AGNES M. ANGLE

The Senate proceeded to consider the bill (S. 1067) for the relief of Agnes M. Angle.

Mr. McKELLAR. Mr. President, the report shows this to be a worthy case, and it seems to me that there is no reason why the bill should not be passed.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Agnes M. Angle, a former employee of the United States Veterans' Bureau at Wichita, Kans.

AVERY G. CONSTANT

The Senate poceeded to consider the bill (S. 4930) for the relief of Avery G. Constant, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General is authorized and directed to cancel the charge, in the amount of $24.38, entered on the accounts of Avery G. Constant, former postmaster at Buhl, Idaho, by reason of his deposit of funds of the United States in the First National Bank of Buhl, Idaho, and the subsequent failure of such bank.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay to Avery G. Constant, out of any money in the Treasury not otherwise appropriated, the sum of $129, in full satisfaction of his claim against the United States for a refund of payments made by him on account of any such charge.

CLAIMS OF INDIANS OF CALIFORNIA

The bill (S. 3731) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California," approved May 18, 1928, as amended, was announced as next in order.

Mr. REED. Mr. President, the Commissioner of Indian Affairs reports against this. Should we not have some explanation before passing the bill?

Mr. McNARY. Mr. President, the chairman of the Committee on Indian Affairs expressed a desire to confer with the Commissioner of Indian Affairs, and I ask, under those circumstances, that the bill go over for the day.

The VICE PRESIDENT. The bill will be passed over.

ADDIE I. TRYON AND LORIN H. TRYON

The bill (S. 5286) for the relief of Addie I. Tryon and Lorin H. Tryon was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of this measure.

Mr. SHORTRIDGE. Mr. President, I introduced this bill; it was referred to the Committee on Claims, and, as we see, was reported without amendment. A like bill was introduced in the House of Representatives. The Committee on Claims of that body considered it, and reported it favorably.

The bill authorizes the heirs of E. H. Tryon to sue the United States in the district court of California upon a claim of twenty-three thousand and odd dollars paid by said heirs as excess profits collected by the Government upon the transactions of their ancestor in 1918.

The controversy relates to the collection of excess profits arising from dealings in wool. The circumstances are complicated by Government regulations for handling the wool crop of 1918, and by decisions of the various courts, including the Supreme Court of the United States, many of which decisions appear to be in conflict. The whole nature of the controversy is such that it can not properly be considered and determined except by a court of justice, and the bill seeks to give the proponents of the bill, the parties in question, permission to sue, and the court jurisdiction to hear.

Mr. McKELLAR. Mr. President, why can not the suit be brought in the Court of Claims, which has been established for just such a purpose?

Mr. SHORTRIDGE. It is a matter of indifference to me in what court they sue.

Mr. McKELLAR. Make it the Court of Claims and I will have no objection.

Mr. SHORTRIDGE. The witnesses in the case and the facts involved were far removed, away out yonder in California, and it was thought by the House committee, and apparently by the Committee of the Senate, that the district court of the northern district, ninth circuit, was the appropriate tribunal to hear and determine the case.

Mr. KING. Mr. President, will the Senator permit me to make an inquiry in my time?

Mr. SHORTRIDGE. Certainly.

Mr. KING. The Senator mentioned the question of excess profits. It seems to me this is an attempt to collect taxes which have been paid. Why did they not go to the instrumentalities established by the Government—and they have been numerous—for the adjudication of settlements of those claims for taxes?

Mr. SHORTRIDGE. An answer to that question would involve the reading of this long report. If anybody objects, let it go over.

The VICE PRESIDENT. The bill is objected to by the Senator from Utah, and will be passed over.

Mr. REED. Mr. President, I notice in the report that similar taxpayers who were more diligent brought suit against the Government back in 1926, and their claims even were thrown out because of their long delay. It would be unfair, it seems to me, to pay these claims now.

The VICE PRESIDENT. The bill has been objected to, and will go over.

INLAND WATERWAY, NORFOLK TO BEAUFORT INLET

The bill (H. R. 6184) for the improvement of the inland waterway from Norfolk, Va., to Beaufort Inlet, N. C., was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

GEORGE W. EDGERLY

The bill (S. 3673) for the relief of George W. Edgerly was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. HARRISON. Mr. President, I hope the Senator will not object to the bill. I have tried to follow this through for a great number of years. The committee of the House made a favorable report. The report from the War Department was very favorable. It is one of the most distressing cases that have ever come to my attention. I could occupy the floor of the Senate here for hours, and I believe a recital of the facts would bring tears to the eyes of the Senator from Utah. The bill would put into the hands of the board the question of a reinvestigation of the case.

Mr. SMOOT. Mr. President, there is no report on the bill before me.

Mr. HARRISON. There is a very strong report.

Mr. SMOOT. There is none on my desk. I will object until I get the report.

Mr. HARRISON. I am sorry the Senator did not see the report. There is quite a long report.

The VICE PRESIDENT. Is there objection?

Mr. HARRISON. Did I understand the Senator from Utah to object?

Mr. SMOOT. I object until I see the report.

Mr. HARRISON. I hope it will be passed over temporarily, because I do not want the Senator to get in a frame of mind to object to the bill.

Mr. SMOOT. Just as soon as I have the report I will look it over.

The VICE PRESIDENT. Without objection, the bill will be passed over temporarily.

Mr. SMOOT subsequently said: Mr. President, I have read the report on the bill (S. 3673) for the relief of George W. Edgerly, and I withdraw my objection to the bill.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 1, to strike out the word "major" and insert the word "captain," so as to make the bill read:

*Be it enacted, etc.*, That the President of the United States be, and he is hereby, authorized to summon George W. Edgerly, late captain of Infantry and temporary major, Regular Army, before a retiring board, to inquire whether at the time of his resignation, September 18, 1919, he was incapacitated for active service and whether such incapacity was a result of an incident of service, and if, as a result of such inquiry, it is found that he was so incapacitated, the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said George W. Edgerly a captain of Infantry and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: *Provided*, That the said George W. Edgerly shall not be entitled to any back pay or allowances by the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEAVES OF ABSENCE FOR EMPLOYEES OF THE GOVERNMENT PRINTING OFFICE

The joint resolution (S. J. Res. 238) relating to leave with pay for employees of the Government Printing Office was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. KING. Let that go over, so that we may have a chance to examine it.

Mr. DICKINSON. Mr. President, will not the Senator withhold his objection until I can say just a word?

Mr. KING. Certainly.

Mr. DICKINSON. When we passed the economy act we deprived the Federal employees of their leaves of absence.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. McKELLAR. As I understand it, the employees of the Government Printing Office were operating under a system by which there was a different method of allowing annual leave to the employees in that office. They were entitled to leave for a year already past when the economy act went into effect, and therefore they feel that that is something to which they are justly entitled.

Mr. DICKINSON. That is correct.

Mr. McKELLAR. I rather took that view when we had the matter before the Economy Committee, and I suppose that is the purpose of the Senator's bill?

Mr. DICKINSON. That is the purpose of the bill. In other words, it is merely to compensate these people for the earned leave they had accumulated up to the time the economy bill went into effect. We wanted to take some leave away from them, but we did not want to make the law retroactive, so as to take away from them leave they had already earned and which they had not taken, and for which we could not pay them under the terms of the act.

Mr. McKELLAR. In other words, the economy act was to apply to all other employees of the Government in the future?

Mr. DICKINSON. That is correct.

Mr. McKELLAR. As to these particular employees, and perhaps those in one other class, though I have forgotten whether there was one or two classes, it did apply.

Mr. DICKINSON. This is the only class I know of to which it does apply. I hope the Senator from Utah will not object.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to be engrossed for a third reading, read the third time, and passed, and the preamble was agreed to, as follows:

Whereas under authority of existing law it is the practice of the Government Printing Office in granting annual leave with pay to grant such leave only after the employee has earned during the fiscal year the full 30 days' leave; and

Whereas the practice in other Government departments has been to grant leave as earned at the rate of two and one-half days per month; and

Whereas the employees of the Government Printing Office, in accordance with section 103 of Title I of Part II of the legislative appropriation act for the fiscal year ending June 30, 1933, will be deprived not only of leave earned during the fiscal year 1932 but also of leave earned during the fiscal year 1933, and the annual leave with pay accumulated during the fiscal year 1934 will not be available until after June 30, 1934; and

Whereas under the provisions of existing law employees of the Government Printing Office are not now and never have been entitled to sick leave with pay; and

Whereas the effect of such section 103 of such legislative appropriation act of 1933 discriminates against employees of the Government Printing Office: Therefore be it

*Resolved, etc.*, That notwithstanding the provisions of section 110 of Title I of Part II of the act entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," approved June 30, 1932, all moneys returned to the Treasury on account of furlough and pay reduction from the wages and salaries of employees of the Government Printing Office under said act are hereby reappropriated as they become available for use by the Public Printer in payment of leaves of absence earned by said employees during the fiscal year ended June 30, 1932, such payments to be in lieu of time off on account of said earned leaves of absence and in full compensation therefor, and all payments so made shall be in alphabetical order beginning with employees of the lowest grade and those who may die or be separated from the rolls during the fiscal year 1933, but shall not include payments for any leaves of absence earned during the fiscal year 1933.

ORDER OF BUSINESS

Mr. WALSH of Montana. Mr. President, the hour of 2 o'clock being about to arrive, I inquire of the Senator from Oregon whether he intends to ask unanimous consent that we go through with the calendar?

Mr. McNARY. Mr. President, I regret that I can not do it to-day. I am anxious to get the Agricultural Department appropriation bill up, and several Members left the Chamber upon the theory that we would discontinue the call of the calendar at 2 o'clock. I shall ask for a morning hour either to-morrow or the next day.

Mr. WALSH of Montana. Mr. President, I am particularly interested because we have almost reached the point on the calendar where there are some bills relating to the Canal Zone which have been pending a long time. I hope we may be able to get consideration of those bills at an early day.

Mr. McKELLAR. Mr. President, may I ask the Senator from Oregon, when he next asks unanimous consent for consideration of the calendar, if he will begin where we have left off to-day? In that way we will facilitate the very object to which the Senator from Montana has reference.

Mr. McNARY. Of course, that would be my purpose. I suggest this—and I would like to have the attention of the Senator from Pennsylvania [Mr. REED] for the moment. If we conclude consideration of the agricultural appropriation bill this afternoon, and if it is agreeable to the Senator from Pennsylvania, who wants to follow with another appropriation bill, I shall ask that we adjourn to-night and have a morning hour to-morrow, and continue the call of the calendar from the place where we leave off this afternoon.

Mr. REED. Mr. President, it has been my hope that we might pass both appropriation bills to-day; but if we do not, I am satisfied to have an adjournment to-night and a morning hour to-morrow.

Mr. McNARY. That being agreeable to the Senator from Pennsylvania, who will have charge of the next appropriation bill, I shall ask an adjournment this evening in order that we may have a morning hour to-morrow.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate proceeded to consider the bill (H. R. 13872) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McNARY. Mr. President, I ask unanimous consent to dispense with the formal reading of the bill, that the bill be read for amendments only, and that committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will report the first amendment.

The first amendment of the Committee on Appropriations was, under the heading "Office of Information—printing and binding," on page 7, line 21, after sec. 111," to strike out "title 7, secs 362, 363, 365, 368, 377–379), March 16," and insert "212–220, 222, 241, 244, 257), and in pursuance of the," so as to make the paragraph read:

For all printing and binding for the Department of Agriculture, including all of its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, $850,000, including the Annual Report of the Secretary of Agriculture, as required by the act approved January 12, 1895 (U. S. C., title 44, secs. 111, 212–220, 222, 241, 244, 257), and in pursuance of the Joint Resolution No. 13, approved March 30, 1906 (U. S. C., title 44, secs. 214, 224), and also including not to exceed $250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct, but not including work done at the field printing plants of the Weather Bureau and the Forest Service authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919 (U. S. C., title 44, secs. 111, 220).

Total, Office of Information, $1,226,287.

The amendment was agreed to.

The next amendment was, under the heading "Extension Service, salaries, and general expenses," on page 15, line 11, after the name "Washington," to strike out "$10,000" and insert "$99,085," so as to read:

Agricultural exhibits at fairs: To enable the Secretary of Agriculture to make suitable agricultural exhibits at State, interstate, and international fairs held within the United States; for the purchase of necessary supplies and equipment; for telephone and telegraph service, freight and express charges; for travel, and for every other expense necessary, including the employment of assistance in or outside the city of Washington, $99,085.

The amendment was agreed to.

The next amendment was, on page 16, line 1, after the word "expenses," to strike out "$1,508,822" and insert "$1,597,907," so as to read:

In all, salaries and expenses, $1,597,907, of which amount not to exceed $436,731 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 16, line 4, to change the total appropriation for the Extension Service from $5,580,822 to $5,669,907.

The amendment was agreed to.

The next amendment was, on page 16, line 6, to change the grand total appropriation, office of the Secretary of Agriculture, from $12,679,854 to $12,768,939.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Plant Industry," on page 34, line 15, before the word "That," to strike out "further," so as to read:

Dry-land agriculture: For the investigation and improvement of methods of crop production under subhumid, semiarid, or dry-land conditions, $220,000: *Provided*, That no part of this appropriation shall be used for the establishment of any new field station.

The amendment was agreed to.

The next amendment was, on page 34, line 21, after the word "diseases," to strike out "$201,014" and insert "$225,482," so as to read:

Forage crops and diseases: For the purchase, propagation, testing, and distribution of new and rare seeds; for the investigation and improvement of grasses, alfalfa, clover, and other forage crops, including the investigation and control of diseases, $225,482.

The amendment was agreed to.

The next amendment was, on page 39, line 11, to change the total appropriation for the Bureau of Plant Industry, from $4,496,155 to $4,520,623.

The amendment was agreed to.

The next amendment was, on page 39, after line 17, to strike out:

That no appropriation contained in this act shall be increased by transfer from another appropriation in consequence of section 317 of Part II of the legislative appropriation act, fiscal year 1933, as continued by section 4 of the Treasury and Post Office Departments appropriation act, fiscal year 1934, for the purposes of making a larger amount available for or on account of personal services or for increasing a limitation on any appropriation.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Chemistry and Soils—Salaries and general expenses," on page 52, line 18, after the word "and," to strike out the word "developent" and insert "development," so as to read:

Agricultural chemical investigations: For conducting the investigations contemplated by the act of May 15, 1862 (U. S. C., title 5, secs. 511, 512), relating to the application of chemistry to agriculture; for the biological, chemical, physical, microscopical, and technological investigation of foods, feeds, drugs, and insecticides and substances used in the manufacture thereof, including investigations of the physiological effects of such products; for the investigation and development of methods for the manufacture of sugars and sugar sirups and the utilization of new agricultural materials for such purposes; for investigation of the action and changes produced by microorganisms, including molds and fungi; for investigation and development of methods for the utilization of agricultural wastes and residues, in cooperation with the Bureau of Standards, Department of Commerce, without duplication of work; for investigation and development of methods for the prevention of heating of agricultural products and the prevention of farm fires and fires in cotton gins, cotton-oil mills, grain elevators, and other structures, and to cooperate with associations and scientific societies in the development of methods of analysis, $410,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Agricultural Engineering—Salaries and expenses," on page 69, line 4, after the word "buildings" to strike out "$350,000" and insert "$403,287"; so as to read:

Agricultural engineering: For investigations, experiments, and demonstrations involving the application of engineering principles to agriculture, independently or in cooperation with Federal, State, county, or other public agencies or with farm bureaus, organizations, or individuals; for investigating and reporting upon the utilization of water in farm irrigation and the best methods to apply in practice, the different kinds of power and appliances, the flow of water in ditches, pipes, and other conduits, the duty, apportionment, and measurement of irrigation water, the customs, regulations, and laws affecting irrigation, and the drainage of farms

and of swamps and other wet lands which may be made available for agricultural purposes; for preparing plans for the removal of surplus water by drainage; for developing equipment for farm irrigation and drainage; for investigating and reporting upon farm domestic water supply and drainage disposal, upon the design and construction of farm buildings and their appurtenances and of buildings for processing and storing farm products, upon farm power and mechanical farm equipment, upon the engineering problems relating to the processing, transportation, and storage of perishable and other agricultural products, and upon the engineering problems involved in adapting physical characteristics of farm land to the use of modern farm machinery; for investigations of cotton ginning under the act approved April 19, 1930 (U. S. C., Supp. V, title 7, secs. 424, 425); for giving expert advice and assistance in agricultural engineering; for collating, reporting, and illustrating the results of investigations and preparing, publishing, and distributing bulletins, plans, and reports; and for other necessary expenses, including travel, rent, repairs, and not to exceed $5,000 for construction of buildings, $403,287.

The amendment was agreed to.

The next amendment was, on page 69, at the end of line 5, to change the total appropriation for the Bureau of Agricultural Engineering from $386,810 to $440,097.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Agricultural Economics," on page 73, line 3, after the word "whether," to strike out "raw, dried, or canned," and insert "raw or dried," so as to read:

Market inspection of farm products: For enabling the Secretary of Agriculture, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, boards of trade, chambers of commerce, or other associations of business men or trade organizations, and persons or corporations engaged in the production, transportation, marketing, and distribution of farm and food products, whether operating in one or more jurisdictions, to investigate and certify to shippers and other interested parties the class, quality, and/or condition of cotton, tobacco, fruits and vegetables, whether raw or dried, poultry, butter, hay, and other perishable farm products when offered for interstate shipment or when received at such important central markets as the Secretary of Agriculture may from time to time designate, or at points which may be conveniently reached therefrom, under such rules and regulations as he may prescribe, including payment of such fees as will be reasonable and as nearly as may be to cover the cost of the service rendered.

The amendment was agreed to.

The next amendment was, on page 86, after line 16, to insert:

INTERCHANGE OF APPROPRIATIONS

Not to exceed 10 per cent of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 10 per cent shall be added to any one item of appropriation except in cases of extraordinary emergency, and then only upon the written order of the Secretary of Agriculture: *Provided*, That a statement of any transfers of appropriations made hereunder shall be included in the annual Budget.

The amendment was agreed to.

The next amendment was, on page 91, at the end of line 21, to change the total appropriation for the Department of Agriculture from $100,109,091 to $100,275,931.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. FLETCHER. Mr. President, I desire to offer an amendment.

The VICE PRESIDENT. Has the Senator from Oregon any further committee amendments?

Mr. McNARY. No; I have not.

Mr. FLETCHER. I offer the following amendment: On page 53, line 19, strike out the words "*Provided*, That no part of this appropriation shall be expended for the erection of buildings" and insert in lieu thereof "*Provided*, That not more than $10,000 of this appropriation shall be expended for the erection of buildings."

I think there can be no objection to the amendment.

Mr. McNARY. Mr. President, I am willing to accept the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I offer the following amendment.

The VICE PRESIDENT. Let the amendment be stated for the information of the Senate.

The CHIEF CLERK. On page 66, line 2, insert the following:

*Provided*, That hereafter in the administration of the Federal highway act, and acts amendatory thereof or supplementary thereto, the first paragraph of section 9 of the act of November 9, 1921, shall not apply to publicly owned toll bridges or approaches thereto, constructed and operated by the highway department of any State.

Mr. BARKLEY. Mr. President, this is offered to correct a situation which has grown out of the prohibition of the use of Federal funds for highway construction within 6 miles of any toll bridge. I think that is perfectly proper with reference to any privately owned toll bridge.

Mr. McNARY. Mr. President, we had this matter up last year?

Mr. BARKLEY. Yes.

Mr. McNARY. The Senator wants to renew it again?

Mr. BARKLEY. That is my purpose.

Mr. McNARY. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. ROBINSON of Arkansas. Mr. President, on page 73, there is a committee amendment, under "Market inspection of farm products," to strike out "raw, dried, or canned" and insert "raw or dried." I understand the amendment has been agreed to. I was necessarily absent from the Chamber when it was reached. I ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered.

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBINSON of Arkansas. Mr. President, as passed by the House, the paragraph in which this amendment is found provided for certifying "to shippers and other interested parties the class, quality, and/or condition of cotton, tobacco, fruits, and vegetables, whether raw, dried, or canned." The Senate Committee on Agriculture and Forestry struck out the words "raw, dried, or canned" and inserted in lieu thereof the words "raw or dried." The effect of the amendment was to strike out the word "canned."

This is a controversy of some importance. From an examination of the hearings I find that the Department of Agriculture recommended the inclusion of the word "canned." The reason for it is set forth in a message submitted to the chairman of the committee appearing on page 55 of the hearings on the pending bill. The Wholesale Grocers' Association suggested that the word "canned" be stricken out. I have received a telegram from the representatives of the Canners' Association urging that the word "canned" be retained. May I read from the report of the chief of the bureau in a letter dated January 11, 1933, addressed to the chairman of the committee, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
*January 11, 1933.*

Hon. CHARLES L. McNARY,
*United States Senate.*

DEAR SENATOR: In response to the telephone inquiry of Mr. Rae as to the effect of the omission of the words "or canned" from the item "Market inspection, Bureau of Agricultural Economics," in the appropriation bill for this department, this bureau would regard such a change as unfortunate and undesirable. This language was added in the bill for the fiscal year 1932, and an increase of $30,000 provided to expand the extensive voluntary inspection and certification service conducted by this bureau to include canned fruits and vegetables. The service was started in a small way and is steadily growing. The work is done only upon request and a fee is charged applicants for the service. We believe the service has resulted in improved quality in the areas where it has been most extensively used.

Many canners have used the service to assure themselves that their products could lawfully move in interstate commerce without the substandard label prescribed under the McNary-Mapes amendment to the food and drugs act.

The Veterans' Administration, Bureau of Indian Affairs, Department of Justice, and the General Supply Committee are using the

service as a basis for the awarding of contracts and the acceptance of deliveries. Through this service satisfactory determination is made of the quality of canned goods at the point of production so that delivery on Government purchases can, at the option of the purchasing agency, be made f. o. b. factory, which results in lower prices and a saving in freight as the goods are distributed on Government bills of lading.

The owners of canned goods hypothecated to the Reconstruction Finance Corporation are being required to furnish certificates of grade issued under this service when such goods are not in warehouses licensed under the United States warehouse act.

Certain large terminal warehouses and banks in eastern centers now use the service exclusively to determine collateral values of canned fruits and vegetables.

In cases of unjust rejection of canned vegetables tendered on private contracts the inspection certificate has been procured and acceptance obtained at invoice price exactly as occurs so frequently in the fresh fruit and vegetable trade.

Shortly after the bureau had been authorized to inspect canned fruits and vegetables and issue certificates of grade, some canners expressed a desire to show the official grade designation on the labels on individual cans. This would give consumers the benefit of buying on the basis of Government grades.

A few lots have recently appeared in the trade labeled "United States Grade A." The department does not permit the labeling of cans as a United States Grade A, B, or C, as the case may be, unless the contents of cans so labeled have been processed and packed under the continuous inspection of a representative of this bureau. We believe it should be possible for consumers to purchase canned fruits and vegetables according to known specifications of quality, and that informative labeling on the basis of uniform standards is desirable. Some in the canning trade do not accept that view; others do. That feature of the service is comparable with the work we do on butter, eggs, and meats under this same item in the bill. The use of the service is entirely optional. We think it should be permitted to demonstrate its usefulness to those who want to use it and pay for it rather than to destroy it now, as would be the case if the words referred to were stricken out.

Very sincerely yours,

NILS A. OLSEN, *Chief of Bureau.*

Mr. President, I hope that the Senate will reject the committee amendment and leave in the bill the word "canned" so as to permit the small canners to have the benefit of the certificates which are authorized under the provisions of the law. The service is paid for by the canners. It does not impose, as I understand it, any additional cost on the Government, but it does give the canners the advantage, when they ship their commodities in interstate commerce, of having the assurance that they will not be rejected by the buyers on the ground that the commodity does not come up to the standard required.

I repeat the statement that I hope the Senate will reject the committee amendment.

Mr. DAVIS. Mr. President, I am in favor of rejecting the committee amendment by the Senate. The Pennsylvania Canners Association has written me a lengthy letter on the subject that has been covered more or less by the statement of the senior Senator from Arkansas [Mr. ROBINSON]. I would like to have the letter made a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

FEBRUARY 1, 1933.

Hon. JAMES J. DAVIS,
*United States Senate, Washington, D. C.*

DEAR SENATOR DAVIS: There is now before the Senate Appropriations Subcommittee H. R. 13872, which would authorize the Secretary of Agriculture to investigate and certify the class, quality, or condition of certain agricultural products, including vegetables and fruits whether raw, dried, or canned. This service has been given the producers of raw vegetables and fruits for a number of years, and for at least two years has included canned vegetables and fruits. This particular service is being opposed. Similar objection was set up by distributors and certain producers of raw vegetables and fruits at the time the grading of these products was inaugurated.

H. R. 13872 would continue the authority of the Secretary of Agriculture to determine upon request the definite grade (quality) of any canned foods. Many canners are using this service for the following very good reasons:

1. Official determination of grade before the goods are shipped into interstate commerce overcomes the probability of seizure for misbranding under the requirements of the McNary-Mapes amendment in case the goods grade substandard.

2. The certificate of quality based on official grade is of great advantage to both the buyer and seller when selling spot goods and protects both the buyer and seller (the canner) by assuring the canner the goods he is shipping against future sales are of the quality specified on the sales ticket.

3. Official grading is a very definite guide to the canner in the proper labeling of his product and enables him to place on his label plain statement of grades now authorized "Grade A—Fancy," "Grade B—Extra Standard," "Grade C—Standard." These grade specifications aid the consumer in selecting the quality of canned foods desired.

All of the advantages specified apply equally to the canners, wholesale distributors, and to the consumers. This service is being used and the demand for it is increasing. Consumer organizations who are familiar with the plan heartily support it and a number of inquiries from such consumer organizations have asked how soon canned foods will generally be available with such official grading information on the label.

The fees paid for inspection by the canners practically support this grading system. I understand an annual appropriation of $30,000 has been made for at least two years, and there has been a small surplus from this appropriation remaining at the end of the year. If on account of the pressure to reduce expense it is necessary this grading service be completely self-supporting, then increasing the cost for grading certificates 5 or 10 per cent should make the service self-supporting, but it is necessary the $30,000 annual appropriation be continued so as to give the proper authorities the necessary working funds pending collection of fees from canners.

Unfortunately, those using private house labels do not take kindly to any plan by which consumers may have definite knowledge of the quality contained in the can before making purchase.

Please do not confuse any of the above with the McNary-Mapes amendment to the pure food law, as that law applies only to the proper labeling of canned foods of substandard quality. The McNary-Mapes law makes no provision, that I know of, for proper labeling of the three grades above substandard, namely, fancy, extra standard, and standard.

Our association believes that H. R. 13872 is of the greatest possible value to the consumer, distributor, and canner.

Very truly yours,

PENNSYLVANIA CANNERS ASSOCIATION,
CHARLES G. SUMMERS, Jr., *President.*

Mr. DAVIS. Mr. President, it is very important to the canners and consumers of Pennsylvania that the amendment be rejected. They do not want to lose the benefits of the bill. The canner, distributor, and consumer are protected and benefited by the inspection and grading applying to canned foods. I can not understand why there is any honest objection to it, except by those who believe the prestige of their brands will be reduced if the other canners have the benefit of this grading service. I am in hearty accord with the proposal of the Senator from Arkansas to reject the committee amendment.

Mr. COPELAND. Mr. President, it was at my suggestion that the proposed amendment was made. I have no objection whatever to the market inspection of farm products as written and as we intended it to be administered. I have no objection to the way the department is administering the provision. But I desire to explain to the Senate what is actually happening.

We have two bureaus in the Department of Agriculture dealing with food, the one having to do with market inspection and the other with food and drugs. It has been the ideal of the department and of our country to have every article of food which is sold here above suspicion. It is a very serious invasion of the laws when a food product is misbranded, when the label does not convey the truth. The purpose of the market inspection of food products is a very worthy one. It is to make certain, as the Senator from Arkansas has said, that these articles will pass in interstate commerce without criticism; but this is what happens, if I may have the attention of the Senator.

Mr. ROBINSON of Arkansas. The Senator has my attention. I am listening devoutly.

Mr. COPELAND. Well, I hope the Senator will, and perhaps, even from me, he may gain some wisdom on this particular subject.

This is what happens: Having had this casual and occasional inspection the canner proceeds to place upon his label "U. S. Grade A (Fancy). These goods were packed under supervision of the U. S. Department of Agriculture and this grade officially certified." That is not the truth. The canners have no business to place upon the label such a statement. There is no continuous inspection of these canneries. The label is a falsehood on its face. If it is desired that the container carry a label such as this the canner must conform to the laws as well as the regulations of the Food and Drug Department.

Mr. SMITH. Mr. President, will the Senator allow me to interrupt him?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. COPELAND. I yield.

Mr. SMITH. I think the Senator from New York ought to keep in mind all the provisions of the law. The law expressly provides—

shall certify the shipper and any other interested party the class, quality, and condition.

"The class, quality, and condition." In my own time I shall take the floor to explain what the whole matter means.

Mr. COPELAND. That is all right. I agree with the Senator that as to the particular goods which have been examined the Government certifies as to their class, quality, and condition, but that is no excuse for the canner when he sends some other goods into the market placing upon the label "U. S. Grade A (Fancy). Packed under supervision of the U. S. Department of Agriculture," because that is not the fact.

Mr. SMITH. That refers to the class—class A or grade A.

Mr. COPELAND. Mr. President, I am going to attempt to use more elementary language than I have apparently been able to do.

Cases of occasional shipments are provided for by the act. A home canner may have a product passed upon by the Government, and the Government says as to a particular shipment, "Yes; that is good"; but here is a canner who is engaged in putting out goods 365 days in the year. Such a canner is under continuous supervision of the Department of Food and Drugs, and is liable to fine if goods are sent out which are improperly labeled.

However, I want to ask the Senator from South Carolina, does he think because a particular canning company has had one shipment subjected to market inspection, that thereafter all the other output of that cannery throughout the rest of the year should be allowed to use the label certifying that its goods are first class?

Mr. SMITH. Mr. President, in reply I will say that one can hardly answer categorically a question like that. Under the terms of this bill the processing and the canning are under the supervision of an expert from the Department of Agriculture and therefore not only a can is inspected but all the cans that go out from a home cannery or a local cannery that has the privilege of using the Government's indorsement are inspected in the process of canning by Government representatives. We have appropriated for this purpose so that even the housewife and the local cannery may, through this process, furnish the people of this country with an abundance of canned goods. It is to the advantage of the home that excess vegetables, or vegetables grown for the purpose of canning, and fruits and even meats may be processed according to a formula that affords an opportunity of utilizing the excess production in such form as to be perfectly safe, wholesome, and edible.

I can understand why certain canneries which have established a good will may not desire that this shall be done, but it is a question of benefiting the American people from appropriations we have made over a period of years by perfecting a process that gives to every rural home in this country the privilege, the power, and the knowledge to process their own products for the benefit of those who are not similarly situated.

Mr. President, I maintain that to cut out the word "canned" would be to nullify practically everything that has been done by the Agricultural Department in developing this process, which is for the benefit of the public at large, and particularly the isolated farm and the little canning organization.

Mr. COPELAND. Mr. President, I have been much interested in what the Senator has said. I do not think it applies particularly to the argument in question, but it, nevertheless, relates to a matter of great importance to the American people.

I want to read from the department itself regarding this matter. I have in my hand a letter written by Mr. Dunlap, Acting Secretary, under date of January 27, in which he says:

A number of canners have indicated a wish to use the letters "U. S." in connection with the grade statement and to bear the considerable additional expense incident to the necessary continuous inspection of plant and product. However, in only one case has this as yet actually been done, and in that instance for a limited number of cases of green lima beans packed near the close of the season. The service in this instance was regarded by the Bureau of Agricultural Economics as an experiment and demonstration. Under no circumstances—

The department says:

could this type of inspection be extended beyond the scope of experiment and demonstration with the small appropriation now available or in the bill as passed by the House.

I do not know how much those words mean to others, but they mean to me exactly what they say; that with the appropriation now available it would not be possible to have such continuous inspection as to justify upon the label any such mark as I have indicated.

Under no circumstances could this type of inspection be extended beyond the scope of experiment and demonstration with the small appropriation now available or in the bill as passed by the House. At most we could expect to do no more than to furnish continuous inspection to a few plants and products for stated and relatively short periods.

I am not using my own language; I am not using any argument of mine; I am telling you, Mr. President, what the department says about it—

At most we could expect to do no more than to furnish continuous inspection to a few plants and products for stated and relatively short periods.

Are we willing, having those inspections made for "stated and relatively short periods," to have any canning concern put upon its goods, which are sold throughout the year, a label stating, "These goods were packed under supervision of the United States Department of Agriculture and this grade officially certified"?

If anybody wants to have that kind of food, very well. If the American people are willing to be deceived and have placed upon the labels of articles of food which they have purchased an official label indicating that those goods have been inspected by the United States Department of Agriculture when it is not true at all, I have no more to say. If that is the desire of the people, if that is the desire of the Senate, or if that is the desire of any Member of the Senate, I am perfectly willing that that should be done, but otherwise, in so far as I have any power to express what I feel about the matter, I should protest against it.

Mr. SMITH. Mr. President——

Mr. COPELAND. I yield.

Mr. SMITH. Mr. President, I do not care to discuss this question in the Senator's time, but he knows as well as all others of us know that such a label can not be used unless the goods have been inspected by the United States Government representative, and, because there is a limited appropriation, there will necessarily be a limited quantity of goods that find a market in interstate commerce which have been indorsed by the Government. The Senator is proceeding on the assumption that if the department inspects one cooking or one preparation, that gives the canner a license for all the rest of his products. That is not correct; but all the goods that find their way into the market bearing the indorsement of the Government have actually had the indorsement of the Government.

If the appropriation was not sufficient, we ought to have provided for an inspection of all those who were ready to produce these articles to see if they could get the Government certificate, and we ought to have made appropriations sufficient to have met that provision, because there is not in all the work of the Department of Agriculture one fraught with as great good to the farm and to the people as this process.

Mr. COPELAND. Mr. President, I conferred with the head of the department and with the heads of both these bureaus, and I can not become very much excited over this, because I am assured by the department that they are not going to permit this thing to go on. Therefore, I shall not become very much excited over it. Nevertheless, I want the American people to know that they can get goods off the

shelves of delicatessen and grocery stores labeled, "U. S. Grade A (Fancy). These goods were packed under supervision of the United States Department of Agriculture and this grade officially certified," and be misled into thinking that those goods have been certified by the Government, and certified as pure, when that is not true at all.

Mr. PITTMAN. Mr. President, under the law, is there a penalty for packing goods not in accordance with the classification?

Mr. COPELAND. Under the pure food and drugs act; yes.

Mr. PITTMAN. If a classification should be given to the canned goods the label of which the Senator has been quoting, and a month afterward by inspection a can is found to be under the class, would the producer be subject to punishment?

Mr. COPELAND. I think so.

Mr. PITTMAN. Would very much expense be involved in having a can analyzed every now and then, to see whether it was up to standard?

Mr. COPELAND. Yes.

Mr. PITTMAN. There would be much expense?

Mr. COPELAND. Yes.

Mr. SMITH. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. SMITH. I do not think the Senator from New York should in this body attempt to create a suspicion in the minds of the American public that those who have printed that label have printed an untruth, and are using the guaranty of the Department of Agriculture to deceive. It has taken a long time to build up this process; it is just now coming into practical operation, and right in its infancy, as it is competing with great, established canneries, there is an effort to crucify by suspicion those who use the process, in spite of the fact that it has the indorsement of the Department of Agriculture.

I do not think the Senator from New York is justified in standing on this floor and indicting a canning process which is indorsed by the Department of Agriculture for the benefit of the farmers and the small cannery, in competition with the great, established canneries outside of the jurisdiction of the Federal Government.

All of these small canneries and big ones, the housewife and the salesman, have all to subscribe to and observe the pure food and drugs act. Whether they have the indorsement of the United States Government or not, they dare not put anything on the market that is below the standard set under the pure food and drugs act. And now it is intimated that whoever used that label was using it to deceive, and that the contents of the containers bearing these labels were below the standard set by the pure food and drugs act. Not only does the Senator insinuate that they are using falsely the certificate from the Department of Agriculture, but intimates that they are absolutely violating the pure food and drugs act.

Mr. President, that is a pretty broad indictment of those who are attempting to use the market under the guaranty of the Federal Government.

Mr. COPELAND. Mr. President, it would be if that were what I had said.

Mr. SMITH. That is what the Senator insinuated.

Mr. COPELAND. I did not say that or insinuate it. I did not say that this label was placed on goods which are actually below the standard. They might be above the standard; they might be as pure as the driven snow. What I said, and I repeat it, was that no canner has a right to place upon the product which he puts out week after week and month after month the statement that "these goods were packed under supervision of the United States Department of Agriculture, and this grade officially certified," because that is not the truth.

I am in favor of establishing standards and placing in the Department of Agriculture the authority to enforce them, and I may say to my friend from South Carolina that he knows more about cotton than I will ever know, he knows more about economics than I will ever know, he knows more about farm relief than I will ever know, he knows more about finance than I will ever know, but it will be a long time before he knows as much about the labeling of goods as I know. I say that in all modesty to my friend from South Carolina.

Mr. President, I am in favor of having every article sold in any store in this country or used in any home in this country, certified to as being pure and worthy of consumption in my family or in any family. But I am quite unwilling to have the casual examination which takes place during the season in a limited number of establishments, over a very short period in each establishment, used to justify the placing upon the label of the product, as packed and shipped week after week and month after month throughout the year, the statement that it was "packed under the supervision of the United States Department of Agriculture and this grade officially certified."

What would it mean if that were done? It would mean that in every canning establishment, every big canning establishment and every little one, there should be an inspector of the Department of Agriculture; that he should be there day in and day out, and if they run 24 hours he would have to be there 24 hours, to inspect all the cans of goods put out, in order that there might be placed upon the label "Packed under supervision of the United States Department of Agriculture, and this grade officially certified." That is what I am complaining about.

Mr. President, as I said, I can not grow as excited over this as I would if I did not have the assurance of the Department of Agriculture that this is not to be permitted, and I read again what I read before:

> At most we could expect to do no more than to furnish continuous inspection to a few plants and products for stated and relatively short periods.

Then the Secretary goes on:

> So much interest has been manifested in the demonstration of continuous inspection that it is apparent the funds now available and in prospect are inadequate to provide this type of service to all who may apply, and therefore it is the present purpose of the department to limit its service under this item for canned fruits and vegetables to the grading of submitted samples or samples drawn by its representative from commercial lots.

That being the intention of the department, I do not care what becomes of the amendment. If it will make anybody happy to take it out, I do not care whether it comes out or not; but I know that notice has been served on the canners from the department, and on the buying public, that this sort of label is not going to be used any more, and that if it is used somebody is going to get into trouble.

Mr. President, I would like to say one last word to the housewives of this country. When they go to the store and buy goods, I advise them to read the labels, and ask the salesman if the manufacturer is a reliable concern and if he has reason to believe that the inspections are actually being made. Then, if the housewife has any doubt about it, let her send a sample to the Department of Agriculture and find out the facts.

It is an outrageous thing to have foods or drugs mislabeled or misbranded. It is an outrageous invasion of the rights of the citizens. It is a raid upon the pocketbooks of the American people to be sold goods with a fancy label on them containing language indicating that the goods were inspected by the Department of Agriculture and then to find that the label bore a fraud upon its face.

Mr. President, I want the housewives of the United States to be protected, and I want the people of the United States to have pure food. I want the label of the Government to be attached only to those products which meet the standards of the department. That was the reason why I raised the issue in the committee, of which I am a member.

I may say to the chairman of the Committee on Agriculture that I do not care 2 cents now whether that amendment stays in or not. My purpose has been effected, and the department has given me the assurance that they will

be watchful regarding the operation of this law and all other laws relating to the labeling of products which are to go into the homes of our people.

Therefore, Mr. President, as far as I am concerned, if it will make any of my colleagues happier to have the amendment voted down, I am satisfied to have that done; but I have stated the facts as they relate to this particular question, and I believe the American people will have some confidence that the statement is for their benefit.

Mr. McNARY. Mr. President, apropos of the pending amendment, I have a letter addressed to me as chairman of the committee from the Acting Secretary of the Department of Agriculture, Mr. Dunlap, which is in slight refutation of the argument made by the Senator from New York, and I ask unanimous consent to have it included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
*Washington, January 27, 1933.*

Hon. CHARLES L. MCNARY,
*Chairman Committee on Agriculture and Forestry,*
*United States Senate, Washington, D. C.*

DEAR SENATOR: Reference is made to the discussion on the labeling of canned fruits and vegetables before your committee and to Mr. Olsen's letter of January 11 to you on the same subject. In that letter it was stated that a few lots had recently appeared in the trade labeled "U. S. Grade A." The department, in its administration of the food and drugs act has not considered it wise to sanction the use of the letters "U. S." in connection with the grade designation on a label unless the contents of the can were processed and packed under the continuous inspection of a representative of the Bureau of Agricultural Economics.

The department believes that it should be possible for consumers to purchase canned fruits and vegetables according to definite specifications of quality and that informative labeling on the basis of uniform standards is in the public interest. There can be no objection to the labeling of canned fruits and vegetables as "Grade A," "Grade B," or "Grade C" if the contents do in fact meet the requirements of the grade stated. The department has hoped that the canning industry and the distributing trade would adopt this method of indicating the quality of the product by a definite statement of grade. A great deal of interest has been manifested in this question of informative labeling, and some goods have appeared in the trade so labeled. Under this system of labeling, the services rendered by this department under the appropriation item in question would be limited to the inspection and grading of samples submitted by interested parties or to samples drawn at random from commercial lots and would not involve the placing of any inspector in a plant for the continuous inspection of the canning process.

A number of canners have indicated a wish to use the letters "U. S." in connection with the grade statement and to bear the considerable additional expense incident to the necessary continuous inspection of plant and product. However, in only one case has this, as yet, actually been done and, in that instance, for a limited number of cases of green Lima beans packed near the close of the season. The service in this instance was regarded by the Bureau of Agricultural Economics as an experiment and demonstration. Under no circumstances could this type of inspection be extended beyond the scope of experiment and demonstration with the small appropriation now available or in the bill as passed by the House. At most we could expect to do no more than to furnish continuous inspection to a few plants and products for stated and relatively short periods. So much interest has been manifested in the demonstration of continuous inspection that it is apparent the funds now available and in prospect are inadequate to provide this type of service to all who may apply, and therefore it is the present purpose of the department to limit its service under this item for canned fruits and vegetables to the grading of submitted samples or samples drawn by its representatives from commercial lots.

Sincerely yours,

R. W. DUNLAP, *Acting Secretary.*

Mr. SMITH. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH. The question is upon the committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. SMITH. Those who vote in the negative will vote in the right way.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

Mr. BYRNES. Mr. President, I submit an amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. The Senator from South Carolina proposes to insert on page 67 a new paragraph, as follows:

That paragraph (1) of subsection (a) of section 301 of Title 3 of the emergency relief construction act of 1932 is amended by striking out the date "July 1, 1933," where it appears in said paragraph and inserting in lieu thereof the date "January 1, 1934."

Mr. BYRNES. Mr. President, this amendment is offered with the approval of the committee, and is made necessary because the relief act provided that "no amounts apportioned under this paragraph shall be advanced except for work performed before July 1, 1933." The Bureau of Public Roads is of the opinion that it is essential that the date be made January 1, 1934. The Bureau of the Budget has likewise recommended the adoption of the amendment.

Mr. ODDIE. Mr. President, is this in effect the amendment offered by the Senator from Alabama [Mr. BANKHEAD]?

Mr. BYRNES. I do not know about the amendment offered by that Senator. This is the amendment which the committee has directed me to propose.

Mr. ODDIE. Which committee?

Mr. BYRNES. The Committee on Appropriations.

Mr. ODDIE. May I ask whether the Senator will withhold that, because, as chairman of the Committee on Post Offices and Post Roads, I have sent the Bankhead amendment to the department for a report.

Mr. BYRNES. May I say to the Senator from Nevada that this amendment, which is the same as the amendment which was offered in the House of Representatives, has already been favorably reported by the department, and the Bureau of the Budget has likewise reported to the Congress recommending that the amendment be adopted. The department has already recommended its adoption.

Mr. McNARY. Mr. President, this amendment will meet the emergency situation, and I hope it may be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. BYRNES].

The amendment was agreed to.

Mr. RUSSELL. Mr. President, I offer an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Georgia offers an amendment to insert on page 82, line 4, after the comma, the following words "and for the certification of products out of the infected areas to meet the requirements of State quarantines."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. McNARY. Mr. President, the Senator from Tennessee has an amendment to offer.

Mr. McKELLAR. Mr. President, I ask that the amendment which I have sent to the desk be reported.

The VICE PRESIDENT. The amendment will be reported.

The LEGISLATIVE CLERK. The Senator from Tennessee proposes to insert, on page 87, after line 4, the following:

DISTRIBUTION OF GOVERNMENT-OWNED COTTON TO THE AMERICAN RED CROSS

For carrying out the provisions of the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, $4,100,000 to be immediately available, and in addition the unexpended balance of appropriations made for the purpose of carrying out the provisions of the joint resolution entitled "Joint resolution authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress," approved July 5, 1932, is made immediately available for such purpose.

Mr. McKELLAR. Mr. President, this amendment would carry out a measure that was passed a few days ago, and which has been signed by the President. We are all familiar with it. It follows exactly the authorization bill.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ODDIE. Mr. President, I ask that an amendment I sent to the desk this morning, and which is now on the table, be acted on.

The VICE PRESIDENT. The amendment will be read.

The LEGISLATIVE CLERK. The Senator from Nevada proposes to insert at the proper place the following:

That for the purpose of carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be expended according to the provisions of such act as amended: The sum of $125,000,000 for the fiscal year ending June 30, 1934; the sum of $125,000,000 for the fiscal year ending June 30, 1935: *Provided*, That in apportioning the foregoing sums among the several States and the Territory of Hawaii for said fiscal years deductions shall be made as reimbursement to the United States of the $80,000,000 emergency advance funds apportioned to such States and the Territory of Hawaii and used in road work, such deductions to be made at the rate of $16,000,000 each fiscal year, in accordance with the item "Federal-aid highway system" of the act approved December 20, 1930 (46 Stat. 1031).

SEC. 2. That for the purpose of carrying out the provisions of section 23 of the Federal highway act approved November 9, 1921, there is hereby appropriated for forest roads and trails, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said section 23: The sum of $12,500,000 for the fiscal year ending June 30, 1934; the sum of $12,500,000 for the fiscal year ending June 30, 1935.

SEC. 3. That for the purpose of carrying out the provisions of section 3 of the Federal highway act as amended June 24, 1930 (46 Stat. 805), there is hereby appropriated for the survey, construction, reconstruction, and maintenance of roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations, the sum of $3,000,000 for the fiscal year ending June 30, 1933, the sum of $3,000,000 for the fiscal year ending June 30, 1934, the sum of $3,000,000 for the fiscal year ending June 30, 1935, available until expended.

SEC. 4. That for the purpose of carrying out the provisions of the act of April 9, 1924 (43 Stat. 90), entitled "An act authorizing the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges in the national parks and monuments under the jurisdiction of the Department of the Interior," as amended by the act of January 31, 1931 (46 Stat. 1053), and the act of March 4, 1931 (46 Stat. 1553), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said acts: The sum of $7,500,000 for the fiscal year ending June 30, 1934; the sum of $7,500,000 for the fiscal year ending June 30, 1935; of which sums $1,500,000 may be allocated each year, in the discretion of the Secretary of the Interior, for the construction, reconstruction, and improvement of approach roads to national parks and national monuments, inclusive of necessary bridges: *Provided*, That in lieu of the total cash appropriations herein the Secretary of the Interior may approve projects, incur obligations, and enter into contracts for additional work each fiscal year not exceeding the difference between the amount of the unobligated appropriation for the particular fiscal year and the amount herein appropriated for said fiscal year, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction of roads in national parks and national monuments shall be considered available for the purpose of discharging the obligation so created.

SEC. 5. In every case in which, in the judgment of the Secretary of Agriculture and the highway department of the State in question, it shall be practicable to plant and maintain shade trees along the highways authorized by the act of November 9, 1921, and by this act, the planting of such trees shall be included in the specifications provided in section 8 of said act of November 9, 1921, and the Federal highway act of November 9, 1921, is amended accordingly.

Mr. ODDIE obtained the floor.

Mr. McNARY. Mr. President——

Mr. ODDIE. I should like to make a short statement on the amendment.

Mr. McNARY. I appreciate the logic of the position of the Senator from Nevada. However, I want to make a point of order against the amendment, because I believe it proposes legislation on an appropriation bill. But if the Senator desires to make some observations, I will withhold the point of order.

The VICE PRESIDENT. The Senator withholds his point of order.

Mr. ODDIE. I desire to make a short statement, Mr. President. I believe that when the point of order is reached, it will be found that, since this amendment which I have suggested is in the form of a bill which passed the Senate on the 8th of June, during a session which was a part of this Congress, it will not be ruled out of order. But we will come to that later.

The VICE PRESIDENT. The Chair desires to call to the attention of the Senator from Nevada the fact that the rule applies to a measure passed during the session, not during the Congress.

Mr. ODDIE. We will come to that later, but I will make a preliminary statement.

Mr. President, a year ago the Committee on Post Offices and Post Roads of the Senate held extensive hearings on this measure, then known as Senate bill 36, which passed the Senate on June 8, 1932, called the Oddie Federal-aid road bill. I have now offered that measure as an amendment to the agricultural appropriation bill now before us. Many witnesses appeared before the Committee on Post Offices and Post Roads of the Senate, of which I have the honor to be chairman, in behalf of the legislation and not a single person testified in opposition. Representatives of the State highway departments presented exhaustive testimony as to the value of Federal participation with the States in road construction and the splendid results obtained.

They were supported by the American Farm Bureau Federation, the National Grange, the Chamber of Commerce of the United States, the American Federation of Labor, the American Automobile Association, the American Road Builders' Association, the National Rural Letter Carriers' Association, the American Motorists' Association, the National Automobile Chamber of Commerce, and many others.

The first section of my amendment to the bill now before us provides an appropriation to continue the regular Federal-aid program through the fiscal years 1934 and 1935, carrying the same amount that was provided for in the authorizations for the years 1931, 1932, and 1933.

While this amendment apparently carries $125,000,000, the actual net amount is $109,000,000, since the amendment specifically provides for the annual deduction of $16,000,000, or one-fifth of the emergency advance funds of $80,000,000 made available to the States in December, 1930, with the condition that the sum so advanced should be deducted in five annual installments of $16,000,000 each from future allotments of Federal aid.

Furthermore, Mr. President, at the last session of Congress the emergency road legislation act was passed and the money advanced to the States under that act must be deducted from the regular Federal-aid appropriations to the States, as is the $80,000,000 appropriated the year before, except that they are to be deducted in 10 annual installments of 10 per cent each, commencing in 1938.

It will be recalled that the first emergency allotment of $80,000,000 was provided to aid in the unemployment situation and the success that this appropriation has achieved has been fine in every way. I can say the same thing of money appropriated last year under the emergency road bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Tennessee?

Mr. ODDIE. Will the Senator let me finish this preliminary statement first?

The VICE PRESIDENT. The Senator from Nevada declines to yield.

Mr. ODDIE. The annual deduction for the repayment of $16,000,000 has been made for the fiscal year 1933, and this amendment provides for two further deductions for the years 1934 and 1935. It can readily be seen, therefore, that if this amendment is adopted the Congress is really reducing its Federal-aid program on the basis of economy reductions provided for other governmental activities. In reality, a reduc-

tion has already been made, and work is proceeding at present on a reduced basis.

The second section of the amendment provides for an appropriation of $12,500,000 for each of the fiscal years 1934 and 1935 for the construction of roads and trails through the national forests. This is at the same rate as carried in the three previous fiscal years.

In actual administration this amount is divided into two funds, $3,000,000 to be used for the building of roads and trails under the direction of the Forest Service for fire protection and development of the forest reserves; the remaining $9,500,000 to be used for the improvement of highways within the national forest areas. Since many of our main interstate highways traverse forest reserves, it has become necessary to provide for the construction of these roads.

The third section of the amendment provides the sum of $3,000,000 for each of the fiscal years 1933, 1934, and 1935 for the construction, reconstruction, and maintenance of roads over lands which are wholly owned by the Federal Government outside of the national forests. These roads form important links in the interstate system of roads, the same as those through the forest, and yet are wholly in territory owned exclusively by the United States. This authorization is in the same amount as was provided for the fiscal year 1931. This provision is called the Oddie-Colton road fund.

The fourth section of the amendment provides for roads in the national parks and monuments. Heretofore the funds provided for this work have been made available in the appropriation bill of the Department of the Interior, but the committee after careful consideration reached the conclusion that all legislation relating to road construction should be centralized in one bill and it, therefore, provided for an authorization for this work as a part of the general Federal-aid road bill.

The sum provided for in this section is $7,500,000 for each of the fiscal years 1934 and 1935, of which sum $1,500,000 may be allocated each year in the discretion of the Secretary of the Interior, for the construction, reconstruction, and improvement of approach roads to national parks and national monuments, inclusive of necessary bridges.

Furthermore, it is necessary, in order that this work may be successfully administered, that authority in law in connection with the road appropriation for the National Park Service be similar in authority to that law which now prevails in connection with the Federal aid and forest highway appropriations. For this reason this section of the bill gives the necessary authority to the Secretary of the Interior for the proper approval of projects.

Under the terms of the Federal highway act the Secretary of Agriculture is required to apportion to the States the funds for each succeeding fiscal year on or before January 1 next preceding the beginning of the fiscal year. This provision of the law is for the purpose of allowing the States and the Bureau of Public Roads to make the studies and surveys and to prepare the plans and specifications necessary before the actual construction operations are started.

Normally the allocation of each year's funds has been made just before January 1, but for the past three years the allotments have been made earlier for the purpose of stimulating employment in the building of roads. The making of these Federal funds available during the fall months has made it possible to do all the preliminary work necessary so that the Northern States might begin construction as soon as weather conditions permitted the following spring and so that the Southern States might continue their program of construction through the winter months.

This legislation should be passed in this session of Congress in order to provide for construction work during next winter and early spring by enabling the Secretary of Agriculture to make the necessary distribution of funds to the States during the coming fall months.

There are other important advantages in the early enactment of this legislation. During the present serious unemployment crisis road construction has been relied upon to a large extent by the States to provide work not only through the summer but, during the past three years, through the winter months. More work has been carried on during the winter months just ended than has ever before been attempted.

Some of the States have been very successful in maintaining a large amount of employment through the winter months. Many of these projects have been made possible only through use of the Federal-aid funds. In such States as Ohio and Michigan the specifications and plans were drawn to provide the maximum amount of labor possible, and a kind of work was selected that could be carried on through the winter months.

There is every reason now to make provision for continuing the same program during next fall, and in order to do this in either the Northern or Southern States it will be necessary to make the allocation of the Federal-aid funds some time early in the fall months.

Another important advantage which will result from the early enactment of this legislation in the present session of Congress will be its effect on State highway policies. This winter the legislatures of most of our States will be in regular session. At this time they will provide the funds necessary to carry on the road program and to meet the Federal-aid funds. If Congress acts without delay in the enactment of this legislation, the State legislatures will be subjected to no uncertainty as to Federal policy. If they fail to do so, the State legislatures will be in confusion and uncertainty regarding their future policy regarding the continuation or abandoning of the road-building programs of their respective States. It will be most disastrous if they are forced to abandon their programs because of the failure of Congress to appropriate money for the continuation of the Federal-aid road-building program, as it will do if it fails to adopt my amendment. Efficient highway administration is facing a critical period, and it is more necessary than ever that Congress should recognize this condition and make every effort to provide effective leadership to uphold the present policies, which have been thoroughly tried and found satisfactory, and upon the basis of which the Federal Government has invested so large an amount of public funds.

Mr. President, the main arguments have been stated in a clear and abbreviated manner. I think Members of the Senate understand the great importance of the enactment of this legislation and the appropriations therefor, and I hope that the Senate will agree to my amendment. I feel that the Government has an obligation to the States to continue the Federal-aid policy. The States accepted the conditions laid down by the Government some years ago. They have been carrying them out according to Government plans and specifications. They have relied on the Government to continue this policy. They have borrowed money from the Government under the relief acts of the last two years, which acts provided that they could repay the amounts from Federal-aid appropriations to them in the future. If we cut off the Federal-aid appropriations in the future, as will be done if this amendment is not adopted, the Government will be breaking faith with the States, and the States will not have the money which the Government promised them, which they can use to pay back the money which has been loaned to them.

I hope that the amendment will be adopted.

Mr. McKELLAR. Mr. President, how many States can take advantage of the money if it is appropriated?

Mr. ODDIE. I can not tell the exact number. I presume a great majority of the States can do it.

Mr. McKELLAR. I am afraid in these hard times it will be very difficult for the States to do it.

Mr. ODDIE. All of the States about which I know anything have a serious unemployment problem to face to-day, and this legislation will enable them to solve this problem in a very practical and intelligent manner.

Mr. McKELLAR. How much money will it add to the bill? The bill carries slightly over $100,000,000. How much additional money will be appropriated if the Senator's amendment is agreed to?

Mr. ODDIE. Does the Senator mean the present Agricultural Department appropriation bill?

Mr. McKELLAR. How much does the Senator's amendment carry?

Mr. ODDIE. It carries $125,000,000 for the regular Federal-aid road program for 1934 and the same amount for 1935, besides $12,500,000 for each of these years 1934 and 1935 for national-forest roads and trails, also $3,000,000 for roads over the Federal unappropriated public domain, under the provisions of the so-called Oddie-Colton road bill, for the years 1933–34, and 1935, and $7,500,000 for each of the years 1934 and 1935 for roads in the national parks. This amendment is the same as the bill (S. 36) which passed the Senate on June 8, 1932.

Mr. McKELLAR. It will increase the appropriations in this bill then over 100 per cent. I want to say to the Senator that I think I was about as early an advocate of good roads as anybody who ever served in the Congress. I remember the first speech I ever made in the House was on the subject of Federal aid for good roads, and I was very roundly scored for it, but I have kept up the fight for many years. However, in the condition of the public at the present time I can not vote for the Senator's amendment, good advocate of good roads though I am.

Mr. McNARY. Mr. President, before raising the point of order I want to correct a statement made by the able Senator from Tennessee. The act of 1933 carried an item of $100,000,000 for road and highway construction. The emergency legislation following carries $120,000,000 which is in the nature of a loan. The bill for 1934 carries $35,000,000 to meet existing contracts but not to extend the work.

Mr. McKELLAR. I think that is very wise, and I think that it is as far as we ought to go this year.

Mr. McNARY. When the Senator from Nevada offered his amendment it was in the nature of an authorization. Since then he has changed it, and it now has the attributes of a direct appropriation. I invoke Rule XVI, which I have in my hand and which is applicable because the proposed amendment is legislation on an appropriation bill. The exception set forth in Rule XVI is not applicable here because the authorization act was passed in June, 1932, which was the last session of the Congress, and, therefore, the amendment does not come within the exceptions set forth in subdivision 1 of Rule XVI. Therefore, I make the point of order that it is legislation upon an appropriation bill and does not come within the exceptions enumerated.

Mr. ODDIE. Mr. President, may I ask the Senator if the fact that Senate bill 36 has passed the Senate and has been amended in the committee of the House and is now on the House Calendar, would change the effect of that rule?

Mr. McNARY. It is not for me to decide parliamentary questions. I do not think it makes any difference at all, but I submit the matter to the Vice President.

The VICE PRESIDENT. The rule is very specific.

Mr. BROOKHART. Mr. President, this is debatable, is it not?

The VICE PRESIDENT. The point of order is not debatable. The amendment is debatable.

Mr. BROOKHART. I should like to be heard particularly in reply to the suggestion of the Senator from Tennessee.

The VICE PRESIDENT. Does the Senator from Oregon withhold his point of order for the discussion?

Mr. McNARY. I shall do that for a brief time to accommodate the Senator from Iowa.

Mr. BROOKHART. Mr. President, it will not take me very long to present the matters which I desire to bring to the attention of the Senate. I want particularly to invite the attention of the Senator from Tennessee [Mr. McKELLAR] to the situation in reference to Federal aid for roads for which he is so enthusiastic.

The original plan was proposed by the Federal Government. The Chief of the Bureau of Roads testified to that fact before the committee and there can be no doubt about that being the truth of the situation. It was started on the basis of a 50-50 payment of the expense. The Federal Government was to pay one half of the expense and the States the other half. That system had not been working very long until the big taxpayers of the United States, who pay the taxes in the Federal Government, became dissatisfied with the Federal aid. So they went out, as they have done with their economy leagues and taxpaying organizations, and organized road booster associations in all the States. I think they were organized in Tennessee and in Utah. They were organized everywhere so far as I know.

The road boosters, financed by the New York crowd as usual, started out in connection with the cement trust and agitated for gasoline taxes, county bonds and State bonds, but never once came to the Congress of the United States asking for an increase in the Federal appropriation. The result was that this agitation enormously increased the State taxes of Tennessee, Iowa, and every other State for the building of roads, but did not materially increase the Federal appropriations.

Some years ago Representative DOWELL, of my own State, who was chairman of the House committee, secured an increase of $50,000,000 in the Federal appropriation, which was raised from $75,000,000 to $125,000,000, but, Mr. President, the year that was done the total State expenditures for the same roads were $910,000,000, while only $125,000,000 was paid by the Federal Government, when it ought to have paid $450,000,000 or $460,000,000 in order to provide its share of the expense of this construction. The result has been that the heavy burden of taxation has been transferred from the big income-tax payers of the country, who derive their incomes off the whole country, to the neighbors of the Senator from Tennessee and of other Senators who talk so much about economy, and those people are paying an excessive tax at home which is an unjust burden upon them.

Therefore, Mr. President, it seems to me that the time has come when the Federal appropriations for roads should be brought up to the amount originally intended to carry out the purpose of the Congress. It has been cut down by campaigns financed in a sinister way. I do not know of anything that would more particularly need an investigation by the Senate of the United States than the road boosting campaigns which were conducted over the country. A number of very good people joined those road boosters, not knowing what it all meant, not knowing what was behind it and that it was a scheme to reduce Federal taxes.

In States like Tennessee there is not over one dollar of Federal expenditures in four paid by the people of Tennessee and the other $3 is paid by the income-tax payers of the country.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. BROOKHART. I yield.

Mr. McKELLAR. Of course, the Senator knows that this fund is still expended on a 50-50 basis. The basis has never been changed. It has been modified to the extent that the Federal Government has loaned the States in the last two bills, if I recall the facts correctly, sufficient not only to enable them to match the Federal funds but to supply the States with the money with which to match those funds. So that, so far as the Federal appropriations are concerned, the Federal Government has done just exactly what it started out to do.

The Senator is correct in saying that the States have spent much more than the amount the Federal Government has spent, but they have done that in their own way under their own laws, under their own administration, and in a manner separate and apart from the Federal-aid road funds. It has been spent by the same people, but the money of the States has been kept separate from the Federal-aid money, and the Federal-aid money only goes on primary roads, while many of the States have built secondary roads. In my judgment, if there is any criticism to be made of the State authorities of Tennessee, it is that in the last several years they have gone entirely too far, and it may have been by reason of the advertisements the Senator suggests. I

wish to say, however, that it was done over my disapproval; I did not approve it at the time, and I do not approve it now.

Mr. ODDIE. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nevada?

Mr. BROOKHART. I should like first to reply to the suggestion of the Senator from Tennessee, and then I will yield to the Senator from Nevada.

I think the Senator from Tennessee is right in his suggestion. The arrangement has been skillfully made so that the Federal Government would not pay its share of the expenditures on the roads, every one of which is an interstate road, every one of which is a post road; every one of which is a military road, all of which are for Federal purposes. It is the whole scheme, State and National, that I am criticizing.

I concede that the States are quite as much to blame in not looking out for their rights as is the Congress of the United States, but I have never heard this question even debated except as I have brought it up a time or two here in the Senate. I went before the road boosters in my own State and laid this situation before them. I gave them the figures as to what all the States were spending, which figures I obtained from the Road Bureau, and I asked them to come down before the committee to help us change the arrangement between the States and the Federal Government and help secure an increase of the appropriation so that the Federal Government would contribute its just share of the construction cost of these roads. But they never came. Why? Because their leadership was under the domination of the Cement Trust and the economy leagues and organizations of that kind that are trying to avoid Federal taxation in this country.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BROOKHART. Yes; I yield to the Senator.

Mr. FESS. Is it not true, as a general proposition, that where the Federal Government enters the field of aiding the States that the States run far ahead of the Federal Government? I think in the case of the land-grant colleges the appropriations by the States for such colleges is six or seven times what is appropriated by the Federal Government, and I think that is the general rule, which applies also to roads.

Mr. BROOKHART. That may be true, and it may be that similar campaigns have been carried on in the case of the land-grant colleges; I do not know about that; but, Mr. President, we have reached a situation in reference to taxation in the United States where the burden is not on the Federal Government; it is on the local communities and on the States. They are the ones that are now suffering under this heavy burden of taxation, and it is partly due to the fact the Senator from Ohio has just pointed out about land-grant colleges. The Federal Government has crawled out of paying its share. Here we pass a bill cutting down the expenses of the Customs Service, and we find immediately there will be orders going out closing the little customs offices in Ohio and Tennessee and Iowa and other States. There is where the saving will be made.

Mr. KING. Mr. President——

Mr. BROOKHART. I yield to the Senator from Utah.

Mr. KING. I was interested in the statement made by the able Senator from Ohio and restated by the Senator from Iowa in respect to the land-grant colleges. I am not quite in accord with that view, and I ask the Senator if it is his opinion that with the expansion of education in all of the States and the educational facilities and developments of the land-grant colleges there ought to be a corresponding increase in the payments by the Federal Government for the maintenance of those colleges?

Mr. BROOKHART. Mr. President, the educational system of this country out in the States is now almost broken down. The local taxing authorities can not collect sufficient taxes to pay the expenses of any kind of school any more. The only one who has any money is the Federal Government, and it has got it from the profiteers who have unlimited incomes, who even now in this time of depression are collecting enormous incomes. I notice a dividend of 200 per cent was recently paid by Mr. Mellon's bank in Pittsburgh. The Federal Government is the only place where there are any funds to maintain our civilization at this time.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield further to the Senator from Utah?

Mr. BROOKHART. I yield.

Mr. KING. Does the Senator believe that the cause of education will be promoted by transferring from the States to the Federal Government the control of our educational system, and the responsibility of imposing taxes for the purpose of maintaining schools of the United States?

Mr. BROOKHART. No; but I believe it would be promoted by transferring back to the States some of the funds that are taken from the States by the accumulation of enormous estates and great incomes.

Mr. KING. Will the Senator yield further?

Mr. BROOKHART. Yes.

Mr. KING. I regret exceedingly that the able Senator from Iowa is not a member of the Finance Committee, because if he were he would discover the lean sources of revenue that are available to the Federal Government and the difficulty the Federal Government has in tapping the sources of revenue sufficiently to prevent enormous deficits, a deficit of $1,000,000,000 two years ago, $2,000,000,000 last year, and obviously nearly $3,000,000,000 this year.

Mr. BROOKHART. At present, although the national income is reduced, it is estimated variously at from forty to fifty million dollars, but most of that is in the hands of people that the Congress of the United States taxes and not the local taxing bodies of the States.

Mr. KING. Mr. President, if the Senator will pardon me——

The VICE PRESIDENT. The Chair will state that all this discussion is proceeding by unanimous consent.

Mr. KING. I ask unanimous consent to ask a question then.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. KING. Is not the Senator from Iowa in error in assuming the national income to be from forty to forty-five million dollars? A number of leading professors and economists, who have made, I think, a rather meticulous search, have stated that about $35,000,000,000 was the maximum income of all the people of the United States for 1932.

Mr. BROOKHART. Nicholas Murray Butler estimated it at $37,500,000,000; the Federation of Labor estimated it at $40,000,000,000, and I have seen it estimated at $45,000,000,000 and also at $50,000,000,000. There is not a definite estimate so that we can tell what it is, but there is still an enormous amount of income derived from furnishing the very necessities of life, which is about all we are furnishing in the United States to-day.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. FESS. I think the Senator is in error when he assumes if we start a Federal-aid program and fix the amount to be authorized this year, and then a State wants to go two or three times higher than that amount that the Federal Government would be under obligation to go up with it. I do not think that is justified, and that must be the error under which the Senator is laboring.

Mr. BROOKHART. If it were fairly presented to the States and no secret organization were built up by the interests who want to avoid taxation, I would agree with the Senator from Ohio; but after I investigated the inside of these road boosters' associations and saw the real motives that animated them and caused them to boost up the local expenses for building roads faster than the Federal Government would aid them, I saw then that the purpose of it was really to have the Government crawl out from paying its share toward building the hard-road system in the United States. I think it is time for the Congress to take notice of that situation and to see that the laws are revised and these appropriations are increased so that the Federal Government shall do its part.

Mr. President, right now all over the United States there are rebellions against local taxation. There is no rebellion against Federal taxation, excepting that of the Economy League, which comes down before the committee to try to cut down the appropriations for veterans and thereby reduce the taxes of its members. The United States Chamber of Commerce does the same thing, as does the Manufacturers' Association. But they do not come with ropes and they do not come with guns, like the farmers of Maryland and of Pennsylvania and of Ohio—yes; this morning I saw an account of a rebellion in the State of Ohio—and of Iowa and of Illinois and of Indiana and of other States who are rebelling because the local tax burden has grown so heavy upon them that it is taking their homes and their livelihood away from them. Then we talk economy in Federal expenditures. Through the Federal Government alone have we got a chance to relieve them of this burden of taxation, and one of the opportunities is afforded on this road proposition.

Mr. President, I think that the time will surely come when this relation of Federal expenses to local and State expenses will be better understood in the United States.

I have had some arguments with the Senator from Pennsylvania [Mr. REED], and also with the Senator from New York [Mr. COPELAND]. At one time the Senator from Pennsylvania pointed out that his State paid some $300,000,000 into the Federal Treasury by way of taxes, and that Iowa only paid $10,000,000; that Pennsylvania got back only 1.8 per cent of her taxes by way of Federal aid, whereas Iowa got back 16 per cent. And the Senator from New York [Mr. COPELAND] pointed out that New York paid one-third of all the taxes received by the Federal Treasury from the whole United States, and the argument was made that that was an unjust situation in reference to Federal aid. But, Mr. President, Pennsylvania, through her Steel Trust and her other industrial combinations and her great corporations, took from the people of Iowa and from the people of other States the enormous incomes they obtained, and they ought to share the taxes they paid with the various States.

Mr. REED. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield; yes.

Mr. REED. If the Senator means by "the Steel Trust," the United States Steel Corporation, it pays all its Federal taxes to the New York collector.

Mr. BROOKHART. But it is located in Pennsylvania, a good deal of it; and, Mr. President, in New York, if they pay one-third of the Federal taxes, they get 50 per cent of the income of the people of the whole country. The net national income of this country goes to those sources, and it is right and proper that they should be taxed for these things. They are using these roads, after they are built, to draw their incomes into these great centers; and it is that thing that has upset the equilibrium in our country and has brought us to this state of depression. It is this centralization of the income of the country that has brought on the depression, and the Government itself has been managed and the economic affairs of the country have been managed by the same men who now seek to avoid taxation, and who talk all of this "economy" in the question of Federal Government expenses.

I think the Senator from Michigan [Mr. COUZENS] on yesterday or day before uttered the right sentiment when he said we have gone mad upon this question of economy here in the Federal Government.

The VICE PRESIDENT. The Chair sustains the point of order.

The bill is open to amendment.

Mr. REED. Mr. President, I have an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

Mr. ODDIE. Mr. President, may I ask a reconsideration? If the ruling of the Chair can be withdrawn and postponed a few minutes, I asked permission to interrupt the Senator from Iowa a few minutes ago. I wanted to make one observation.

The VICE PRESIDENT. The Chair has ruled on the question. The Senator from Pennsylvania [Mr. REED] has offered an amendment, which is debatable; and that matter may be debated after it is read. Let the amendment be read.

The LEGISLATIVE CLERK. On page 89, after line 18, at the end of the section relating to the collection of seed-grain loans, it is proposed to insert the following:

It is hereby declared to be the sense of Congress that all agricultural credit agencies created under the authority of the Federal Government should be grouped under a single administrative jurisdiction, and the President of the United States is requested to recommend to the Congress at the earliest practicable date a plan for the grouping and consolidation of such agencies.

Mr. REED. Mr. President, I doubt whether in the whole organization of the Federal Government there is a more amazing, more senseless example of legislative and administrative ineptitude than in the system of agricultural credits created by Congress and administered by various executive agencies since the Government first entered this field.

The explanation is obvious. As each new need appeared or as the political "saviors" of the farmer conceived some new scheme for their relief, Congress, sometimes on the recommendation of the President—more often on its own initiative—set up one after another of these agencies, with little or no regard for the appearance of the pattern as a whole, with the result that we have a crazy quilt of credit facilities which could come into existence only by this patchwork method of legislating for the farmer's supposed benefit.

We have created six separate agencies for this process of aiding the farmer to get further into debt. The six agencies are the Federal land banks, the intermediate credit banks, the joint-stock land banks, the Federal Farm Board, the Crop Production Loan Office, and the agricultural credit corporations. All six of those institutions are lending money either to individual farmers or to farmers' cooperative organizations at various rates of interest, extending all the way from one-eighth of 1 per cent a year up to 7 per cent a year.

The first is almost—well, I hesitate to use the noun that occurred to me. It is highly unfair to the Government. The last, the 7 per cent interest rate, is almost usurious. This one Government has created these six different organizations, headed by six different groups of highly paid executives, each of them staffed with organizations that extend throughout the United States, doing the same work in the same districts, with overlapping organizations, with agents of the several institutions in the same counties, if you please, estimating credit risks in the same way, and then recommending loans to be made, as I say, at anywhere from one-eighth of 1 per cent per annum up to 7 per cent per annum. They have separate field forces, separate sets of officers, separate boards, separate commissions, separate clerical forces; and imagine the plight of a farmer who is seeking a loan from the Government. He has to take a graduate course in farm credit organization before he knows where to go to get his relief. What he wants and what he ought to have is some one source in the case of Government credits to which he can come and get an answer to his problem. As it is now, he may never get an answer.

Mr. BLAINE. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Wisconsin?

Mr. REED. I yield to the Senator.

Mr. BLAINE. I assume that the Senator does not mean to convey the idea that the Federal land banks, the joint-stock land banks, or the intermediate-credit banks are anything more than private banking institutions, organized under Federal law, with the Federal Government supervising those banks from the administrative standpoint, the same as the Comptroller of the Currency supervises, for instance, national banks.

Mr. REED. The Federal Government has done a great deal more than supervise.

Take the case of the Federal land banks, which the Senator mentioned first: They are private corporations; yes, that is true; but it was only a short time until we authorized $125,000,000 of the taxpayers' money to be put into the Federal land banks and be loaned out by them to individual farmers. If that is not the Government being in the business of loaning, I can not imagine what is; and having done that with the Federal land banks, we have made it impossible for them to collect on their mortgages from the farmer; and the joint-stock land banks, to whom we have advanced nothing, find an equal difficulty in collecting, and they are loud in their complaints and they have justice in it. They are just as much entitled to that kind of relief as were the Federal land banks.

Mr. BLAINE. Mr. President, will the Senator yield for another question in connection with this matter?

Mr. REED. Yes.

Mr. BLAINE. This $125,000,000 that was advanced by the Federal Government was advanced for the purpose of purchasing stock in the Federal land banks; and that $125,000,000 may be loaned by the Federal land banks to the farmers to pay any corporate indebtedness, the Federal land bank interest, or the mortgage.

Mr. REED. Of course.

Mr. BLAINE. So that it may never reach the farmer, as a matter of fact. I say, it may not reach him.

Mr. REED. It may not; but we all know that it will, and we all know that we never will get the money back.

Mr. FESS. Mr. President——

Mr. REED. I yield to the Senator from Ohio.

Mr. FESS. I share in the confusion to which the Senator is referring; and I wonder whether he is acquainted with the fact that in the same number of years, during which time this legislation has grown up, we have enacted 73 separate statutes on behalf of the farmer.

The other day I went over the records, and I was amazed to find that as a result of the desire on the part of the House, the Senate, and the President to do something for the farmer we have added, including these six items, during which time I have been in Congress, 73 laws; and yet the farmer is in pretty bad shape.

Mr. REED. We have simply encouraged the farmer to go deeper and deeper into debt. We have made his indebtedness attractive to him by this legislation. We have got him, or helped to get him, into the plight in which he now finds himself.

Mr. TYDINGS. Mr. President, would the Senator rather that I should not interrupt his statement?

Mr. REED. I should like to follow my thread of thought for a few minutes. Then I shall be glad to yield.

Now, Mr. President, I ask you to take the case of the average individual farmer who is in trouble and needs a loan. If we are bewildered by the 73 different statutes, of which the Senator from Ohio speaks, how could the average farmer be expected to understand them? If we are bewildered by the overlapping of these different farm-loan organizations, how much more so must be the average farmer whose thought has been on his occupation and not upon this wilderness of laws?

Take the average farmer in Pennsylvania, or Iowa, or Michigan, or South Carolina, or Texas, or some other State, who needs a loan. He may need it for a long time. He may need a short-term loan. He may need money for seed. He may need it to buy livestock. He may have to refinance his mortgage. He may have to pay his taxes. He might have to buy a harvesting machine. He might need money to carry him through the crop season until he can collect on the sale of his harvested crops. Obviously, that man has not the money to pay car fare to Washington or Philadelphia or Detroit or some central city. Even if he did make the trip, oftentimes the expense of making it, especially if he came to Washington, would amount to more than the principal of the loan that he wants to make.

So he writes, let us say, to the Federal Farm Board, which is supposed to be the farmers' friend, here in Washington. He has heard that that was organized to help him; and he writes and says that he, John Smith, living at a distance from Washington, needs so many hundred dollars to help him get through the growing season.

In about 10 days or 2 weeks, perhaps, during which his need has not diminished any, he gets a letter from the Federal Farm Board saying that he is in the wrong pew, and that he ought not to apply to them; he ought to apply to the Federal land banks, or the Crop Production Loan Office, or the Agricultural Credit Corporation, or somewhere else; but, anyway, the Federal Farm Board has no authority to lend money directly to him.

All right. Perhaps he has not even been given that much information. He is just told nothing at all except that they will not lend him the money; or perhaps they send an application blank for him to fill in, and he fills it in, and then has another two weeks' wait, and then he has his request turned down. That is the way it starts out with Farmer John Smith.

About that time he writes to his Congressman; and if his Congressman is like myself, he is bewildered, and does not know which way to turn. My experience has been that when I try to help somebody by applying to these various organizations I usually get a refusal, and an explanation that, because of the fault of Congress in so wording the law, this particular man who is in distress can not have any relief.

Obviously, other people are more successful than I am at that, because I understand that the Federal land banks have outstanding 400,970 loans—that is, as of the last day of November—and on the same day the joint-stock land banks had outstanding 78,068 loans, not counting some 7,500 by banks that are in receivership. The amount of money loaned to the farmer by the Federal land banks as of that date was $1,131,762,000. The joint-stock land banks have loaned $418,542,000. The intermediate-credit banks have loaned to cooperatives $13,296,000, and to financing institutions $81,886,000.

The Congressman probably can not help this farmer, or if he does he takes a good deal of time to get around to it; but the farmer hears of a neighbor who has obtained a loan from some joint-stock land bank, and so he writes directly to that institution. He finds that his loan can not be obtained from them because it is not a mortgage that he is trying to place; it is a chattel mortgage on his growing crop. By the time he learns his way through this maze, he has either lost his farm or lost his crop or has been evicted, or he has had to go to the nearest relief agency for food and clothes for his family.

The point of all this is that if there were a consolidation of these different agencies, not only would we save mightily in operating expense here in Washington and in the field forces of these different institutions, but we would be doing a great service to the farmers themselves in giving them some one place to which they knew they could make application for any variety of loan that is inspired by the Government or financed by Treasury funds.

So, Mr. President, while I realize that this is in a sense legislation, it is merely precatory in its tone. It asks the President to submit to us some plan for the consolidation of these functions, and I am very hopeful that the Senator from Oregon [Mr. MCNARY] will not feel it to be his duty to make the point of order against the amendment.

As a part of my remarks, I should like to have printed in the RECORD at the conclusion of what I say a tabulation which has been prepared for me, showing the functions of these six different organizations, showing the interest rates they charge, and giving a short description of the manner in which they are operated.

The VICE PRESIDENT. Without objection, that order will be made.

The matter referred to is as follows:

| Agency | Status and source of funds | Organization and functions | Interest rate | | Remarks |
|---|---|---|---|---|---|
| | | | Bonds | Borrowers | |
| 1. Federal land banks. | Administered by Federal Farm Loan Board, under the Treasury Department, and financed through capital-stock subscriptions by U. S. Government and cooperative farm-loan associations; total capital stock held by Government, $125,046,410.50, represents roughly two-thirds of all outstanding stock issued by 12 regional banks of the system, and includes $125,000,000 subscribed under farm loan act of Jan. 23, 1932, to place system in more liquid condition and enable banks to extend loans during depression. The law provides for gradual retirement of Federal subscriptions. | 12 regional banks of the system operate almost exclusively through national farm-loan associations, which are jointly liable as indorsers on loans to individual member borrowers. The banks lend only on first mortgages secured by farm land, and are made for general agricultural purposes up to a maximum of $25,000. Preference is given loans of $10,000 or less. This is the long-term credit agency of the Federal Government, and while designed ultimately to be self-sustaining, has had to be supported as indicated in the present emergency. | Average, 4.52 per cent; last, 4½ per cent. | Average, 5.4 per cent; current—10 banks, 5½ per cent; 2 banks, 6 per cent. | Congressional action in authorizing the Treasury to subscribe to $125,000,000 in new stock of the Federal land banks has had a pronounced repercussion in a demand from the management, the bondholders, and the borrowers of joint-stock banks for corresponding consideration. It has been complained by the president of the Pennsylvania Joint Stock Land Bank that since the Government extended this relief to the Federal land banks it has been practically impossible to collect loans. Their borrowers are saying: "If the Government can carry the Federal land banks, it can carry you. They are carrying their borrowers and you can carry us." Except for a difference of formula, there is a substantial duplication of loan jurisdiction in the 2 systems. Both make long-term loans on first-mortgage farm security. |
| 2. Intermediate-credit banks. | Likewise administered by Federal Farm Loan Board. The law creating these banks authorized stock subscriptions of $5,000,000 to each of 12 regional banks, or $60,000,000 in all, of which $32,000,000 has been paid in, and the remainder is subject to call under specified conditions. Unlike the Federal land banks, the intermediates draw their entire sustenance from the Government, in that there is no provision for private subscriptions to stock in these institutions. | These are the little brothers of the Federal land banks, and are intended to supply short-term funds (up to 3 years) with which to facilitate crop movements and make it possible for producers to carry over crops from one year to another. Loans are made not to individuals, but to cooperatives and loan associations on warehouse receipts. The banks also act as a rediscounting agency for agricultural paper. Most of their loans are for a period of less than 1 year. They exist side by side with the Federal land banks, in the same cities. | Average, 2.87 per cent; last, 2½ per cent. | Average, 4 per cent (approximate); current—8 banks, 3½ per cent; 3 banks, 3 per cent; 1 bank, 2½ per cent. | There is a clear duplication of function in the case of the intermediate-credit banks, the loans to cooperatives by the Federal Farm Board, and probably in the Agricultural Credit Corporations being formed by the Reconstruction Finance Corporation also. All 3 systems may and do loan to cooperatives on similar security and for similar periods. |
| 3. Joint-stock land banks. | Supervised but not administered by the Federal Farm Loan Board, this is a separate system, privately financed under authority of Congress, but with the express stipulation that the United States shall not subscribe to the capital stock of any bank. Borrowers are not necessarily subscribers as in the case of the Federal land banks. | There is no statutory restriction on the number or location of these banks. Federal control in part is exercised through the appointment of 3 out of 7 district directors by Federal Farm Loan Board. Loans are made direct to borrowers on first mortgages. The banks are closely tied up with the farm-loan associations, which likewise name 3 directors. | Average, 5 per cent; last, 4¾ and 5 per cent. | Average, 5.8 per cent; current, 6 per cent. | Innumerable investors purchased the securities of the joint-stock banks in the belief that they were Government issues. The advertisements carried the announcement that the bond issues had been "authorized by act of Congress." Considering this circumstance and the degree of control over the system exercised by the Federal Government, there is at least a moral obligation to see that the system is given adequate relief of some kind to carry it over the present emergency. |
| 4. Federal Farm Board. | An independent agency of the Government launched in 1929 to stabilize the prices of agricultural commodities and foster the cooperative marketing of farm crops; financed from the Federal Treasury through direct appropriations by Congress for its several purposes. These, except for amounts charged off as a result of losses, go into a revolving fund from which loans are made. | Stabilization operations are conducted through the Grain and Cotton Stabilization Corporations, formed and financed by the Farm Board; loans are made directly between the board and cooperatives and not through a banking system. The board has been broadly instrumental in spreading and strengthening the cooperative movement. | No bonds; enjoys benefit of average borrowing rate on Treasury issues during life of the board. | Borrowers receive same rate; range from 3⅝ per cent in 1929 to one-eighth of 1 per cent in 1932. | Aside from the fact that in making loans to cooperatives the Farm Board, intermediate-credit banks, and Agricultural Credit Corporations are functioning in the same field, it will be apparent that there is a wide disparity in interest charges to borrowers, due to differences in financing and in statutory stipulations. The current loan rates of the Farm Board will obviously operate to injure the land-bank systems; and the higher rates necessarily charged by these systems, based on their bond yield, impose a proportionate hardship on borrowers at a particularly difficult time. |
| 5. Crop Production Loan Office. | This is an office of the Department of Agriculture, financed as in the case of the Farm Board by direct appropriations. Organized originally to make so-called seed and drought loans, it has been kept alive to make what are called broadly, now, crop-production loans. Its activities are temporary and tenuous, depending on the temper of Congress and its willingness to continue this form of farm credit. | Most of these loans, made direct to borrowers, have been made in what is known as the St. Paul area and in certain southern States. Georgia, North and South Carolina have borrowed one-fifth of the total; one-fourth has gone to the eastern States from Michigan to Florida. The heaviest demand has come from wheat States of the Northwest. | ----do---- | 1931, 5 per cent; 1932, 5½ per cent. | Here is another case of duplicated activity. Unless the Crop Production Loan Office is to be discontinued and its functions transferred to the Agricultural Credit Corporation, these 2 agencies will both be in the position of offering funds to individual borrowers for crop-production purposes, with the further possibility of divergent interest rates, which in the case of the Crop Production Loan Office appear to be unnecessarily high, unless predicated on the assumption that the loans are a gamble and that many of them will never be collected; which has not held true. |
| 6. Agricultural Credit Corporations. | These corporations, the creation of which was authorized by the emergency relief act of 1932, are just coming into existence and beginning to function as subsidiaries of the Reconstruction Finance Corporation. The stock is subscribed by the Reconstruction Finance Corporation, which is authorized to establish regional agricultural, credit corporations with a minimum paid-up capital of $3,000,000 "in any of the 12 Federal land-bank districts." | "Officers and agents" of the corporations are appointed by the Reconstruction Finance Corporation. They are empowered "to make loans and advances to farmers and stockmen, the proceeds of which are to be used for an agricultural purpose (including crop production) or for the raising, breeding, fattening, or marketing of livestock," up to a period of 3 years on "adequate security." | ----do---- | 7 per cent [1] | It is difficult to discover the justification for this institution, considering the agencies already available for this form of credit. It will simply set up another series of offices, another field force, another administrative organization in Washington to perform a function which can be performed now by the Crop Production Loan Office, in part, and indirectly through the cooperatives and the rediscounting activities of the Federal intermediate-credit banks, by these banks, and by the Farm Board. It goes somewhat farther, it is true, in extending relief to individual borrowers, if a 7 per cent interest rate can be considered "relief." |

[1] This includes cost of inspection. The law provides that the loan rate shall be "fair and equitable," and subject to approval by the Reconstruction Finance Corporation. This rate looks like usury.

Mr. BROOKHART. Mr. President, we have just listened to the most remarkable speech made in the Senate in the 10 years I have been here. I now want to figure out who it is that is responsible for this chaos in which the entire farm credit of the country is floundering.

In 1921 Mr. Andrew W. Mellon, Mr. J. Pierpont Morgan, Mr. John D. Rockefeller, and their assistants in financial affairs—some of them Democrats; it was bipartisan, because that crowd is always absolutely bipartisan—took charge of this Government, took charge even of the Presidency of the United States. They had in sympathy with them a majority in both Houses of Congress, and they had a two-thirds majority in the Supreme Court of the United States; and they have managed the political affairs in this country ever since 1921, and to some extent even before that. They also had charge of the management of the big economic affairs of this country. They are responsible mostly for these farmer laws and these others that have been put upon the books of this country.

The farmers did not write those laws. The laws which the farmers supported in the United States have nearly all been defeated. Under that management, and as a part of that political system, the Senator from Pennsylvania has been one of the most conspicuous Members. He has been in sympathy with all of this financial legislation that has come up and has gone through in the Congress of the United States; and if there is anybody in this Chamber to-day who is more responsible for this chaos than the Senator from Pennsylvania, I should be unable to name him.

Mr. President, what brought farm credit to this situation? Let us go back and review some of the economic institutions that were set up for the benefit of the farmer.

The first one was the War Finance Corporation, reorganized for agriculture. It operated all right during the war for war industries and all that; and then it was revised and reorganized to take care of agriculture, and it was given $2,000,000,000 to relieve agriculture at that time. Then Mr. Eugene Meyer was put in charge of it, and he never used $200,000,000 of the whole sum. He started in with a restrictive policy of credit against agriculture, and then he comes around and brags, for instance, that he loaned the banks of Iowa some $25,000,000. Iowa was producing at that time six or seven hundred million dollars' worth of agricultural products and five or six hundred millions of industrial products, and a little $25,000,000 loan was only a drop in the bucket. Then it was called when it was due, and started the system of bank failures throughout the United States.

After working that restrictive policy, and actually injuring agriculture by that War Finance Corporation policy, that qualified Mr. Meyer to become the leader of this great land-bank system and this joint-stock land-bank system.

Now, let us take the figures that are quoted by the Senator from Pennsylvania.

The two systems—the joint-stock and the intermediate-credit banks—have loaned the farmers of the country about a billion and a half dollars altogether. Their total demands are nine or ten billion dollars; and we find there again the same restrictive policy against the credit of agriculture, and the interest rate was higher than agriculture could ever afford to pay. Then, along with it, he had the intermediate-credit bank, with ability to lend $660,000,000, and the Senator's figures show less than $100,000,000 loaned for these purposes—again this restrictive policy put upon agriculture, calculated to destroy it.

That qualified Mr. Meyer; and following that he put on, in the joint-stock land banks, the most dastardly proposition of credit that has ever been put on in this country—a proposition of foreclosing these mortgages on the farms, selling the farms for a small amount of money, say a $20,000 farm for $5,000, taking $4,000 of the $5,000, and then going out and buying the depreciated bonds of the institution, $10,000 of them, enough to balance the books of the mortgage, and have $1,000 profit left to pay big salaries to the henchmen that Eugene Meyer had put in these banks all over this country.

Mr. President, these systems have all brought agriculture down, and these financial institutions that have run this country since 1921 are responsible for that condition.

What have we done to relieve agriculture?

Well, we passed the Farm Board act. Was that the farmers' bill? No. I had information from the leader of the Republican Party as to what the farmers' bill should do in the campaign. I took the old bill that President Wilson had secured when he was President of the United States, on the recommendation of Herbert Hoover and of Julius H. Barnes, and I made that the basis of the campaign of 1928, so that we would have an adequate farm bill that would actually handle and finance and control the surplus in the United States. It would take about $1,500,000,000 to do that adequately, as Wilson did it and as Hoover did it, and as Julius H. Barnes did it in 1917, 1918, and 1919. That is what I presented to the country, and I did it upon the information furnished me by the President himself and by his committee in charge of the Republican campaign in 1928. Then, when it was all over, and his bill came in, what was it?

The first time I saw that bill it was a little $300,000,000 bill to handle $1,500,000,000 of surplus brought in by the Secretary of Agriculture. I then pointed out that the President himself has asked for a thousand million dollars to handle wheat alone and had secured that appropriation from the Congress; and finally they backed away and increased it up to $500,000,000, which was still only about one-third enough actually to handle the surplus.

Then who was put in charge of that bill? Was it a farmer? Who was administering that Farm Board law? Was it anybody that knew agriculture? No; it was the biggest robber of agriculture in the whole United States, the president of the International Harvester Co., that had taken more profits and charged more profits against the farmers of the United States than any other institution in the United States. Then he set up two corporations to handle wheat, for instance—one of them a stabilizing corporation and the other a marketing corporation—and he hired an expert in wheat gambling at $50,000 a year; and this Mr. Milnor came before the committee and testified that with one of these corporations he would be buying wheat in the board of trade and selling it in the board of trade with the other one the same day—a wash-sales system of gambling, as vicious as ever could be set up by anybody; and yet when Hoover and Barnes and Wilson ran the Wheat Corporation in 1917 and 1918 and 1919 they fixed the price of wheat, and they put the board of trade entirely out of business. It never sold a bushel of wheat on futures after the first bid was made by Mr. Hoover on the 30th of August, 1917.

Mr. President, it is these things that are the matter with the farmer of the United States. Yes; I concede these 73 laws that have been put on the statute books under a pretense of aiding the farmer—for the purpose of getting his vote, or something of that kind—for the benefit of the financial crowd of the United States and not for the benefit of agriculture. Yes; they have brought us into chaos, and they have brought the whole farm population of the United States to the verge of bankruptcy at this moment. Many of them have already gone over.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. I do.

Mr. FESS. The results of this legislation are rather in doubt in my mind. I do not think it has come anywhere near doing what the people insisted that it would do; but I desire to ask the Senator this question:

How are we to interpret the recommendation of all of these farm organizations, including the National Farm Bureau and the National Farm Union and the Grange, I think almost all of whom were back of all of these items of legislation? They indorsed them and it would appear to me that they ought to be the best agricultural minds of the country.

Mr. BROOKHART. In the first place, most of those acts are little, trivial acts that just cover some little, trivial thing in the agricultural problem. Most of them may be all right for that little, trivial purpose; but as a settlement of this great farm problem they are not effective, and can not be made effective.

At the present moment these great farm organizations have agreed upon one principle, and that would solve this farm problem if the legislators in the Congress of the United States would put it into effect. They have decided that agriculture in the United States is entitled to a cost-of-production price with a reasonable profit on its capital investment for its products; and they have looked over this situation. They have seen the Congress of the United States come in with its tariff laws and protect the industries of the United States, raising the price level far above the level of the world, and they have paid that price all these years. They have seen the railroads come along and put on the statute books a law that injected over $7,000,000,000 of water into the valuation, and fixed $18,900,000,000 of value, when the market quotations were only $11,750,000,000, and then they were given a 5¾ per cent return upon that inflated valuation. They have seen all of that, and they have watched the other laws that have been passed for the benefit of business and the control of business; and they feel, the Congress of the United States having put them under the necessity of paying this higher level of prices for the things they must purchase, that they are entitled to have from the Congress a cost-of-production price for the things they sell. That was a just demand.

Now, in detail, I should be glad to review their situation at some time. The Farmers' Union is in favor of the Government taking charge of this exportable surplus and handling it in some way at a cost-of-production price. The Farm Bureau has taken another position, a little below that, which I think would not accomplish the purpose. The Grange has declared for the debenture. The debenture is the old Alexander Hamilton scheme for the relief of agriculture that was presented to the First Congress of the United States when the first tariff bill was passed. Hamilton then said distinctly that you could not protect agriculture with rates; you must do it with bounties out of the United States Treasury. The debenture of the Grange is that bounty. The only trouble with the Grange proposition is that it is inadequate. They only ask for half of the tariff rate; and at the present low prices of agricultural products, double the tariff rate would scarcely protect agricultural prices up to the cost-of-production level.

These are some of the more important things for which the farm organizations have asked. They asked for an equalization fee in a recent bill. Under that bill the Government would handle the exportable surplus, and if there was a loss on it the farmers would pay it by an equalization fee or tax upon themselves. That would work out successfully if it were put in operation, but instead of that what do we get? We get this Andrew Mellon system of credit in the United States. We get all the different things ruled by Eugene Meyer. We get the farmers stricken down to the lowest level in all their history.

Mr. President, I think these laws ought to be revised. I think they will be revised. I have some confidence that the new administration does mean a new deal, and that the next farm bill we pass will actually get for the farmers a cost-of-production price for their products with a reasonable profit upon their capital investment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Pennsylvania.

Mr. ROBINSON of Arkansas. Mr. President, the amendment of the Senator from Pennsylvania is wholly unnecessary in view of legislation that has already passed the Senate. In addition to that it is retrogressive in nature. The Senator from Pennsylvania apparently has overlooked the fact that after mature deliberation the Senate recently passed a provision in the reorganization section of the so-called economy act which gives the President far more power than is carried in the Senator's amendment. There is no power in fact conferred on the President by the Senator's amendment. It in effect says that the Congress from time to time has been setting up too many agencies in connection with particular functions and that, having done that, the Congress appeals to the President to recommend a method for correcting its own mistakes. That is the substance and effect of the Senator's proposal.

It is well known that the consolidation of farm-loan agencies is being given especial consideration. It is well known that already one bill has been introduced, one of the subordinate purposes of which is the gathering together under a single bureau of the agencies that make loans to farmers. A bill of that character is under study by one of the great committees of the Senate, the Committee on Banking and Currency.

The reorganization provision which we adopted a few days ago gives the President the power to make such consolidations of agencies and functions as he sees fit to make without referring the matter back to the Congress. That is the reason I assert that the Senator's amendment will be confusing and do more harm than good. I quote from the language of the reorganization section, page 84, of the Treasury and Post Office Departments appropriation bill:

> The President is authorized by Executive order (a) to transfer the whole or any part of any executive agency and/or the functions thereof to the jurisdiction and control of any other executive agency; (b) to consolidate the functions vested in any executive agency; or (c) to abolish the whole or in part of any executive agency and/or the functions thereof.

It is apparent from that language that the President is given the power in the reorganization section of the economy bill to consolidate any bureaus or agencies that he finds it necessary to consolidate. He can even abolish them.

For this reason, Mr. President, I make the point of order that the amendment constitutes legislation on a general appropriation bill.

The PRESIDING OFFICER. The point of order is——

Mr. NORRIS. Mr. President, before the Chair rules let me say that it may be a waste of time, but I agree with what the Chair apparently was about to state, that the amendment is subject to a point of order. Nevertheless, I can not help believing that the amendment states a fact that ought to receive the consideration of Congress or of the President when he comes to the reorganization. That is the only reason why I am offering my views in support of the policy or proposal that is contained in the amendment. I concede also that the President, under the authority of the language of the appropriation bill passed yesterday, would have authority to do this. But I do not want to remain silent for fear that our silence might be taken as a reason to believe that the Congress is opposed to this particular reorganization that would be carried out if the amendment became law.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. ROBINSON of Arkansas. The pending amendment gives no assurance that any consolidation would be carried out. It invites the Executive to recommend to Congress a method of consolidation, implying of course that this particular consolidation shall be taken out of the reorganization plan to which we have agreed and under which we have given the President the power to make consolidations. Since Congress created the various agencies, there is less likelihood that the consolidation would result under the amendment of the Senator from Pennsylvania than under the reorganization plan contained in the economy bill.

The Senator's amendment is a mere appeal to the President to undo what Congress has done, to make a recommendation to the Congress on certain phases of consolidation which are already being studied. I may say, as half a dozen Senators on the other side of the Chamber know, that work on the problem is already in progress. It has already been partially worked out. I think I violate no confidence when I say that the President elect is very much interested

in seeing it studied and worked out. It seems to me it is a rather questionable proceeding for the Senate now to anticipate his action in the matter and, on the amendment of the Senator from Pennsylvania, ask him to tell us what to do to correct the errors, if any, that Congress has made. We have given him power to do it. The study is already in progress. It has already progressed considerably. The adoption of the amendment would do more harm than good.

The PRESIDING OFFICER. The bill is before the Senate and still open to amendment.

Mr. NORRIS. Probably if the Chair construes the rule strictly, I have lost the floor.

Mr. ROBINSON of Arkansas. I did not intend to take the Senator from the floor.

Mr. NORRIS. I had the floor and I was interrupted by the Senator from Arkansas.

The PRESIDING OFFICER. The Chair thought that the Senator from Nebraska, who had taken his seat, had yielded the floor.

Mr. NORRIS. I took my seat momentarily because of the very brief question the Senator from Arkansas was asking me. It took so much time that I thought I would rest. [Laughter.]

Mr. ROBINSON of Arkansas. I apologize to the Senator from Nebraska for making him weary. [Laughter.]

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. NORRIS. In answer to the Senator's question, I will say that with 90 per cent of what the Senator said I fully agree. It may be it is a mistake for this amendment to be offered. I concede that under the bill we have already passed the President has the right to do what is particularly called to his attention by this amendment. I was about to say when I was interrupted that I agree it is subject to a point of order and the Chair was evidently going to say so, too.

But I do not want the opportunity to pass in silence so that anybody could possibly say that by our silence and our refusal to debate the amendment we were not in favor of the consolidation that is provided for specifically in the amendment of the Senator from Pennsylvania. If the amendment had not been offered, no discussion would have been indulged in by me on the particular subject. But I want to have it distinctly understood that regardless of whether the amendment ought to be agreed to or not, the subject matter of the amendment is something that, so far as I am concerned, at least, ought to be carried out. I fear that silence on the subject might be misinterpreted.

Mr. President, we have from time to time, beginning quite a number of years ago, brought in various bills to relieve the farmer. The first one was brought in here from the Committee on Agriculture and Forestry, debated and given consideration while President Harding was in office. I think it was the first one. That bill provided what I believed then and still believe would have gone far to relieve the farmers of the country from the terrible condition into which they were gradually getting. We were rather laughed at at that time. It was said then that there was no farmers' problem, but the members of the Committee on Agriculture and Forestry knew there was.

A great number of American people, perhaps a majority of them—at least those not on the farms—thought we were in a time of great prosperity. We thought, after investigation, that there was something wrong with agriculture; that the farmer had not been getting a square deal. I believe that the members of the Committee on Agriculture and Forestry, in that discussion and in other debates, called attention to the fact that unless we did something to help agriculture we were bound in time to face a catastrophe such as has since come upon the country. The only thing that in my judgment was wrong with our prophecy was that the difficulty did not come as soon as I thought it was bound to come.

However, we found ourselves confronted with a condition where, to a great extent, apparently those engaged in manufacturing—including those of every class who labor, big business, and all its connections—were in a great tide of prosperity; but the farmers we found, from the evidence we took after months of hearings on the bill, were going downward and backward. We believed then that unless something were done for agriculture, eventually the farmer would lose his purchasing power; that when he did so the manufacturing establishments, being unable to sell their products, would commence to discharge their men, and that then the purchasing power of a large number of people would be taken away from them, and that in the end we would have a panic.

After an exciting debate here—one of the most exciting, I think, that ever occurred during the heat of the months of the summer—an amendment in the nature of a substitute was offered. That substitute provided for the loaning of money to farmers. It was agreed to and became a law. I then said—and other members of the Committee on Agriculture said the same thing—that we were not doing a favor to the farmers of America in providing for them additional loan facilities unless we could demonstrate or unless we had fair reason to believe that between the time when they were loaned the money and the time when they would have to pay the debt, agriculture would get on its feet and enable the farmers to make money by the operation. I said then that I believed unless the farmer could get a higher price for the commodities he produced, unless he could sell at a profit, loaning the money to him, no matter what might be the rate of interest, would in the end be a damage rather than a benefit; that it would only postpone the evil day. However, we who made that contention did not have our way and the substitute was agreed to.

The next bill that the Agricultural Committee brought in was met again by another proposal by which more money could be loaned to the farmer. Nothing, however, was done to help his condition, and he went from bad to worse; he commenced to mortgage his farm, and the statistics will show—and that is the reason why the catastrophe did not come sooner—that he began to live on borrowed money. He was in the same class with the clerk who bought a fur coat on the installment plan; he had mortgaged the future; and when he had exhausted the money borrowed and began to fall behind farther every day, his purchasing power entirely disappeared. The farmer then, so far as buying the products of labor and of the manufacturer is concerned, was completely out of the equation.

So, at different times, we met the condition by providing by loaning more money to the farmer, until now we begin to realize that the rate of interest he is paying is so high, even on money which he got from the Government, or indirectly from the Government, through the agencies that had been set up to loan him money, that he can not pay it; that the income of the farmer is not sufficient to pay taxes and the interest on his mortgage. So the farmer is going farther behind every day, and we all now realize and the country realizes that condition.

Each one of the various plans for loaning money to the farmer has a set-up, a sort of means and method by which it should be loaned to him. It is expensive; it is inefficient; and the President of the United States, when he comes to reorganize the bureaus, departments, and offices of the Government, will find that the various acts of Congress which we—in good faith, I concede—enacted for the loaning of more money to the farmers, necessarily, because of all the different kinds of machinery, overlapping and interlapping, in reality provide for an expensive and inefficient method of doing it.

Now we come to the provision which we adopted the other day, giving to the President the authority to effectuate a reorganization. I think we rightfully bestowed that authority, and I favored it. I do not want to detract or take from the authority to bring about such reorganization.

I have no doubt that the President, under that provision, will have complete authority to make the reorganization; but I was afraid when the amendment was offered, attention having been called to this one particular difficulty, that if we remained silent and said nothing about it the President

might draw the conclusion perhaps that we did not want this reorganization to be brought about. Perhaps he would not draw that conclusion; it may be entirely unnecessary to say a word about it; but I believe I express the sentiments of those who have studied the condition of agriculture when I say that we want the President to reorganize the bureaus, offices, and methods by which under various laws loan facilities have been provided for the benefit of the farmers. They ought to be consolidated. Perhaps we ought to pass a law reducing the interest rates. Perhaps it is our fault more than the fault of anybody else that they are not lower; but if the farmer is to be aided by loans, they must be at a rate of interest that is much smaller than provided in the acts which we have already passed, else we can not recover.

I realize the difficulty that confronts the President as well as the Congress because under various acts millions of dollars have been loaned at stipulated rates of interest; contracts have been entered into; and, of course, it would be unconstitutional to pass a law that would set them aside.

I doubt very much whether the situation can be remedied by the consent of the mortgagees, because it will probably be impossible to get them all to consent, although many of them, such as the large insurance companies and others, now realize the situation. They realize that the farmer can not pay; that it is impossible for him to do so, but it is impossible through no negligence on the part of the farmers; it is a part of the economic collapse that has taken the whole country in its grasp.

We have read of moratoriums being extended by mortgagees; but unless moratoriums provide either for the cancellation of a part of the debt or a very material lowering of the rates of interests, moratoriums will not save agriculture. I make that prophecy now. We must go still farther. The proposal contained in the amendment of the Senator from Pennsylvania is only a step. It is, however, an important one, and I simply wanted, on the part of the farmers of America, so far as I may be able to voice their sentiment, to say that we do not want to convey to the President any idea that he should not take hold of this matter because this amendment is not successful.

Mr. SMITH. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. NORRIS. I yield.

Mr. SMITH. In view of the numerous agencies which have been employed by the Government in lending money, I want to join the Senator in expressing the hope that not only will we have an elimination of these overlapping agencies and a concentration into one but a radical change in the method of dealing directly with the farmer.

Mr. NORRIS. I am glad the Senator makes that suggestion, first, because I want the President and his assistants on whom he must rely to make this change, to find, as they necessarily will if they study the RECORD, that the Senator from South Carolina has always been one of those who have been trying to remedy the condition of the farmers, and to know that, in his judgment, this reorganization must take place.

Mr. SMITH. Mr. President, the Senator will bear me out in the statement, I think, that the trouble with most of the projects we have had is that there have been too many cream separators between the plan and the farmer, so that when it got through the cream separators and got to the farmer it was hardly blue milk and did him no good; the whole thing was dissipated in the process, and the farmer received no benefit.

Mr. NORRIS. That reminds me, Mr. President—probably I referred to it in general terms, but I want specifically to do so now—that in all the various remedies which were offered from time to time as substitutes for the remedies that were proposed by the Agricultural Committee there always was a whole lot of machinery; the plan proposed was top-heavy; and if the farmer borrowed any money it had to reach him through the medium of some bank——

Mr. SMITH. That is right.

Mr. NORRIS. Or some other institution, each one of which necessarily and properly had to get compensation for its part in the transaction.

Mr. REED. Mr. President, I think I can fairly state that the inspiration for this amendment came from my observation of some farmers who needed loans and were utterly bewildered to know where to apply or how to apply, and from my own bewilderment when I tried to help them, and from my further bewilderment when I came to contrast the different laws. I said, while the Senator from Nebraska was not in the Chamber, that research showed that loans were made to farmers and to cooperatives at rates of interest varying all the way from one-eighth of 1 per cent per annum up to 7 per cent per annum. Obviously, if the first rate of interest is right, the second is outrageous.

Mr. NORBECK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from South Dakota?

Mr. REED. I yield.

Mr. NORBECK. The Senator stated the rate of interest as being from one-eighth of a per cent to what?

Mr. REED. Loans are being made to some cooperatives at a rate of one-eighth of 1 per cent a year, while other loans are being made by the recently organized Agricultural Credit Corporation at the rate of 7 per cent a year. I do not see why one farmer should have to pay interest fifty-six times greater than another farmer. I think that a consolidation of these institutions will eliminate such unfairness and inequality.

Mr. NORBECK. I know of instances where farmers under the intermediate-credit plan pay as much as 15 per cent by the time the extra charges are counted up, but I thought it was only the great shipping interest that received a favored rate of interest. Where do the farmers come in for a favored rate of interest and in what amount?

Mr. REED. Obviously, those cooperatives who are getting money at one-eighth of 1 per cent are getting money too cheaply.

Mr. NORBECK. The Senator means they are getting the benefit of short-time Treasury certificates that are sold for making short-time loans?

Mr. REED. That is right.

Mr. NORBECK. There are only a very few of them, are there not?

Mr. REED. There are not very many.

Mr. NORBECK. The shipping interests get long-term money at very nominal rates, do they not?

Mr. REED. It is perfectly outrageous that the shipping companies should do so.

Mr. NORBECK. Will the Senator bear with me if I ask him to tell what he now proposes to do? Does he propose to bring the low ones up or the high ones down, or what?

Mr. REED. That will be up to the board when it shall be created, but I should think that the high ones ought to come down, and come down quickly, and the quickest way to do it is to have the whole business in one hand.

Mr. NORBECK. I am not so sure about that. The Treasury of the United States pays one-eighth of 1 per cent for money in some cases and 3 or 4 per cent in other cases.

Mr. REED. That is right, but it does not pay 15 per cent in any case.

Mr. NORBECK. But here is the argument we are faced with when we go before a board and plead that 15 per cent or 13 per cent or 12 per cent is too high a rate for the farmer: It is first said that the Government must obtain the money by the sale of bonds; and, second, that there is this expense and that expense and the other expense, and that the charge only represents the cost. Then another group comes along and says "The Government can get money at one-eighth of 1 per cent now." "Yes; but we can only get it for a short time." "Well, can we have a little of that?" "You can, for a short time."

The point is, there are so many different systems that I do not see how to harmonize them, although I pride myself on the fact that when the intermediate-credit plan was pending on this floor I was one Senator who said it was

bound to be a failure and a disappointment to the farmer. That was seven or eight years ago; and the bill was written by Republican leaders and by Democratic leaders, and it was hailed all over this Nation as "relief for the farmer," and it is under that bill that they are paying 10, 13, 14, and 15 per cent interest.

Mr. REED. I thank the Senator.

Mr. NORBECK. But how does the Senator propose to remedy that?

Mr. REED. The Senator has not heard the amendment. The amendment merely requests the President to report to Congress that way which, in his judgment, is wisest for consolidating all these lending organizations.

Mr. NORBECK. My best guess is that by the time you get some more consolidations the farmer will pay more for his money.

Mr. REED. Well, perhaps. I do not know.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED. Will not somebody allow me to say just a word in my own time?

Mr. ROBINSON of Arkansas. Certainly.

Mr. REED. Then I shall be glad to yield to the Senator.

This is not a denial or abridgment in any way of the power which we gave the President in the amendments to the economy act. It is merely a respectful request to the President to act on it, and to call his attention—for what service we may be—to the overlapping of these different institutions.

Mr. NORBECK. Mr. President, may I interrupt the Senator again?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from South Dakota?

Mr. REED. Yes; I yield.

Mr. NORBECK. Is the joint-stock land bank included in this?

Mr. REED. Yes.

Mr. NORBECK. Why include a private organization that has made a failure of its own business, and wants to unload its losses on the Government in the name of the farmer?

Mr. REED. I can hear the Senator distinctly.

Mr. NORBECK. I hope the Senator can.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED. Let me answer this question first.

Mr. ROBINSON of Arkansas. Certainly.

Mr. REED. The joint-stock land bank is one of those institutions that are lending money to the farmer. It is not named in my request. It is not named in the amendment.

Mr. NORBECK. But the Senator says it is included.

Mr. REED. It is one of the six organizations that are lending money.

Mr. NORBECK. In other words, here we are passing some legislation for the relief of a private money-loaning corporation, and it is not even named in the amendment!

Mr. REED. If the Senator will read the amendment——

Mr. NORBECK. The Senator admits that it includes it. Am I right?

Mr. REED. No; if the Senator will let me finish the sentence, I think I can explain the matter to him.

Mr. NORBECK. All right. I understood the Senator to say it was included as one of the six, but I will give the Senator a chance to finish. Certainly I will. I would not have interrupted the Senator if I had not understood him to say it was one of the six included.

The PRESIDING OFFICER. May the Chair suggest to the Senator from South Dakota, who was absent when the point of order was raised by the Senator from Arkansas, that the point of order against the amendment of the Senator from Pennsylvania was sustained by the Chair.

Mr. NORBECK. I make no appeal from the ruling of the Chair.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield now, in order that I may ask him a question?

Mr. REED. Yes; gladly.

Mr. ROBINSON of Arkansas. It is exactly on the point last raised by the Senator from Pennsylvania that I take my main issue. I thought I made that clear when I interrupted the Senator from Nebraska.

The Senator said that his amendment is not a denial or an abridgment of the President's power to make consolidations under the reorganization plan in the act that we passed a day or two ago.

Mr. REED. It is not intended to be, Mr. President.

Mr. ROBINSON of Arkansas. I tried to make plain, and I believe I can make plain if the Senator will indulge me just a moment, and I will ask him now the question whether he believes that the President has the power, under the reorganization plan referred to in the economy act to make consolidations of all bureaus and agencies which now make loans to farmers.

Mr. REED. I do, Mr. President. I agree fully with the Senator from Arkansas in what he said regarding the power that has been given to the President.

Mr. ROBINSON of Arkansas. Now, Mr. President, if we adopt the Senator's amendment, and it finally becomes a law, I ask the Senator—because he is a great lawyer—whether that would not constitute an abridgment of the power in the reorganization act to the extent that instead of having the authority to make the consolidations, the President will be invited to report his recommendation on this particular class of consolidations to the Congress. Would not that constitute an abridgment of the power in the reorganization act?

Mr. REED. No, Mr. President; because under the reorganization act the President is likewise required to report to Congress.

Mr. ROBINSON of Arkansas. Yes; but by a subsequent act, by another act, a particular class of consolidations is lifted out of the general authority of the President, and as to that particular class of consolidations he is required or invited to make recommendations to Congress, so that Congress can act.

Mr. REED. Oh, no!

Mr. ROBINSON of Arkansas. And that is the very point of my objection to the Senator's amendment. That is the reason. I think the Senator is wrong in his statement of the legal proposition that his amendment does not abridge the authority conferred upon the President in the reorganization act; and I repeat, if the Senator will indulge me in one further statement—then I will not interrupt him again; he has been very kind to yield to me—I repeat, that if we give the President the general power to make consolidations, and then say, "As to the consolidation of agencies which make loans to farmers you will please make a report to Congress recommending what consolidations shall be made," that is at least an implied modification or repeal of his authority in so far as it relates to the consolidation of farm-loaning agencies.

I thank the Senator, and will not interrupt him again.

Mr. REED. I am glad to be interrupted. I ask only a chance to answer fully the questions of the Senator.

Nothing is further from my intention than to abridge, by any implication, the power which we have already given the President to make consolidations. I should be very glad to make that clear by inserting in the amendment:

> The President is requested to report to the Congress, in accordance with the economy act of 1933—

Or any other language that any Senator might suggest, to show that there was no possible abridgment of the power given the President. I hope it will be possible to make that clear, and, with that done, that the Senator will not feel obliged to make the point of order.

Now, Mr. President, just a word or two more.

I make this proposal in perfect respect to President-elect Roosevelt. I do not know him; but I am told by those who do that he is a modest gentleman, and I know that he would not claim to be omniscient. I hope that he, or those who

advise him, may find some usefulness in the tabulation which I have put into the RECORD, showing the overlapping of these different institutions. It ought to be a convenience to anyone who studies this problem. It is not the intention, by this amendment, to embarrass him or restrict him in any way, but merely to call to his attention our realization that these different relief methods—for which we alone are to blame, for which he is not in any way to blame—do overlap, are expensive in administration, and are perfectly bewildering to the farmers that they are intended to help.

I hope that the Senator, if it were made clear that no abridgment of the President's power was intended, would not feel it necessary to make the point of order.

Mr. BYRNES. Mr. President, I desire to say only a few words with reference to the subject under discussion.

It should be said that the Economy Committee considered at quite some length the very subject referred to by the Senator from Pennsylvania in his amendment. The committee secured figures as to the number of employees of the various agencies, and finally determined that inasmuch as the committee was reporting the reorganization provisions which were finally adopted by the Senate it would not be wise to attempt to coordinate and consolidate certain activities, but that it should be left to the President to include in a comprehensive scheme of consolidations to be considered by him hereafter.

I know that the information furnished by the Senator from Pennsylvania will be of great value to any official associated with the President elect who undertakes to go into that matter.

Mr. REED. I thank the Senator; and if, in fact, the information reaches him through the CONGRESSIONAL RECORD, it is just as effective as reaching him through the text of the bill itself.

I know that the Chair is right in sustaining the point of order.

Mr. ODDIE. Mr. President, I move that the vote by which the Senate adopted the amendment of the Senator from South Carolina [Mr. BYRNES] extending emergency Federal-aid appropriations for 1934 be reconsidered. I desire to discuss the matter a little further.

The PRESIDING OFFICER. The Senator from Nevada moves to reconsider the vote whereby the Senate adopted the amendment offered by the Senator from South Carolina.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDING OFFICER. The Senator from Nevada asked to be recognized to debate his motion. The Senator from Nevada is recognized.

Mr. BYRNES. As I understand, the Senator wishes to discuss the subject. He can discuss it on the motion to reconsider.

Mr. ODDIE. I should like to have the matter reconsidered, Mr. President, because I want to offer an amendment to that amendment.

The PRESIDING OFFICER. Does the Senator desire to have his motion put now?

Mr. ODDIE. Yes.

The PRESIDING OFFICER. The question is on the motion to reconsider. [Putting the question.] The Chair is in doubt.

Mr. McNARY. Mr. President, a parliamentary inquiry: My attention was distracted. What is the motion?

The PRESIDING OFFICER. The Senator from Nevada has moved to reconsider the vote whereby the Senate adopted the amendment offered by the Senator from South Carolina [Mr. BYRNES]. The present occupant of the Chair is not acquainted with the motion to which reference is made. Perhaps the Senator from South Carolina can explain it.

Mr. BYRNES. Mr. President, I can in a minute explain the effect of the amendment.

At the request of the officials of the Bureau of Public Roads, the Appropriations Committee unanimously authorized me to offer the amendment, which does simply this: It gives to the Bureau of Public Roads the right to spend money which was appropriated by the relief act of June, 1932, beyond July 1 and until January 1, 1934.

The necessity for the amendment arises out of the language in the emergency act which provided that the funds therein appropriated could be used only for work upon the Federal-aid system performed prior to July 1, 1933; and the officials of the bureau declared that there were pending a number of contracts which could not be completed by July 1, and, if not completed, the funds which had been allotted could not be used to pay for the work; that failure to do this would result in an effort on the part of the contractors to hasten the completion of the work, and would result in inefficient work being done upon these contracts. They therefore asked that the date be changed from July 1, 1933, to January 1, 1934.

The department recommended that it be done. The proposal was sent to the Bureau of the Budget, and the Director of the Bureau of the Budget recommended it. A bill providing for the extension has been reported favorably by the Committee on Roads in the House; and the Senate to-day, acting upon that statement of facts, adopted the amendment which extended the time in which this work might be performed from July 1, 1933, to January 1, 1934.

Mr. KING. Mr. President, will the Senator yield for an inquiry?

Mr. BYRNES. Yes.

Mr. KING. How much will that call for as an additional appropriation?

Mr. BYRNES. No appropriation. The situation simply is that the unusual language of the emergency appropriation act, differing from that of all other acts, provided that the funds therein appropriated could be used to pay only for work performed prior to July 1st; so that if the contract is under construction to-day, and is not completed by the date of July 1st, the money can not be paid. It applies to many of the western States, where weather conditions have been such that it was feared that the work could not be completed by July 1st, and that it might be essential, therefore, to have this power to use the funds to pay on contracts which have been entered into.

Mr. ODDIE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ODDIE. Did the Chair state the question? Did the Chair rule?

The PRESIDING OFFICER. The Chair stated the question, the question being the motion of the Senator from Nevada that the vote whereby the Senate adopted the amendment offered by the Senator from South Carolina should be reconsidered. The Chair was in doubt, and was about to ask for a division when the Senator from Oregon [Mr. MCNARY] asked for an explanation of the motion of the Senator from South Carolina.

Mr. ODDIE. Mr. President, under reconsideration it will be perfectly proper to discuss this matter. There is a phase of it that I desire to discuss.

The PRESIDING OFFICER. The motion to reconsider is debatable.

Mr. NORBECK. Would the motion of the Senator from Nevada to increase the road authorization for 1934 and 1935, authorizing $125,000,000 for each of those years, be in order as an amendment to the amendment of the Senator from South Carolina?

Mr. ODDIE. Mr. President, that question is not before the Senate now. I want a vote on my motion to reconsider.

Mr. NORBECK. Is it in order to speak on the subject?

The PRESIDING OFFICER. The motion is debatable.

Mr. NORBECK. If I understand it correctly, the situation is simply this, that there is no standing or permanent organization for highway work. Appropriations are made each year, but ahead of an appropriation must be an authorization. The authorization for the coming year passed the Senate, but is hung up in the House, and the amount of money spent last year for highways was about $125,000,000, and this year it is about one-third of that. But even that

will not be available unless there is some authorization. The appropriation we are about to make will be invalid unless an authorization is connected with it in some way.

Mr. ODDIE. Mr. President, there is more in this than that. I would like to have the matter opened up so that we can discuss it intelligently and study it from a certain angle from which it has not been studied yet. I will ask for a vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada to reconsider.

On a division, the motion to reconsider was rejected.

Mr. ODDIE. Mr. President, I will discuss a feature of this matter which has not yet been discussed.

The emergency highway act which was passed last year, and the provisions of which have just been extended for another year under the amendment of the Senator from South Carolina [Mr. BYRNES], provided for temporary advances of road funds to the States, to be repaid from regular Federal-aid road funds. The amount apportioned to any State under this paragraph in last year's emergency road act may be used to match the regular annual Federal-aid apportionments made to such State.

Then it provides that—

> The amount so advanced shall be reimbursed to the Federal Government over a period of 10 years, commencing with the fiscal year 1938, by making annual deductions from regular Federal-aid appropriations made from future obligations carrying out the provisions of such act as amended and supplemented.

Mr. President, two years ago, as has been pointed out, Congress appropriated $80,000,000 for this emergency-relief road work. That legislation provided that the money would be repaid one-fifth each year for five years. The emergency relief legislation passed last year provided for the return in 10 annual installments, commencing with the year 1938, such installments to be paid from the regular Federal-aid road appropriations.

Mr. President, what has been done? We have appropriated money for this emergency relief road work, and we have provided by law that that money must be repaid by the States from money the States received under the Federal aid. We have induced the States to accept that money on the assurance that it would be repaid from moneys advanced under these schedules by the Federal Government for Federal aid to the States.

Mr. President, what have we done? We have killed Federal-aid road work in the United States, and Congress has broken faith with the States and with the people in the States. Our Government was not constituted to break faith with the States and with the people. Our Government has been built upon a more solid and secure foundation than that. The Congress has just pulled the foundation stones from under the Governmental structure by this action. What we have done to-day in accepting the Byrnes amendment and rejecting my amendment is a weak subterfuge by extending this emergency work instead of the honest action we should have taken in adopting my amendment and continuing Federal aid. The Senate is refusing to carry out the Government's part of its honest contract.

Mr. President, the Government has induced the States for a number of years past to go ahead with a road-building program. The States have done that. They have believed—and they had a right to believe—that the Federal Government was honest in making its promises, requests, and assurances to them. The States had a right to believe that that money would not be cut off before the Government's obligations were carried out.

Mr. President, a grave mistake has been made to-day. I hope that some way will be found to correct it and protect the good name of our Government. This emergency road legislation was passed last year. We all gave our support to it. It was done for the relief of the unemployed. It was shown—and I myself showed, on the floor of the Senate—that the passage of that legislation would furnish employment to a million men, directly and indirectly, working on the roads, in the mines, and mills, and factories, and smelters, and in the oil and coal fields, producing materials for the road work.

Now, Congress has deliberately notified the country that this road work will stop. It is not fair and it is not honest. Congress, in doing this, will throw a million men out of employment and into the ranks of the unemployed this next year.

Mr. President, we have spent months here, and a great deal of time and energy, in trying to find means for relieving the unemployment problem. It is our duty, and we have worked hard on it. Whether we have acted wisely or not I can not say, but we have worked hard to find methods of putting these millions of men back to work; and now, in this cowardly, dishonest way, we are providing for throwing a million men out of employment in the next year.

Is that the way for Congress to act? Are we, as Americans, to stand here and see our fellow Americans thrown into the gutter to starve? I do not believe in being a calamity howler; I have raised my voice on the floor of the Senate numbers of times in advising that we take the optimistic view, that we take the hopeful view, and the encouraging view; that we try to put some measure of hope and encouragement into the hearts of the American people; that we work on the psychology of the problem and try to make people believe that at least the worst is over, that we are on the upgrade again. But what have we done to-day? We have in this manner, which I consider below the dignity of Congress, notified the people of the United States that we will throw a million more men out of employment; that we will stop the wheels of industry to this extent.

Mr. President, I pointed out last year that in 1931 there were shipped on the railroads 3,300,000 carloads of material used in the road-building enterprises of the United States. That will be stopped, and in addition to causing suffering and privation to the people of the United States by throwing a million men out of work, the action taken to-day will deprive the railroads of freight which would employ possibly several million cars. Anybody can estimate the unfortunate and serious result of this action in increased unemployment and suffering in our country.

Mr. President, a terrible mistake has been made. I do not feel that the Members of the Senate have intentionally done this thing. I feel that it has been done because they have been busy with so many other difficult and absorbing problems that they have not had the time or the opportunity to give this one the attention it deserves.

I have moved for a reconsideration. The Senate has outvoted me. I did not ask for the yeas and nays, because I thought it was not necessary. I do not believe in complaining when I have lost, but I have been working on this road legislation for many years; I have led the fight on the floor of the Senate against bitter attacks and against efforts to eliminate road building, and through the help of numbers of Senators, who have given this matter thought, we have been successful, and we have kept the Federal-aid road building going up to this time.

Mr. President, I do not want to see Federal aid stopped, as it will be stopped if the action of this afternoon is carried through. I do not know whether the rules of the Senate permit action on this question a second time, but I would like to have the yeas and nays on my motion. I would like to offer my amendment to the agricultural appropriation bill itself, which amendment was ruled out of order as an amendment to the agricultural appropriation bill. I would like the opportunity of offering it as an amendment to the amendment of the Senator from South Carolina. I believe that when the Members of the Senate understand it and study it, they will vote with me in this matter. I ask the Chair if the matter can be presented a second time?

The PRESIDING OFFICER. The question may not be voted on a second time.

Mr. ODDIE. I will ask the chairman of the committee if he will consent to the yeas and nays being taken. I think it may be done by unanimous consent. I ask unanimous consent that we may have the yeas and nays on my motion, it is so important.

Mr. BRATTON. I object.

The PRESIDING OFFICER. Objection is made.

Mr. ODDIE. I place in the record a letter just received from one of the ablest and best informed men in the United States on highway legislation and highway matters, W. C. Markham, executive secretary of the American Association of State Highway Officials, which gives the correct condition on this matter and which shows the necessity of the adopting of my amendment. It is as follows:

AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS,
*Washington, D. C., February 9, 1933.*

Senator TASKER L. ODDIE,
*Senate Office Building, Washington, D. C.*

DEAR SENATOR ODDIE: In further consideration of the Federal cooperation with the States in the building of roads and in the earnest effort being made to give relief to the unemployment situation, permit me to call your attention to the fact that under date of February 1, 1933, a statement of the Bureau of Public Roads shows that in the regular Federal-aid funds remaining for new contracts there was but $18,000,000 available for this purpose and one-half of this amount is available for but 5 of the 48 States.

In the emergency funds made available last year by the Congress there are but $12,500,000 remaining and a large number of States have no funds at all under this appropriation.

The failure of the Congress to pass S. 36, known as the Oddie bill, which received the unanimous approval of the Senate some months since, there will be no funds for continued work along this line beyond the amounts above referred to.

In addition to all of this it should be borne in mind that the Federal Government in making the two previous emergency appropriations provided for a deduction over a period of years from future Federal authorizations for roads. Then in addition to this the Congress during the last session, in providing emergency funds for "relief" or "work relief," appropriated $300,000,000 to be loaned to the States through the governors' authorization and provided that this fund must be deducted over a period of five years from future authorizations for roads—and yet this fund is not used for building roads—and these funds carry an interest item of 3 per cent annually.

Up to the present time the Reconstruction Finance Corporation has loaned to a majority of the States more than one-half of this amount.

In view of this situation it can readily be seen that even with the amount of authorization provided for in S. 36, when the above-referred-to items are deducted year by year, the Federal contribution to the construction of highways direct will be greatly reduced.

I am sending you this information in order that you may appreciate the entire situation as it appears to the State highway departments who are obligated, along with the Federal Government, in carrying on this work.

Very sincerely,

W. C. MARKHAM,
*Executive Secretary.*

Mr. McNARY. Mr. President, I ask that the clerks be authorized to correct the totals in the bill.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. SWANSON. Mr. President, if the motion for a reconsideration of the vote were carried, would not the amendment offered by the Senator from South Carolina be subject to a point of order?

Mr. BINGHAM. That is correct.

Mr. SWANSON. Then all these Government appropriations for aid would stop on the 1st of July?

Mr. BINGHAM. The Senator is correct.

Mr. NORBECK. Mr. President, I rise to offer a motion to change the amount provided for the purchase of land for migratory bird refuges. The authorization is $1,000,000 annually. It will be recalled that the Senate decided to strike out the license fee and instead gave a large authorization. The Budget pared it down to about one-fifth or less. I want to offer an amendment to change it back to the Budget figures from which the House committee reduced it to the amount named in the bill.

Mr. McNARY. Mr. President, I have no objection to that. The Director of the Budget has authorized it, and it includes payment for contracts and options for land.

Mr. McKELLAR. How much does it increase the appropriation?

Mr. McNARY. About $100,000. It is to meet situations involved in contracts and options for the purchase of land.

Mr. McKELLAR. I do not see how it is possible for us to spend more money on the purchase of land.

Mr. McNARY. I am willing to take the matter to conference.

The PRESIDING OFFICER. Will the Senator from South Dakota send the amendment to the desk?

Mr. NORBECK. Certainly.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 63, line 1, strike out "$89,525" and insert in lieu thereof "$194,300."

Mr. KING. Mr. President, I was necessarily detained from the Chamber for a moment. May I ask an explanation of the amendment? As I understand, it is an increase in the appropriation for the acquisition of land for game refuges.

Mr. NORBECK. Yes; but we are not going as strong as the Senator from Utah did on the refuge in Utah. This is for the whole United States.

Mr. KING. I do not understand the Senator's reference.

Mr. NORBECK. I am in favor of game refuges. I am suggesting that we are holding it way down even with this slight increase.

Mr. KING. How much is carried in the appropriation bill for that purpose?

Mr. McNARY. Eighty-nine thousand dollars, in round numbers, against more than $1,000,000 authorized last year.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still open to amendment.

There being no further amendments, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

## NOTICE OF MOTION TO SUSPEND RULES—CARE OF UNEMPLOYED AT MILITARY POSTS

Mr. COUZENS. Mr. President, I send to the desk a notice of a motion to suspend the rule in connection with the War Department appropriation bill and ask to have it lie over until to-morrow under the rule.

The notice was read as follows:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of Rule XVI for the purpose of proposing to the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, viz:

At the proper place in the bill to insert the following:

"That the Secretary of War is authorized and directed to provide for the admission to any military post of the United States, without enlistment in the Army, of any unmarried male person between the ages of 17 and 24, both inclusive, who is without means of support and who shall apply at any such post within one year after the date of enactment of this act and give satisfactory evidence to the commanding officer thereof that he is unemployed at the time of application and that he has been continuously unemployed for at least six months prior to such time. The Secretary of War shall further provide for housing, feeding, and clothing any such person upon his admission to any such post for a period of not to exceed one year from the date of enactment of this act.

"Any person admitted to any military post pursuant to the provisions of paragraph 1 of this section shall, so far as practicable, be subject to the customary discipline maintained at such post and shall participate in all forms of beneficial and healthful exercise.

"Any person admitted to any military post pursuant to the provisions of paragraph 1 of this section who shall withdraw permanently from such post, or who shall absent himself temporarily therefrom without the authority of the commanding officer thereof, shall no longer be entitled to the benefits of this section at such post.

"The Secretary of War is authorized to make such rules and regulations as he may deem necessary to carry out the provisions of this section.

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section."

## WAR DEPARTMENT APPROPRIATION BILL

Mr. REED. Mr. President, I move that the Senate proceed to the consideration of the War Department appropriation bill, Calendar No. 1248.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. REED. I ask unanimous consent that the formal reading of the bill may be dispensed with, that the bill may be read for amendment, and that the committee amendments may be first considered.

Mr. COUZENS. Mr. President, I wish the Senator would not make that request to-night. I want to discuss at some length to-morrow adding to the bill a provision to take care of the unemployed youth of the country, and I am not sure that I shall be ready to do so quite so promptly as the action proposed would require.

The PRESIDING OFFICER. Objection is made.

Mr. FESS. Mr. President, to-morrow as soon as I can get an opportunity I want to take some time to say something about what we have in the Congressional Library. It shall take something like an hour to say what I want to say. That might give the Senator from Michigan the time he needs.

Mr. McNARY. Mr. President, earlier in the day I promised that if we finished the consideration of the Department of Agriculture appropriation bill and the War Department appropriation bill was made the unfinished business, I would ask for an adjournment so that we might have a morning hour to-morrow during which we would complete the call of the calendar which was begun to-day.

Mr. REED. If I could get the consent for which I have asked, I would move an adjournment so we could have a morning hour to-morrow. The Senator from Ohio [Mr. FESS] would use an hour in his speech, as he states. I think the Senator from Michigan would have plenty of time.

Mr. COUZENS. Does not the Senator think that it is just as well to wait until to-morrow to submit his request? I wish he would do so.

Mr. REED. Very well; I will do so.

## MUSCLE SHOALS

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have inserted in the RECORD an address delivered in New York City on February 5, 1933, by the Hon. Frank P. Walsh.

Mr. Walsh has long been known to the Members of this body. While he has never held a salaried public office, he was twice drafted by President Wilson to serve as chairman of the Industrial Relations Commission in 1914 and joint chairman of the War Labor Board, with the late Chief Justice Taft, in 1917. For two years he has served by appointment of President-elect Roosevelt as chairman of the Power Authority of the State of New York, a board of trustees set up to protect and develop the State's water-power resources on the St. Lawrence River.

Mr. Walsh was a member of the party which recently inspected the Government plants at Muscle Shoals. His address, while very brief, gives an admirable picture of the development there, with an authoritative exposition of its great value and significance for the people of the entire country.

The PRESIDING OFFICER. Without objection, it is so ordered.

The address is as follows:

Muscle Shoals forms a part of the national water-power program which will receive action at the hands of the new administration after March 4.

The President elect has stated his purpose to place the support of the Federal Government squarely behind four great power projects:

(1) Muscle Shoals, on the Tennessee River, in the Southeast; (2) Boulder Dam, on the Colorado River, in the Southwest; (3) the Columbia River project, in the Pacific Northwest; and (4) the project of the State of New York on the St. Lawrence, in the Northeast.

This program, reaching every section of the country, will give employment to hundreds of thousands of idle men. It will draw upon the labor of millions of workers in basic industries for supplies and services and for the manufacture and transportation of materials and machinery.

Its ultimate result will be to afford the mass of the American people a direct share in the benefits of our God-given natural resources and the wealth they produce. It will furnish an abundant supply of cheap electric current to rural and domestic consumers, cities and States, and industry alike. This will mean, not only an immediate stimulus from useful public works to combat the depression, but also a permanent increase in the purchasing power and in the comfort and happiness of the people of the entire country.

During the administration of Theodore Roosevelt the imagination of the people was stirred and their enterprise quickened by the undertaking of the Panama Canal and the irrigation and reclamation projects in the West. The work of construction planned for the new administration at Washington will have even more profound results throughout the Nation.

As a part of this national program it is certain that the development in the Tennessee Valley will command first attention because work has already been advanced from the stage of engineering blue prints to reality at Muscle Shoals.

This section of the Tennessee River has been recognized for 100 years as a potential supply of an enormous volume of cheap power. It was not until the World War, however, that the Federal Government undertook the work of development, for which private capital was not available because of the vast size of the project. At that time the United States found itself dependent upon foreign sources of supply for nitrates for the production of explosives.

Two plants for extracting nitrogen from the air were built at Muscle Shoals in 1918 at a cost of about $85,000,000. The act of Congress provided that these plants should be held by the Government as a part of the scheme of national defense and put to use for manufacturing fertilizer in times of peace. They remain in excellent stand-by condition to-day, though their utility for commercial production of fertilizer is a subject of controversy, arising from the development of new processes in the industry.

In addition to the nitrate plants, Congress provided for the development of a huge block of water power known at that time to exceed the requirements for nitrate production. The act of Congress specifically declared that "the plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital."

Upon these terms the Wilson Dam was erected near the tricities of Florence, Sheffield, and Tuscombia, in northwest Alabama. The cost properly chargeable to the production of water power was about $40,000,000. Whatever the present utility of the nitrate plants at Muscle Shoals, this great dam is unquestionably one of the most efficient works of its kind in the world.

The dam stands at the foot of the Muscle Shoals section of the Tennessee River. The shoals extend about 37 miles above the dam, with a vertical fall of 134 feet, forming an impassable barrier to navigation at low water.

The Tennessee River which passes over these shoals is formed by the confluence of two smaller streams near Knoxville, Tenn. It flows southwest through that State and west across northern Alabama, turning north across Tennessee and Kentucky to empty into the Ohio River at Paducah, Ky. From Knoxville to its mouth, the river is 650 miles in length, forming the largest tributary of the Ohio River. The Muscle Shoals section begins 250 miles upstream from the mouth of the river, near the Government's plant.

Two weeks ago to-day I watched the impounded waters of the Tennessee rushing at a rate of 65 miles an hour through the spillways of the Wilson Dam. The dam is built on a foundation of solid rock, rising to a height of 95 feet. It is nearly a mile long and is surmounted by a bridge 20 feet wide. The spillways, 58 in number, extend in an unbroken tier of arches across the river, each with piers 8 feet thick and openings 38 feet long, with a discharge capacity per second of 10,000 cubic feet.

Backed up behind the dam, the waters of the Tennessee form a lake 17 miles long with a pool surface area of 14,500 acres. This stupendous volume of impounded water furnishes sufficient force at the Wilson Dam to produce 261,000 horsepower with only 8 of the 18 turbine units installed. The ultimate power capacity at the dam, with full installation, is 610,000 horsepower. This is the equivalent of the energy of an army of nearly 5,000,000 men.

It is a tragic spectacle to see this immense store of energy at Muscle Shoals spending itself virtually unused. All the vast construction of 1,353,000 cubic yards of masonry and the machinery are there to convert the water power into electric current. But the waters which have been impounded above the dam are to-day largely permitted to run to waste through the spillways.

Since the completion of the Wilson Dam in 1925, Congress has twice passed bills to complete the project and to authorize transmission lines and the sale of current to States, cities, and farm cooperatives. The Executive has twice vetoed this legislation. The result is that after eight years no transmission lines have been built except those which serve the Alabama Power Co. This corporation absorbs all the current now produced at Muscle Shoals, representing only one-fifth of the installed capacity at the Wilson Dam.

One can not inspect the works at Muscle Shoals without reflecting that the policy which has virtually wasted the power developed at the Wilson Dam, whatever its motives, has amounted to the sabotage of a great public enterprise.

We may confidently look forward to-day to a reversal of that policy under the Roosevelt administration. The giant strength of Muscle Shoals will be unbound and put to work. The construction of another dam upstream at Cove Creek will double the primary horsepower that can be produced. At the same time destructive floods can be eliminated and a 9-foot channel provided for the river's full length of 650 miles.

The Tennessee is rich in tradition, with an epic history. In its valley were fought some of the fiercest battles of the War between the States. Not far from Muscle Shoals, Grant and Sheridan, Albert Sidney Johnston, Bragg and Cleburne once fought for the mastery of the Tennessee. When this mighty river of the South is fully harnessed it will do more work, in terms of energy, than the millions whose bonds were broken by the war.

The development of the river, to its utmost potential usefulness, will widen the opportunities and promote the comfort of millions of families in their homes throughout the South. Housewives will be freed from the drudgery of the kitchen and the washtub. Cheap current will permit the economical use of modern electrical appliances and create a new demand for their manufacture and sale.

In view of the giant strides that have been made in the perfection of electrical heating and refrigerating systems, it is not inconceivable that the South will one day draw from Muscle Shoals the means of moderating the chill of the mild winter and the terrific heat of the summer in the homes of that section. Atlanta, Birmingham, Chattanooga, Memphis, and Nashville are within a radius of 200 miles of Muscle Shoals and so rapid is the advance in the effective transmission of current that cities like Cincinnati, St. Louis, and Louisville may ultimately be brought within the market for power from Muscle Shoals.

The great project now about to be realized has been the dream of Senator GEORGE W. NORRIS, of Nebraska. More than any other one man he has contributed to its fulfillment. Almost single-handed in the years immediately following the World War he fought through one session of Congress after another, against a powerful lobby, to prevent the abandonment of the project and later to block the leasing of the power houses to private interests. He was the author of both bills passed by Congress, and vetoed by the Executive, providing for transmission lines to distribute current and for completion of the power development. He has worked out a plan under which the project, when completed, will be self-sustaining. This can be accomplished without charging excessive rates to consumers, without floating questionable securities in which the life savings of families will be lost, and with ultimate benefit, through the creation of an increased demand and of new uses for electricity, to the power and public-utility industry itself.

The plants at Muscle Shoals are to-day being administered with great efficiency by the Engineering Corps of the United States Army. Upon the completion of the project the works will comprise one of the largest developments of its kind on the public domain.

We now have high assurance that one of the greatest natural resources of our country will be fully developed, to endure for all time as a monument to those who have had the vision and courage to preserve it and the statesmanship to devote it to the service of the American people.

### DEPRECIATION OF FOREIGN CURRENCIES

Mr. REED. Mr. President, I send to the desk a statement made by the Secretary of Commerce yesterday with regard to the depreciation of foreign currencies, and ask that it may be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Serious concern over the depreciated-currency situation which exists to-day in about 40 principal foreign countries is indicated by the rapidly increasing volume of correspondence reaching the department, supplemented by an unprecedented number of personal visits by business men.

An examination of the latest available foreign trade statistics does not indicate that we are experiencing what might be termed a flood of imports. The total quantity of goods imported during 1932 was 20 per cent less than in 1931 and 39 per cent smaller than in 1929. Imports of many commodities, however, are increasing, particularly of dutiable or largely competitive products.

The export trade of these depreciated-currency countries accounted for approximately 45 per cent (by value) of the total amount of goods moving in international trade during both 1930 and 1931. Of the total imports into the United States during 1932, approximately 60 per cent (by value) were from countries whose exchange is now depreciated. Of course a large part of this 60 per cent consists of commodities noncompetitive with our industries.

Commodities numbering 232 were imported in greater volume during 1932 than in 1931. Of this number, however, 75 were free of duty (largely noncompetitive products) and 157 were dutiable (largely competitive products). Excluding free imports from the Philippines and the Virgin Islands, approximately 10 per cent of the free goods (by value) were imported in increased quantities. In the case of dutiable goods, imports accounting for 18 per cent of the total value of dutiable goods were received in increased quantities.

Time is required for large-scale trading in commodities. The extent to which import competition in our domestic trade has developed during the past year, as a result of depreciated currencies, is not an adequate indication of the potential development.

From the standpoint of mechanics alone, a lag of several months must occur between the time a foreign currency begins to depreciate and the time when imports of individual commodities begin to increase. The depreciated-currency country must have or develop an exportable surplus. The foreign producer must arrange for United States agents or distributors, who in turn must develop or extend the market. This takes time. Even after this has been done the growth of imports may be temporarily stopped or retarded by "less-than-cost selling" by American producers. But a policy so ruinous and uneconomic can not long be maintained. Statistics for 1932 should therefore be taken, not as a measure of effect, but merely as an indication of the direction in which these forces are working.

The wholesale price level in the United States is far out of line with levels prevailing in principal depreciated-currency countries. In most countries the suspension of gold payments halted the continuous decline in wholesale prices (in terms of depreciated currency) that has been under way since 1929. For the most part the increases in wholesale prices (in terms of depreciated currency) have been small and the general movement during the past year has tended to be horizontal. Foreign wholesale prices in terms of American gold dollars, on the other hand, have continued downward. In no instance has the increase in foreign wholesale prices (in terms of foreign currency) been sufficient to offset the effects or depreciation in exchange, even making allowances for the decline in United States prices.

The following figures provide a rough indication of the average changes in United States and foreign prices since depreciation set in:

| | Per cent change [1] | Per cent change, United States wholesale prices during same period |
|---|---|---|
| Australia | [2]—58.8 | [2]—31.7 |
| British India | —37.7 | —14.5 |
| Canada | —21.6 | —13.2 |
| Denmark | —30.4 | —13.2 |
| Egypt | —44.2 | —13.2 |
| Finland | —35.6 | —12.1 |
| Japan | [2]—46.4 | [2]—9.0 |
| Norway | —35.3 | —13.2 |
| Sweden | —33.7 | —13.2 |
| United Kingdom | —31.5 | —13.2 |

[1] Foreign wholesale prices in terms of United States dollars from month before depreciation set in to December, 1932.
[2] November, 1932.

If currencies were depreciating in comparatively few countries, costs of production and price levels in those countries would seek the levels prevailing in stable-currency countries. But with conditions as they are to-day—more than half of the world's trade being carried on by depreciated-currency countries and stocks of important raw materials and foodstuffs exceedingly large—costs of production and prices in gold-standard countries tend to seek the levels prevailing in nongold countries. Until the costs of production and prices of some of our commodities are further reduced or some tariff adjustments made imports should tend to supply an increasing proportion of our domestic needs.

The advantages possessed by a country on account of depreciated currency or, conversely, the disadvantages suffered by a country on a gold basis from countries having depreciated currencies, although they can not be permanent, may be sufficiently prolonged to seriously injure some producers in the country on a gold basis, especially when so many countries are affected as at present. Lower costs of production abroad as a result of depreciated currencies not only may result in the domestic producer losing part of his domestic markets but will probably also result in his losing part, if not all, of his share of sales in world markets. Depreciated currencies, therefore, have an important and adverse effect on export trade. Furthermore, the increased import at a lower price not only shrinks the market supplied by domestic production but also may make it impossible for the domestic producer to establish a reasonable price.

Inquiries reaching the department indicate that business men are as much concerned over disrupting influence of foreign quotations, as evidenced by the hesitation in placement of domestic orders, as they are over the actual volume of goods coming in at this time from countries with depreciated currencies.

Thus it may be seen that depreciated world currencies tend to increase our imports and to decrease our exports as well as to disturb proper price relationships.

### DISABILITY ALLOWANCE PAYMENTS

Mr. ROBINSON of Indiana. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Capt. William A. Fox, judge advocate of the Western

Council of New York, Veterans of Foreign Wars of the United States, entitled "The disability allowance of payments under section 200, World War veterans' act, 1924, as amended July 3, 1930, is absolutely justified."

The PRESIDING OFFICER. Without objection, that order will be entered.

The statement is as follows:

THE DISABILITY ALLOWANCE PAYMENTS UNDER SECTION 200 WORLD WAR VETERANS' ACT, 1924, AS AMENDED JULY 3, 1930, IS ABSOLUTELY JUSTIFIED

The payments now being made to veterans of the World War as a disability allowance are being made under the World War veterans' act, section 200, which was amended July 3, 1930. These payments, amounting at the present time to approximately $104,000,000 annually, are based upon substantial justice to the World War veterans receiving the same, and to any World War veterans who in the future may become disabled to a sufficient degree, that is, 25 per cent, who may receive the same from the Government. The clamor and the propaganda of the National Economy League and kindred organizations against this particular allowance to the veterans is based on the very narrow point of view that because the disabilities suffered by the veterans may not have been actually connected with the service therefore they should not receive any payment for the same, and many of the proponents of this theory are calling such an allowance a "dole" to a special class of veterans.

During the war there were at least 3,500,000 men in the service, the great percentage of whom took out war-risk insurance policies, and when the war was over and they were discharged from the service the great majority of them dropped their insurance policies, mainly through inability to continue the payment of premiums. The average length of service of these men who were war-risk insurance-policy holders was 10 months, and the minimum premium they paid was $5 per month, which was deducted from their pay, thus leaving in the hands of the Government these forfeited premiums which, according to a conservative estimate, would amount to at least $100,000,000. What did the Government do with this vast amount of money which was forfeited by these needy veterans who could not afford to maintain their insurance policies after their discharge from the service? Instead of taking this enormous sum of money and arranging for some form of sick and accident insurance for the benefit of these veterans, the Government placed this money in the war-risk-insurance fund where it remained for the benefit of these policyholders who could afford to keep their policies alive, and they reaped the benefits of this money at the expense of their needy comrades. It was also from this money that loans were made later on to the holders of adjusted-service certificates at the scandalous interest rates of 7, 8, and 9 per cent, back in the years of 1926, 1927, 1928, and 1929.

I have been informed by insurance experts that the cost of accident and sick insurance which would have paid the veteran $12 per month in benefits, which is the average amount paid under the disability allowance law, would be approximately $3 per year. At this rate, the average veteran who had forfeited approximately $50 to the Government when he was compelled to drop his war-risk insurance, because of poverty, would have been entitled to such sick and accident insurance for a period of about 16 years. Inasmuch as the disability allowance law was passed July 3, 1930, this would mean that any veteran suffering from a disability of sickness or otherwise would be entitled to be protected by the benefits of such sickness and accident insurance until 1946, so that any veteran now receiving the disability allowance or who in the future shall receive a disability allowance until the year 1946 is only receiving from the Government a benefit that he has paid for.

Not alone are the veterans receiving the disability allowance entitled to the same because they have paid for it, but in addition thereto a great many thousands of these veterans are receiving this payment because of the fact that even though they are suffering from disabilities incurred in or connected with the war service, they are unable to prove the same under the technical requirements of the Veterans' Administration for the reason that we well know, that many of the doctors who treated them immediately after their discharge have died, or moved away, or have destroyed or lost their records, so that the necessary testimony can not be procured or furnished by the veteran. It certainly can not be fairly argued that such men are receiving the disability allowance without justification. I am informed and believe that there are thousands upon thousands of these borderline cases, and I personally have come in contact with hundreds of them. Another class of veterans drawing the disability allowance are those who have put in claims for service-connected compensation, but whose claims have not as yet been adjudicated and are temporarily receiving the disability-allowance payments until their compensation claims are passed upon by the Veterans' Administration and then, if successful, their disability-allowance payments will cease. Surely no one can fairly object to these disability-allowance payments to this class of veterans.

It is therefore clearly evident to the fair-minded and justly thinking American that had the Government done its full duty by the veteran when he was discharged from the service, and, instead of grabbing the paid-in premiums from the poor veterans who could not afford to maintain their insurance and diverting them to the benefit of his better-fixed comrades, applied the same scientifically for the benefit of these veterans who were compelled to drop their insurance, it would have provided them from the very beginning with a scientific protection against sickness and accident from the enormous sums of money making up the forfeited premiums, and have provided a scientific substitute for the disability allowance law 10 years before.

ECONOMIC SITUATION OF HOG PRODUCERS (S. DOC. NO. 184)

The PRESIDING OFFICER (Mr. BINGHAM in the chair) laid before the Senate a letter from the Secretary of Agriculture, transmitting, pursuant to Senate Resolution 281 (72d Cong., 1st sess.), a report based on a study made by the Bureau of Agricultural Economics pertaining to the hog situation and the probable effects of the proposed export debenture, equalization fee, and domestic-allotment plans for farm relief, on the economic position of hog producers, which, with the accompanying report, was ordered to lie on the table and to be printed with the illustrations.

ADJOURNMENT

Mr. REED. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 5 o'clock and 10 minutes p. m.) adjourned until to-morrow, Friday, February 10, 1933, at 12 o'clock meridian.

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# HOUSE OF REPRESENTATIVES

## THURSDAY, FEBRUARY 9, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most merciful Father, beautiful for elevation, the joy of the whole earth, is Mount Zion, the city of the great King. Let this ideal ever be outlined in our vision. Here all high standards and precious things are contemplated, here is the sense of the presence of God, which gives recognition and worth to wise purposes and righteous ambitions. Privileged as we are with commanding opportunities, save us from being disappointing. Let every helpful measure be used that shall give clear encouragement, enthusing our country with newness of life, which will proclaim the advent of a better day. May we never cease to care for others, but walk with them beneath the burdens they bear. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed, without amendment, bills of the House of the following titles:

H. R. 698. An act authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the grade of assistant paymaster with the rank of lieutenant (junior grade) in the Supply Corps, United States Navy.

H. R. 1225. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta;*

H. R. 2065. An act for the relief of the Great Western Coal Mines Co.;

H. R. 5786. An act for the relief of Essie Finger;

H. R. 6637. An act authorizing the President to present a medal of honor to Richmond Pearson Hobson;

H. R. 7385. An act for the relief of Sidney Joseph Kent;

H. R. 9636. An act to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train;

H. R. 9714. An act for the relief of Marion F. Blackwell;

H. R. 11930. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H. R. 12329. An act to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota;

H. R. 13372. An act to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C.;

H. R. 13523. An act in reference to land in the Bonnet Carre floodway area;

H. R. 13535. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 13743. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Tiskilwa, Ill.;

H. R. 13744. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Langley, Ill.;

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484);

H. R. 13852. An act to extend the times for commencing and completing the construction of a bridge across the Rock River, south of Moline, Ill.; and

H. R. 14228. An act to change the name of "Roosevelt Island" to "Theodore Roosevelt Island."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 13710. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 5339. An act authorizing the Secretary of War to convey certain properties to the county of Arlington, State of Virginia, in order to connect Lee Boulevard with the Arlington Memorial Bridge, and for other purposes;

S. 5431. An act to extend the time for the construction of a bridge across the Potomac River at or near Dahlgren, Va.; and

S. J. Res. 223. Joint resolution establishing the United States Georgia Bicentennial Commission, and for other purposes.

The message also announced that the Senate had agreed to the amendment of the House to the bill (S. 914) entitled "An act for the relief of Katherine R. Theberge."

### CONVEYANCE OF CERTAIN LAND TO SCHOOL DISTRICT NO. 15, LINCOLN COUNTY, MONT.

The SPEAKER. By special order of the House it is in order to-day to take up bills on the Private Calendar.

The Clerk will call the first bill on the Private Calendar.

The Clerk called the first bill, S. 2395, authorizing the conveyance of certain lands to school district No. 15, Lincoln County, Mont.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Interior is authorized and directed to convey by quitclaim deed to school district No. 15, Lincoln County, Mont., the southwest quarter of the northwest quarter of the southwest quarter of the northwest quarter, section 16, township 33 north, range 34 west, Montana principal meridian.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### LINDLEY NURSERIES (INC.)

The Clerk called the next bill, S. 3438, authorizing adjustment of the claim of Lindley Nurseries (Inc.).

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Lindley Nurseries (Inc.), Pomona, N. C., on account of damages to private property resulting from the forced landing of Department of Commerce, Bureau of Lighthouses, airplane *NS–7*, at Greensboro Airport, N. C., September 10, 1931, and to allow not to exceed $77.40 in full and final settlement of said claim. There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $77.40, or so much thereof as may be necessary, to pay this claim.

With the following committee amendment:

Page 4, line 2, after the word "claim," insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

### FRANK WILKINS

The Clerk called the next bill, H. R. 2531, for the relief of Frank Wilkins.

Mr. BLANTON. Reserving the right to object, I call the attention of the House to the report of the Secretary of War on this bill. From it I quote:

The purpose of the bill is to pay to Frank Wilkins the sum of $200 for the death of a horse, said to have been caused by a shot from the military reservation at Fort McPherson, Ga., in December, 1925.

The records of the War Department show that on January 6, 1926, an investigation was made by the station veterinarian, Fort McPherson, Ga., of a report that a horse had been shot by a stray bullet from the rifle range at Fort McPherson. The investigation disclosed that the animal, which was claimed to have been shot on or about December 24, 1925, by some soldiers, was about 12 or 13 years old and badly crippled in front by sidebones. Mr. Wilkins, the man claiming to be the owner of the animal, after some difficulty, showed a scar on the horse's skin about 3 inches behind the point of the left elbow and on the lower third of the fifth rib, which he said was the entrance of the bullet. There was an indurated swelling all around the base of the left side of the sternum from the first rib to the sixth or seventh, slightly below this scar, and on the right side of the neck from the third vertebra to the seventh there was a diffused and soft swelling that Mr. Wilkins stated had appeared after the animal was shot. The veterinarian said he got the animal up on its feet and had it led around and that it appeared normal, but was both hungry and thirsty, and he could see no signs of approaching death, as had been reported. The veterinarian further stated that it was impossible to state that the animal's condition was caused by being shot, owing to the length of time that had elapsed since the alleged occurrence and the fact that there was no wound beyond this scar and the two swellings. The filthy stable and the want of proper care and feed should, in his opinion, be as much responsible for the animal's condition as the former injury claimed. He also stated that from the animal's age and size, and with ringbones, its value should not be more than $25.

In view of the above, the department is of the opinion that there is no valid ground to substantiate a claim with reference to the animal in question, and therefore favorable consideration of the proposed legislation is not recommended.

Sincerely yours,

PATRICK J. HURLEY,
*Secretary of War.*

You will note that the Secretary of War says that this horse was 13 years old and was not worth over $25, and that "the filthy stable and the want of proper care and feed was much responsible for the animal's condition." I do not think the Government ought to pay eight times as much as a horse is worth, just because the Government is charged with killing it.

Mr. RAMSPECK. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. RAMSPECK. I do not think the Government should pay eight times as much as it is worth either, but if the gentleman will read the affidavit of the party who sold the horse, he will see it was worth a great deal more than $25. This horse was owned by an old colored man.

Mr. BLANTON. But I am talking about what the Secretary of War said. This is not the usual Secretary of War. This is Mr. Patrick J. Hurley who is talking. He knows all about horses. He has lived down on the Oklahoma frontier and he is familiar with these things.

Mr. STAFFORD. Is he acquainted with old horses?

Mr. RAMSPECK. But he did not go down and look at this horse. If he had, I am sure he would have recommended payment of this bill.

Mr. BLANTON. He indicates that the horse died from improper keep; that he was kept in an old dirty stable, and that it was largely the filthiness of the stable that caused the horse's death.

Mr. RAMSPECK. Well, he is quoting some veterinarian that they sent down there.

Mr. BLANTON. I am willing to give the old colored man the benefit of the doubt about whether or not the Government caused the horse's death. If the gentleman is willing to reduce this claim to the amount which the War Department said the horse was worth, I shall not object, but if not, I shall object.

Mr. RAMSPECK. I call the gentleman's attention to the fact that there is an affidavit from the man who sold this horse to the old darky. He said he bought it just a short time before that and paid $200 for it.

Mr. BLANTON. If he paid that much, he paid too much.

Mr. RAMSPECK. Perhaps that is so; but he lost his horse.

Mr. BLANTON. My friend does not seem to know anything about the value of horses.

Mr. RAMSPECK. This happened back in 1925. I think the reduction is entirely out of line.

Mr. HASTINGS. What is the difference in price and the amount claimed?

Mr. RAMSPECK. He claims he paid $200 for it and the War Department says it was not worth $25.

Mr. BLANTON. It was an old, crippled horse, 13 years old.

Mr. RAMSPECK. But I call attention to the fact that in 1925 the price of horses was very much higher.

Mr. BLANTON. Oh, I could have sold the gentleman horses galore in 1925 for $25. My colleague from Amarillo could probably furnish more horses than could be shipped by a train for $25 each.

Mr. RAMSPECK. That may be so now. I do not think he could have done so at that time. I hope the gentleman will not insist on his amendment.

Mr. BLANTON. If the gentleman will agree to accept the amount that Secretary Hurley said this horse was worth, I shall not object. That is $25.

Mr. BLACK. All there is here is the statement of the Secretary.

Mr. BLANTON. I shall object, Mr. Speaker.

ADRIAN M. FINNEY

The Clerk called the next bill, H. R. 5950, for the relief of Adrian M. Finney and others.

Mr. STAFFORD. Reserving the right to object—and I am inclined to object, because from my reading of the report I am led to believe that these watchmen who are sought to be recompensed by this bill were absolutely guilty of failure to perform their duty.

Mr. FERNANDEZ. Will the gentleman yield?

Mr. STAFFORD. Certainly.

Mr. FERNANDEZ. I wish to say that my colleague Mr. MALONEY, of New Orleans, was called from the city on account of serious illness in his family, and he asked me to explain this bill to the House. Did the gentleman read the report by the Secretary of the Treasury in connection with this bill?

Mr. STAFFORD. Yes. I have read the letter from the Secretary of the Treasury. I have read the letter from the Attorney General, dated as far back as March 12, 1926, in which the Attorney General is very positive that if these men had been performing their full duty instead of sleeping at their posts, this loss would not have occurred.

Mr. FERNANDEZ. Let me read to the gentleman a letter from Mr. Smith, because it is very pertinent to the case:

We were suspended December 1, 1922, pending an investigation in connection with the supposed theft of liquor. Said liquor was in the United States marshal's office, said marshal's office being in the post-office building where I am employed. Attached to the marshal's office is a storeroom in which seized liquors are kept. Following the disappearance of a number of cases of liquor five watchmen and one laborer were suspended. This liquor was in a room with a special Yale lock, and the watchmen's keys could not open said door. The keys to the storeroom were in the possession of the marshal's assistant.

After that, after the Department of Justice investigated the case, they could not find any evidence on which to connect these men with the theft of the liquor.

Mr. STAFFORD. They might not have been able to find evidence to convict them before a jury, but the fact is, as shown by the report of the agent in charge to Mr. William J. Burns, Director of the Bureau of Investigation of the Department of Justice, that they caught one of these men right in the storeroom where the liquor was stored. He was asked what he was doing there and he could not give any reasonable explanation.

Mr. FERNANDEZ. If the gentleman will permit, let me read this letter:

I read Mr. George Shanton (agent in charge then) report to Mr. Burns; he stated that a Mr. Laiche hid in the storeroom at 12 o'clock at night and caught the watchman in the storeroom. That statement is unfair to me as I was the watchman that caught him in there, and it was not Mr. Laiche but a negro deputy by the name of Galberth, and this did not happen at 12 midnight, for I get off at that time; it was 8 p. m.

Mr. STAFFORD. The gentleman realizes that if we are going to establish the precedent of granting to men who are suspended because they have failed to do their duty compensation for the time they are under suspension where there is reasonable ground for the suspension, we would be pestered with many cases of this character.

Mr. FERNANDEZ. At the last session we passed a bill for the relief of one of these men.

Mr. BLACK. Let me say that the gentleman is standing for a principle which I do not think quite fair, and that is if a Department of Justice agent or any other investigating agent of the Government goes into a public building, investigates a situation in which the Government is interested, he can pick out a certain employee of the Government merely on his own suspicion and have him suspended. Finally, if his investigation clears the man, nothing is done to reimburse him for loss of pay during the interim of the suspension. I think that is an entirely wrong principle. I think the investigating agents of the United States Government have too much power in their dealings with fellow employees. If Congress is going to stand for the principle that merely on the agent's say-so, men can be suspended and Congress will not reimburse them for pay lost, the thing is being carried entirely too far.

Mr. STAFFORD. Mr. Speaker, it is within the province of the department at any time to reimburse lost pay to a suspended individual; but I am not willing for the Congress to be an administrative body to pass upon the character of the administration of these high officers. If the Attorney General of the United States says one of them is derelict in his duty, that is another matter. In this instance I feel constrained to object.

Mr. FERNANDEZ. Will the gentleman further withhold his objection?

Mr. STAFFORD. I will reserve it still further.

Mr. FERNANDEZ. I know the gentleman does not want to do this man an injustice.

Mr. STAFFORD. Not this man, these men.

Mr. FERNANDEZ. The last Congress passed a bill granting pay to one of the men. I have the bill right here. All the present bill does is to give the other four the same consideration Congress gave one of them at the last session.

Mr. STAFFORD. Mr. Speaker, I object.

LISSIE MAUD GREEN

The Clerk called the next bill, H. R. 6618, for the relief of Lissie Maud Green.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, I would like to have the author of the bill tell us why we should go back to 1917 or 1918 to consider this compensation claim.

Mr. HARE. Mr. Speaker, this claim arose out of the death of a rural carrier who received an injury while carrying the mails.

Mr. EATON of Colorado. What kind of an injury was it, and where is it to be found in the report?

Mr. HARE. It is not set forth in the report for the reason that the evidence was to be submitted to the Employees' Compensation Commission.

Mr. EATON of Colorado. What was the nature of the injury?

Mr. HARE. It was a sunstroke. I may say to the gentleman that this rural carrier lived on the same street on which I lived in Saluda. The death happened in 1921. Three years ago, in conversation with the widow of the deceased, I inquired if she were drawing compensation under the law, and she said she had never heard she was entitled to it. She filed an application with the Employees' Compensation Commission and, of course, it could not be recognized because it was more than a year after his death. This bill is purely for the purpose of giving her the right to file the claim. It does not in any way whatsoever commit the Congress to the merits of the claim.

Mr. EATON of Colorado. I have an amended bill to present in place of the one the gentleman from South Carolina has presented, which provides among other things that no benefit shall accrue prior to the enactment of this act, and contains the usual attorney's fee clause.

Mr. HARE. That is all right. There is no objection to that.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the United States Employees' Compensation Commission be, and is hereby, authorized and directed to receive the claim of Lissie Maud Green, widow of Charles F. Green, as if it had been filed within the time specified by the compensation act of September 7, 1916, as amended. Any payments to be made as compensation shall begin with the date of the passage of this act.

Mr. EATON of Colorado. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Strike out all after the enacting clause and insert the following: "That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Lissie Maud Green, widow of Charles F. Green, as to whether said Charles F. Green suffered an injury while employed in the Postal Service as a rural carrier out of the office of Saluda, S. C., compensable under said act and after the date of its enactment in the same manner and to the same extent as if said Charles F. Green had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefit shall accrue prior to the enactment of this act."

The amendment was agreed to.

Mr. EATON of Colorado. Mr. Speaker, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NELS D'ARCY DRAKE

The Clerk called the next bill, S. 1096, for the relief of Nels D'Arcy Drake.

Mr. HANCOCK of New York. Mr. Speaker, I object.

Mr. BLACK. Will the gentleman reserve his objection?

Mr. HANCOCK of New York. Yes.

Mr. BLACK. This is a Senate bill. Here is a man who was a midshipman in the Navy; and while on duty he was injured and his physical disability prevented him from obtaining his rank as midshipman. This situation was before the Naval Affairs Committee and it was decided that it would be a bad principle to make this man an ensign and then retire him. It was also decided that it would be out of line with the customary practice to give him a pension.

Mr. BLANTON. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. BLANTON. The Navy Department reports that any relief extended this man should be through the medium of a pension rather than by his retirement as an ensign, and recommends against giving him any special class or privileges to which others are not entitled.

Mr. HANCOCK of New York. That is correct. The general law takes care of this man.

Mr. BLANTON. Yes; and he should go along with the balance of his class and take what comes to him.

Mr. HANCOCK of New York. I object, Mr. Speaker.

MARTHA EDWARDS ET AL.

The Clerk called the next bill, H. R. 811, for the relief of Martha Edwards, Norfolk Protestant Hospital, and Dr. Julian L. Rawls.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I shall not object to allowing in this bill the hospital expenses and the doctor bills. They ought to be paid, but the department reports that there is no evidence to show that this child is permanently injured or that she is in any way incapacitated by reason of the injury. To allow her $5,000, when there is no evidence of permanent injury, would be to allow her the same amount that is allowed in death claims arising as a result of negligence on the part of the Government. I think this would be inequitable and unjust.

Mr. LANKFORD of Virginia. If the gentleman will permit, that same thought ran through my mind when I filed this bill, and I talked it over with the parents of this child. They do not know what the effect on the child is going to be. It may result in epilepsy later on, because part of her skull was removed and she has a soft spot in the top of her head. I saw it myself, and this much [indicating] of her skull was taken out.

Mr. BLANTON. Why not strike out the amount allowed her of $5,000 and let this bill go through for the payment of the hospital expenses and doctor bills; and then, if she should have epilepsy next year or 5 or 10 years from now, the Congress will still be in session and can take care of the matter.

Mr. LANKFORD of Virginia. Would the gentleman consent to allowing her $1,000 for the disfigurement and the expense incurred? I will consent to that.

Mr. BLANTON. That is probably the cheapest way to handle it.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay to the legal guardian of Martha Edwards, of Norfolk, Va., an infant, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 for injuries sustained by her as the result of being struck by a United States naval airplane on the premises of her father at East Camp, Norfolk, Va., on October 30, 1929; and in addition pay to the Norfolk Protestant Hospital the sum of $177, and to Doctor Julian L. Rawls the sum of $150, due them for care and attention to her as a result of said injury: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to, or received by, any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive, any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding.

SEC. 2. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BLANTON. Mr. Speaker, I offer an amendment. On page 1, line 7, strike out "$5,000" and insert in lieu thereof "$1,000," together with the language "in full settlement of all claims against the United States Government."

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, line 7, strike out "$5,000" and insert in lieu thereof "$1,000, in full settlement of all claims against the Government of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CENTRAL ROMANA (INC.)

The Clerk called the next bill, H. R. 9338, authorizing the Court of Claims to hear and determine the claim of Central Romana (Inc.) and to render judgment for just compensation.

Mr. BLANTON and Mr. EATON of Colorado objected.

Mr. SMITH of Virginia. Will the gentlemen withhold their objections?

Mr. BLANTON. If the Speaker is willing, I will reserve it.

The SPEAKER. Let the Chair make this statement. If the gentleman is going to object, there is no use in delaying the matter.

Mr. BLANTON. I am going to object, Mr. Speaker. I do not think a bill of this magnitude should pass in this way.

The SPEAKER. Objection is heard; and the clerk will call the next bill.

WILLIAM SHELDON

The Clerk called the next bill, H. R. 2810, for the relief of William Sheldon.

Mr. HOPE. Mr. Speaker, I reserve the right to object, because I would like to have a little more information concerning this bill by the author or by someone who is prepared to give the information to the House.

Mr. DISNEY. What further information does the gentleman want?

Mr. HOPE. In looking over this report and the supplemental report, there is nothing to show how long this man was in the Government service or how long he was in the hospital. There is no medical report and inasmuch as the claim is based entirely upon what is supposed to have been payment for hospital and doctor bills, it seems to me there ought to be some further information on this point.

Mr. DISNEY. That proof is before the committee in documentary form, I will say to the gentleman from Kansas, in its entirety. I think every item of his entire hospital expense is before the committee in the form of receipts or other documents. Pages 2 and 3 of the supplemental report consist of proof from the chief deputy and the office deputy in the marshal's office as to the injuries received by the deputy marshal, Sheldon, the claimant.

Mr. HOPE. Those statements are mere statements by a layman and do not go into detail as to the extent or the nature of the injuries or the necessity for this large expenditure for medical and hospital bills.

Mr. DISNEY. I think the gentleman will find such statements made before the committee, and there were also submitted photostatic pictures showing the extent of the injuries.

Mr. HOPE. Does the gentleman have any information as to how long this man was in the Government service before this injury occurred?

Mr. DISNEY. I can not assure the gentleman positively, but my remembrance of the proof is that he was in the Government service about four years, his service beginning, as I remember it, in about 1910 or 1911.

Mr. HOPE. Do I understand from the gentleman that proof has been furnished the committee in the way of receipts and other documents showing the expenditure of these large sums for medical and hospital treatment?

Mr. DISNEY. I can not give the gentleman positive assurance, but that is my understanding of it. I have not personally examined each item, so I can not assure the gentleman of that fact.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I assume the gentleman will not object to having added a provision that this is in full settlement of claims that may be had by reason of this injury?

Mr. DISNEY. No.

Mr. STAFFORD. What is that amount?

Mr. DISNEY. Nineteen hundred dollars plus is the amount of the actual expenses.

Mr. SCHAFER. This is a case of a law-enforcement officer who was rendered totally and permanently disabled during the performance of his duty. I can not find any justification for the committee's taking further action after the bill had a careful consideration and the committee had recommended $5,000. Now it is proposed to give this man only the actual expenses for the medical bills he incurred—nothing for suffering, nothing for the serious, permanent disabilities. It is a crime that this bill does not carry $5,000.

Mr. DISNEY. I agree with the gentleman, but from observation during my tenure here I was afraid that if the amount remained at $5,000 some Member would have objected, and that one objection would have cut the claimant off without anything at all. So it seemed better, under all the circumstances, to accept and actually get the smaller amount.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the sum of $1,937.10 be, and is hereby, appropriated out of any money in the Treasury not otherwise appropriated, for the relief of William Sheldon, former deputy United States marshal for the eastern district of Oklahoma, who was injured in the discharge of his duties.

With the following committee amendment:

Add at the end of the bill the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

At the end of the bill insert: "In full settlement of all claims he may have by reason of injuries suffered by him while in the discharge of his duty as said deputy marshal."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. M. M. BRAYSHAW

The Clerk read the next bill on the calendar, H. R. 3607, for the relief of Dr. M. M. Brayshaw.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. M. M. Brayshaw, Loma Linda, Calif., the sum of $210 in full settlement of all claims for professional service, hospital care, nursing, medicines, etc., furnished in 1927 and 1928 to Charles Dixon, a civilian prisoner of the United States Marine Corps Detachment at El Callo, Nicaragua.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOWER VEIN COAL CO.

The Clerk read the next bill on the calendar, H. R. 6143, for the relief of the Lower Vein Coal Co.

The SPEAKER. Is there objection?

Mr. EATON of Colorado and Mr. BLANTON reserved the right to object.

Mr. BLANTON. Mr. Speaker, I call attention to the fact that this bill involves the refund for $13,013.34, together with interest at the rate of 4 per cent per annum from December 29, 1920, to the date of the enactment of this act. The department reports against the bill. The department allows so many refunds that when they do report against one I am going to stay with the department.

Mr. PURNELL. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. PURNELL. The bill was originally introduced authorizing the Secretary of the Treasury to make the refund, and the committee struck that out and amended it so as to submit it to the Treasury for consideration. Let me give the gentleman the facts. There is no Member on the floor that I have more regard for his ability and sincerity than I have for the gentleman from Texas, but the gentleman is not informed about this bill.

Mr. BLANTON. I am going by what the Treasury says about it.

Mr. PURNELL. If that is so, then the gentleman will not object to the bill.

Mr. BLANTON. It is not merely the $13,013.34 provided for in this bill that is involved, it is the precedent that would be set by waiving the limitation statutes against all refunds. So this bill really involves the sum of over $2,000,000,000, for if we pass this bill and set this bad precedent, it will eventually cost this Government over $2,000,000,000.

The SPEAKER. Does the gentleman from Texas intend to object to the bill finally?

Mr. BLANTON. Yes. I intend to object; but I do not object to the gentleman's making a speech about it.

Mr. RAMSPECK. Mr. Speaker, I demand the regular order.

Mr. PURNELL. I am satisfied that the gentleman from Texas is in error about the fact.

Mr. BLANTON. Does not the bill authorize this person to make claim for $13,013.34 at 4 per cent interest back to December 29, 1920?

Mr. PURNELL. In substance, yes; but the Secretary of the Treasury says that their own officials were in error.

Mr. BLANTON. Mr. Speaker, here is what the Secretary of the Treasury said:

> The consistent policy of the Treasury, repeatedly announced, has been to refuse to lend approval to the enactment of legislation proposed to grant refunds in cases where such action is barred by the statute of limitations; and, in accordance with that policy, I am unable to lend approval to the pending bill.

Mr. Speaker, the Treasury Department thus has refused to recommend the passage of this bill. If it merely involved the $13,013.34 claimed in this bill, it would be bad enough; but, as heretofore stated, if this Congress should pass this bill, it would thereby set a precedent that eventually would cost this Government over $2,000,000,000. Therefore, Mr. Speaker, I object.

ESCHA WHITTINGTON CASEY

The next business on the Private Calendar was the bill (H. R. 6381) for the relief of Escha Whittington Casey.

The SPEAKER. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object. The form in which this bill has been presented is not that under which similar bills have been considered. An amendment has been prepared with the usual attorney's-fee amendment attached to it, and if the gentleman has no objection to that, I shall withdraw my objection.

Mr. THOMASON. Mr. Speaker, I have no objection to it.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Escha Whittington Casey, formerly a civilian employee of The Adjutant General's Office, War Department, who has become permanently disabled by reason of tuberculosis contracted while engaged in the pursuit of her official duties, and her case is hereby authorized to be considered and acted upon under the remaining provisions of such act.

Mr. EATON of Colorado. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Strike out all after the enacting clause and insert: "That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Escha Whittington Casey, formerly a civilian employee of The Adjutant General's Office, War Department, for alleged disabilities incurred while engaged in pursuance of official duties, in the same manner and to the same extent as if said Escha Whittington Casey had made application for benefits under the employees' compensation act within the 1-year period required by sections 17 and 21 thereof: *Provided*, That no benefits shall accrue prior to the approval of this act: *And provided further*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

M. N. LIPINSKI

The next business on the Private Calendar was the bill (H. R. 3810) for the relief of M. N. Lipinski.

The SPEAKER. Is there objection?

Mr. HOLLISTER. Mr. Speaker, I object.

CLARENDON DAVIS

The next business on the Private Calendar was the bill (H. R. 9606) for the relief of the estate of Clarendon Davis.

The SPEAKER. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object. I would like to have the author of the bill state how they arrive at this sum attempted to be appropriated here.

Mr. COX. Mr. Speaker, the amount stated in the bill represents the difference in the amount of stamps that were accounted for and those that were lost. The other sum the Treasury Department compelled the bonding company to pay.

Mr. EATON of Colorado. Is this a bill which in effect will relieve the bonding company from the payment of the amount?

Mr. COX. No; except in this way: There was a shortage of seven hundred and odd dollars. The Treasury Department called upon the bonding company to pay. They had some negotiations and finally reached a settlement whereby the bonding company paid an amount equal to the amount stated in the bill, and the Treasury Department recommended the appropriation of a sum sufficient to pay the difference.

Mr. EATON of Colorado. I do not know whether I understood the gentleman. Let me see whether I understood him. The bonding company has paid $300, the amount stated in the bill, and that was the result of a compromise settlement between this claimant and the Treasury Department?

Mr. COX. Yes.

Mr. EATON of Colorado. And now the gentleman seeks to collect $300, to be paid to some person who will then turn it over to the bonding company?

Mr. COX. No; the bonding company gets nothing out of this.

Mr. EATON of Colorado. Then the claimant would be paid twice?

Mr. COX. No. Let me make this statement. This was a very old gentleman who bought $1,000 worth of these stamps and had them registered. It developed that the postmaster delivered only $300 of the stamps. This man called upon the Treasury Department for payment. They declined to pay it because of doubt as to whether his showing that the postmaster never made the delivery of $1,000 was sufficient. The individual had no claim against the bonding company. His claim was against the Treasury Department. The Treasury Department called on the bonding company to pay, and as the result of negotiations they reached an agreement whereby the bonding company paid half, and the Treasury Department recommends that the Government appropriate for the other half.

Mr. EATON of Colorado. And thus relieve this bonding company from the other half. Mr. Speaker, I object.

BENJAMIN STERN AND OTHERS

The Clerk called the next bill, H. R. 8513, for the relief of Benjamin Stern, and Melville A. Stern and Benjamin Stern, as executors under the last will and testament of Louis Stern, deceased, and Arthur H. Hahlo, as executor under the last will and testament of Isaac Stern, deceased, all of New York City, N. Y., for compensation and in settlement of their damages and loss sustained by virtue of a lease, in writing, dated September 12, 1919, between the said parties and the United States of America, by Daniel C. Roper, Commissioner of Internal Revenue.

Mr. BACHMANN. Mr. Speaker, I object.

Mr. BLANTON. Mr. Speaker, I reserve the right to object to call attention to the fact that this bill was introduced originally for $43,100.83. The committee has reduced it to $30,000. There is no favorable report from the Treasury Department on this bill, and I object.

Mr. BLACK. Well, Mr. Speaker, the statement of the gentleman is incorrect. There is a supplemental report.

Mr. BLANTON. Even the supplemental report is unfavorable. Both the Treasury Department and the Comptroller General recommend against the passage of this bill. I object.

Mr. PARKER of Georgia. Mr. Speaker, I object.

GEORGE CHARLES WALTHERS

The Clerk called the next bill, H. R. 11477, for the relief of George Charles Walthers.

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, I can not for the moment recall the facts in this case. Perhaps the author of the bill can aid me. My memory is to the effect that the amount is rather large.

Mr. HORR. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. HORR. I may state that this bill passed the House last year and died in the Senate. This is a bill for the relief of a boy who was accidentally shot by a prohibition agent. This boy has been totally disabled ever since the accident, and he is now in the district represented by the gentleman from Oregon, Mr. MARTIN, who is coauthor of this bill. I think the gentleman will find that the report from Mrs. Willebrandt herself at the time of the accident shows that she makes a recommendation that we should take care of him.

Mr. STAFFORD. Yes. It is the only time I have known Mrs. Mabel Walker Willebrandt to recommend to reimburse for injuries suffered as the result of a too officious prohibition-enforcement officer.

Mr. HORR. I am happy to have been once in accord with the lady.

Mr. STAFFORD. I really wish to direct attention to the amount. Here we are levying a charge of $100 a month during the remainder of his life.

Mr. HORR. I may state that he is paralyzed. The best that can be said, he has to be lifted into a wheel chair. He is now a charity patient in the Good Samaritan Hospital, located in the district represented by General MARTIN, and he has been confined there from the day he was injured. There has been no money given him by the Government other than to meet his immediate medical expenses.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. MARTIN of Oregon. This fine young boy was accidentally shot by an overzealous prohibition agent. This prohibition agent got excited, and his gun went off, and he shot this poor boy in the back. He is completely paralyzed.

Mr. BACHMANN. The prohibition agent fell over a log, and his gun was discharged.

Mr. MARTIN of Oregon. Well, yes. He got excited, and as a consequence he shot this boy, and he has been a charity patient under the care of one of our surgeons there ever since.

Mr. BACHMANN. Will the gentleman yield?

Mr. MARTIN of Oregon. I yield.

Mr. BACHMANN. What is the gentleman's opinion as to whether or not this boy who was injured had any connection with the operation of a still?

Mr. MARTIN of Oregon. None whatever.

Mr. BACHMANN. The evidence from the Treasury Department shows that he was indicted in a conspiracy case for operating a still.

Mr. MARTIN of Oregon. But they did not have the testimony.

Mr. BACHMANN. The statement of the boy and Doctor Roper and the father at the hospital contradicts the statement by the Treasury Department, saying that he had no connection whatever with the still.

Mr. MARTIN of Oregon. None whatever.

Mr. BACHMANN. The gentleman knows the situation, and I would like to have his statement in the RECORD as to whether or not, in his opinion, this boy was engaged in the operation of that still.

Mr. MARTIN of Oregon. I am very familiar with the case. I have seen the boy repeatedly. I tell you frankly that he had nothing to do with it.

Mr. BACHMANN. I think it is a case where something should be paid this boy.

Mr. MARTIN of Oregon. It is one of the most pitiable cases to be seen. The boy has to be strapped to a chair. He has completely lost control of his bowels.

Mr. STAFFORD. The statement of the gentleman from Oregon, who is acquainted with the physical condition of this unfortunate lad, removes any question as to the amount that should be paid.

Mr. BACHMANN. Mr. Speaker, regular order.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $100 per month to George Charles Walthers, during his natural life, in full settlement of all claims against the Government of the United States for total and permanent disability resulting from a gunshot wound inflicted upon him in 1923 by a Federal prohibition enforcement officer. Said monthly payments shall be made through the United States Employees' Compensation Commission and shall commence on the date of the approval of this act.

SEC. 2. That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

VAN CAMP SEA FOOD CO. (INC.)

The Clerk called the next bill, S. 220, authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.).

Mr. EATON of Colorado. Reserving the right to object, Mr. Speaker, the usual attorney's fee clause should be added to this bill, and I ask whoever is responsible for the bill to consent to that.

Mr. STAFFORD. Reserving the right to object, I had some question as to whether the claim of $100 a day for demurrage was not a rather large amount. I do not know whether that impressed any of the other Members of the House who examined this bill or not.

Mr. EATON of Colorado. It impressed me, but when I saw that the Comptroller General had examined the account and recommended that amount, I decided to make no objection on that score.

The SPEAKER pro tempore (Mr. WOODRUM). Is there objection?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Van Camp Sea Food Co. (Inc.), Terminal Island, Calif., for reimbursement of the cost of repairing damages sustained by the fishing boat *Costa Rica No. 1*, while attempting to rescue the crew and salvage Navy seaplane *No. A-7807* attached to the United States steamship *Idaho*, which crashed in the Los Angeles harbor October 27, 1930, and for demurrage while the repairs were being made, and to allow not exceeding the sum of $1,718.06 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum not to exceed $1,718.06, or so much thereof as may be necessary, for payment of said claim.

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Page 2, line 4, after the word "claim," insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be read a third time. was read the third time, and passed.

A motion to reconsider was laid on the table.

WILLIAM T. STILES

The Clerk called the next bill, S. 249, authorizing adjustment of the claim of William T. Stiles.

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I would like to have the attention of the House for a minute. There are a number of bills coming in on the Private Calendar that have for their purpose the compensation of enlisted men in the Army and Navy and of other people who are not connected with the Government, who, in order to save somebody's life in some hospital, submits to a blood transfusion, and these bills come in here to appropriate $25 and $50. I think $50 is the highest amount that has come in to us in any of these bills. We had a couple here the other day that came from the Senate and they were passed by the House. To-day we are to consider some more of them. It seems to me we are going a long ways to adopt the principle of paying somebody $25 or $50 who will permit himself to take part in a blood transfusion and give blood for the saving of human life. It seems to me any man patriotic or sympathetic enough to do that ought not to come to Congress and ask Congress to go through the trouble of having a bill come before a committee, considered before the committee and in the House in order that he may be reimbursed $25 or $50.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. BLANTON. The gentleman knows I have helped him stop some of these bills before. If we establish a precedent and keep this up, there is going to be no end of it. The bill carries only $25, but it has already cost the Government at least $50 to introduce it, get it printed, a favorable consideration by the committee, printing the report and the reported bill, and getting it on the printed calendar.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. STAFFORD. A principle is involved and I wish to make some observations about it.

Mr. BLANTON. I shall go along with the gentleman and help stop all bills of this character.

Mr. STAFFORD. In the letter of the Comptroller General referring this bill to the Congress for consideration, he calls attention to the law of February 9, 1927 (49 Stat. 1066), where a payment of $50 is authorized to any member or former member of the Military Establishment who should thereafter furnish blood to a patient in a Government hospital.

According to the law we have established the policy of paying $50 to any member or former member of the Military Establishment who furnishes blood for transfusion.

The instant case is to reimburse a stranger, I believe, who volunteered to give his blood for the benefit of a patient, and I believe the patient was a former member of the military service. I think the general law should be amended so that not only members or former members of the Military Establishment should receive $50 but also people in instances represented by the instant case.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BACHMANN. I yield.

Mr. BLANTON. When the former bill mentioned was before Congress the gentleman will remember that several of us tried to defeat it, but we were outvoted. That bill should not have been passed. We ought not to be paying such claims.

Mr. BACHMANN. I agree with the gentleman from Texas, and I may say in addition that it has taken a good deal of the time of Congress to consider this particular kind of legislation.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Mr. Speaker, I object.

LITTLE ROCK COLLEGE

The Clerk called the next bill, S. 1421, for the relief of Little Rock College, Little Rock, Ark.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, as I read this report it is an authorization to make a repayment for losses or theft of certain articles due to neglect on the part of the accountable authority at the Little Rock College:

To provide such method and means to safeguard this property after he had been informed on several occasions of the insecurity of the property, the laxness of allowing the keys to the storeroom to get into the possession of unauthorized persons, a failure to make an effort to recover property that had been stolen, or to recover that which had been taken away by students withdrawing from the college after he had been informed of that fact; * * * at various times when the storeroom was broken into a complete check was not made to ascertain correctly the amount of property missing; clothing was allowed to remain piled on the floor in an office for a period of time without being locked night or day * * *.

Any of you who have had any experience in the matter of accountability for military stores know what is required either of a college or a National Guard company or others. It seems, to say the least, an anomaly that a bill of this sort should be presented to Congress to reimburse a college for losses due to neglect of its own officials.

Mr. RAGON. Mr. Speaker, will the gentleman reserve his objection?

Mr. EATON of Colorado. I will reserve the objection to permit the gentleman to make a statement. I may say that the statement I just made was taken from a report over the signature of Dwight F. Davis, Secretary of War, made in 1927, since which time the bills have been presented to Congress.

Mr. RAGON. That is true. I do not think Secretary Davis could have made any other statement of the case or he would have set a precedent which would have flooded him with such matters.

This is for material furnished to a little Reserve Officers' Training Corps college. The officers, of course, are more or less alibiing in their statement there, but anyway the gentleman will notice in the supplemental statement, or in Mr. Davis's letter, there are a whole lot of small articles. The stuff was secondhand, as far as that is concerned. I do not think the college is in existence, except that it may be operating as an academy.

What they are seeking to do is to get the books balanced, so that the college will not have to pay this money.

Mr. EATON of Colorado. What they are seeking to do is to get credit for property lost over a period of years. If the gentleman has ever had any experience in the accountability for Government property he would wonder why anybody charged with it would present a claim for reimbursement for its loss, having been negligent in its care.

The losses started in March, 1925, and it has been revised and revised. Each time there was a survey an additional and different amount was reported, and a person can not tell whether it is a continuing amount or whether additional items are included to make up the total. I shall object to this bill.

Mr. PATTERSON. Mr. Speaker, will the gentleman withhold his objection?

Mr. EATON of Colorado. I will reserve it to permit the gentleman to make a statement.

Mr. PATTERSON. I happen to know something about this. I happened to be in one of these colleges at the time they had some of this material assigned to them and used it. I am of the opinion from what I know about such matters that this is a meritorious bill and is nothing more than balancing the claims of this little college to keep them from having to pay back this amount for material that was assigned there and probably worn out or lost or something of that kind. I feel this is a meritorious claim and I believe if the gentleman would make a thorough investigation of the matter he would not object to the bill.

Mr. EATON of Colorado. I have made as much investigation as I could from the report of the Secretary of War, and I am surprised that the gentleman from Alabama would try to condone all of these losses, whether they were by theft or carelessness, or, as the report says, by the negligence of the accountable officer of this college. Eleven different times such shortages occurred, and they had a survey for each one of them, and they found that this man was not taking care of the stores and that the students were taking them away.

Mr. RAGON. I hope the gentleman will not object to this measure. I may say to the gentleman that while I am not fully advised about the matter I think the college is practically out of existence, and this will simply require the Catholic Church, or whatever organization operates this school, to pay $1,400 for some man's carelessness that they never saw or heard of, and the gentleman is bound to admit that this was old, worn-out stuff. If the matter were ever so equitable, the Secretary could not take any other stand than the one he has taken, but I believe it is more a matter of bookkeeping from the standpoint of the Government than anything else, because the Government will never collect it.

Mr. EATON of Colorado. I object, Mr. Speaker.

HARRIETTE OLSEN

The Clerk called the next bill, S. 1858, for the relief of Harriette Olsen.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and is hereby, authorized and directed to credit the account of Harriette Olsen, postmaster at Armstrong, Iowa, in the sum of $42.91, due the United States on account of the loss resulting from the closing of the First National Bank of Armstrong, Iowa.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LYMAN L. MILLER

The Clerk called the next bill, S. 3504, for the relief of Lyman L. Miller.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I have no objection to the granting of relief in the amount carried in the bill, but I can not see the real need of the last sentence of the bill. It is my opinion the purpose would be accomplished by enacting the first sentence and striking out the second, as it is simply surplusage.

Mr. BLACK. This is a Senate bill.

Mr. STAFFORD. Mr. Speaker, my attention is called by the chairman of the Committee on Claims to the fact that this is a Senate bill. The language would simply cumber up the statutes, as it is largely in the nature of a preamble, but I shall not offer the amendment.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money not otherwise appropriated, to Lyman L. Miller the sum of $400 as reimbursement for the amount paid by said Lyman L. Miller to the Department of the Interior as advance royalty accompanying application for proposed coal-mining leases, which said application was rejected on March 6, 1926. Under regulations governing the disposition by fiscal officers of payments under the mineral lease act advanced royalty of $400 was covered into the United States Treasury and that no request for refund was filed within two years from the date of rejection of application and that the same is now barred by statute, act of December 11, 1919 (41 Stat. 366).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JAMES M. GRIFFIN

The Clerk called the next bill, S. 4166, for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, here is an omnibus bill reported by the gentleman from Minnesota [Mr. CHRISTGAU] containing a number of items for travel pay that apparently were not allowed by the department. I assume the gentleman is virtually accepting the determination of the Comptroller General and passing on his decision.

Mr. CHRISTGAU. Yes; and the Senate committee went into the matter quite exhaustively and we accepted their report.

The Comptroller General, as the gentleman will note by the report of the Senate committee, refused to O. K. the expense account for travel allowance because of a technicality in that the bureau chief had not approved it. This resulted in a different ruling as to what constituted travel allowance.

Mr. STAFFORD. As I recall now, all the items had been approved by the heads of bureau or heads of department, but because of some technicality the Comptroller General refused to pass them and wishes to have Congress take the burden of enacting special legislation on these various items.

Mr. CHRISTGAU. No; this involves no appropriations.

Mr. STAFFORD. I understand that. It is virtually to credit the accounts of these various disbursing officers with these amounts.

Mr. CHRISTGAU. The expenditures were incurred by these people who were given travel orders under a previous ruling. They did not have the current ruling of the bureau chief.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the General Accounting Office is hereby authorized and directed to credit the accounts of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, in the amount of $360.27, which sum represents the aggregate of payments made during the fiscal year 1930 by said disbursing officer on account of travel performed by civilian officers and employees of the Coast and Geodetic Survey and which sum has been disallowed by the Comptroller General as follows: On voucher numbered 96675, to Deck Officer John C. Ellerbe, jr., $7.65; on voucher numbered 96713, to Deck Officer J. S. Morton, $7.35; on voucher numbered 96771, to Mate F. E. Okeson, $14.37; on voucher numbered 96818, to Deck Officer I. R. Rubottom, $4.10;

on voucher numbered 96412, to Deck Officer J. C. Tison, $4.20; on voucher numbered 96626, to Deck Officer J. C. Tribble, $7.45; on voucher numbered 96649, to Deck Officer K. S. Ulm, $14.40; on voucher numbered 95340, to Deck Officer K. S. Ulm, $4.65; on voucher numbered 96241, to Deck Officer H. C. Walker, $6.55; on voucher numbered 97132, to Deck Officer E. B. Brown, $4.65; on voucher numbered 97150, to Chief Engineer H. Ely, $42.35; on voucher numbered 97151, to Chief Engineer H. Ely, $12.30; on voucher numbered 98186, to Deck Officer E. L. Jones, $2.64; on voucher numbered 97492, to Deck Officer R. A. Marshall, $3.25; on voucher numbered 97019, to Deck Officer J. S. Morton, $3.94; on voucher numbered 97642, to Associate Geodetic Engineer W. Mussetter, $9.75; on voucher numbered 97175, to Deck Officer F. Natella, $11.55; on voucher numbered 98184, to Deck Officer C. R. Reed, $2; on voucher numbered 97020, to Deck Officer M. G. Ricketts, $3; on voucher numbered 98183, to Deck Officer W. C. Russell, $2.10; on voucher numbered 98313, subvoucher numbered 250, to C. Sylar, hand, $33.54; on voucher numbered 96989, to Deck Officer J. C. Tribble, $5.35; on voucher numbered 99316, subvoucher numbered 16, to Deck Officer M. A. Hecht, $10.42; on voucher numbered 99684, to Assistant Marine Engineer W. R. McLaughlin, $4; on voucher numbered 98585, to Junior Engineer E. R. Martin, $3.70; on voucher numbered 99157, to Deck Officer J. S. Morton, $14.21; on voucher numbered 99933, to Associate Geodetic Engineer W. Mussetter, $8.25; on voucher numbered 98776, subvoucher numbered 240, to Seaman W. R. Norton, $10.20; on voucher numbered 99414, to Mate F. E. Okeson, $9.86; on voucher numbered 99261, to Deck Officer F. Natella, $16.16; on voucher numbered 101243, to Surg. F. J. Soule, $50.75; on voucher numbered 101138, to Junior Engineer E. R. Martin, $7; and on voucher numbered 101084, to Seaman J. M. Narrow, $18.55: *Provided*, That the civilian officers and employees named herein shall not be required to make any refunds to the Government on account of payments made to carriers for travel furnished by the Government on transportation requests in connection with the vouchers listed herein as follows: Deck Officer John C. Ellerbe, jr., transportation requests numbered C–71170, 71211, 71219, 71220, in the total amount of $138.82; Mate F. E. Okeson, transportation requests numbered C–71233, 71234, in the total amount of $49.42; Deck Officer I. R. Rubottom, transportation requests numbered C–71017, 71018, 71055, 71057, 71058, 71059, 71060, in the total amount of $175.93; Deck Officer J. C. Tison, transportation request numbered C–71214, in the amount of $11.85; Deck Officer K. S. Ulm, transportation requests numbered C–71212, 71213, 71216, 71217, in the total amount of $168.11; Deck Officer K. S. Ulm, transportation request numbered C–70768, in the amount of $6.05; Deck Officer H. C. Walker, transportation request numbered C–71215, in the amount of $6.05; Deck Officer E. B. Brown, transportation requests numbered C–70720, 71226, in the total amount of $11.89; Chief Engineer H. Ely, transportation requests numbered C–70638, 70639, 70686, in the total amount of $509.49; Deck Officer R. A. Marshall, transportation request numbered C–71133, in the amount of $6.05; Deck Officer J. S. Morton, transportation requests numbered C–70990, 71199, 71226, 71231, in the total amount of $52.01; Associate Geodetic Engineer W. Mussetter, transportation requests numbered C–70724, 70725, 70726, in the total amount of $41.43; Deck Officer F. Natella, transportation requests numbered C–71230, 71271, in the total amount of $56.73; Deck Officer C. R. Reed, transportation request numbered C–71369, in the amount of $6.05; Deck Officer M. G. Ricketts, transportation request numbered C–70929, in the amount of $6.05; Deck Officer W. C. Russell, transportation request numbered C–71369, in the amount of $6.05; Deck Officer J. C. Tribble, transportation requests numbered C–70927, 70928, in the total amount of $15.75; Deck Officer M. A. Hecht, transportation request numbered C–71275, in the amount of $28.41; Assistant Marine Engineer W. R. McLaughlin, transportation requests numbered C–70865, 70866, in the total amount of $43.49; Junior Engineer E. R. Martin, transportation requests numbered C–79828, 79829, in the total amount of $37.04; Deck Officer J. S. Morton, transportation requests numbered C–71332, 71333, in the total amount of $100.84; Associate Geodetic Engineer W. Mussetter, transportation requests numbered C–71421, 71422, in the total amount of $41.63; Mate F. E. Okeson, transportation requests numbered C–71431, 71432, in the total amount of $17.67; Deck Officer F. Natella, transportation requests numbered C–71434, 71435, 71436, in the total amount of $57.21; and Surg. F. J. Soule, transportation requests numbered C–71022, 71023, in the total amout of $41.64.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TAMPICO MARINE IRON WORKS

The Clerk read the next resolution, House Joint Resolution 104, for the relief of the Tampico Marine Iron Works.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, I want to call attention to the fact that in this case the amount recommended to be carried in the bill is recommended by a person who admitted that he was guilty of bribery.

Mr. DIES. Let me say to the gentleman that the Shipping Board recommended first $4,617.98, and there has been a reduction after a compromise offer to the amount of $2,573.

Mr. STAFFORD. The letter from the assistant admiralty counsel says:

In addition to the above-mentioned considerations, which of themselves are considered sufficient grounds for the rejection of the claim, is the fact that the bill appears to be most exorbitant, and a large part of the work, apparently the greater part, was not attributable to the damage caused by grounding, and it is for such damage only that the Government as insurer was liable.

As nearly as experts have been able to estimate by examination of the bill, only item 3, $1,500 in amount, can be charged to the reparation of damage caused by the grounding.

While it is true that some time after the work had been stopped, one Money, at that time employed at Tampico by the Shipping Board, indorsed his approval on the bill, although it was clear that he had nothing to do with ordering the work. Money afterwards admitted taking a bribe in consideration of like approval by him of another bill for work claimed to have been done at Tampico on a Shipping Board vessel. The Shipping Board representative at Tampico, Dominic Walsh, after Money's discharge gave a great deal of attention to this bill and was convinced that it was very largely in excess of what it should be.

Being unalterably of the opinion that there is no semblance of liability on the part of the Government, the Shipping Board, or the Fleet Corporation, I must adhere to the decision already expressed.

Mr. BLACK. The amount recommended was $4,617.98, and then there was a compromise.

Mr. STAFFORD. But the amount recommended was recommended by a man who was afterwards proven to be a crook.

Mr. BLACK. There was another proposition of $2,500, and finally the Shipping Board said $1,500. There is a similar Senate bill on the desk.

Mr. STAFFORD. If the gentleman will agree to an amendment for $1,500, I will not object.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the bill (S. 188), as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Beaumont Export & Import Co. for the Tampico Marine Iron Works, a foreign corporation, the sum of $2,573 in full settlement of all claims due the Tampico Marine Iron Works by the Government of the United States for work on, repairing, raising, and furnishing material for the United States Shipping Board vessel *Latham*, during the year 1920, on presentation to the Secretary of the Treasury from the Tampico Marine Iron Works of an authorization for payment of said amount to the Beaumont Export & Import Co., said authorization being in such terms as to make said payment to the Beaumont Export & Import Co. a complete settlement of all claims herein referred to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 1, line 7, strike out "$2,573" and insert "$1,500."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I have a further amendment.

The Clerk read as follows:

At the end of the bill, strike out the work "being" and substitute "to be."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time and passed.

A similar House bill was laid on the table.

MARY ELIZABETH FOX

The next business on the Private Calendar was the bill (H. R. 3727) for the relief of Mary Elizabeth Fox.

Mr. BLANTON. Mr. Speaker, I reserve the right to object in order to ask my colleague from Texas [Mr. BUCHANAN] a question. The sum allowed in this bill has been reduced from $7,500 to $3,600 by the committee. The report shows that this woman spent $1,100 on hospital treatment, and so forth. Is that amount embraced in the $3,600?

Mr. BUCHANAN. Yes.

Mr. BLANTON. So that $3,600 is the total that she gets?

Mr. BUCHANAN. Yes.

Mr. BLANTON. Will my colleague assure us that, if we allow this bill to go through in the closing hours of Congress, he will protect the House in this amount?

Mr. BUCHANAN. I assure the House that $3,600 is all that is requested; and if the Senate should amend it by increasing it, I shall ask that it be reduced again to $3,600.

Mr. BLANTON. There should be attached to the bill the usual clause to provide that this is in full settlement of all claims against the United States and then the usual attorney's fee proviso. The gentleman has no objection to that?

Mr. BUCHANAN. I have no objection at all.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. HOPE. Does the $1,100 for hospital and medical fees include also the expense of hospitalization when the girl was in the hospital for an appendicitis operation?

Mr. BUCHANAN. It does not.

Mr. HOPE. The $1,100 all relates to this particular injury?

Mr. BUCHANAN. Yes.

Mr. STAFFORD. That was one of the difficulties that I had in reading the report and the letter from the Postmaster General, whether she was charging $1,100 for hospitalization for an ailment that had no connection whatsoever with this injury, connected with the Postal Service.

Mr. BUCHANAN. The medical charges relate only to the treatment for the infection of the finger, and later the amputation of the finger 43 days later in the hospital, and not to the operation for appendicitis.

Mr. STAFFORD. I have had some difficulty in bringing myself around to approval of any claim in this case. I have not all the facts before me, possibly. It seems that this woman suffered a scratch by using postal equipment that was furnished by the university.

Mr. BLANTON. She was opening her post-office box to get her mail.

Mr. STAFFORD. And who furnished the equipment?

Mr. BLANTON. It was Government equipment, no matter who furnished it.

Mr. STAFFORD. I beg the gentleman's pardon. The Government does not furnish the equipment in such offices.

Mr. BLANTON. It is not material who furnished it. It is Government equipment in every post office in the United States, after it is furnished, regardless of who furnished it. Post-office boxes are Government equipment when patrons get their mail out of such boxes.

Mr. STAFFORD. Oh, Mr. Speaker, I served for the first four terms of my service here on the Committee on the Post Office and Post Roads. The gentleman from Texas [Mr. BLANTON] is very wise, and has great knowledge about many things, but in some his memory is sometimes at fault. The fact is that in fourth-class offices the fourth-class postmasters have to furnish their own equipment, and in third-class offices they are obliged to furnish their own equipment, except when in a Government building.

Mr. BLANTON. But suppose the gentleman should be a fourth-class postmaster, which he is not, and never could be, and he should furnish the equipment to the Government, does the gentleman think that his Milwaukee constituent who came there and got his mail in that fourth-class post office would be dealing with the Government or with somebody else when he opened his box?

Mr. STAFFORD. He would be dealing with the fourth-class postmaster, so far as the equipment is concerned.

Mr. BLANTON. Oh, he is dealing with the Government when he opens his post-office box.

Mr. STAFFORD. The postmaster is nothing more than the agent to do a certain service for the Government. There is the difficulty that I have in this case. I want amplification on that question of the responsibility of the Government in this case, after what occurred in the use of property furnished by a third party, the postmaster.

Mr. BUCHANAN. This was a contract post office. It is in conjunction with the second-class office in Georgetown, Tex., and it is technically of that class, though established at University Station.

Mr. STAFFORD. In speaking of the University Station and its class, does the gentleman have in mind these little post-office stations where they give them $100 up to $1,000 for the sale of stamps, money orders, and similar services?

Mr. BLACK. And if anybody tampers with the mail in those boxes, he tampers with the United States Government property.

Mr. BLANTON. And he goes to the Federal penitentiary if he is convicted.

Mr. STAFFORD. He is also liable under a State law for doing the same thing.

Mr. BLANTON. It is a Federal question, pure and simple, I assure my friend.

Mr. BACHMANN. Is it not a fact that the Government of the United States holds itself out as delivering the mail in those boxes to the people who go there for it, and is it not a contractual relationship?

Mr. BUCHANAN. Yes; it is a contract office.

Mr. BACHMANN. It invites the public to go there and get the mail that the United States Government delivers there.

Mr. BUCHANAN. Absolutely.

Mr. STAFFORD. Carrying that principle to an extreme, then in every little contract station connected with a drug store the Government would be responsible for the condition of the premises because, ergo, the Government invites people to go there and buy stamps? I can not recognize that principle. It would be an outrageous policy. Otherwise, we would go bankrupt.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield for a moment?

Mr. STAFFORD. Yes.

Mr. BUCHANAN. Here is what the Government inspector says, the post-office inspector:

> The fact that this accident occurred at a contract station does not appear to alter the case, as the equipment was being used by the Post Office Department.

Mr. STAFFORD. It was being so used, but who furnished the equipment?

Mr. BUCHANAN. They accepted it.

Mr. STAFFORD. Oh, I understand this is a Texas matter, and the gentleman who is the author of the bill is one of the ablest Members on the floor of this House.

Mr. BLANTON. What does my friend want to chase him over the hot sands for, then?

Mr. STAFFORD. I do not want a precedent established that will come to plague the Congress. I want to know whether this is an injury for which the Government is responsible.

Mr. BUCHANAN. Undoubtedly.

Mr. HOPE. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. HOPE. Does not the gentleman think this amount of $3,600, even including $1,100 for doctors' and hospital fees. is rather large?

Mr. BUCHANAN. I think it is rather small.

Mr. HOPE. The only permanent injury, of course, is the loss of one of the fingers.

Mr. BLANTON. And the results of it, and only partial use of her hand.

Mr. STAFFORD. Undoubtedly through the neglect of the doctor who treated her.

Mr. BLANTON. Oh, she had a good doctor.

Mr. STAFFORD. If she had had a good doctor, the infection would not have developed to cause an amputation of the finger.

Mr. BLANTON. She had a good doctor.

Mr. STAFFORD. He may have been a good doctor for Texas.

Mr. BLANTON. If he had been Doctor Budweiser, it would have been all right with the gentleman from Milwaukee.

Mr. STAFFORD. I have no dealings with Doctor Budweiser; my good friends are Doctors Pabst, Schlitz, and Blatz.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Reserving the right to object, Mr. Speaker, I want to say to the gentleman from Texas that the trouble with this report is it does not give sufficient knowledge about this case. There is another operation for appendicitis that happened a year or so afterwards to this same woman. There is nothing in the report to show whether or not she is charging hospital expenses for that appendicitis operation. The gentleman is asking for $3,600. On what does the gentleman base that claim for $3,600?

Mr. BUCHANAN. One thousand dollars hospital and medical treatment.

Mr. BACHMANN. Was the thousand dollars for hospital and medical treatment confined to the finger injury, or does it take in the appendicitis operation?

Mr. BUCHANAN. My understanding is it did not include anything for the appendicitis operation, but rather than have this bill defeated and go over, if the gentleman wants to deduct $500 on the mere chance that there may be something in here for the appendicitis operation, I am willing to agree to it.

The SPEAKER pro tempore. Is there objection? The Chair hears none, and the Clerk will report the bill.

Mr. BACHMANN. Well, just a minute, Mr. Speaker. I will be compelled to object, and I do not want to object to this bill; but if we are going to be forced into it, I must object, because the gentleman is endeavoring to work out a solution of the problem.

The SPEAKER pro tempore. The Chair thinks he has given every opportunity.

Mr. BLACK. I think this can be solved shortly, Mr. Speaker.

Mr. SCHAFER. Mr. Speaker, regular order.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, there has been an agreement reached with respect to this bill.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Elizabeth Fox, Granger, Tex., the sum of $7,500 for permanent injury received on February 2, 1928, while getting her mail out of a post-office box at Southwestern University Station at Georgetown, Tex., said injury being caused by neglectful construction of said post-office box.

With the following committee amendment:

Page 1, line 6, strike out "$7,500" and insert in lieu thereof "$3,600."

Mr. STAFFORD. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD to the committee amendment: Strike out "$3,600" and insert in lieu thereof "$3,000."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. BLANTON. I offer an amendment, after the figures "$3,000," insert "in full settlement of all claims against the Government of the United States."

The Clerk read as follows:

Amendment by Mr. BLANTON: In line 6, after the figures "$3,600," insert "in full settlement of all claims against the Government of the United States."

The amendment was agreed to.

Mr. BLANTON. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: In line 10, after the word "box," insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

Mr. SCHAFER. Mr. Speaker, I move to strike out the last word.

I do not intend to consume the five minutes. I do not believe this reduction should have been made. I believe if we had a movietone of the proceedings of this Congress for the 15 minutes prior to this moment, we could take it to every show house in the country and have some people come back to see the show two or three times. The scene resembles an auction sale. The Government of the United States is responsible for this claimant's permanent injuries. The medical bills incurred amounted to over a thousand dollars, which on the face of it indicates suffering by the beneficiary of this bill. The Committee on Claims having jurisdiction of this bill referred the matter to a subcommittee for consideration. The subcommittee reported to the full committee, and all of the facts and evidence is discussed by the full committee, and a favorable recommendation is made to the Congress.

Mr. BACHMANN. Will the gentleman yield?

Mr. SCHAFER. In just a moment.

Manifestly, it is impossible for the Claims Committee to print in the committee reports all of the evidence which was before that committee, because on some of the private claims bills the evidence is confined in a file folder sometimes 6 inches thick, and the cost of printing all of the evidence in the committee report would be prohibitive.

Now, because all of the evidence is not incorporated in the committee report, we have an auction-block proceeding to shave the amount recommended by the Claims Committee. If we are going to continue this policy of spending 15 or 20 minutes in these auction-block proceedings, we ought to have a quorum.

Mr. BACHMANN. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER. I yield to the distinguished economy expert from the State of West Virginia.

Mr. BACHMANN. Will the gentleman from Wisconsin, who is so familiar with the facts in this case, and who is a member of the Committee on Claims, tell the House how much of this hospital bill that was inserted in the report went to pay the expenses of the injury for which the claim seeks recovery?

Mr. SCHAFER. I may state to the gentleman that not a nickel, not a penny, for either hospital bills or medical bills has been included for the appendicitis operation, which has no relation to the claim we have before us.

Mr. BACHMANN. Should not the report show that to the House?

Mr. SCHAFER. I may state to the gentleman from West Virginia that it is all I can do to prepare the voluminous reports from my subcommittee. Sometimes I spend 6, 7, 8, 9 hours or more considering one of these bills before the subcommittee. It is impossible for the Committee on Claims to incorporate in the report all of the evidence presented. If we would do so the increased burden of taxation on the Treasury would be enormous by reason of the additional costs of printing the reports.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER. I yield to the gentleman from Texas.

Mr. BLANTON. The gentleman complains that during his party's régime we have not been able to keep here at all times a quorum to hear his eloquent addresses. I promise

the gentleman that after the 4th of March we will not have so much good reason for a quorum not to be here.

Mr. SCHAFER. The gentleman must be a prophet. The gentleman does not know what is going to happen after the 4th day of March. The gentleman's party takes one position at 12 o'clock and at 1 o'clock reverses said position and runs in disorderly retreat. The gentleman also seems to forget that his party has had control of the House for almost two years.

Mr. BLANTON. At least we will be in Washington after March 4 and not up in Milwaukee.

Mr. SCHAFER. That may be so, but I am frank to say that the people in Milwaukee will be watching the Members of the gentleman's party. The industry of Wisconsin, which is being crucified by reason of excessive importations from depreciated-currency foreign countries, has the Democratic Party and its platform pledges in the spotlight right now. The Democratic Legislature of the State of Wisconsin has also passed a resolution asking for the legislation which was refused yesterday by the Democratic caucus.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CLYDE W. EDWARDS

The Clerk called the next bill, H. R. 5801, for the relief of Clyde W. Edwards.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Clyde W. Edwards, postmaster at Adair, Iowa, in the sum of $448.83, due the United States on account of loss of postal funds resulting from the failure of the First National Bank of Adair, Iowa: *Provided*, That the said postmaster shall assign to the United States any and all claims he may have to dividends arising from the liquidation of said bank.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN MOORE

The Clerk called the next bill, H. R. 5947, for the relief of John Moore.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the United States, the sum of $7,500 to John Moore, of Detroit, Mich., on account of personal injuries sustained in line of duty as an employee of the War Department on the 18th day of August, 1919.

With the following committee amendment:

At the end of the bill add the following:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of John Moore, on account of injuries sustained by him while employed by the War Department at Detroit, Mich., on or about August 18, 1919, in the same manner and to the same extent as if said John Moore had made application for the benefits of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916, as amended, within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the approval of this act: *Provided further*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. STAFFORD. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD to the committee amendment: Page 2, line 1, after the word "injuries," insert the words "claimed to have been."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DR. CHARLES T. GRANGER

The Clerk called the next bill, H. R. 7655, for the relief of Dr. Charles T. Granger.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object——

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I shall be very glad to yield either to the gentleman who reported the bill or to the author of the bill.

Mr. PITTENGER. Mr. Speaker, I reported the bill. The facts in the committee report are correct. The department, in my opinion, in its suggestions that this man ought to have gone to a Government hospital overlooked the situation.

This was an emergency. An Indian boy was run over by a truck and sustained a fractured leg. He was taken to the nearest hospital and received the kind of treatment he should have received. Any suggestion that some other course should have been pursued is out of the question. I know that territory. I have been over the road where this accident occurred. The right thing was done at the right time.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BLANTON. The only question I have in mind is the amount charged this boy. If he had not been connected with the Government and had had his leg injured in this accident and had gone to this doctor, the doctor probably would have set it for him and treated him for probably $25, but because the Government of the United States is involved he charged $290.

Mr. CHRISTGAU. Has the gentleman examined the charges? X rays were taken. The boy was in the hospital 44 days. I do not think the charge is at all excessive. The doctor in the case is one of the most highly respected doctors in the State of Minnesota.

Mr. BLANTON. I think the doctor ought to be paid and I think the hospital ought to be paid. I think it was an emergency case; and I think it was foolish of the department to expect them to take him 55 miles across country to another hospital. The question in my mind is simply the amount that has been charged. Doctors do mulct the Government all the time.

Mr. CHRISTGAU. This man is not that kind of a doctor.

Mr. STAFFORD. Perhaps the gentleman has forgotten the facts. This man was in the hospital 44 days, which, at $5 a day would account for over $200 of the amount charged.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $290 to Dr. Charles T. Granger for hospitalization and medical services rendered Joseph Abbett, an Indian patient at the Granger Hospital, McGregor, Minn.

With the following committee amendments:

Line 3, after the word "the," strike out the word "Treasury" and insert "Department of the Interior."

Line 5, after the word "of," strike out the words "any money in the Treasury not otherwise appropriated" and insert in lieu thereof "funds of the Chippewa Indians of Minnesota."

The committee amendments were agreed to.

Mr. EATON of Colorado. Mr. Speaker, I offer the following amendment: In line 7, after the word "settlement," insert the words "of all claims and demands."

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Page 1, line 7, after the word "settlement," insert "of all claims and demands."

The amendment was agreed to.

Mr. EATON of Colorado. Mr. Speaker, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CLARENDON DAVIS

Mr. COX. Mr. Speaker, I ask unanimous consent to return to No. 658 on the calendar for consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $300 to the legal representative of the estate of Clarendon Davis, deceased, Camilla, Ga., for war-savings certificates for the reason that the evidence submitted, while indicating registration, does not show that the certificates were actually delivered to the purchaser by the postmaster.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider laid on the table.

C. N. HILDRETH, JR.

The Clerk called the next bill, H. R. 11461, for the relief of C. N. Hildreth, jr.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I have no objection to the merits of the bill, but I do not think we should carry in the bill the statement in the last clause, and I shall offer an amendment striking out that part of the bill.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of C. N. Hildreth, jr., former collector of customs for collection district No. 18, with the sum of $89.10, representing the amount of a payment made to the A. A. A. Garage of Miami, Fla., on voucher 851 in his August, 1928, accounts, and heretofore disallowed by the Comptroller General, such payment covering repairs to a Ford car damaged by a truck which had been commandeered by a customs officer in an effort to apprehend a violator of the customs laws, and such payment is hereby validated.

Mr. STAFFORD. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: In line 10, after the word "General," strike out the remainder of the paragraph.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

A. ZAPPONE

The Clerk called the next bill, H. R. 10124, for the relief of A. Zappone, disbursing clerk, United States Department of Agriculture.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I ask unanimous consent to proceed for five minutes on this matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I shall not object to the bill, but I wanted to call my friend's attention to this situation.

Here is an item of $173 that is to be paid by the Government for advertising a certain bid in Washington newspapers for something that is to be done over in the Shenandoah Valley in Virginia when there is no law authorizing such an expenditure in Washington. It was against the law, and yet the bureau chief in the Department of Agriculture spends this money foolishly. I want to call the attention of my friend from Texas [Mr. JONES] to this matter because he is the chairman of the Committee on Agriculture.

I mentioned the other day about the so-called scientists being sent to the wilds of Mexico and South America to hunt up a wild potato, and I want to let my friend know just what that has cost the people.

From August 3, 1930, to October 13, 1931, our Department of Agriculture had the scientist, Mr. P. G. Russell, in old Mexico, and his expenses amounted to $1,129.85, in addition to his pay of $700. He was hunting a wild potato.

The department had another man by the name of Donald Reddick from September 28, 1931, to December 10, 1931, over in the wilds of Mexico, having a good time on a junket trip, which was all he was doing, and this cost $745.46 of the taxpayers' money for this man's expenses in hunting wild potatoes.

The department had Carl Erlanson from December 20, 1930, to March 17, 1931, over in old Mexico hunting wild potatoes, and they paid him $800 in salary and $1,284.76 as expenses, or a total of $2,084.76.

The department had Max Souviron from August 3, 1930, to March 17, 1931, over in the mountains and wilds of old Mexico hunting wild potatoes, and he was paid $675 for the three months' work and $2,928.45 for expenses, or a total of $3,603.45 for hunting wild potatoes in Mexico.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BANKHEAD. What I am anxious to know is whether they found any potatoes.

Mr. BLANTON. Why, of course, they did not.

I also want to call your attention to what they have done in South America, junketing in Chile, Peru, and Bolivia hunting wild potatoes.

They had Dr. H. G. MacMillan from December 12, 1931, to July 17, 1932, and paid him $2,760; and his expense account, in addition to his pay, amounted to $3,256.58, or a total expense for his wild-junket trip in South America, paid out of the taxpayers' Treasury, of $6,016.58.

They also had Carl Erlanson, the same man that went to Mexico, from November 9, 1931, to June 27, 1932, and his expense account was $2,312.38 and his pay was $1,600, or a total of $3,912.38 for hunting wild potatoes in South America.

This is an outrage on the people of the country for the Department of Agriculture, through these long-haired scientists, to waste the people's money in these times of depression on any such junket trips, and it ought to stop, and I confidently believe that my colleague from Texas is going to help me stop this in the next session of the Congress. [Applause.]

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Comptroller General is authorized and directed to credit the accounts of A. Zappone, disbursing clerk, Department of Agriculture, with payments in the sum of $173.20, being the aggregate of four payments, amounting to $113.40, to the Washington Star, and two payments, amounting to $59.80, to the Washington Post, during June and July, 1931, for the publication of advertisements for bids for construction work in the Shenandoah National Park near Luray, Va., and the Colonial National Monument near Yorktown, Va., inserted in these newspapers in contravention of the terms of the act of July 31, 1876 (19 Stat. 105; U. S. C., p. 1436, title 44, sec. 321).

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 2, after the word "Virginia," strike out the remainder of the bill.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JAMES J. GIANAROS

The Clerk read the next bill, H. R. 3037, for the relief of James J. Gianaros.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Reserving the right to object, I think the bill should be amended so as to provide that no pension or emolument shall be held to accrue following the passage of this act. If the author of the bill is willing to accept that proviso, I shall not offer an objection.

Mr. STAFFORD. I notice that the chairman of the Committee on Military Affairs is present. I thought the very purpose of the committee in reporting the bill without the proviso was to extend the benefits of the compensation law to this soldier. There are one or two bills on the calendar where the Committee on Military Affairs did not append the customary clause that no pension or allowance or emolument should be paid prior to the enactment of the act.

Mr. EATON of Colorado. There is nothing in the report to show that this man is in need of compensation at the present time. It merely corrects his record so as to give him a status for citizenship.

Mr. McSWAIN. Let me say to the gentleman that that was an oversight, and the amendment ought to be adopted.

Mr. GRISWOLD. I understand that at the time the man was inducted into the service he was an enemy alien, a citizen of Turkey. This man did not perform any service, but was used as a guard, for a nonmilitary purpose.

Mr. COCHRAN of Missouri. If the gentleman will yield, I should like to convey some information to the House. I have a bill before the Committee on Military Affairs where a man served as a soldier until a few days before his organization was to go abroad. He wanted to go with the organization and pleaded with the officers to let him go—that he wanted to do his bit—but they discharged him. Did they give him an honorable discharge? No; they discharged him because he was an alien. He was willing to go and willing to give his life for his adopted country. He returned home, registered in the draft, and, although married and with children, waived all his rights that would have exempted him. He had sufficient funds for his family to live on. They would not call him because he was an alien—he was listed as an alien enemy although willing to go to war against his native country.

They took men of our allies by the thousand and made citizens of them, but men who came from the countries that were at war with us, no matter how they pleaded, they discharged because they were aliens, instead of letting them become naturalized. It is an outrage, and the Congress should correct the error now. The man I refer to served six months.

Mr. GRISWOLD. The gentleman is confirming everything that I have said.

Mr. COCHRAN of Missouri. This man was a soldier; he was not merely a potato peeler.

Mr. GRISWOLD. Why should some have special legislation passed in their favor and for their benefit when others do not get it?

Mr. COCHRAN of Missouri. We should have general legislation to meet the situation.

Mr. GRISWOLD. Mr. Speaker, I object.

GEORGE W. EDGERLY

The next business on the Private Calendar was the bill (H. R. 8669) for the relief of George W. Edgerly.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object. This appears to be another bill of an officer who held an advanced rank during the war period and whose resignation was accepted and his emoluments fixed at the grade in which he was at the time he was given temporarily a higher office, and he now seeks to be advanced to the higher grade and have the emoluments run for the rest of his lifetime at the higher grade. Several of these bills have been presented, and all have been objected to. For that reason I am constrained to object to this one, because there are no special circumstances in this bill greater than in any other bill.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. McSWAIN. I think the gentleman will find that this case is markedly different from the two cases objected to yesterday. Although the language of the bill is the same, the facts are very different in this one. The gentlemen who were seeking relief in the bills that were objected to yesterday were in their right mind at the time they resigned, whereas the facts show, if the gentleman will observe the report, that this man was mentally incompetent at the time of his resignation, and the sole question here is whether or not we will hold strictly to his discharge voluntarily made by him at the time of such mental incompetency. He is now and has been ever since his discharge incompetent, and is confined in a Veterans' Bureau hospital. He is rated 100 per cent disabled, and has a guardian or a person of equivalent authority under the laws of the State where he is adjudged to be incompetent. The man was not responsible for his resignation and can not be held to be so responsible. The difference in compensation between the $100 that he receives now and the $150 that he would receive if this bill were enacted into law is so slight it seems to me as not to justify our holding him to the sharp line of accountability, when the evidence is undisputed that he was then and is now and ever since has been incompetent.

Mr. EATON of Colorado. If this man is and has been mentally incompetent, why should we now pay any more attention to this man's request than to the request of any other man who is insane?

Mr. McSWAIN. It is made by his guardian in his behalf; by his wife, who is no doubt now in the gallery, who is his guardian under the law. It is made in his name by her. If this bill were to become a law, as an incompetent he would be summoned before the medical board of the Army to see whether or not his mental disability existed at the time of his discharge, and whether or not that disability was a natural incident to his service.

Mr. EATON of Colorado. Mr. Speaker, the report shows, over the signature of Patrick J. Hurley, Secretary of War, that at the date of his resignation he was examined by a medical officer who found that he was mentally and physically sound, and the Secretary of War further states that the enactment of the proposed legislation would constitute a preferential treatment of an individual of a class, to the prejudice of others in the same category, to whom similar treatment has not been extended. Under the circumstances, Mr. Speaker, I think we are justified in taking the report of the medical board who examined him at that time.

Mr. McSWAIN. If the gentleman were entirely familiar with the procedure in this case, he would understand that usually the examination at the time of discharge, especially following resignation, is absolutely perfunctory. If he will look on page 3 of the report, he will find there is another report signed by Patrick J. Hurley, dated February 26, 1930, and in that he will find that Colonel Cavenaugh, who relieved this officer at the time of his discharge at the University of Arizona, in June, 1919, ascertained at the time, though not a medical officer, that Edgerly's mind was not sound, and that he was not responsible for his conduct, and he was relieved on that account.

Mr. EATON of Colorado. If the gentleman would recall the great glee with which these captains who served as majors, or lieutenants, who served as captains, took their command without any thought at all of emolument, I think he would agree with me that this man was retired at his proper rank and grade at the time of his retirement; and it does not come in good grace for anyone in his behalf now to come and say that he was insane at the time, and, therefore, that he should be advanced to a higher grade.

Mr. McSWAIN. The gentleman seems to think that this involves a matter of promotion. If the gentleman objects to his being retired at the rank of major, which he temporarily held, then let him be retired at the permanent rank of captain.

His permanent rank was captain. I think we would be justified in accepting an amendment that he be retired as captain.

Mr. EATON of Colorado. He has been retired as captain.

Mr. McSWAIN. No. He has not been retired as captain. He resigned.

Mr. EATON of Colorado. Well, he resigned as a captain. He has been determined 100 per cent disabled by the Veterans' Bureau, and is getting the full benefit of his age, rank, and grade at the present time. What difference does it make in dollars per month or per year?

Mr. McSWAIN. It makes a difference of $50 a month. He will get three-quarters of his base pay if he is retired, which will be $150 a month. He is getting $100 a month now. As I said, it is a matter of $50 a month. We ought not hold an insane man responsible for his conduct.

Mr. EATON of Colorado. Mr. Speaker, I object.

CARL C. BAXTER

The Clerk called the next bill, H. R. 9053, for the relief of Carl C. Baxter.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, certainly the first sentence of section 2 should be eliminated. It is not the policy of the Government to correct a military record as is provided in the following language:

The Secretary of War is authorized and directed to grant to the said Carl C. Baxter a discharge certificate showing that he is held and considered to have been honorably discharged as of such date.

Mr. WILLIAMS of Texas. If the gentleman will read the report, he will see that this man filed a questionnaire showing that he was under bond to await the action of the grand jury. The War Department and the drafting board knew that when he was drafted. He did everything he could as a soldier, and upon his return and delivery to the civil authorities, owing to the fact that he had a large family and his friends advised him the best thing to do was to plead guilty and take a suspended sentence, he did that. At the end of the 5-year period a motion for a new trial was granted and the case dismissed. If this man is not entitled to this relief, I do not know of a case that is.

Mr. STAFFORD. I understood from the record he was sentenced to five years' imprisonment.

Mr. WILLIAMS of Texas. With a suspended sentence. The suspended sentence law in Texas is that at the end of that time, if the man's record is good, there is a motion for a new hearing filed, and the new hearing is granted and the case dismissed. This man did everything he could as a soldier. The authorities knew when he was drafted that he was under bond to appear before the grand jury.

Mr. STAFFORD. The difficulty I have with the case is not granting him a pensionable status, but with our authority to direct the Secretary of War to grant a discharge certificate.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BLANTON. Undoubtedly the man ought to be granted an honorable discharge to place him in statu quo where and in the condition the Government found him when he was drafted, but I am not in favor of giving him a status that would result in the Government's pensioning him, because he has not rendered any service to the Government. He was drafted on August 6. He went to Camp Dix. About the 8th of September it developed that he was under indictment for murder. He was in the service just about a month. He was not really in the service, because he knew all the time that he was under this charge for murder. He rendered no service to the Government.

Mr. WILLIAMS of Texas. The Government knew that when they drafted him. They knew that he was under bond to appear before the grand jury. They sent him to Camp Dix.

Mr. BLANTON. I think the Government did him a service by drafting him and taking him away from that murder charge even for a month.

Mr. WILLIAMS of Texas. If the gentleman knew the man and knew how he stood in the community, he would not make that statement.

Mr. BLANTON. I am in favor of granting him an honorable discharge, but providing definitely that he shall have no pensionable status whatever.

Mr. WILLIAMS of Texas. But soldiers who serve 90 days have that.

Mr. BLANTON. No, no. He did not serve 90 days. On August 6 he was inducted into service. On September 8 he practically left the service, because he was arrested under the murder charge.

Mr. WILLIAMS of Texas. He was in service until November 18, and the Government knew this when they drafted him.

Mr. BLANTON. He was under arrest, in charge of the officers on September 8. He was one month and two days in the service after he was inducted.

Mr. WILLIAMS of Texas. But it was not his fault, because the authorities knew that when they drafted him.

Mr. BLANTON. It was not the fault of the Government that he was charged with murder.

Mr. WILLIAMS of Texas. No; but knowing that that charge was against him, why did they not leave him?

Mr. BLANTON. I think he ought to be restored and put in status quo by having his discharge made honorable, but there should be a provision here that he shall have no pensionable status in the future, because otherwise, sooner or later, we will find him on the pension rolls of the Government.

Mr. COCHRAN of Missouri. Oh, no; he did not serve 90 days.

Mr. STAFFORD. Reserving the right to object, I would like to have the reaction of the author of this bill to the criticism leveled against the bill by the gentleman's colleague, because it impressed me very strongly. When I read this report I had difficulty in concluding wherein he was entitled to any benefits by reason of running away from a charge of murder.

Mr. WILLIAMS of Texas. He did not run away.

Mr. STAFFORD. Well, whether he ran away or whether he was inducted into service does not matter.

Mr. WILLIAMS of Texas. The authorities knew his status, and he showed that on the questionnaire.

Mr. EATON of Colorado. Did he come to them and ask them to protect him by letting him enlist, so as to get him away from the murder charge?

Mr. WILLIAMS of Texas. No. He was drafted. The Government knew that when they took him, and they knew he was liable to call.

Mr. STAFFORD. But he rendered no service whatsoever to the Government.

Mr. WILLIAMS of Texas. It was not his fault, because the Government knew that when they took him in there.

Mr. STAFFORD. Yes; it was his fault, because there was hanging over his head the sword of Damocles.

Mr. WILLIAMS of Texas. Why did not the Government leave him there and not draft him?

Mr. STAFFORD. I am not going into that. I do not know whether he was willingly inducted into the service or not.

I think a majority of the people in his situation, having a charge of murder against him, would have been only too glad to have been inducted into the service.

Mr. WILLIAMS of Texas. I may say to the gentleman this man is a member of one of the best families in the community. He is a good man. The prominent men of that community are for him.

Mr. STAFFORD. Does he sue for a pension?

Mr. WILLIAMS of Texas. He asked me to introduce this bill to get him an honorable discharge.

Mr. STAFFORD. If he gets it, will he make an effort to get a pension, too?

Mr. WILLIAMS of Texas. That I do not know. I did not discuss that with him.

Mr. BLANTON. Let us so amend the bill that he can not. I shall offer an amendment on page 2, line 9, after the word "shall" to strike out the balance of the paragraph and add "ever be allowed a pension."

Mr. STAFFORD. No; we should add the words "shall have been held to have accrued by virtue of the passage of this act."

Mr. BACHMANN. The next Congress can change that, if you do put it in.

Mr. BLANTON. They will hear from some of us if they do.

Mr. BACHMANN. What is the use of passing the bill at all if we amend it in this way? Is not that the purpose of the bill?

Mr. WILLIAMS of Texas. This man wants to have an honorable discharge. There is all the difference in the world between an honorable discharge and one that is not honorable.

Mr. BACHMANN. Is that all he wants?

Mr. WILLIAMS of Texas. As far as I know, it is. At least, that is the extent of the request that was made of me.

Mr. BLANTON. I shall offer such an amendment.

Mr. CHINDBLOM. Mr. Speaker, I venture to say Congress has no power to authorize or direct the granting of an honorable discharge to any soldier. That is a power entirely in the War Department and the officers of the Army.

Mr. WILLIAMS of Texas. Legislation of this character has been passed by Congress.

Mr. CHINDBLOM. No; I think not. Congress can say, and Congress has repeatedly said, that in the administration of the military laws, including those relating to pensions, a former service man is to be considered as having been honorably discharged.

Mr. WILLIAMS of Texas. Where is a man dishonorably discharged to get relief if he is entitled to an honorable discharge if it is not from Congress?

Mr. CHINDBLOM. We passed laws which provide that for certain purposes the former soldier shall be considered as having been honorably discharged, that he may have the benefits that accrue to honorably discharged soldiers, but Congress has no power to set aside the verdict of a court-martial or the act of discharge.

Mr. WILLIAMS of Texas. There was no court-martial in this case.

Mr. CHINDBLOM. And it can not set aside the act of discharge by an Army officer.

Mr. WILLIAMS of Texas. His discharge could not have been other than what it was under the rules. It is neither honorable nor dishonorable.

Mr. STAFFORD. Mr. Speaker, the point of the observation just made by the gentleman from Illinois, I may say to him, was made by me when this bill was first considered. I called the attention of the author of the bill to the fact I had difficulty in reconciling myself to the provision directing that the Secretary of War provide an honorable discharge. I think the farthest we can go, and I want to help the gentleman, is to say that the Secretary of War is authorized to grant, rather than directed to grant.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army, their widows, children, and dependent relatives, Carl C. Baxter shall be held and considered to have been honorably discharged as a private, Company D, Forty-fifth Regiment United States Infantry, on February 12, 1920.

SEC. 2. The Secretary of War is authorized and directed to grant to the said Carl C. Baxter a discharge certificate showing that he is held and considered to have been honorably discharged as of such date.

With the following committee amendments:

Page 1, line 9, strike out "February 12, 1920" and insert in lieu thereof "September 8, 1918."

Page 2, line 4, after the word "date," add the following: "*Provided*, That no bounty, back pay, pension, allowance, or any payment provided under the World War veterans' act, 1924, as amended, the World War adjusted compensation act, 1924, as amended, or other benefit whatsoever to which said person may be or become entitled to by law, shall be held to have accrued prior to the passage of this act."

Mr. BLANTON. Mr. Speaker, I offer a substitute amendment to the committee amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. BLANTON: On page 1, after the enacting clause, strike out the balance of the paragraph; and on page 2, line 1, strike out "SEC. 2."; and in line 4, of page 2, strike out the words "of such date"; and insert in lieu thereof "of September 8, 1918."

Mr. STAFFORD. Mr. Speaker, I offer an amendment to the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD to the substitute amendment: Page 2, line 4, after the word "discharged," insert the words "as a private, Company D, Forty-fifth Regiment United States Infantry."

Mr. SCHAFER. Mr. Speaker, I make the point of order that is an amendment in the third degree.

The SPEAKER pro tempore. The point of order is overruled.

The amendment to the substitute amendment was agreed to.

The substitute amendment as amended was agreed to.

The committee amendment as amended by the substitute was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment to strike out the words "the said," on page 2.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 2, after the word "grant," strike out the words "the said."

The amendment was agreed to.

Mr. SCHAFER. Mr. Speaker, in view of the hybrid nature of the bill as it is now, I ask that we may have the bill read in its complete form.

Mr. BANKHEAD. I object, Mr. Speaker.

Mr. BLANTON. We give this man an honorable discharge and cut off the pension. This ought to suit the gentleman from Wisconsin.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider was laid on the table.

### WEYMOUTH KIRKLAND AND ROBERT N. GOLDING

The Clerk called the next bill, H. R. 10107, for the relief of Weymouth Kirkland and Robert N. Golding.

Mr. GRISWOLD. Mr. Speaker, I reserve the right to object, and shall object unless the chairman of the committee cares to make a statement.

Mr. BLACK. Mr. Speaker, I do not insist on making a statement, but if the gentleman wants any information about this bill I will be pleased to give it.

Mr. GRISWOLD. The information, as I find it, is all contained in the report—that the appointment of these gentlemen as attorneys provided "You are to serve without compensation other than paid you by the United States Railroad Labor Board as the attorneys representing the board in a contempt proceeding by the board against two witnesses."

Mr. BLACK. Mr. Speaker, this bill came to me from the Attorney General with the request that I introduce it.

It seems these attorneys were brought into a contempt proceeding to which the Railroad Labor Board was a party. They were appointed regularly by the United States Attorney General and were to be special assistant attorney generals. In notifying them of their appointment the Attorney General stated that they were to get no compensation except that which would come out of the appropriation for the Labor Board. It so happened that there was no appropriation for the Labor Board to take care of attorneys. These men went along and performed their service, were duly sworn in as assistant attorney generals, and were engaged on this litigation for some period of time. The Attorney General evidently, in making the appointment, was under the impression that there were funds under the control of the Labor Board to pay for the work of these men. It happened there

was no such appropriation, and the Attorney General now recommends that they be paid by direct appropriation as a measure of relief.

There is no question about the fact they performed the services, and the amount of their fees for the services performed has not been questioned. They are left in the position that they have worked without pay, due to an error of the Department of Justice, and the Department of Justice recommends payment to cure this fault of their own. I think the gentleman ought to be fair in the matter.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, from my reading of this report I am led to believe these men agreed to serve without any compensation whatever.

Mr. BLACK. That is not true. The designation was that they were to serve without compensation except that coming from the Railroad Labor Board. Evidently the Department of Justice thought that these men, at the time of the designation, were regularly in the employ of the Railroad Labor Board. It was entirely a misapprehension on the part of the Department of Justice and these men have done the work.

Mr. GRISWOLD. If the gentleman will permit, these were special attorneys employed for this special case, which came up in Kansas, according to the Supreme Court reporter, and they were appointed merely to give them an official standing as United States district attorneys, not because they could perform the services better than anybody else, and this was contrary to the law.

Mr. BLACK. They were appointed as assistant attorney generals in order to give them official status in these proceedings, but all the time the Department of Justice thought they were actually in the employ of the Railroad Labor Board and that they would be paid in due course out of their appropriations.

I think it is highly unfair not to pay these men. They have done the work for the Government, and the error is chargeable to the Department of Justice. The Department of Justice has gone to the trouble of preparing a bill and sending it to me and asking me to introduce it.

Mr. GRISWOLD. I object, Mr. Speaker.

### POST OFFICE AND TREASURY DEPARTMENTS APPROPRIATION BILL—FISCAL YEAR 1934

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. ARNOLD] to ask unanimous consent to send a bill to conference.

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

Mr. SNELL. Reserving the right to object, as I understand this measure there has been put on this bill at the other end of the Capitol some entirely new and far-reaching legislation, much more drastic than any legislation of this character that has ever been presented to the House.

Of course, I know that the Members on the Democratic side will oppose this new legislation, because last winter when we proposed some measures along this line that were much less far-reaching, much less drastic, the Democrats bound their Members by caucus rule to oppose those recommendations in toto, because they were not going to abrogate their right as a legislative body.

I do not know how much farther this legislation goes than what we were willing at that time to stand for. My position in this matter is exactly the same as it was previously. I do not intend to change it because there is a change in the administration on the 4th of March. I have taken the position all along that authority must be given to some one to do certain work in this direction. But I do not want to go so far as to abrogate all rights of the American Congress as a legislative branch. [Applause.]

I feel that we should have some indication from Members on the other side as to what their attitude will be in regard to this new and novel legislation.

Mr. ARNOLD. Mr. BYRNS, chairman of the Appropriations Committee and chairman of the subcommittee making appropriations for the Treasury and Post Office Departments, is unavoidably absent to-day.

Mr. SNELL. That is one reason why I think this ought to go over until the gentleman who is to manage this conference is here.

Mr. ARNOLD. The gentleman from Tennessee asked me to bring this matter up at this time. As the gentleman from New York says, the amendments placed on the bill by the Senate are very complicated. The gentleman understands that these amendments are in the nature of legislative amendments. It will be quite a task for the conferees to work this matter out, and it will take considerable time. We are interested in getting it in conference as soon as possible.

The gentleman from New York also understands that these being legislative matters put on in the Senate they will as a matter of course have to come back to the House, and the House will have an opportunity to pass upon these matters directly.

Mr. SNELL. Will the gentleman yield?

Mr. ARNOLD. I yield.

Mr. SNELL. Of course, I understand that matter, and I know that the gentleman from Tennessee, who will control the time, can move the previous question, which will cut off all discussion by the minority. I have had experience in that matter, and I know that may be done.

Mr. ARNOLD. I think the gentleman from New York understands that the gentleman from Tennessee is always fair and liberal and that he will give the House plenty of time to discuss these matters.

Mr. SNELL. And that depends upon the definition of what is fair and reasonable. I am not making any personal criticism against the gentleman from Tennessee, but I think the matter should go over until we understand what his attitude is going to be.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. ARNOLD. Yes.

Mr. BANKHEAD. The purpose of the gentleman from New York [Mr. SNELL], then, is to wait and find out whether or not he can secure some favorable agreements from the gentleman from Tennessee [Mr. BYRNS] with reference to this conference report?

Mr. SNELL. I do not intend eventually to object to this, but I would like to have the matter go over a day or two so that we might have a little longer time to consider it.

Mr. ARNOLD. Mr. Speaker, inasmuch as these material amendments have to come back to the House for consideration, I see no reason why we should not let this bill go to conference and let us get busy upon it.

Mr. SNELL. If the gentleman from New York had not had experience along that line, he would see no reason for it, but I know what may happen in this House, as does also the gentleman from Illinois.

Mr. ARNOLD. Mr. Speaker, it will take considerable time for the conferees to work this matter out, and the gentleman from New York [Mr. SNELL] and those who are interested will have plenty of time to study the matter and be thoroughly informed when the matter comes back to the House.

Mr. SNELL. Will the gentleman be one of the conferees?

Mr. ARNOLD. Yes.

Mr. SNELL. Will the gentleman tell the House what his attitude is going to be upon this matter?

Mr. ARNOLD. I can not tell at this time what my attitude will be. I can not anticipate what might come up in the conference.

Mr. SNELL. The gentleman knows the main principle at stake, and he knows how the Democratic majority voted at the last session and in the early part of this session. I take it for granted that the gentleman is against it, because he has voted against it always. What I want to know is what position our side wants to take on this important new legislation. We ought to have a little time to study it.

Mr. ARNOLD. The gentleman will have plenty of time to consider it, because it will take quite a little while for the conferees to work that out.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, we are going to have plenty of time to discuss this now, or I shall object.

The SPEAKER. The gentleman may have all the time he wants.

Mr. COCHRAN of Missouri. Mr. Speaker, I think the matter is thoroughly understood, and I demand the regular order.

Mr. SNELL. Mr. Speaker, if the gentleman demands the regular order, there is nothing left for me but to object, and I do object.

Mr. ARNOLD. Mr. Speaker, that is all that we can do at this time.

The SPEAKER. Objection is heard.

ADA B. (GOULD) GOLLAN

The next business on the Private Calendar was the bill (H. R. 3694) for the relief of Ada B. (Gould) Gollan.

The SPEAKER. Is there objection?

Mr. SCHAFER. Mr. Speaker, I reserve the right to object. Under existing law, would the beneficiary of this bill, the daughter of the deceased, have been able to collect and receive this money if she had known of the death at the time and had known that the money was in the hands of the estate?

Mr. BANKHEAD. I think she would.

Mr. BACHMANN. What difference would it make?

Mr. BANKHEAD. She was the only possible heir to this property.

Mr. SCHAFER. It would make a great deal of difference. If she had known of the death of her stepmother and had known of the funds and would not have had title to those funds under the law, why should she have title to them under a special act of Congress after they have been turned in to the Treasury under existing law?

Mr. BACHMANN. I assume that that is the situation or the gentleman from Alabama would not have introduced the bill. Does the gentleman from Wisconsin think that this is a meritorious bill?

Mr. SCHAFER. I am trying to obtain some information, and I wish the gentleman from West Virginia would confine his attention to bills that he intends to object to. In view of the information supplied by the author of the bill, I shall not object to its consideration.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Without objection, the preamble will be omitted and the Clerk will read the bill.

There was no objection, and the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay the sum of $576.41 to the said Ada B. (Gould) Gollan, out of any money in the Treasury not otherwise appropriated, said payment being the amount rightfully due to the said Ada B. (Gould) Gollan growing out of the disposition of the estate of Mary D. Gould, deceased (her stepmother), and which was paid into the Treasury of the United States at the close of the administration of said estate; and such payment shall relieve the said Secretary of the Treasury from any obligation to the said District of Columbia for the said sum of money so deposited.

With the following committee amendments:

Strike out the preamble and at the end of the bill insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 4, at the end of the line, strike out the word "the," and at the beginning of line 5 strike out the word "said."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES R. THORNTON

The next business on the Private Calendar was the bill (S. 2144) authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton.

The SPEAKER. Is there objection?

Mr. GRISWOLD. Mr. Speaker, I reserve the right to object in order to inquire what equities Mr. Thornton has in this land. There is nothing in the report to show that he has any interest in it whatever.

Mr. EVANS of Montana. Mr. Speaker, he has an equity of some improvements placed on the ground. I think no one will object to the bill if I may have about five minutes in which to make a statement. These lands were originally in an Indian reservation. In 1872 the Government took over the lands provided they might be entered under two laws, the homestead law and the preemption law, and no other law. Under the general laws the Secretary of the Interior is authorized to allow the sale of what we call isolated tracts, when all the contiguous land to a tract of less than 160 acres has been taken.

That particular law does not apply to these lands. This man, Doctor Thornton, assumed that the general law did apply to it. He found a 40-acre tract not occupied by anybody, owned by the Government, all the rest of the land having been occupied for 30 years. He filed on it under the so-called isolated tract law. After a long, tedious examination, it was held there was no law authorizing the Secretary to sell the land in these 15 townships set apart to be disposed of under the homestead and preemption laws. He therefore now asks the Secretary of the Interior to sell him the land at what the Secretary may say is a reasonable figure, not less than $1.25 an acre. Originally the land sold under the preemption law for $1.25 an acre.

Mr. GRISWOLD. It is my understanding that all the lands around this have been entered.

Mr. EVANS of Montana. Yes.

Mr. GRISWOLD. Then why should not this tract be put up at public auction and allow everybody to bid on it, as the law provides?

Mr. EVANS of Montana. But there is no law providing that the land within this reservation shall be sold that way.

Mr. GRISWOLD. The Commissioner of the Land Office states in his statement:

I know of no reason why the special privileges conferred by this bill should be limited to Mr. Thornton and, if the tract is ordered to be sold, why the sale should not be at public auction, as provided by section 2455 of the Revised Statutes.

Mr. EVANS of Montana. But previous to that he tells you that if you are going to pass any law, you should pass a general law, making it applicable to any other lands in these 15 townships. The objection to selling it at public auction is that this man had some claim to it for the last 10 years. He has put some improvements on it. The land is probably worth $1.25 or $2.50, but he has put some improvements on there. If anyone would go in and bid against Doctor Thornton for the land, he would not have to pay Doctor Thornton for the improvements which he has put there.

Mr. GRISWOLD. But he had the same right to enter on this land as other people who entered on other lands surrounding it.

Mr. EVANS of Montana. Oh, yes; but in the meantime they repealed the preemption law, and it is possible the man did not have a homestead right; or, if he did, he might not want to exercise it on 40 acres of land worth $50. I am sure the bill is meritorious. It comes to me from Senator WALSH and has passed the Senate.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That, notwithstanding the provisions and limitations of the acts of June 5, 1872 (17 Stat. 226), and February 11, 1874 (18 Stat. 15), the Secretary of the Interior is authorized and directed to approve the isolated tract application of Charles R. Thornton, of Missoula, Mont., No. Great Falls 076803, covering the southeast quarter of the northeast quarter of section 24, township 10 north, range 20 west, principal meridian, Bitter Root Valley, Mont., and to grant to said Charles R. Thornton a patent in fee to such land upon payment by him of a reasonable price therefor as determined by the Secretary of the Interior, but not less than $1.25 per acre.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS H. LAIRD

The Clerk called the next bill, H. R. 5769, authorizing the President of the United States to present in the name of Congress a medal of honor to Thomas H. Laird.

Mr. BACHMANN. Reserving the right to object, did the gentleman from Georgia introduce this bill?

Mr. PARKER of Georgia. Yes.

Mr. BACHMANN. I notice the bill, as originally introduced, requested Congress to present a medal of honor. The committee changed it to the distinguished-service medal. I wish the gentleman would explain to the House just what is involved in this particular bill and why we should change it.

Mr. PETTENGILL. As the one who reported the bill which passed the subcommittee and the full Committee on Military Affairs unanimously, let me say we felt the congressional medal of honor should be reserved primarily for gallantry of men in the uniform of the United States. This man was not in the military or naval service of the United States. He was harbor master at that harbor. He performed a distinguished service. He showed unusual initiative and vigilance in safeguarding the interests of the United States, and we simply reduced the distinction from that of a congressional medal of honor to the distinguished-service medal, thinking that that would be a recognition of his services.

Mr. SCHAFER. Will the gentleman yield?

Mr. PETTENGILL. I yield.

Mr. SCHAFER. I notice in the committee report that Wallace J. Pierpont, the mayor of the city, ordered the ship moved by Captain Laird. I also notice, on page 2 of the committee report, that David A. Barrel, of Savannah, took charge of the ship and arrested the officers. Now, if you are going to grant a medal to the beneficiary of this bill, why do you not include a medal for David A. Barrel, a civilian, who singlehanded, captured and arrested all the officers on this enemy ship?

Mr. PETTENGILL. I would not have any objection to the consideration of that matter.

Mr. SCHAFER. I am serious. Let us not make fish out of one and fowl out of another. I would like to have some information as to why a man who, singlehanded, captured all the officers and men of this enemy ship, should be ignored.

Mr. PETTENGILL. Well, there is no bill in his behalf that has been presented to the Congress. That is the best answer I can make to the gentleman.

Mr. SCHAFER. Would the gentleman offer an amendment to this bill? Otherwise, if you are going to leave out the man who really did perform distinguished service, I am going to object to consideration.

Mr. PETTENGILL. I may say I would have no personal objection, but I would say to the gentleman it would seem to me that to offer an amendment to this bill in behalf of Mr. Barrel, without its having first been considered by the Military Affairs Committee as to his connection with the incident, would not be proper.

Mr. SCHAFER. Will the gentleman have the Committee on Military Affairs look into the facts regarding the service performed by David A. Barrel, who, singlehanded, captured the entire crew, officers and men, with a view to giving him recognition?

Mr. PARKER of Georgia. Mr. Speaker, on April 6, 1917, just before war was declared by the United States on the Central Powers, there was a German warship lying in the harbor at Savannah. The crew, expecting war to be declared, had already destroyed some of the machinery and were getting ready to sink that German warship in the harbor of Savannah and thereby block the harbor for the duration of the war. The harbor master, Captain Laird, within 10 minutes after war was declared, went aboard and interned this foreign warship and made prisoners of the crew.

I think this is a meritorious bill. So does the Committee on Military Affairs. I certainly hope the gentleman will not object to it.

Mr. BACHMANN. Mr. Speaker, I withdraw my objection.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. PARKER of Georgia. I yield.

Mr. SCHAFER. Did the gentleman state that the beneficiary of this bill arrested the crew?

Mr. PARKER of Georgia. He was in charge.

Mr. SCHAFER. On page 2 of the committee report the statement is made that "immediately upon the declaration of war between the United States and Germany the Collector of Customs, David A. Barrel, of Savannah, took charge of the Hohenfelde, arrested its officers and crew, and ascertained that the ship's machinery had been dismantled," and so forth.

Mr. PARKER of Georgia. He did it through the harbor master; he did it through Captain Laird.

Mr. SCHAFER. Does not the gentleman believe that David A. Barrel, who arrested the crew, should be recognized?

Mr. PARKER of Georgia. No. The collector of the port did not do it. He had nothing to do with it, except through Captain Laird.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object.

WILLIAM W. M'ELRATH

The Clerk called the next bill, H. R. 9915, to confer jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of William W. McElrath against the United States for compensation for the use or manufacture of an invention of William W. McElrath covered by reissue letters patent issued by the Patent Office of the United States on the 19th day of February, 1924.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. WOODRUM. Mr. Speaker, will the gentleman reserve his objection?

Mr. EATON of Colorado. I will reserve the objection if the gentleman wishes to make a statement.

Mr. WOODRUM. Mr. Speaker, when this bill was originally introduced the War Department filed certain objections to it, as set out in this report. The bill has been reintroduced to meet and obviate the objections the War Department made to it. The War Department has no objection to it in its present form.

Mr. BLANTON. I would like to ask the gentleman from Virginia about the bill. After setting forth the facts the War Department makes this statement:

It appears that if the War Department has made any use of the structure disclosed in the McElrath patent, that such use has been no more than of an experimental nature regarding which no court would feel justified in hearing patent litigation and that the proposed legislation is unnecessary and would tend to produce only unjustifiable litigation.

What about that?

Mr. WOODRUM. That is in the report, but the War Department has no objection to this party's having a right to go into the Court of Claims. As a matter of fact he had very valuable patent rights in this engine and it was taken over by the Government and actually used. Substantial evidence will be introduced if he is ever given an opportunity to present his case in the Court of Claims.

The gentleman will notice in the letter filed by Mr. Young that a board was created to determine the case. But before the proceedings could be brought to a conclusion one of the claimants filed a suit in the Court of Claims—not

the beneficiary of this bill. I may say that Mr. Young served as chief of the patents division in 1917.

This bill merely gives him the right to go into the Court of Claims.

Mr. EATON of Colorado. Mr. Speaker, it is seldom you find in one report the reasons both pro and con.

The gentleman speaks of this man, Robert H. Young, whom I take to be a lawyer and who, as a former chief of the patents division, no longer with that office, has the crust to make an affidavit for presentation to the Congress concluding with this language:

> I think I can say that he, McElrath, has at no time suspended or relinquished any effort to accomplish the settlement from the Government.

What right has this man, the chief of the bureau of examiners of the Patent Office, to exert his interest for the benefit of Mr. McElrath? It merely shows he has done something as a favor.

The Secretary of War, Patrick J. Hurley, states:

> I have given this case rather extended consideration, because it apparently started out in an absolutely fair way to give a man an opportunity to exercise a right which he had inadvertently lost, but when we review the case we find that he did not inadvertently lose his right.

In another paragraph he says that he gave up the patent which he obtained in 1916 and obtained a reissue as of date 1920. At no time was he at any disability to pursue his legal rights if there was any kind of an infringement. He goes on to say what the situation would be in the event that evidence should be produced before the committee showing that Mr. McElrath was under a disability, but no such evidence has been shown here.

Mr. WOODRUM. The gentleman is examining the bill to find, if he possibly can, some reason to object to it. Of course, he can object.

Mr. EATON of Colorado. No; I am trying to find in the bill a reason not to object to the bill.

The further statement of the Secretary of War is a statement of reasons why this bill should not be passed, and his recommendation is that the proposed legislation be not enacted into law.

Mr. WOODRUM. That is the original bill. If the gentleman will read the report with regard to this bill, he will find they have no objection.

Mr. EATON of Colorado. The distinction between the two bills is that in the first bill he sought an option to go into either the United States court or the Court of Claims, whereas in this bill he seeks permission only to go into the Court of Claims. That is the only change in the bills.

Mr. WOODRUM. The gentleman will see from Mr. Young's affidavit there that this board was created and proceeded to consider the matter. They took a great deal of time. In the meantime the statute ran against him. All he is seeking is an opportunity to present his claim in the Court of Claims.

Mr. EATON of Colorado. In the pursuit of his legal rights he and his lawyers permitted the statute to run against him.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

CLIVE SPROUSE AND ROBERT F. MOORE

The Clerk called the next bill, H. R. 10756, for the relief of Clive Sprouse and Robert F. Moore.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the homestead entries of Clive Sprouse (Salt Lake City serial 046562) and Robert F. Moore (Salt Lake City serial 048376), embracing land within the former Uintah Indian Reservation, are hereby validated.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

LLEWELLYN B. GRIFFITH

The Clerk called the next bill, H. R. 3954, for the relief of Llewellyn B. Griffith.

Mr. HANCOCK of New York. Mr. Speaker, reserving the right to object, I would like to ask the gentleman if, in his opinion, this amounts to a direction to a retiring board to put this man on the retired list in case the bill is passed. In other words, can such an inference be drawn, and would this be regarded as a declaration of policy on the part of the House or a direction to the retiring board to retire this man?

Mr. ROGERS. I do not so understand it.

Mr. HANCOCK of New York. So the retiring board will be perfectly free to use its own judgment in the matter?

Mr. ROGERS. The retiring board will be perfectly free to inquire into the matter and use its own judgment.

Mr. HANCOCK of New York. Mr. Speaker, further reserving the right to object, I call attention to a typographical error in line 9, page 1; "in his judgment" should be changed to "in its judgment." I shall ask that this correction be made.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, here is a West Point graduate, born in 1894, who saw service in France and was gassed. On his return he attended the Massachusetts Institute of Technology under the direction of the Government and was graduated with the degree of bachelor of science in 1921, and later was graduated from the United States Engineering School. On July 1, 1922, he requested to be discharged with one year's pay. On August 1, 1922, he requested to be ordered before a retiring board, claiming he had suffered attacks of asthma. The board found no indications or symptoms of asthma, and his request to appear before a retiring board was refused. He again asked for retirement, with one year's pay. On September 15, 1922, there was again found no evidence of asthma.

As I read this report, this man did not have any disease at the time of his discharge which showed that he was not fit for military duty. He might have had some sneezing or shortness of breath, but two boards found he was fit for military duty, and if he was fit for military duty he should have continued in the service.

Now, perhaps, after the lapse of 10 or 12 years, conditions may have changed so that the board may find he may have disabilities making him unfit for service. I question whether this man, with this record, is entitled to go before a retiring board for further examination.

Mr. ROGERS. As the gentleman will recall, this matter was gone into fully not only before the subcommittee, but the entire Committee on Military Affairs, and the gentleman will recall that in 1929 he had been found to have a 40 per cent disability. When he left West Point he was a man of superior physical stamina and ability, but by reason of the nature of his work he gradually developed this lung trouble, so that in 1929 he had a disability of 40 per cent and had already submitted to two operations, the nature of his work was such——

Mr. STAFFORD. To what operations did he submit—nasal operations? I have had nasal operations which made me more fit rather than more unfit.

Mr. ROGERS. As I recall, they were more serious operations than nasal operations, although I would not attempt offhand to state the exact nature of them; but there were very few records kept of his disability, because of the nature of his work. He was detached from troops, although he was severely gassed in action during the war.

All that is asked is that he be permitted to go before a retiring board, so that the matter may be fully gone into.

Mr. JOHNSON of Washington. Mr. Speaker, I ask for the regular order.

Mr. STAFFORD. If the regular order is demanded now, I shall have to object.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

WILLIAM W. M'ELRATH

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to return to Calendar No. 683, the bill H. R. 9915, which was just objected to by the gentleman from Colorado [Mr. EATON]. I have prepared an amendment that makes the

bill satisfactory to the gentleman, and I ask unanimous consent to return to the consideration of the bill.

The SPEAKER. In view of the fact that the bill was just passed, the Chair will recognize the gentleman from Virginia for this purpose, but the Chair wants to make a statement in this connection.

It is bad practice to return to bills that have been objected to. The order of the House is that we shall begin at a certain number and continue the call of the calendar and consider bills unobjected to. If the Speaker recognizes gentlemen to ask to go back to bills that have been objected to, it is possible that the gentleman who objected has left the Chamber and will not have an opportunity to object to returning to the bill. Moreover, if we return to bills that have been objected to, we will not give the House an opportunity to consider bills on the calendar that should be reached.

The Chair is going to recognize the gentleman from Virginia for this purpose simply because the bill was objected to less than five minutes ago, and the gentleman has an amendment which he states will make the bill unobjectionable. However, the Chair makes the statement now that it is bad practice to return to bills on the calendar that have been objected to.

Is there objection to returning to Calendar No. 683?

Mr. DYER. Reserving the right to object, during the discussion a moment ago it was said that this claim had practically no merit to it, that it was simply sent to the Court of Claims as a matter of form. Is that correct?

Mr. WOODRUM. No, I do not think that is correct.

Mr. DYER. The gentleman from Texas said there was no merit in the claim itself.

Mr. BLANTON. I was quoting what the department said about it, that it was encumbering the docket of the court with litigation.

Mr. WOODRUM. The bill has been drawn in a different form since then.

Mr. DYER. The more cases we send to the Court of Claims, the more expense it is to the Government. I think it is a bad practice to send bills of that character to the Court of Claims, but in view of my high regard for the gentleman from Virginia, I do not want to object.

Mr. SCHAFER. Reserving the right to object, what is the amount of damage carried in this bill?

Mr. WOODRUM. That is a question for the court to determine on the use of certain patent rights.

Mr. SCHAFER. Can not the gentleman approximate it?

Mr. WOODRUM. I think it would amount to only a few thousand dollars—it is not a large claim.

Mr. SCHAFER. I notice that in the report there is an affidavit of Robert H. Young. Was he, at the time he gave the affidavit, in the Patent Office?

Mr. WOODRUM. Not at all.

Mr. SCHAFER. In a case like this, why did not the committee get information regarding the status of the matter from the Patent Office of the United States? Why did not the committee obtain a report from the Patent Office instead of from some former employee?

Mr. WOODRUM. This was a reputable, high-class man who gave the information to the committee in the form of the affidavit.

The SPEAKER. Is there objection to the request of the gentleman from Virginia to return to Calendar No. 683?

There was no objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection, and the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Court of Claims is hereby authorized and empowered to hear, adjudicate, and render judgment on the claim of William W. McElrath for reasonable compensation arising from the use without lawful right by the United States of an invention described in and defined by the claims of Reissue Letters Patent No. 15769, reissued by the Patent Office of the United States to said William W. McElrath on the 19th day of February, 1924: *Provided*, That within one year from the date of approval of this act said William W. McElrath shall file in the said Court of Claims a petition setting forth a statement of his claim for reasonable compensation for the use and manufacture by or for the United States on and after February 19, 1924: *Provided further*, That any statutes of limitations ordinarily applicable be, and the same are hereby, waived and shall not be considered or applied by the Court of Claims in considering and adjudicating such claim: *And provided further*, That in any such suit the United States may avail itself of any and all defenses, general or special, except as otherwise herein waived.

SEC. 2. From any decision of judgment rendered in any suit prosecuted under the authority of this act a writ of certiorari to the Supreme Court of the United States may be applied for by either party as is provided by law in other cases.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 1, line 6, after the word "without," insert the word "purported."

The amendment was agreed to.

Mr. STAFFORD. I offer the following amendment.

The Clerk read as follows:

Page 1, line 6, after the word "use," insert "on and after the date of reissue of patent 15769, namely, February 19, 1924."

The amendment was agreed to.

Mr. STAFFORD. I offer the following amendment.

The Clerk read as follows:

Page 2, line 8, strike out the words "or for."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 3, after the figures "1924," insert "and further the determination in connection therewith and other matters in showing the validity of said patent."

The amendment was agreed to.

Mr. STAFFORD. I offer a further amendment.

The Clerk read as follows:

Page 2, line 17, after the word "act," insert "appeal may lie as in other suits for infringement of patent to the United States Circuit Court of Appeals and from the decision of the latter court."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POST OFFICE-TREASURY APPROPRIATION BILL, FISCAL YEAR 1934

Mr. POU, from the Committee on Rules, reported the following privileged resolution for printing under the rules:

House Resolution 373, Rept. No. 1990

*Resolved*, That immediately upon the adoption of this resolution the bill H. R. 13520, with Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table, to the end that all Senate amendments be, and the same are, disagreed to, and a conference is requested with the Senate upon the disagreeing votes of the two Houses.

LLEWELLYN B. GRIFFITH

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to return to Calendar No. 685, H. R. 3954, for the relief of Llewellyn B. Griffith.

The SPEAKER. The Chair does not recognize the gentleman for that purpose. The Clerk will call the next bill.

CLAIMS OF MILITARY PERSONNEL FOR DAMAGES, ETC.

The next business on the Private Calendar was the bill (H. R. 8401) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army.

The SPEAKER. Is there objection?

Mr. COLLINS. Mr. Speaker, I object.

Mr. PITTENGER. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. COLLINS. I withhold it.

Mr. PITTENGER. I hope this bill will not meet with objection. There is a little dispute here between the Comptroller General and the War Department. The law under which appropriations for bills of this character are made, according to the construction of the Comptroller General, is not broad enough to authorize these payments. This bill is favorably reported by the War Department. Only about

$4,000 is involved. All they ask is authority to pay these claims out of funds already appropriated in the possession of the War Department.

Mr. COLLINS. Mr. Speaker, I have been over this bill very carefully and I am obliged to object.

The SPEAKER. Is there objection?

Mr. COLLINS. I object.

WILLIAM W. M'ELRATH

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to vacate the proceedings whereby the bill H. R. 9915 was passed in order to offer an amendment to the title of the bill.

The SPEAKER pro tempore (Mr. WOODRUM). Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill to confer jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of William W. McElrath against the United States for compensation for the use or manufacture of an invention of William W. McElrath covered by reissue letters patent issued by the Patent Office of the United States on the 19th day of February, 1924.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment to the title.

The Clerk read as follows:

Amendment to the title offered by Mr. STAFFORD: In the title strike out the words "use or."

The amendment was agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RELIEF OF CERTAIN DISBURSING OFFICERS, UNITED STATES ARMY

The next business on the Private Calendar was the bill (H. R. 8403) for the relief of certain disbursing officers of the Army of the United States, and for the settlement of individual claims approved by the War Department.

The SPEAKER pro tempore. Is there objection?

Mr. COLLINS. Mr. Speaker, I object.

Mr. PITTENGER. Mr. Speaker, will the gentleman reserve his objection for a moment?

Mr. COLLINS. I withhold it.

Mr. PITTENGER. In order to say in connection with this bill that only three or four hundred dollars are involved. It is a bookkeeping proposition.

Mr. COLLINS. Mr. Speaker, the gentleman can not get away with that statement, because it is not in line with the facts. There are thousands of dollars involved in this bill and I have been requested by the Comptroller General to object to it.

Mr. RAMSPECK. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is demanded. Is there objection?

Mr. COLLINS. Mr. Speaker, I object.

FLORENCE MAHONEY

The next business on the Private Calendar was the bill (H. R. 3036) for the relief of Florence Mahoney.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Mr. Speaker, I reserve the right to object. Is there any one here who knows anything about the facts in this particular bill?

Mr. BLACK. I can not add anything to the report. It is a short report. The accident was caused by an intoxicated driver of an Army truck.

Mr. BACHMANN. Does the gentleman know whether the injury is permanent or not?

Mr. BLACK. I can not say offhand. I have not looked into the matter for some time. I think I should say at this time that I think it is not incumbent upon the chairman of the Committee on Claims to be familiar at the time any bill is called in the House with all of the details in respect to it. If a Member is interested enough to have his bill presented to and passed through the committee, I think he should be here when his bill is called.

Mr. BACHMANN. I think it is true that there are too many bills on the calendar to expect the chairman of the committee to know the details of all of them.

Mr. SCHAFER. Mr. Speaker, the author of the bill is unavoidably detained. I reported out the bill. On page 2 of the report it will be seen that the injuries were suffered by reason of an intoxicated Government driver of a truck, and also that this woman is suffering from traumatic neurosis, and a moderate strain of the right sterno cleido muscle, and shock. The board, after careful investigation and hearing, awarded her $1,000, but they had no power to pay that.

Mr. BACHMANN. How bad is the injury?

Mr. SCHAFER. It is a permanent injury. I agree with the report of the impartial board of Army officers.

Mr. BACHMANN. Mr. Speaker, in view of the fact that the gentleman from Wisconsin who made this report has gone into the case so thoroughly and states to the House on his responsibility that it is a meritorious claim, I shall not object.

Mr. SCHAFER. The only complaint I have to offer is that $1,000 is not enough, but we had to reduce it because we felt that the conscientious objectors here in the House would not let it go through for more.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $2,500, to Florence Mahoney, of Newport, R. I., for injuries received as the result of a collision involving an Army vehicle in Newport, R. I., on June 4, 1930.

With the following committee amendment:

Line 6, strike out "$2,500," and insert "$1,000."

The committee amendment was agreed to.

Mr. BACHMANN. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BACHMANN: At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GEORGE TATUM

The Clerk called the next bill, H. R. 5770, for the relief of George Tatum.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, if I read this report correctly, when this man enlisted he went home; he was sick and he remained home, and of course he was charged with desertion. He seeks now to come in and charge the United States Army and the United States Government with the cause of his sickness and put himself on the pension list. Is that not correct?

Mr. GOSS. He was inducted into the Army and was there about a month when he was taken sick and went home. During his stay at home he was in touch with the county sheriff and others in authority. It is brought out in the report on page 1. We had affidavits to that effect. As soon as his sickness was over he surrendered himself to the company which he left and was then put in the stockade. About a month after he had been in the stockade he was ordered to the base hospital for further treatment. The

gentleman will notice in the report of the War Department that his ailment was acute, not chronic. It came upon him about a month after he came in.

In serving on a subcommittee of the Committee on Military Affairs, I have been very, very careful in connection with desertion cases, especially in the World War. We thought there were extenuating circumstances in this case, on account of the sickness which came upon the soldier soon after he enlisted, and after that he was in touch with the sheriff and others during his illness, and he reported immediately after he was able to get back to camp. The committee unanimously felt it was a worthy case and the bill should be passed.

Mr. EATON of Colorado. What service did this man ever render to his country in connection with the World War?

Mr. GOSS. He was in the service for one month and contracted acute pharyngitis, which affected his heart.

Mr. EATON of Colorado. Did the gentleman not say it was chronic?

Mr. GOSS. I said it was acute. That shows that it happened after he went into the service in good health. Acute means that it comes on quickly.

Mr. EATON of Colorado. Has it since become chronic?

Mr. GOSS. No.

Mr. EATON of Colorado. Is that the reason he is coming here now trying to get on the pension roll?

Mr. GOSS. I do not know what his physical condition is to-day, but they sent him to a base hospital after he surrendered himself at camp.

Mr. EATON of Colorado. The basis of my objection is these words over the signature of Maj. Gen. C. H. Bridges. He states that this man deserted August 10, 1918.

Mr. GOSS. That is right.

Mr. EATON of Colorado. And he remained absent in desertion until on or about February 13, 1919, when he surrendered himself and was delivered to the Eighth Company, Second Receiving Battalion, One hundred and fifty-seventh Depot Brigade, at Camp Gordon, Ga., and then he was confined in the One hundred and fifty-seventh Depot Brigade stockade. He was transferred March 18, 1919, to the Thirty-eighth Company, Tenth Receiving Battalion, and was admitted to the base hospital at Camp Gordon, Ga., April 5, 1919. At that time he was suffering with acute naso-pharyngitis and valvular heart disease, with aortic regurgitation, where he remained until April 17, 1919, when he was discharged from the service by reason of desertion and physical unfitness for service.

Mr. GOSS. I will say to the gentleman further that the board could not find that he really had deserted. I would say he would have been given a dishonorable discharge if that had been a very serious matter.

Mr. EATON of Colorado. Oh, he has no dishonorable discharge?

Mr. GOSS. No. He has a blue discharge. That is different from the yellow ones, I will say.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. GOSS. Yes; I yield.

Mr. COCHRAN of Missouri. Here is a man who was 43 days in a camp, and under the terms of this bill no back pension can accrue.

Mr. GOSS. No. Absolutely not.

Mr. COCHRAN of Missouri. But the minute this bill becomes law he is entitled to register under the Veterans' Administration law.

Mr. GOSS. No. I will offer an amendment that even exempts him from the veterans' law prior to the passage of this act.

Mr. COCHRAN of Missouri. Yes. Prior to the passage of this act; but this man develops a disability which, under the rules of the Veterans' Bureau, will be recognized as having been service connected, and then from the date this bill passes he will be eligible, with 43 days' service, to be taken care of by the Veterans' Bureau. I am opposed to it, and I object, Mr. Speaker.

WILLIAM M. STODDARD

The Clerk called the next bill, H. R. 1825, for the relief of William M. Stoddard.

Mr. EATON of Colorado. Reserving the right to object, I would like to hear what the gentleman from Texas has to say about this old soldier.

Mr. THOMASON. He was a good soldier, a country boy from Arkansas who, when a mutiny broke out down in Anniston, Ala.——

Mr. EATON of Colorado. They just could not hold him, but he went down to the arsenal and stole some pistols.

Mr. THOMASON. No. They called out a certain number of troops, and the soldiers could not stop the mutiny, and the sheriff then asked for these men, and this boy, along with others, went along. They had no arms, and they went to the arsenal and got pistols and helped stop the mutiny. Later this boy was court-martialed. Still later it was found that the court-martial was illegally constituted. The result was he was given a dishonorable discharge. Later he reenlisted and served with honor and even with distinction and received an honorable discharge. The War Department recommends that this bill be passed.

Mr. THOMASON. I know the man well. He is one of the substantial farmers of my district, an honest, upstanding man.

Mr. EATON of Colorado. Mr. Speaker, I withdraw my objection on the recommendation of the War Department.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers William M. Stoddard, who was a member of Company D, Second Regiment Arkansas Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 13th day of February, 1898: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendments:

Page 1, line 9, strike out "13" and insert "25," and in line 10 strike out "1898" and insert "1899" and add the following: "and notwithstanding any provisions to the contrary in the act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CLARENCE R. KILLION

The Clerk called the next bill, H. R. 2445, for the relief of Clarence R. Killion.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, I would like to have the gentleman from Iowa explain that part of this case that alleged the man was charged with seeking safety in the rear. If he was not, in fact, a coward and ran away, I think this bill ought to stand. If it is true that he ran to the rear and was court-martialed properly for that, I think it would be a shame if this bill should be passed.

Mr. KOPP. I shall be very glad to answer the gentleman's inquiry. This young man served on the border in Texas in 1916. Early in the World War he again entered the Army, and was assigned to the One hundred and sixty-eighth Infantry. His work in the Army was to establish and maintain telephone communications between regimental headquarters and the front during battle and during trench warfare. He was in nearly every great American offensive, and on numerous occasions was under shell fire more than a week at a time. He has a very remarkable record and the evidence will convince anyone of this fact. At Chateau-Thierry he was under continuous shell fire for 30 hours without relief.

His regiment had been withdrawn to the rest area, about 4 miles back of the front lines, when his absence occurred. There the men sat about, and then some of them went back to a little village where they drank together some of the wine

and other liquors. I want to say that this man was in no sense given to the excessive use of intoxicating liquors. He is a young man of excellent character.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. KOPP. I yield.

Mr. SCHAFER. In very few cases could a man become intoxicated on good wines such as they have in France.

Mr. KOPP. I am not as much of an authority on that as is the gentleman from Wisconsin, so I must accept his statement as correct.

This man became intoxicated, got into a box car, and the next morning awoke to find himself further back of the lines. This occurred on October 10. He returned to his regiment as quickly as possible. He was immediately put in the service and again went over the top and was in active duty until the war ceased.

He did not have a trial by court-martial until after they had entered Germany, and he knew nothing about the court-martial until the morning the trial was to be held. That morning he was ill, as is substantiated by the officer who acted as counsel for him. He was so ill he could not speak out loud. He could only whisper. He had no chance whatever to confer with his counsel. His counsel could not confer with him. There was no evidence taken except a brief statement by himself which had to be repeated by another in order to be heard by the military court. His counsel did not procure witnesses, and no witnesses were present.

These are the facts, and all the affidavits attached to the report show that he never faltered, no matter where he was. He was under fire time and again. Again and again he risked his life for his country.

Mr. EATON of Colorado. One more question, Mr. Speaker: Is this the man who participated in the Champagne-Marne offensive, the Aisne-Marne offensive, the St. Mihiel offensive, and the Meuse-Argonne offensive?

Mr. KOPP. He participated in all of them. He participated in practically every great American offensive of the World War. His comrades have borne eloquent testimony to his courage and bravery. One mistake, made when he was worn out, when for many days he had gone without rest or sleep, can not wipe out such a magnificent record. That record still stands.

Mr. EATON of Colorado. Mr. Speaker, I withdraw my objection.

Mr. KOPP. Mr. Speaker, a similar Senate bill, S. 2148, has been passed. I ask unanimous consent to substitute the Senate bill and have it considered in lieu of the House bill. I shall then offer the amendment which the House committee adopted.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, are the amendments identical? Instead of "honorably discharged" it should read "discharged under honorable conditions."

Mr. KOPP. Will the gentleman offer such an amendment?

Mr. EATON of Colorado. I will.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the Senate bill, as follows:

*Be it enacted etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Clarence R. Killion, who served in Company M, One hundred and sixty-eighth Regiment United States Infantry, Forty-second Division, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of said division on the 1st day of December, 1919: *Provided*, That no back pay, compensation, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KOPP: Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOPP: On page 1, in line 10, after the word "no," strike out the remainder of the section and insert in lieu thereof the following: "Bounty, back pay, pension, allowance or any payment provided under the World War Veterans Act, 1924, as amended, the World War Adjusted Compensation Act, 1924, as amended, or other benefit whatsoever to which said person may be or become entitled to by law, shall be held to have accrued prior to the passage of this act."

This amendment was agreed to.

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment. In line 8, strike out the word "honorably," and after the word "discharge" insert "under honorable conditions."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill was laid on the table.

EXTENSION OF REMARKS

Mr. BACON. Mr. Speaker, I ask unanimous consent to insert in the RECORD a short statement made yesterday by the Secretary of Commerce.

Mr. BANKHEAD. May I ask the gentleman to what it relates?

Mr. BACON. It relates to depreciated currency.

Mr. BLANTON. Has the gentleman seen the gentleman from Massachusetts [Mr. UNDERHILL] about this?

Mr. BANKHEAD. I have no objection.

Mr. PARKER of Georgia. I object, Mr. Speaker.

THE PRIVATE CALENDAR

The SPEAKER. Let the Chair make a statement. The gentlewoman from Florida [Mrs. OWEN], the gentleman from Georgia [Mr. PARKER], and the gentleman from North Dakota [Mr. SINCLAIR] inform the Chair that certain bills have been objected to on the calendar, but they have consulted the people who objected to them and they now ask the Chair to recognize them to ask unanimous consent to return to these bills.

While the Chair thinks this is bad practice, generally, it is now 20 minutes to 4 o'clock, and unless some one objects, the Chair is going to recognize these Members to ask unanimous consent to return to the bills referred to.

Mr. EATON of Colorado. Mr. Speaker, I must object to two of them.

The SPEAKER. The Chair regards it as bad practice to return to bills on the calendar, and this is the last time the Chair is going to recognize anyone to make the request to return to bills that have been objected to.

The Chair recognizes the gentlewoman from Florida [Mrs. OWEN].

Mrs. OWEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 617, the bill (H. R. 4973) that has been passed on the calendar.

Mr. BACHMANN. Mr. Speaker, a parliamentary inquiry. If we return to the bill, I will have an opportunity to object?

The SPEAKER. Yes. Is there objection to returning to this bill?

Mr. EATON of Colorado. Mr. Speaker, in line with the practice we have followed with respect to every bill, I must object. We have not gone back before this to any bill that was called the day before.

Mr. PARKER of Georgia. Mr. Speaker, I ask unanimous consent to return to Calendar No. 682, the bill H. R. 5769.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. SINCLAIR. Mr. Speaker, I ask unanimous consent to return to Calendar No. 612, the bill (S. 3536).

Mr. EATON of Colorado. Mr. Speaker, I object.

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 374

*Resolved*, That on Friday, February 10, 1933, after the reading of the Journal, it shall be in order to consider bills on the private calendar unobjected to in the House as in Committee of the Whole, the call of bills on said calendar to begin where the last call ended.

Mr. SNELL. Mr. Speaker, reserving the right to object, do I understand the District of Columbia appropriation bill will not be ready for consideration to-morrow?

Mr. RAINEY. That bill will not be ready to-morrow.

Mr. BACHMANN. Reserving the right to object, I would like to ask the gentleman from Illinois if when he is going to move to take up the Private Calendar, he will not give us a little more notice? We have been in session on the Private Calendar for two days, and we have to examine these bills. We can not intelligently take care of these bills unless we have time to examine them.

Mr. RAINEY. I will give the gentleman as much notice as I can. It has to be done by unanimous consent.

The resolution was agreed to.

STAMP MONEY

Mr. LANKFORD of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Speaker, I am in receipt of a letter from Hon. H. A. Griffiths, of Caldwell, Idaho, in which he sets forth his plan for the issuance of an emergency currency. I thank Mr. Griffiths for his letter; and while I can not approve his plan for raising revenue, I feel that its mechanics is worthy of consideration and of preservation in the RECORD.

Mr. Griffiths, in seeking to provide for the issuance of what he terms gold notes to aid in the revival of commerce and industry and for the purpose of stimulating business and relieving distress due to unemployment, would authorize and direct the Secretary of the Treasury, in cooperation with the Postmaster General, to issue and redeem this circulating medium.

Mr. Griffiths's plan further provides that as soon as practicable after the date of its enactment and at suitable intervals thereafter, the Secretary of the Treasury shall distribute to the persons entitled thereto such gold notes in the denominations of one, five, ten, and twenty dollars, and of sufficient size for the attachment of reconstruction revenue stamps, as provided in his bill.

This gold note of the United States, payable to the holder when reconstruction revenue stamps are attached thereto, at least 2 per cent of its value, shall be legal tender in payment of all debts and dues, public and private, under Mr. Griffith's plan, and, if necessary, is to be reissued by the Government until sufficient stamps are attached for its redemption. The gold note shall be redeemable by the United States Government in gold any time after the reconstruction stamps attached thereto amount to 100 per cent of the face value of the gold note.

Each designated revenue agency would be required to indorse on each gold note the date of its distribution and the name of the agency, and to keep such records thereof as the Secretary of the Treasury may prescribe.

The Secretary of the Treasury would keep on sale at all times and until the time had expired for the redemption of the final issue of the gold notes at all United States post offices, and at such other places as he may designate reconstruction revenue stamps of the denominations of 2, 10, 20, and 40 cents.

In case gold notes provided for in the plan become worn-out or mutilated bank notes, they would be replaced in the manner of worn-out or mutilated bank notes, and the new gold note shall have credited upon it the value of the stamps of the gold note which it replaces.

All sums received from the sale of the reconstruction revenue stamps shall be covered into special fund in the Treasury to be known as the reconstruction revenue fund. All moneys in such fund would be appropriated and made available for the redemption of the gold notes and for the administration of the act, including salaries and other necessary expenses in connection with the gold notes division.

For the purpose of administering the provisions of the act there would be established in the Department of the Treasury a separate division, to be known as the gold notes division, and the Secretary of the Treasury would be authorized to appoint, without regard of the civil service laws, a director of the gold notes, who would be at the head of the gold notes division, at a salary to be fixed by Congress, and to appoint, subject to the provisions of the civil service laws, such other officers and employees as he may deem necessary, whose salaries shall be fixed in accordance with the classification act of 1923.

The Secretary of the Treasury would be authorized to confer and impose upon the director of gold notes such rights, privileges, powers, and duties as he may deem necessary for the proper administration of the provisions of the act, including those necessary for the preparation of the gold notes and stamps provided for in the act and the dissemination of such information as will promote the acceptance and use by the public of gold notes as a medium of exchange in domestic commerce.

The average price level as shown by the United States Department of Labor and prices for all of the articles of commerce, including labor for the year 1926, would be established and maintained as the normal price level for the United States.

The amount of gold notes would be regulated as follows: The normal trend of the revenue of the United States would be determined by comparing the revenue receipts of the current year with those of the normal year of 1926. In periods of boom, when revenues are above normal, the gold notes would not be issued for any purpose, and surplus revenues of the Government would be used to cancel indebtedness. In case of financial distress, when the revenues fall below the normal revenue trend, then taxes would not be raised on objects of taxation or extended to other objects subject to taxation, but all deficits caused by the falling off of revenue would be met by the issuance of gold notes as provided in the plan.

It would be the duty of the director of gold notes to make and issue gold notes as provided in the act to all persons entitled thereto. Any department of Government having determined that the Government owes a sum of money to any person which is not paid because of lack of funds shall cause the disbursing officer of that division to make requisition to the department of gold notes for gold notes to pay the same, and the same shall be paid to the person entitled thereto in gold notes as other debts of the Government are paid.

In the administration of the act the Secretary of the Treasury would be authorized to cooperate with other Federal agencies and other departments of the Government and to make such rules and regulations as he may deem necessary.

Mr. Speaker, this completes my statement concerning the mechanics and purposes of Mr. Griffiths' plan. I heartily approve Mr. Griffiths' purposes, admire the mechanics of his plan, but do not conscientiously believe that this method of raising revenue, even during this depression, would be good for our people.

In an open letter to President Hoover concerning this plan, Mr. Griffiths, in part, said:

> This plan provides for the immediate emergency caused by the excess of debts, both public and private, now prevailing among the people of the United States.
>
> It also provides an automatic control of the tendency to inflate or to deflate the currency of the United States.
>
> It provides that for every dollar of debts evidenced by the gold notes herein provided it will effect the liquidation of $50 of private debts.

There is much merit in Mr. Griffiths's plan, but I feel that it contains more evil than good. I have heretofore expressed my views rather fully on this and similar plans and, therefore, shall not enter into a further discussion at this time except to say my most serious objection is to its sales tax provisions.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. Con. Res. 42. Concurrent resolution to compile, print, and bind the proceedings of Congress in connection with the

exercises in memory of the late President Calvin Coolidge; to the Committee on Printing.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills and an enrolled joint resolution of the Senate of the following titles:

S. 221. An act authorizing adjustment of the claim of the Wilmot Castle Co.;

S. 968. An act for the relief of certain employees of the Forest Service, Department of Agriculture;

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; and

S. J. Res. 167. Joint resolution to carry out certain obligations to certain enrolled Indians under tribal agreement.

ADJOURNMENT

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 43 minutes p. m.) the House adjourned until to-morrow, Friday, February 10, 1933, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

919. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the fiscal years 1932 and 1933 for the Department of the Interior amounting in all to $309,685.45, together with a draft of proposed provision pertaining to an existing appropriation (H. Doc. No. 540); to the Committee on Appropriations and ordered to be printed.

920. A communication from the President of the United States, transmitting a supplemental estimate of appropriations pertaining to the legislative establishment, House of Representatives, for the fiscal year 1933, in the sum of $4,060 (H. Doc. No. 541); to the Committee on Appropriations and ordered to be printed.

921. A communication from the President of the United States, transmitting a supplemental estimate of appropriation amounting to $4,100,000, together with the unexpended balance of the appropriation contained in Public Resolution No. 43, approved July 22, 1932, to enable the Federal Farm Board to carry into effect the provisions of H. R. 13607, Seventy-second Congress, second session, entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933 (H. Doc. No. 542); to the Committee on Appropriations and ordered to be printed.

922. A letter from the Secretary of the Treasury, transmitting draft of a proposed bill amending the act approved May 13, 1930 (U. S. C., Supp. VI, title 18, sec. 751, 752); to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. POU: Committee on Rules. House Resolution 373. A resolution providing for the consideration of H. R. 13520, an act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes; without amendment (Rept. No. 1990). Referred to the House Calendar.

Mr. HARLAN: Committee on the District of Columbia. H. R. 14204. A bill to amend section 653 of the Code of Law for the District of Columbia; without amendment (Rept. No. 1991). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho: Committee on the Public Lands. H. R. 14226. A bill for the inclusion of certain lands in the national forests in the State of Idaho, and for other purposes; with amendment (Rept. No. 1992). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOLMES: Committee on the District of Columbia. H. R. 14392. A bill to authorize the payment of taxes and assessments on family dwelling houses in the District of Columbia in quarterly installments, and for other purposes; without amendment (Rept. No. 1993). Referred to the Committee of the Whole House on the state of the Union.

## CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 6545) for the relief of Hal B. Carthron, and the same was referred to the Committee on Naval Affairs.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HANCOCK of North Carolina: A bill (H. R. 14618) to enable borrowers under the Federal farm loan act to secure the release of their mortgages by the transfer of land-bank bonds to the registrars; to the Committee on Banking and Currency.

By Mr. FRENCH: A bill (H. R. 14619) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund; to the Committee on Banking and Currency.

By Mr. KNUTSON: A bill (H. R. 14620) to authorize the purchase of lands for use by Chippewa Indians of Minnesota as camp sites when harvesting wild rice, and for other purposes; to the Committee on Indian Affairs.

By Mr. BUCHANAN: Resolution (H. Res. 373) providing for the consideration of H. R. 13520, a bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes; to the Committee on Rules.

By Mr. PATMAN: Joint resolution (H. J. Res. 594) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. FULMER: Joint resolution (H. J. Res. 595) proposing a reduction in interest rates on Government loans by the Reconstruction Finance Corporation or any of its agencies; to the Committee on Banking and Currency.

By Mr. KLEBERG: Joint resolution (H. J. Res. 596) authorizing the President, under certain conditions, to invite the participation of other nations in the Texas Centennial Celebration, providing for the admission of their exhibits, and for other purposes; to the Committee on Ways and Means.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 597) to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933; to the Committee on Appropriations.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Arkansas, memorializing Congress to pass the Glenn-Smith bill; to the Committee on Irrigation and Reclamation.

Memorial of the Legislature of the State of Arkansas, memoralizing Congress to enact into law an act to authorize the Federal Farm Board to dispose of the surplus cotton and wheat held by the said board; to the Committee on Agriculture.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAPMAN: A bill (H. R. 14621) granting a pension to Mary E. Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14622) granting an increase of pension to Ellar Bales; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 14623) granting an increase of pension to Clarence R. Zerbe; to the Committee on Pensions.

By Mr. CURRY: A bill (H. R. 14624) granting an increase of pension to Mary E. Jasper; to the Committee on Invalid Pensions.

By Mr. HARDY: A bill (H. R. 14625) for the relief of Gale A. Lee; to the Committee on Claims.

By Mr. SPENCE: A bill (H. R. 14626) for the relief of E. R. Henderson; to the Committee on Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10287. By Mr. BACON: Petition of residents of Southampton, N. Y., urging constitutional amendment eliminating count of aliens for apportionment purposes; to the Committee on the Judiciary.

10288. Also, petition of sundry residents of Flushing, N. Y., and vicinity urging the adoption of a constitutional amendment eliminating the count of aliens for apportionment purposes; to the Committee on the Judiciary.

10289. By Mr. BOEHNE: Petition of the National Aeronautic Association, Evansville, Ind., protesting removal of lighted airway between Danville, Ill., and Evansville, Ind.; to the Committee on the Post Office and Post Roads.

10290. Also, petition of Mrs. John Leigh and others, praying for the retention of the eighteenth amendment; to the Committee on the Judiciary.

10291. By Mr. COCHRAN of Pennsylvania: Petition of Woman's Home Missionary Society, signed by Mrs. C. H. Farr, president, and Mrs. E. M. Williams, secretary, urging the establishment of a Federal motion-picture commission, with a view to regulating and supervising the motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10292. By Mr. GIBSON: Petition of Veterans Advisory Council, of Burlington, Vt., opposing reduction in benefits of World War veterans and veterans of foreign wars; to the Committee on Appropriations.

10293. By Mr. KELLY of Pennsylvania: Petition of citizens of East Pittsburgh, Pa., asking for revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

10294. Also, petition of citizens of Elizabeth, Pa., favoring the stop-alien representation amendment to the United States Constitution; to the Committee on the Judiciary.

10295. By Mr. LINDSAY: Petition of Substitute Post Office Employees' Association, New York City, favoring House Joint Resolution 576; to the Committee on Expenditures in the Executive Departments.

10296. Also, petition of America's Wage Earners' Protective Conference, New York City, favoring the passage of House bill 14413; to the Committee on Ways and Means.

10297. Also, petition of M. H. Haertel, advisory director, Wood Chemical Institute (Inc.), urging tax on certain imports according to depreciation of foreign currency; to the Committee on Ways and Means.

10298. By Mr. McFADDEN: Petition of the Board of Trade, Nicholson, Pa., by A. E. Hoadley, president, and W. P. Fahringer, secretary, favoring economy and ultimate lower taxation; to the Committee on Ways and Means.

10299. Also, petition of 50 members of the Church of Christ of Bloomsburg, Pa., by Mary L. Sharpless, protesting against all legislation to nullify, weaken, or repeal the eighteenth amendment, and for continued law enforcement; to the Committee on the Judiciary.

10300. By Mr. SPENCE: Petition of Mrs. John Roach and others, of Covington; Mrs. William Williams and others, of Newport; Frank J. Plantholt and others, of Bellevue; Mr. and Mrs. Mart Eisenman and others, of Ludlow; Bert M. Dickman and others, of Dayton, all of the State of Kentucky, urging the revaluation of the gold ounce and correcting abuses growing out of mass production; to the Committee on Banking and Currency.

10301. By Mr. SUTPHIN: Petition of Woman's Christian Temperance Union, Middletown, N. J., opposing all legislation intending to nullify, weaken, or repeal the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

10302. Also, petition adopted by the American Legion, Department of New Jersey, executive committee, on January 28, 1933; to the Committee on Appropriations.

10303. By the SPEAKER: Petition of the Council of the City of Zanesville, Ohio, urging that there be no repeal of the present laws enacted for the benefit of veterans and their dependents, and that the veterans be paid their adjusted-service certificates; to the Committee on Ways and Means.

10304. Also, petition of the National Association of Merchant Tailors of America, urging prompt action in balancing the Budget; to the Committee on Ways and Means.

10305. Also, petition of the National Association of Merchant Tailors of America, urging immediate passage of House bill 12044; to the Committee on Immigration and Naturalization.

10306. Also, petition of the National Association of Merchant Tailors of America, opposing further intervention of the Federal Government in private business; to the Committee on Expenditures in the Executive Departments.

10307. Also, petition of the National Association of Merchant Tailors of America, expressing its opposition to recognition of the Soviet Union; to the Committee on Foreign Affairs.

10308. Also, petition of the National Association of Merchant Tailors of America, expressing its opposition to the prepayment of the bonus; to the Committee on Ways and Means.

# SENATE

## FRIDAY, FEBRUARY 10, 1933

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, without whose help our labor is in vain, renew in us at this morning hour the sense of Thy gracious presence, and let it be to us this day a constant impulse to courage, trustfulness, and peace.

Thou hast committed to us a life of high vocation; let now Thine own breathing in our hearts interpret for us its sacred opportunities to serve the people of this Nation without stint of self, to share each other's burdens, and face with courage and discernment these pressing human problems with their changing tangled worth.

Touch with Thy glory every cloud of sorrow, shine with Thy light through the dull atmosphere of care, and above all else grant that humility may be our sanctuary and Thy service the very joy of our souls. Through Jesus Christ our Lord. Amen.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### ORDER OF BUSINESS—THE CALENDAR

Mr. McNARY. Mr. President, I submit the following unanimous-consent agreement.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The Chief Clerk read as follows:

*Ordered*, by unanimous consent, That after routine morning business shall have been disposed of the Senate proceed to the consideration of unobjected bills on the calendar under the 5-minute rule, beginning with Order No. 1212 (where the Senate left off yesterday), and upon its completion that the Senate then take up the calendar at the beginning under Rule VIII.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, may I inquire of the Senator why we should go back to the beginning of the calendar today, in view of the call of the calendar yesterday?

Mr. McNARY. If the Senator had observed the reading of the unanimous-consent proposal, he would have noticed that it provides that unobjected bills on the calendar, beginning where we left off yesterday, shall first be considered.

Mr. KING. I so understood.

Mr. McNARY. Thereafter we will return to the beginning of the calendar and proceed at once under the provision of Rule VIII, which permits a motion to be made to take up a bill if there is objection to its consideration. The limitation of the unanimous-consent agreement is 2 o'clock.

Mr. BROOKHART. Mr. President, I desire to submit a motion at the beginning to take up a bill.

The VICE PRESIDENT. That can not be done at this time. Is there objection to the unanimous-consent request?

Mr. BROOKHART. If unanimous consent is not given, I hope it will be in order to submit my motion.

The VICE PRESIDENT. It would not be in order until after routine morning business is disposed of.

Mr. BROOKHART. If it will be in order immediately after the close of routine morning business, that is all I care to know.

Mr. McNARY. The unanimous-consent agreement preserves the rights of Senators. If the Senator has a bill which he wants to move to take up, it is covered in the second provision of the unanimous-consent agreement.

Mr. BROOKHART. But not until after we have completed the calendar. That would be too late, because some one would be able to filibuster on the bill until 2 o'clock.

Mr. McNARY. First we would dispose of unobjected bills on the calendar, which would be run through very hastily. Then a motion can be made by any Member of the Senate to take up a particular bill.

Mr. BROOKHART. If that will take only a little while, I am satisfied.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dale | Keyes | Schuyler |
| Austin | Davis | King | Sheppard |
| Bailey | Dickinson | La Follette | Shipstead |
| Bankhead | Dill | Lewis | Shortridge |
| Barkley | Fess | Logan | Smith |
| Bingham | Fletcher | McGill | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Metcalf | Swanson |
| Bratton | Glenn | Moses | Thomas, Idaho |
| Brookhart | Goldsborough | Neely | Thomas, Okla. |
| Bulkley | Gore | Norbeck | Townsend |
| Bulow | Grammer | Norris | Trammell |
| Byrnes | Hale | Nye | Tydings |
| Capper | Harrison | Oddie | Vandenberg |
| Caraway | Hastings | Patterson | Wagner |
| Clark | Hatfield | Pittman | Walcott |
| Connally | Hayden | Reed | Walsh, Mass. |
| Coolidge | Hebert | Reynolds | Walsh, Mont. |
| Copeland | Hull | Robinson, Ark. | Watson |
| Costigan | Johnson | Robinson, Ind. | White |
| Couzens | Kean | Russell | |
| Cutting | Kendrick | Schall | |

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is unavoidably absent from the Senate on account of illness.

Mr. NORRIS. I wish to announce that my colleague [Mr. HOWELL] is absent on official business of the Senate.

Mr. FESS. The junior Senator from Wyoming [Mr. CAREY] is also absent on official business of the Senate.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1858. An act for the relief of Harriette Olsen;

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton;

S. 2395. An act authorizing the conveyance of certain land to school district No. 15, Lincoln County, Mont.;

S. 3504. An act for the relief of Lyman L. Miller; and

S. 4166. An act for the relief of James M. Griffin, disbursing agent United States Coast and Geodetic Survey, and for other purposes.

### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 221. An act authorizing adjustment of the claim of the Wilmot Castle Co.;

S. 968. An act for the relief of certain employees of the Forest Service, Department of Agriculture;

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; and

S. J. Res. 167. Joint resolution to carry out certain obligations to certain enrolled Indians under tribal agreement.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the council of the city of Pittsburgh, Pa., favoring the passage of legislation authorizing the issuance of a special series of postage stamps to commemorate an anniversary of Brig. Gen. Thaddeus Kosciuszko, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a letter in the nature of a memorial from C. A. Pugsley, of Peekskill, N. Y., remonstrating against the passage of pending legislation depriving retired officers of the Army of their retired pay, etc., which was ordered to lie on the table.

Mr. ROBINSON of Indiana. Mr. President, I have received a memorial signed by a number of citizens of Gary, Ind., protesting against the modification of the prohibition law. I send it to the desk and ask that it be appropriately referred.

The memorial presented by Mr. ROBINSON of Indiana of sundry citizens of Gary, Ind., remonstrating against the repeal of the eighteenth amendment to the Constitution or the modification of the national prohibition law was ordered to lie on the table.

Mr. TYDINGS presented the petitions of Joseph Peter Morgan, M. H. Newgirg, Anthony J. Nieberding, and sundry other citizens, all of Baltimore, Md., praying for the passage of legislation to revaluate the gold ounce, which were referred to the Committee on Banking and Currency.

He also presented the petition of members of Janet Montgomery Chapter, Daughters of the American Revolution of Maryland, and sundry other citizens of Baltimore, all in the State of Maryland, praying for the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, which was ordered to lie on the table.

Mr. COPELAND presented a petition of sundry citizens of St. Johnsville, N. Y., praying for the enactment of legislation providing for the exclusion of aliens in the count of population for apportionment of Representatives in Congress, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Buffalo, N. Y., and vicinity, praying for the enactment of legislation revaluating the gold ounce, correcting certain financial practices, and eliminating abuses associated with present mass production, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by Mohican Local, No. 155, International Brotherhood of Paper Makers, of Glens Falls, N. Y., favoring the imposition of a tariff that will adequately safeguard the pulp and paper industry, which was referred to the Committee on Finance.

He also presented a resolution adopted by General Henry W. Lawton Camp, No. 21, United Spanish War Veterans, Department of New York, of Brooklyn, N. Y., remonstrat-

ing against curtailment of pensions or other allowances to Spanish War veterans, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Lackawanna Railroad Veterans' Association, of Hoboken, N. J., protesting against the ratification of the Great Lakes-St. Lawrence seaway treaty, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Woman's Club of Albany (Inc.), of Albany, N. Y., favoring the prompt ratification of the World Court protocols, which was ordered to lie on the table.

He also presented resolutions adopted at Detroit, Mich., by the annual convention of the National Association of Merchant Tailors of America, favoring the balancing of the Budget; reduction in governmental expenditures; the repeal of legislation which appropriates more than $450,000,000 annually for the care of ex-service men whose disabilities have no connection with their war service; a fair and equitable settlement of debts owed by foreign nations to the United States; the immediate repeal of the prohibition law; the taxation of Government officials receiving salaries in excess of the exemption allowed private citizens; a wider distribution of the tax burden; legislation providing for the exclusion and expulsion of alien communists; and protesting against Government intervention in business; the recognition of Soviet Russia; and the cash payment of World War veterans' adjusted-compensation certificates, which were ordered to lie on the table.

He also presented a resolution adopted by Lodge No. 425, International Association of Machinists, of Utica, N. Y., favoring the passage of Senate bill 5125, to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of Great Neck, N. Y., remonstrating against further reductions in the salaries of Federal employees and reductions in personnel or appropriations for the Army, Navy, and Marine Corps, and favoring the building up of the Navy to treaty strength, which was ordered to lie on the table.

He also presented a resolution adopted by the Woman's Home Missionary Society of the village of Oriskany Falls, N. Y., protesting against the repeal of the eighteenth amendment or the modification of the national prohibition act, which was ordered to lie on the table.

### PROHIBITION ENFORCEMENT

Mr. COSTIGAN. Mr. President, I send to the desk and ask to have noted in the RECORD and appropriately referred various and sundry memorials and other communications protesting against the repeal of the eighteenth amendment and the legalization of beer.

The VICE PRESIDENT. The memorials will be received and lie on the table.

The memorials and other communications presented by Mr. COSTIGAN remonstrating against the repeal of the eighteenth amendment to the Constitution or the passage of legislation to legalize the manufacture and sale of beer are from the following: Rev. J. E. Jensen and Mrs. R. T. Hallock and 21 other citizens of Briggsdale; Rev. R. W. Creighton, minister, and Milt Warner, clerk of session, and 49 other members of the First Presbyterian Church of Carr; 67 citizens of Greely, Gilcrest, La Salle, Evans, Pierce, Ault, Johnstown, Eaton, and Windsor; 113 citizens of La Junta; 29 citizens of Lamar; 51 citizens of Kit Carson County; 18 members of the Woman's Christian Temperance Union of Wray; 60 citizens of Montezuma County; 68 members of the Wheatridge Church, of Wheatridge; and 45 other citizens, all in the State of Colorado.

Mr. COSTIGAN. Mr. President, in addition to the memorials just presented, I send to the desk and ask to have noted and appropriately referred resolutions protesting against any modification of the Volstead Act or the repeal of the eighteenth amendment received from the members and officials of Colorado churches.

The VICE PRESIDENT. The resolutions will be received and lie on the table.

The resolutions presented by Mr. COSTIGAN are from the following:

The First Baptist Church of Arvada; The Arvada Presbyterian Church; the Free Methodist Church of Bayfield; the First Presbyterian Church, La Junta; the LeRoy Evangelical Church, Fleming; the Church of Christ, Denver; the Lowell Boulevard Church of the Nazarene, Denver; the Barnum Christian Church, Denver; the Alameda Evangelical Church, Denver; the Barnum Baptist Church, Denver; the Seventh Avenue Congregational Church, Denver; the Barnum Methodist Church, Denver; the United Churches of Otis; the combined churches and Woman's Christian Temperance Union of Englewood; and the First Baptist Church of Grand Junction.

A similar resolution signed by Harriet B. Grauberger, president sixth district of Colorado Woman's Christian Temperance Union at Fleming; Rev. E. R. Cameron, pastor First Presbyterian Church, Sterling; Rev. A. B. Breneman, pastor Evangelical Church, LeRoy; Rev. Martin E. Anderson, Central Presbyterian Church, Denver; Mrs. Arch Monroe, Sterling; B. J. Regatz, Sterling; Mrs. O. F. Pierson, secretary Sterling Woman's Christian Temperance Union, Sterling.

The Colorado Congress of Parents and Teachers, through its executive board, passed a motion favoring "no change in present national liquor laws." In forwarding a copy of the motion Mrs. Grace T. Shaw, State chairman of legislation, stated that the action of the board was an official expression of the 50,000 members of the Colorado Congress of Parents and Teachers.

Mr. COSTIGAN. There are herewith further presented for appropriate reference and consideration resolutions protesting against any modification of the Volstead Act or the repeal of the eighteenth amendment received from chapters of the Woman's Christian Temperance Union of Colorado.

The VICE PRESIDENT. The resolutions will be received and lie on the table.

Resolutions of chapters of the Woman's Christian Temperance Union in the State of Colorado were presented by Mr. COSTIGAN, as follows:

Limon, transmitted by Mrs. H. R. Jones, secretary; Colorado Springs, transmitted by Mrs. W. S. Round, president, and Gladys Narverud, corresponding secretary; Grand Junction, transmitted by J. E. Hornbaker, chairman resolutions committee; Dry Creek, transmitted by Anna D. Thorman, president, and Florence E. Briskey, secretary; Cedaredge, transmitted by Mrs. Edith Ashurst, corresponding secretary; Burdett, transmitted by Mrs. J. G. Innes, president; Brush, transmitted by Mrs. Irene Stinton, president; Fort Morgan, transmitted by Mrs. E. R. Clarke, president, and Mrs. A. L. Shaffer, secretary; Wray, transmitted by Mrs. Cora Bower, chairman of meeting, and Mrs. Eda Errett, secretary; and Julesburg, transmitted by Mrs. Blanch W. Bushnell, president, and signed by 16 members.

Mr. SHEPPARD. Mr. President, I present certain memorials and communications in the nature of memorials from citizens of Texas opposing repeal of the eighteenth amendment, modification of the Volstead Act, legalization of beer, and supporting our present prohibition laws, and summary of such communications and memorials. I ask that these documents lie on the table and that the summary be printed in the RECORD.

The VICE PRESIDENT. The memorials will be received and lie on the table, and the summary printed in the RECORD.

The summary is as follows:

1. Communication from the Woman's Christian Temperance Union, Edinburg, Tex., Mrs. A. L. Ralston, president, dated November 30, 1932.

2. Resolution of Methodist Episcopal Church, San Juan, Tex., adopted at meeting November 28, 1932, A. E. Hughes, pastor.

3. Resolution adopted by Northwest Texas Conference of Methodist Episcopal Church South in session at Amarillo, Tex., November 13, 1932.

4. Letter in nature of memorial from Francis Willard Union, Woman's Christian Temperance Union, San Antonio, Tex., dated November 30, 1932.

5. Telegram in nature of memorial from Ministers' Association of Ranger, Tex., dated December 4, 1932.

6. Telegram in nature of memorial from Rev. George S. Slover, presiding elder, Stamford district, Methodist Episcopal Church South; Rev. C. R. Houghton, pastor, St. Johns Methodist Church, and Rev. Sam Morris, pastor First Baptist Church, Stamford, dated December 3, 1932.

7. Telegram in nature of memorial from Mrs. J. M. Glass, president San Antonio Woman's Christian Temperance Union, dated December 5, 1932.

8. Communication in nature of memorial from the Women's Missionary Society, First Methodist Church, Beeville, Tex., dated December 1, 1932.

9. Communication in nature of memorial from Women's Missionary Society, Hidalgo County, Tex., meeting at McAllen, Tex., December 1, 1932.

10. Resolution adopted by a county-wide prohibition meeting held at McKinney, Tex., transmitted by Rev. Claude M. Simpson, president Collin County United Prohibition Forces.

11. Communication in the nature of a memorial from mass meeting, Big Springs, Tex., held January 27, 1933.

12. Resolution adopted by mass meeting, Pittsburg, Tex., January 4, 1933, 500 present.

13. Communication in nature of memorial from citizens of Keene, Tex., in mass meeting assembled January 3, 1933.

14. Resolution from meeting United States Forces for Prohibition in Clarksville, Tex., January 1, 1933.

15. Communication in the nature of a memorial from citizens of Brenham, Tex., at mass meeting held January 7, 1933.

16. Resolution from mass meeting of citizens of Hill County at Hillsboro, Tex., January 1, 1933.

17. Memorial from St. Paul's Missionary Society, Houston, Tex.

18. Memorial from mass meeting of citizens of Fort Worth, Tex., January 7, 1933.

19. Memorial from members Morgan Sunday School, Lynn County, Tex.

20. Memorial from the Sunday school class, First Church of the Nazarene, Houston, Tex., dated January 23, 1933.

21. Communication in nature of memorial from local union Woman's Christian Temperance Union, Childress, Tex.

22. Memorial from Wesley Gleaner Sunday school class, Main Street Methodist Church, Cleburne, Tex.

23. Communication in nature of memorial adopted at mass meeting of citizens of Sherman, Tex., on January 7, 1933.

24. Communication in the nature of memorial from citizens of Denison, Tex., adopted at mass meeting on January 7, 1933.

25. Resolution in nature of memorial dated January 12, 1933, adopted by Workers' Conference Rehobath National Baptist Association, embracing 52 churches in Delta, Franklin, Hopkins, and other counties in Texas.

26. Communication in nature of memorial from mass meeting held at Seventh-day Adventist Church, Thrail, Tex., January 11, 1933.

27. Communication in nature of memorial from board of stewards, Oak Lawn Methodist Church, Dallas, Tex.

28. Resolution, Workers' Conference Pecos Valley Baptist Association held at Odessa, Tex., November 9, 1932, said association represents all Baptist churches in 11 West Texas counties.

29. Petition from 40 citizens of Colmisnial, Tex.; petition from 60 citizens of Arcadia, Tex.; petition from 50 citizens of Wharton, Tex.; petition from 22 citizens of San Benito, Tex.; petition from 96 citizens of Beeville, Tex.; petition from 100 citizens of Kile, Tex.; petition from 320 citizens of Keene, Tex.; petition from 55 citizens of Palacios, Tex.; petition from 10 citizens of Brenham, Tex.; petition from Rosen Heights Woman's Christian Temperance Union, Fort Worth, Tex.; petition from citizens of Duane, Bangs, and El Campo, Tex.; petition from 57 citizens of Plains, Tex.; petition from 45 citizens of Dalworth Park, Tex.

Mr. SHEPPARD. Mr. President, I present a letter, addressed to President Hoover, from Richard H. Scott, president of the American Business Men's Prohibition Foundation, Chicago, Ill., which I ask may be printed in the RECORD; and as the joint resolution is on the calendar, I ask that the letter may lie on the table.

There being no objection, the communication was ordered to lie on the table and to be printed in the RECORD, as follows:

CHICAGO, *December 17, 1932.*

The Hon. HERBERT HOOVER,
*President of the United States,*
*Washington, D. C.*

DEAR MR. PRESIDENT: In the crisis which the Nation faces at the present moment in regard to the liquor question, I take the liberty, as president of the American Business Men's Prohibition Foundation, of submitting the following statements of fact, which comprise our answer of economic findings to the question, "What of industry if beer returns to business?"

Those who profess to see in the relegalizing of beer an asset to legitimate business and an aid to the return of prosperity, ignore, or at least overlook, the following facts:

(1) The commodity of the brewing traffic, beer, is always and everywhere a direct competitor with legitimate business for the people's current income.

(2) The return of the legalized liquor traffic, of which the beer trade was 90 per cent of the total in preprohibition days, would directly and destructively affect many legitimate industries which have grown remarkably since the enactment of the eighteenth amendment, and which, contrary to the effect of the beer traffic, have through their own growth permanently benefited countless other legitimate businesses.

(3) Wherever in the old days the liquor traffic and the beer trade were legalized and licensed, there local industry in the long run always suffered, and crime, disorder, disease, and destitution inevitably followed.

AVAILABILITY

Even superficial examination of the reasons for this would reveal that the cause in all cases was not the saloon nor any specific variety of drink but the availability of law-protected alcoholic liquor in beverage form.

DEMAND

A very large proportion of the alleged "demand" for alcoholic beverages was always the result of high-pressure salesmanship of a product legalized and protected by the Government. Stripped of the artificial stimulations of advertising and Government sanction, the liquor traffic, condemned by the findings of science, the demands of industry, and the moral judgment of civilization, can only continue as a result of our failure to educate the people regarding it and to more adequately administer the laws which protect the Nation from its legal ravages.

CONSUMPTION

Because of this it is natural to find that there has been an emphatic decline in the production and consumption of beer since the coming of prohibition, and authentic surveys confirm this conclusion.

Let us take for the purpose of comparison the years 1914 to 1930, since 1914 represents practically the peak of consumption of all alcoholic liquors in the United States. In that year, according to Government records, 2,252,272,000 gallons of liquor were consumed, which, on the basis of the formula approved by the United States Government, shows a total of absolute alcohol consumed of 156,583,383 gallons.

Following 1914 began a steady increase in local and State prohibition territory throughout the country. In 1917 the total consumption was, in round figures, 2,095,000,000 gallons. The rapid increase in prohibition territory was still further reflected in 1918, when the total consumption dropped to 1,894,181,043 gallons, which, in terms of absolute alcohol consumed, was approximately 117,761,451 gallons.

BEER CONSUMPTION DROPS

In 1930 an exhaustive and scientific survey was made by the Government of all possible materials entering into the manufacture of illegal alcoholic liquors and the figure for possible production based upon this survey, including a liberal estimate of even smuggled liquors, revealed a possible consumption of absolute alcohol of 73,831,172 gallons, a drop of 65 per cent over the 1914 figures.

The same survey indicated that, while the amount of distilled liquors had distinctly declined, the amount of beer consumed had been reduced from 2,056,407,108 gallons in 1914 to 683,000,000 gallons for the fiscal year ending June 30, 1930. Even the Association Against the Prohibition Amendment, the most radical wet organization in the country, through its statistical department, admits that the consumpion of beer in 1930 did not exceed the Government estimate.

These figures for absolute alcohol do not include those for denatured alcohol for use in industry and the arts, which, as noted on Table II, page 19, of the United States Treasury Department Bureau of Industrial Alcohol Statistics Concerning Intoxicating Liquors (December, 1931), show that a total of 17,811,078 proof gallons of ethyl alcohol were withdrawn for denaturization in 1914 and the annual total of such denatured alcohol steadily grew, the 1930 figure being 148,303,438 gallons.

The answer to the question, "Will the brewer's dray bring prosperity with beer?" should be obvious to the merest tyro in the field of industry. Every beer truck under a relegalized traffic would be a concrete threat against the prosperity of every legitimate business within the vicinity of the brewers' retail outlets.

A modern truck carrying a load of 40 barrels of legalized beer would be sold for an ultimate retail total, conservatively estimated, of approximately $700 per load.

Spent for beer in any community, this $700 would be diverted from legitimate channels of trade and entertainment, and as a result the butcher, the baker, the grocer, the milk dealer, the soft-drink dispenser, the candy and ice cream retailer, the clothier, the shoe store, the dry-goods merchant, the radio store, the movies, the auto sales agencies—these and a host of others would suffer. And multiplied into a hundred million barrels, which the proponents of beer profess to believe would be sold when relegalized, we would have 2,500,000 truck loads of competition with all retail industry of necessities and wholesome luxuries, which at the moderate $700 estimate per load as above noted would divert $1,750,000,000 from legitimate business to the capacious pocketbooks of the brewers.

IF BEER RETURNS TO BUSINESS

Therefore "if beer returns to business," relegalized by State and national governments and freed from the ban upon its advertising, open display and high-pressure sale, the result would simply be that several billion dollars a year would probably be coerced

from the people's pockets to buy intoxicating beer, and this total would, therefore, automatically be diverted from legitimate industry.

The claim of the brewers and their champions that the beer they desire to have relegalized will not be intoxicating is, and in the nature of things must be, a flat misstatement. There would be no liquor problem to-day were beer—the beer it is proposed to relegalize—actually nonintoxicating. As the brewer well knows, a nonintoxicating beer would necessarily have to be a beverage so dealcoholized as to lack liquor habit-forming power. If it were not habit forming they would never expect to coin billions out of it and if it were not habit forming there would be no objection to it now or at any other time.

If the brewers did not hope to be granted the right to market beer containing sufficient alcoholic content to make their product a habit-forming intoxicant, there would be no propaganda on its behalf.

Everything depends then, so far as the brewers' expectations go, upon legal sanction to sell a beverage, every drink of which will automatically create a thirst for more.

From the point of view of legitimate business, therefore, could there be anything more absurd than such a proposal of the brewers and their apologists?

The great need of America to-day in emerging from the present depression is the strengthening of constructive industry, which self-evidently means every kind of trade, craft, or business that not only gives value for value received but aids in promoting demand for other legitimate products and adds to the well-being of society.

In these three essentials the beer trade, legal or illegal, fails completely.

Let us look for a moment at the specious claim that to relegalize beer would promote the return of prosperity.

Relegalized beer, so they say, would immediately mean reemployment for many thousands; would reestablish a market for millions of bushels of grain; would help the cooper, the bottle maker; would increase the demand for coal, power, and transportation; would prove a boon to real estate and advertising.

All of these much-advertised prospective benefits of a reestablished beer trade fade into unsubstantial illusion and mirage when viewed in the light of the unavoidable industrial damage done by the traffic under all conditions.

Under old license conditions there was a continuous army of millions of men wholly or partially incapacitated by beer and other liquors, their labor efficiency reduced, their economic standing imperiled or destroyed, as victims of the habit-forming appeal of the legalized liquor shop. Under the reestablishment of the beer trade, that army would once more be rapidly recruited.

So far as the farmer is concerned, facts show that prohibition has benefited him in many concrete ways. For example, in a single expanding field since the beer trade and the liquor traffic were legally banned, the demand for dairy products alone now require the production of more than three times as much grain as was used by the entire liquor traffic in its most prosperous days.

Instead of prohibition dealing a blow to the barley farmers of the country, the production of that grain alone has increased from 256,225,000 bushels in 1918, the highest preprohibition point of production, to 325,893,000 bushels in 1930, requiring for its growth 12,437,000 acres, as compared with 9,470,000 acres in 1918, the highest average before national prohibition.

As far as legitimate business is concerned, consider a few facts. From 1917 to 1929 (for 10 years under the eighteenth amendment) the per capita consumption of milk increased from 754.8 pounds to 997.5 pounds.

Another even more significant fact is the growth of the soft drink business during the past decade. The total value of soft drinks produced in 1930 is estimated by the Association of American Bottlers of Carbonated Beverages as $625,000,000, a production increase of 100 per cent since 1922.

BEER AND THE AUTOMOBILE

The automobile industry is best gaged by the fact that the registration of automobiles has grown from 9,232,000 in 1920 to 25,814,103 in 1931. During that time the production of inexpensive cars has advanced from 59 per cent of the total production in 1920 to more than 83 per cent of the total production of 1930, an actual production of 26,180,346 low-priced cars in the 11 years, 1920 to 1930.

The owners of these low-priced cars are, for the most part, to be found naturally among the 68 per cent of the people whose annual income is $5,000 or less. And it is from this more than two-thirds of the American people that the brewers must expect the larger part of their prospective income were beer relegalized.

Similarly, since prohibition was enacted, the movie theater business has grown from a baby industry to one whose returns now exceed $1,500,000,000 annually.

The assets of the building and loan associations since the adoption of the eighteenth amendment have grown from $20 to $67 per capita at the last report, in 1928, while memberships in these associations have increased from 41 to 100 per 1,000 population. Meanwhile savings deposits show a growth from $144 to $233 per capita, while life insurance in force has grown from $342 per capita in 1921 to $858 in 1929.

The difference in many other lines is marked, and all these figures to a large extent afford a significant explanation as to why millions of unemployed have been able to endure the present depression with less distress than in previous similar periods.

If the beer trade and liquor traffic had been legalized during all three years and were now competing with business in the old and flagrant way of license days, our industrial conditions would be far more critical than they are.

The conclusion of our discussion may be summed up in brief as follows:

(1) Relegalizing beer would simply afford Government sanction and protection to what was always in license days a dangerous competitor for the people's dollar in all legitimate industry.

(2) The "demand" for beer and alcoholic beverages was always in the old days to a large extent the result of artificial stimulations of open sale, advertising, and Government sanction.

(3) According to all estimates, there has been a startling drop in beer production and consumption under prohibition as compared with the heyday of liquor prosperity.

(4) Relegalizing beer would be a costly means of "priming" the pump of prosperity, because it would immediately and damagingly affect legitimate business in the process.

(5) Local industry and, per se, national industries directly represented by these local outlets always suffer, both directly and indirectly, by the open competition of beer and the liquor industry.

(6) The beer now sought to be relegalized by the brewers and their champions is both patently and essentially an intoxicating beverage, as a nonintoxicating beer would necessarily have to be a beverage so dealcoholized as to lack habit-forming power, and therefore lack the element of superprofits for the makers.

(7) The great economic need in hastening the return of prosperity is the promotion of constructive industry and a more intelligent and effective support of the Government's able and unfaltering administration of prohibition.

I believe it is the duty and the plain common sense of all thoughtful American business executives and industrial leaders to stand as one man against these insidious bribes of an outlawed and discredited traffic and rather point the way, not back to the economic and destructive period of license but forward to a saner and more adequate State and local administration of our beneficent prohibition legislation.

In my opinion, the eighteenth amendment should be supported by American industry as a reasonable industrial safeguard and legislative advance that, given necessary time, will help to lift our Nation economically and socially to more efficient bases of commerce and ultimately higher standards of living.

Sincerely,

RICHARD H. SCOTT,
*President American Business Men's Prohibition Foundation.*

PROGRAM OF NATIONAL ECONOMY LEAGUE RELATIVE TO VETERANS' BENEFITS

Mr. ASHURST presented a resolution adopted by Morgan McDermott Post, No. 7, American Legion, of Tucson, Ariz., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas under recommendations of the Economy League Federal aid to veterans' widows, and orphans in the State of Arizona would be reduced annually approximately $5,459,922, or 80 per cent of the total expenditure, which was $6,824,903 in the year 1932. Elimination of this amount would increase local and State taxes fully 20 per cent and, in addition, place a heavy burden on local and State charity organizations if the league's program as recommended is adopted; and

Whereas the burden of hospital care and compensation is now borne by the Federal Government and, of course, the cost comes out of Federal income derived from big incomes, which is just and proper, and is a moral obligation of the Federal Government for which these ex-service men served in a great emergency, and the burden should not be shifted to the shoulders of the property owners who pay local and State taxes; and

Whereas the veterans affected are mostly either bed-ridden or unable to follow continuously a substantially gainful occupation it would be practically compulsory for the cities, counties, and State to provide them with proper hospitalization and the necessities of life; and

Whereas the National Economy League's program recommends that all veteran activities be conducted at one office in Washington, which, if accomplished, would eliminate the branch of the Veterans' Administration in Phoenix, thereby depriving worthy veterans of the prompt, essential, and beneficial care and relief now given them by that office: Therefore be it

*Resolved*, That we, the members of Morgan McDermott Post, No. 7, American Legion, Tucson, Ariz., in regular session assembled on this 2d day of February, 1933, hereby respectfully request that Hon. HENRY F. ASHURST read this resolution before the Senate of the United States and insert the same in the CONGRESSIONAL RECORD.

Attest:

SAMUEL H. FOWLER, *Commander.*
CECIL H. CLARK, *Adjutant.*

PRICE OF ROYALTY OILS IN WYOMING

Mr. KENDRICK. Mr. President, I have here a joint resolution passed by the Wyoming Legislature. It has to do with the prices now being paid in Wyoming for royalty oils, both Federal and State. It is in the form of an appeal to the Secretary of the Interior to exercise such influence as he may to induce the operators and refiners either to pay a better price for these royalty oils, in which both the Federal

Government and the States are interested, or to exercise every consistent authority he has in reducing the production in those fields.

The VICE PRESIDENT. The joint resolution will be printed in the RECORD.

The joint resolution was referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of Enrolled Joint Resolution No. 5, Senate, Twenty-second Legislature of the State of Wyoming, being original Senate Joint Resolution No. 4, approved by the governor on February 4, 1933, at 4.50 p. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 6th day of February, A. D. 1933.

[SEAL.] A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

Resolution urging the necessary action by the Secretary of the Interior of the United States and the State Board of Land Commissioners of the State of Wyoming to establish an equitable basis and fair market value and price for the crude oil produced from Federal and State owned lands in the Salt Creek field, Natrona County, Wyo.

Whereas the act of Congress entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920, provided that 37½ per cent of the amounts derived from bonuses, royalties, and rentals received upon oil and gas leases granted by the United States of America shall be paid by the Secretary of the Treasury to the State within the boundaries of which the leased lands are located and 52½ per cent of such amount shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress; and

Whereas sections 78-402, Wyoming Revised Statutes, 1931, provides that the said moneys so received by the State of Wyoming from such royalties, bonuses, and rentals shall be utilized for the benefit of the schools, highways, university, and counties of this State; and

Whereas the development of the State of Wyoming requires the construction of additional reclamation projects within the State limits by the Federal Reclamation Service; and

Whereas the major crude-oil producing and purchasing companies operating in the Salt Creek field in Natrona County, Wyo., utilize their production in their own refineries; and

Whereas it would seem that the posted field price for the oil produced from such Salt Creek field is so low as to be unwarranted by the market price of its refined products; and

Whereas the basis for such reduction in the posted price is alleged to be in part the bootlegging of gasoline within the State of Wyoming and adjacent States; and

Whereas the production and sale of crude oil from the Salt Creek field at unwarrantedly low posted prices will cause a material reduction in the oil royalties to be received by the State of Wyoming and the Federal Reclamation Service; and

Whereas the creation of such low posted and market price for crude oil within the State of Wyoming by the companies which not only produce, purchase, and/or refine such oil but also pay taxes upon the value of such oil at an assessed valuation equal to the posted price, if unwarranted by the values and market prices of refined products obtained from such crude oil, is arbitrary in its nature and unfair in its results and reduces the taxable property valuation of the State, to the detriment of all other taxpayers whose property has not been and can not be likewise reduced; and

Whereas it is to the best interests of the Federal Government, of all States benefiting from the Federal Reclamation Service, and of the State of Wyoming to compel operators of leases in the Salt Creek field to keep the crude oil in the ground rather than produce and sell it at a price which is unwarranted; and

Whereas the State of Wyoming is the owner of a school section located in the said Salt Creek field, has leased said land to a major oil operating company, and is receiving royalty as the result of the operations and the producing of crude oil from said land: Now, therefore, be it

*Resolved by the Senate of the Twenty-second Legislature of the State of Wyoming (the House of Representatives concurring)*, That the Secretary of the Interior of the United States be, and he is hereby, requested and urged to take action forthwith under the leasing law of February 25, 1920, and the decision in the case of Wilbur, Secretary of the Interior, *v.* Texas Co. (40 Fed. Rept. (2d series) 787) to prevent the production and sale of oil from lands operated under Federal leases in the Salt Creek field at a price which is unfair to the Federal Government, the State of Wyoming, and all States benefiting from the Federal Reclamation Service; and be it further

*Resolved*, That the Board of Land Commissioners of the State of Wyoming be requested and urged to cooperate with the Secretary of the Interior of the United States for the purpose of obtaining a fair price for all production from said Salt Creek field through necessary action in relation to the production from its leased lands, even though such action may result in a radical curtailment of the production from that field until such time as the market price for the said crude oil is established upon a basis which is equitable to all those interested; and be it further

*Resolved*, That one certified copy of this resolution be forwarded to the President of the United States, one copy to the Secretary of the Interior of the United States, one copy to each member of the Board of Land Commissioners of the State of Wyoming, and one copy to each member of the Wyoming congressional delegation.

WM. M. JACK,
*Speaker of the House.*
ROY H. CAMERON,
*President of the Senate.*

Approved 4.50 p. m., February 4, 1933.

LESLIE A. MILLER, *Governor.*

BIMETALLIC CURRENCY

Mr. NORRIS. Mr. President, I present a resolution of the Senate of the State of Nebraska, which, under the rule, I ask may be read and appropriately referred.

The resolution was read and referred to the Committee on Finance, as follows:

Resolution respecting bimetallic currency

Whereas there is pending in the Congress of the United States a bill to establish a bimetallic system of currency, employing gold and silver, to fix the relative value of gold and silver and to provide for the free coinage of silver, and for other purposes; and

Whereas it is the sense of this senate that the needs of the citizens of Nebraska and of the United States will be best served under present economic conditions by some sound system of inflating the currency: Now, therefore, be it

*Resolved by the Senate of the State of Nebraska in Forty-ninth regular session assembled:*

1. That we hereby memorialize and petition the United States House of Representatives and the United States Senate to consider favorably the Wheeler bill (S. 2487) now referred to and in the hands of the Committee on Finance of the United States Senate to the end that relief may be afforded to those States of the Union in which silver is mined in order that price of silver may be normally stabilized; that the aspects of the silver question be dealt with in so far as legislation is concerned as a necessary commodity as well as a monetary problem.

2. That certified copies of this resolution be sent to the Vice President of the United States, the Speaker of the House of Representatives, and each of the United States Senators and Representatives from Nebraska.

Introduced January 12.
Adopted January 13.

MEXICAN MIGRATORY LABOR

Mr. NORRIS. Mr. President, I present another resolution of the Senate of the State of Nebraska, which, under the rules, I ask may be read and appropriately referred.

The resolution was read and referred to the Committee on Immigration, as follows:

Resolution, Mexican migratory labor (introduced by Senators McCarter and Van Kirk)

Whereas the regulations and the restrictions of aliens migrating from the Republic of Mexico into the State of Nebraska and surrounding States is a Federal problem; and

Whereas the Bureau of Immigration and Naturalization of the Departments of Labor and Commerce has been designated by Federal law with the duty of enforcing Federal statutes on the subject of alien immigration; and

Whereas all questions relating to the entrance of aliens into the United States and the restrictions upon their movements while within the United States have many times been held to be Federal problems and within the purview of the Federal Labor Department; and

Whereas Mexican migrants, constantly increasing each year in number, are each year, coming into the State of Nebraska and lowering the standard of living of our splendid citizens who are skilled and trained in connection with the production of sugar in the sugar-beet industry of the State of Nebraska; and

Whereas no legislation enacted by the State of Nebraska can ever be enacted which will bring relief to the great mass of our sugar-beet workers without remedial legislation by the Congress of the United States limiting the quota of the Republic of Mexico or by more general powers granted to the Bureau of Immigration and Naturalization: Now therefore be it

*Resolved by the Senate of the State of Nebraska in forty-ninth regular session assembled*, 1. That we hereby memorialize and petition the United States House of Representatives and the United States Senate to act favorably upon any proposed legislation which will restrict and limit the perennial influx of cheap Mexican labor which seek admission to the United States; and that at least during the present session of Congress that the Bureau of Immigration and Naturalization be directed to investigate ways and means of relieving Nebraska labor from competing with Mexican labor.

2. That a certified copy of this resolution be sent to the Vice President of the United States, the Speaker of the House of Representatives, and to each of the United States Senators and Representatives from Nebraska.

Introduced January 18, 1933.

Adopted January 20, 1933.

MEMORIALS OF THE LEGISLATURE OF IDAHO

Mr. BORAH. I present two memorials passed by the Legislature of the State of Idaho, which I ask may be printed in the RECORD and referred to the Committee on Finance.

The memorials were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho, and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constituted a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 4, enacted by the twenty-second session of the Legislature of the State of Idaho, and filed in this office the 3d day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 4th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial No. 4 (by Smith (Custer), and McAffee), A joint memorial to the honorable the Reconstruction Finance Corporation of the United States of America.

Received and filed February 3, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 4 (by Smith (Custer), and McAffee)

*To the honorable the Reconstruction Finance Corporation of the United States of America:*

We, your memorialists, the House of Representatives and the Senate of the State of Idaho, in legislative session assembled, most respectfully represent and petition as follows:

Whereas the future growth and prosperity of the south-central Idaho counties of Butte and Custer depend largely upon the action taken with regard to an application on file to borrow funds to purchase additional water for the lands in the valley proper; and

Whereas certain waters of Big Lost River are now made appurtenant to a Carey Act project contiguous to the lands supplied by natural-flow rights; and

Whereas it has been demonstrated for more than 12 years that diversion of this large quantity of water to the Carey Act project is detrimental to the prosperity of the people of Big Lost River Valley; and

Whereas the said condition can be remedied by purchase of the Carey Act project and its elimination from the irrigated area served by Big Lost River; and

Whereas the people of Big Lost River Valley have applied to the Reconstruction Finance Corporation for a loan with which to purchase the waters and storage rights of the Carey Act Co., and thereby eliminate from future competition of agriculture approximately 15,000 acres of land; and

Whereas Dr. Elwood Mead, Commissioner of Reclamation of the United States Department of the Interior, has made a personal inspection of the Big Lost River Valley irrigation system and has given his approval of the engineering feasibility of the plan; and

Whereas the application for a loan is now before the Reconstruction Finance Corporation; and

Whereas the twentieth session of the Idaho Legislature memorialized Congress to loan $500,000 to the settlers of Big Lost River for the purpose of acquiring the Carey Act rights, and therefore the plan has been officially indorsed: Now, therefore, be it

*Resolved by the House of Representatives of the State of Idaho (Senate concurring)*, That we most respectfully urge the Reconstruction Finance Corporation to favorably consider the application for a loan, so that the improvements above referred to may be accomplished; be it further

*Resolved*, That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to forward this memorial to the Reconstruction Finance Corporation, and that copies hereof be sent to the Senators and Representatives in Congress from this State.

This house joint memorial passed the house on the 30th day of January, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

This house joint memorial passed the senate on the 30th day of January, 1933.

GEO. E. HILL,
*President of the Senate.*

I hereby certify that the within House Joint Memorial No. 4 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,
*Chief Clerk of the House of Representatives.*

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 7, enacted by the twenty-second session of the Legislature of the State of Idaho and filed in this office on the 4th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 4th day of February, 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial No. 7 (by judiciary committee), to the honorable the Senators of the United States of America.

Received and filed February 4, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 7 (by judiciary committee)

To the honorable the SENATORS OF THE UNITED STATES OF AMERICA:

We, your memorialists, the Legislature of the State of Idaho, respectfully represent:

That relief through appropriate legislation must immediately be extended to those engaged in agriculture, to home owners, and to others who now find themselves in a condition, because of a depression which is not of their making, that they can not meet obligations that have been justly incurred and, through no fault of theirs, are about to lose the savings and accumulations of a lifetime;

That the relief that can be had under the proposed amendment to the national bankruptcy act recently passed by the House of Representatives of the Congress of the United States (H. R. 14359) will be more effective, more far-reaching, and more uniform in its operations than any relief that can be had through State legislation;

We would, therefore, most respectfully but earnestly urge your honorable body to promptly pass the proposed amendments to the national bankruptcy act, and we would urge that such action be taken at the earliest possible date, to the end that if relief in this national crisis can not be had through Federal legislation, that we may have time before the adjournment of our regular session to enact such State legislation, inadequate as it may be, to remedy a situation that seems to imperil our social and economic systems: Be it

*Resolved by the House of Representatives of the State of Idaho (the Senate concurring)*, That the secretary of State be instructed to send immediately by air mail copies of the foregoing memorial to the Vice President of the United States and to Senators WILLIAM E. BORAH and JOHN THOMAS.

This house joint memorial passed the house on the 3d day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

This house joint memorial passed the senate on the 3d day of February, 1933.

GEO. E. HILL,
*President of the Senate.*

I hereby certify that the within House Joint Memorial No. 7 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,
*Chief Clerk of the House of Representatives.*

RESOLUTIONS ADOPTED BY MASS MEETING OF CITIZENS OF TULSA, OKLA.

Mr. THOMAS of Oklahoma. Mr. President, on Monday night a thousand citizens of Tulsa, Okla., made up of bankers, business men, and real-estate men met in mass convention and adopted two resolutions. I present the first resolution, in the nature of a petition to Congress, and ask that it may be read at the desk.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The Chief Clerk read the resolution, as follows:

Resolution

*Be it resolved by this mass meeting of citizens of the city of Tulsa, Okla., duly assembled in the Convention Hall of said city,* That—

Whereas for many years there has been a shortage of money in circulation sufficient to carry the credit structure of the country and resulting in the inability of banks to carry a proper cash reserve; and

Whereas the situation has become more critical since credit has been demoralized; and

Whereas the relative value of the gold dollar, compared to commodities, has been increased from approximately 60 cents, when most of the existing debts were contracted, to $1.60, so that it now in effect takes $1.60 to pay a 60-cent debt; and

Whereas the present dollar is therefore a dishonest dollar, and the existing depression is a direct result of this fact, and the obvious remedy is to depreciate the value of gold to where it was when the debts were contracted which, under the natural law of supply and demand, can be done by lessening the demand for gold; and

Whereas we realize that one urgent need of to-day, in order to promote the general welfare, is a more plentiful supply of a cheaper, sound money, having, so far as is practicable, an intrinsic value 100 per cent of face, and depending as little as possible upon credit of Nation, bank, or individual, together with measures which will stabilize the relative value of the dollar to commodities; and

Whereas it has always been the declared purpose of the United States Government to adopt the free coinage of both gold and silver if same could be adopted by international agreement; and

Whereas practically all foreign nations have abandoned gold as a single monetary standard: Therefore be it

*Resolved*—

First. That we favor an expansion of the national currency, including the immediate remonetization of silver, and also favor the stabilization of commodity values, and, in this latter connection, we give our unqualified endorsement to the Rankin-Thomas bill.

Second. That instead of issuing tax-free short-term certificates of indebtedness for the necessary operating expenses, the Government issue United States notes in denominations of $5, $10, and $20.

Third. That all money issued by the United States Government shall be legal tender at face value for all debts—public and private—including duties on imports and interest on public debt.

Fourth. That a copy of this resolution be sent to Senators THOMAS and GORE and to Congressman DISNEY and other Representatives in Congress from this State.

Adopted unanimously at Tulsa, Okla., this 6th day of February, 1933.

Attest:

MERRITT J. GLASS, *Chairman of Meeting.*
C. C. ROBERTS, *Secretary.*

Mr. THOMAS of Oklahoma. I ask that the resolution just read may be referred to the Committee on Banking and Currency.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, it is so ordered.

Mr. THOMAS of Oklahoma. The second resolution which I present calls for two points to be considered by the Congress: First, that as to such foreclosure proceedings as are controlled by the Government, that is, under Federal land bank laws and the Federal home-loan bank system, and likewise the Reconstruction Finance Corporation, those agencies be requested and laws be passed, if necessary, to prevent the further institution of foreclosure proceedings upon their loans; second, that if foreclosure proceedings have been instituted they be withheld from further action. That is the first petition.

The second is that Congress take steps to influence the Comptroller of the Currency in the examination of national banks to cease his present policy of valuing stocks and bonds offered for collateral at their present market value and ask that the comptroller be instructed to have values placed upon such stocks and bonds at their actual value rather than their market value.

I ask that this resolution may be printed in the RECORD in full and referred to the Committee on Banking and Currency.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Resolutions (by R. W. Kellough)

*Be it resolved by this mass meeting of citizens of Tulsa, Okla., duly assembled in the Convention Hall of said city,* That Senator ELMER THOMAS and Senator T. P. GORE and Congressman W. E. DISNEY are hereby requested to immediately take steps to obtain orders from the proper Government authorities directing that all banks, insurance companies, building and loan companies, or other institutions which have borrowed, or are attempting to borrow, funds from the Reconstruction Finance Corporation, or from any other department of the Federal Government, including the Federal home-loan bank, shall not institute any foreclosure suits, and if they have already commenced any that no further proceedings be taken therein; and be it further

*Resolved,* That these Senators and Congressman are hereby requested to immediately, in their official capacities, request the President, the Secretary of the Treasury, and the Comptroller of the Currency that proper orders be issued to all national banking institutions and their subsidiaries directing that no foreclosure proceedings be commenced and that no further proceedings be taken in those already begun; and be it further

*Resolved,* That Senator THOMAS and Senator GORE and Congressman DISNEY are further requested to immediately take steps to obtain from the President and the Secretary of the Treasury and the Comptroller of the Currency orders directing all examiners of national banks and their affiliated, subsidiary, or allied companies to immediately and henceforth disregard the quotations of the New York Stock Exchange on all stock lodged in such institutions as collateral on loans therein, and to value such collateral at its actual value as shown by the last financial statement of the corporation issuing such stock held as collateral; and be it further

*Resolved,* That a copy of this resolution, signed by the chairman of this meeting, be sent to each, Senator THOMAS, Senator GORE, and Congressman DISNEY.

Dated this 6th day of February, 1933.

Passed and approved this the 6th day of February, 1933.

MERRITT J. GLASS, *Chairman.*

Attest:

C. C. ROBERTS, *Secretary.*

ADVANCE PLANNING OF PUBLIC WORKS

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a bill introduced in the Legislature of the State of California providing for the advance planning of public works so that public works may be accelerated in times of depression and retarded in normal times. The reason I make this request is because the action is modeled after the one which Congress enacted two years ago as a national policy for the advance planning of public works.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Assembly bill No. 892, introduced by Mr. Dempster, January 24, 1933; referred to committee on unemployment

An act to amend the title of and to revise an act entitled "An act to provide for the extension of the public works of the State of California during periods of extraordinary unemployment caused by temporary industrial depression, and regulating employment therein, and authorizing the board of control to enforce the provisions hereof; and repealing all acts inconsistent with the provisions hereof," approved May 26, 1921, relating to advance planning and long-range budgeting of public works

The people of the State of California do enact as follows:

SECTION 1. The title of the act cited in the title hereof is hereby amended to read as follows: "An act to provide for advance planning and longe-range budgeting of public works by the State as a means of furnishing employment during periods of depression, and making an appropriation therefor."

SEC. 2. Said act is hereby revised to read as follows:

"SECTION 1. There is hereby created a board to be known as the public works planning board, to be composed of 7 members, 3 to be appointed by the governor and to hold office at his pleasure and 4 to serve ex officiis. Such ex efficiis members shall be the director of finance, who shall serve as chairman, the director of public works, the director of social welfare, and the director of industrial relations. The members of the public works planning board shall receive their actual and necessary expenses incurred in the performance of their duties.

"SEC. 2. The board shall appoint and fix the salary of a qualified administrator who shall be exempt from civil service, and, subject to civil-service regulations, such a staff of technical assistants and such other employees as the work may require.

"SEC. 3. For the purposes of this act, and except as the context otherwise requires, "construction" means and includes (1) all physical improvements paid for in whole or in part by public funds; (2) maintenance, repairs, and alterations paid for in whole or in part by public funds; (3) the purchase of such materials, supplies, and equipment as is necessary as a part of or incident to construction, as herein defined; and (4) the hiring of such services as is necessarily incident to construction as herein defined.

"SEC. 4. The public works planning board shall have the following functions:

"(1) To prepare a 10-year construction program for all State public works, coordinating the construction plans of the various State departments, such program to include a tentative assignment of each project to a given year.

"(2) To administer the 10-year construction program in such manner as to restrain construction of public works during years of active business conditions and employment, and to accelerate such construction during years of depressed business conditions.

"(3) To modify said program at the end of each biennium, adding projects for two additional years, or for such number of years as may be necessary to insure that there shall be at all times a construction program planned 10 years in advance.

"(4) To approve each construction program prepared by a State department before funds are made available for its consummation.

"(5) To require the various State departments to have on hand detailed plans for construction projects one year in advance.

"(6) To promote among the municipalities, counties, and other political subdivisions of the State the formulation of programs for the advance planning of public works.

"(7) To stimulate the construction of State, county, and municipal public works projects during the present and future periods of widespread unemployment.

"(8) To report biennially to the governor and legislature upon its activities, the construction program in process and contemplated.

"SEC. 5. For the purpose of properly timing public works, with a view to restraining such works during periods of prosperity and accelerating such works during periods of slack economic activity, the public works planning board shall have power and authority to secure information and data from any State department or official, to take steps to expedite the completion by the various State departments of their plans and programs for construction work, to amend, revise, approve, or reject the construction programs; and to determine what part of the construction program assigned to a given year shall be withheld until a later year or advanced to an earlier year. Such determination shall bind all parties involved therein.

"SEC. 6. As a means of aiding in the prevention of unemployment during periods of business depression, the board may direct the acceleration during such periods, to such extent as practicable, of the approved programs.

"The initiation of such accelerated program of public works shall be at the discretion of the public works planning board. In taking such action, the board shall be guided by the employment and pay roll indexes of the State department of industrial relations and by other suitable indexes of economic trends and by such other information of any character as it may consider pertinent.

"Whenever in the judgment of the board, based upon the best information available, a period of depression and unemployment is developing within the State, it shall authorize the initiation of the accelerated program of public works. Immediately thereafter the board shall determine the projects to be undertaken in addition to those authorized for the current year, and shall notify the various State departments to proceed immediately with the construction thereof.

"SEC. 7. The public works planning board shall prepare and submit to the fifty-first regular session of the legislature recommendations as to what methods of financing should be employed by the State to make effective the purpose of advance planning and long-range budgeting of State public works contemplated in this act.

"SEC. 8. It is hereby declared to be the policy of the State to arrange the construction of State public works, so far as practicable, in such manner as will assist in the stabilization of industry and employment through the proper timing of such construction, and that to further such policy there shall be advance planning and long-range budgeting of public works by the public works planning board and by the various departments of the State.

"SEC. 9. Each State department having charge of construction work shall have the following functions in connection with the program of advance planning and budgeting:

"(1) To prepare a 10-year construction program containing a tentative assignment of each project to a certain year, and including an estimate of the cost of each project, the estimated cost of land and of new construction to be shown separately for each item.

"(2) To submit such program to the public works planning board for revision or approval, when so required by said board.

"(3) To submit to the public works planning board, at the end of each fiscal year, proposed amendments and additions to the 10-year program.

"(4) To prepare and submit to said board detailed construction plans for projects one year in advance of the time proposed for their initiation.

"SEC. 10. There is hereby appropriated from any money in the State treasury not otherwise appropriated, the sum of $25,000 to be expended in accordance with law by, and for the expenses of, the public works planning board for the eighty-fifth and eighty-sixth fiscal years."

## REPORTS OF COMMITTEES

Mr. HALE, from the Committee on Appropriations, to which was referred the bill (H. R. 14363) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1934, and for other purposes, reported it with amendments and submitted a report (No. 1183) thereon.

Mr. KING, from the Committee on Immigration, to which was referred the bill (H. R. 8174) to exempt from the quota fathers and mothers over 60 years of age of United States citizens, reported it with amendments and submitted a report (No. 1179) thereon.

Mr. GRAMMER, from the Committee on the District of Columbia, to which was referred the bill (S. 5224) to regulate the bringing of actions for damages against the District of Columbia, and for other purposes, reported it with an amendment and submitted a report (No. 1180) thereon.

He also, from the same committee, to which was referred the bill (S. 5436) to amend section 653 of the Code of Law for the District of Columbia, reported it without amendment and submitted a report (No. 1181) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 4871) to amend the teachers' salary act of the District of Columbia, approved June 4, 1924, as amended, in relation to establishing the Wilson and Minor Teachers Colleges on a basis comparable with recognized standards for accredited institutions of like kind, to raising the trade or vocational schools to the level of junior high schools, and for other purposes, reported it with amendments and submitted a report (No. 1182) thereon.

He also, from the same committee, to which was referred the bill (S. 5053) to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia, reported it without amendment and submitted a report (No. 1186) thereon.

Mr. GLENN, from the Committee on Claims, to which was referred the bill (S. 4993) for the relief of C. J. Mast, reported it without amendment and submitted a report (No. 1185) thereon.

Mr. SMITH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 5548) for the relief of George Brackett Cargill, deceased, reported it with an amendment and submitted a report (No. 1187) thereon.

Mr. McGILL, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9326) for the relief of John E. Davidson, reported it with an amendment and submitted a report (No. 1188) thereon.

Mr. SWANSON, from the Committee on Naval Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 792. An act for the relief of William Joseph Vigneault (Rept. No. 1189); and

H. R. 6409. An act for the relief of William Joseph LaCarte (Rept. No. 1190).

Mr. DAVIS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 1936) for the relief of Sydney Thayer, jr., reported it with an amendment and submitted a report (No. 1191) thereon.

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 7263. An act for the relief of Felix Maupin (Rept. No. 1192); and

H. R. 9355. An act for the relief of David Schwartz (Rept. No. 1193).

Mr. SHORTRIDGE also, from the Committee on Naval Affairs, to which was referred the bill (H. R. 7548) granting six months' pay to Ruth McCarn, reported it without amendment and submitted a report (No. 1194) thereon.

Mr. SCHUYLER, from the Committee on Naval Affairs, to which was referred the bill (S. 4203) for the relief of William James Waters, reported it without amendment and submitted a report (No. 1195) thereon.

Mr. METCALF, from the Committee on Naval Affairs, to which was referred the bill (S. 2008) for the relief of Maurice M. Keleher, reported it with an amendment and submitted a report (No. 1196) thereon.

Mr. FRAZIER, from the Committee on Indian Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 5525. An act to extend temporary relief to water users on irrigation projects on Indian reservations, and for other purposes (Rept. No. 1197); and

H. R. 12651. An act for the relief of the Uintah, White River, and Uncompahgre Bands of Ute Indians of Utah, and for other purposes (Rept. No. 1200).

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 5576. An act to authorize the creation of an Indian village within the Shoalwater Indian Reservation, Wash., and for other purposes (Rept. No. 1198); and

H. R. 11735. An act to permanently set aside certain lands in Utah as an addition to the Navajo Indian Reservation, and for other purposes (Rept. No. 1199).

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on to-day, February 10, 1933, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 221. An act authorizing adjustment of the claim of the Wilmot Castle Co.;

S. 968. An act for the relief of certain employees of the Forest Service, Department of Agriculture;

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; and

S. J. Res. 167. Joint resolution to carry out certain obligations to certain enrolled Indians under tribal agreement.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 5612) to provide for the selection of certain lands in the State of California for the use of the California State park system; to the Committee on Public Lands and Surveys.

By Mr. KENDRICK:

A bill (S. 5613) to provide for the granting of public lands to certain States for the elimination of lands from national forests, parks, reservations, and withdrawals in connection with such grants, and for other purposes (with accompanying papers); to the Committee on Public Lands and Surveys.

By Mr. KING:

A bill (S. 5614) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund; to the Committee on Irrigation and Reclamation.

By Mr. TYDINGS:

A bill (S. 5615) authorizing and directing the Secretary of War to issue to the Maryland National Guard certain property and supplies to replace that which was destroyed by fire; to the Committee on Military Affairs.

By Mr. WALSH of Massachusetts:

A bill (S. 5616) to incorporate the National Society of Women Descendants of the Ancient and Honorable Artillery Company; to the Committee on the Judiciary.

A bill (S. 5617) to place William H. Clinton on the retired list of the Navy; to the Committee on Naval Affairs.

By Mr. NEELY:

A bill (S. 5618) granting a pension to Rebecca Swisher Boyd; and

A bill (S. 5619) granting a pension to Fred Hodgkiss; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 5620) to authorize the payment of the expenses of prosecuting claims against the United States by the Kiowa, Comanche, and Apache Tribes from the tribal fund of such tribes, and for other purposes; to the Committee on Indian Affairs.

By Mr. SMOOT:

A bill (S. 5621) granting a pension to Susan Turner (with accompanying papers); to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 5622) providing for an alternate budget for the Indian Service, fiscal year 1935; and

A bill (S. 5623) referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and settlement; to the Committee on Indian Affairs.

FEDERAL-AID ROAD CONSTRUCTION—AMENDMENT

Mr. ODDIE. Mr. President, I send to the desk an amendment to House bill 14416, the Federal gasoline tax bill. My amendment consists of the Federal-aid road bill which passed the Senate last June.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

BOARD OF COTTON SUPPLY CONTROL, ETC.—AMENDMENT

Mr. BANKHEAD submitted an amendment intended to be proposed by him to the bill (H. R. 13991) to aid agriculture and relieve the existing national economic emergency, which was ordered to lie on the table and to be printed.

AMENDMENT TO STATE, JUSTICE, ETC., APPROPRIATION BILL

Mr. SHEPPARD submitted an amendment intended to be proposed by him to House bill 14363, the State, Justice, Commerce, and Labor appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 27, line —, to insert between the words "amended and supplemented" and before the words "*Provided further,*" the following: "Unless such wire tapping in each case shall have been previously authorized by the Assistant Attorney General of the United States in charge of prosecutions of violations of the national prohibition act, as amended and supplemented."

FIXING OF CERTAIN GRAZING FEES

On motion of Mr. STEIWER, the joint resolution (S. J. Res. 219) authorizing the fixing of grazing fees on lands within national forests (introduced by Mr. CAREY and Mr. STEIWER on December 17, 1932) was taken from the table and referred to the Committee on Agriculture and Forestry.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who announced that the President had approved and signed the following acts:

On February 7, 1933:

S. 284. An act for the relief of William B. Thompson;

S. 2982. An act for the relief of J. G. Seupelt; and

S. 3147. An act for the relief of Anna Pokorny.

On February 8, 1933:

S. 243. An act for the relief of S. F. Stacher.

On February 9, 1933:

S. 2200. An act to authorize the presentation of a medal of honor, posthumously, to the late Henry Clay Drexler and the late George Robert Cholister;

S. 4509. An act to further amend the act approved February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; and

S. 5357. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near Astoria, Oreg.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BYRNS, Mr. ARNOLD, Mr. LUDLOW, Mr. WOOD of Indiana, and Mr. THATCHER were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR of Colorado, Mr. HASTINGS, Mr. GRANFIELD, Mr. MURPHY, and Mr. FRENCH were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 13872) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BUCHANAN, Mr. SANDLIN, Mr. HART, Mr. SIMMONS, and Mr. SUMMERS of Washington were appointed managers on the part of the House at the conference.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution and they were signed by the President pro tempore:

H. R. 14228. An act to change the name of "Roosevelt Island" to "Theodore Roosevelt Island"; and

H. J. Res. 565. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

RELIEF OF COTTON FARMERS

Mr. SMITH. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial appearing in the State, of Columbia, S. C., in reference to the substitution of certain cotton in lieu of production, and also certain telegrams relating to the same subject.

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial and telegrams are as follows:

[From the State, Columbia, S. C., February 8, 1933]

LACK OF LEADERSHIP IN WASHINGTON—WHY NOT REVERT TO SENATOR SMITH'S PLAN?

More distressing than the allegation that many Congressmen are crooks is the present seeming lack of leadership in Washington. The charge of corruption can be heavily discounted, but the charge of futility seems only too true.

The disagreements, the inability to agree among even those Democrats upon whom dependence is generally placed, are far from cheering. Are these jealousies aroused over "plans"? Does one decline to give study to a plan of which he does not happen to be the father? Why can not something be done for agriculture now? Why wait for the extra session, when those who will direct legislation then are now in Congress?

Ninety million dollars has been made available for borrowers of money with which to buy seed, but so far as the South is concerned, two things are vital: One is to obtain wider world markets for cotton; but that will require time and cooperation of statesmanship. The other is to insure against a cotton crop in 1933 which will cause the existing surplus to continue or be increased. This can be provided for immediately.

The one practical plan to this end is Senator E. D. SMITH's plan promulgated 18 months ago. Why? Because under it it was proposed the Government would purchase some millions of bales of cotton at prevailing prices, and give cotton farmers who abstained from planting or who planted only enough to enable their tenants to keep going, a contingent ownership in that cotton bought and held by the Government.

Under that plan if a farmer cut his production, say 100 bales, and because of the general reduction of several million bales in the crop, prices advanced, that farmer would have the privilege of buying from the Government at cost of the year before 100 bales, and of enjoying the profit on said increase in price. He risked nothing.

That direct, personal interest in wiping out the cotton surplus would give every grower who signed up to reduce his acreage, a direct interest in general reduction. That interest would take the form of exercising a moral influence upon his neighbors. Bankers and supply houses and business generally would have the same incentive in curtailment.

Voluntary promises to reduce are worth less than nothing. That has been demonstrated time and again. The farmer must be able to see where he can have cotton to sell at a profit when he plants no cotton. That is what the Smith plan revealed to him.

Why not try the Smith plan? If producers have already sold their cotton, why not use part or all of the 3,500,000 bales now held by the Government to carry out the Smith plan? Hold it for the benefit of the farmers who cut production by that quantity!

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LAGRANGE, GA.

Senator E. D. SMITH,
*United States Senate:*

Entire South is behind you in your efforts to save the southern cotton farmer, and we strongly indorse your bill. Please urge Agricultural Committee to report this out favorably at once, so that you can get it through Congress in time to save not only the southern cotton farmer but the entire South.

C. A. COBB,
*Editor Progressive Farmer and Southern Ruralist.*

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ATLANTA, GA., *February 8, 1933.*

Senator ELLISON D. SMITH,
*Care Senate Agricultural Committee, in Session:*

Have carefully analyzed Smith cotton bill, now in committee, and believe it will save this year's cotton crop and be the salvation of cotton producers, therefore urge its approval by the committee without delay.

H. LANE YOUNG,
*Chairman Agricultural Commission,*
*American Bankers Association.*

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CHARLESTON, S. C.

Hon. E. D. SMITH,
*United States Senator:*

Your cotton bill, as reported in to-day's paper, if enacted, will unquestionably in our opinion bring about the desired result, particularly to the producer. It is far-reaching and easily workable. It is the only proposition we have seen which is feasible and is ultimately of benefit to all interests directly and indirectly connected with cotton.

JOHN F. MAYBANK & CO.

INTERGOVERNMENTAL DEBTS

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD two editorials dealing with the subject of intergovernmental debts which appeared, respectively, in Collier's magazine in the issues of January 7 and 21, 1933.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From Collier's, January 7, 1933]

MAKE SELFISHNESS PAY

Get the facts straight about the war debts and we won't have much trouble finding the right answer.

Both political parties in their platforms demanded payment and opposed cancellation. To agree to cancellation or even reduction would be unpopular. This is the fact with which both Congress and the President must deal.

Another fact is that our own self-interest is going to determine our policy. Self-interest, not humanitarianism, generosity, or anything else, is going to rule. Self-interest, however, can be enlightened and intelligent.

We loaned the Allies about $10,000,000,000 to pay for food, munitions, clothing, and other things connected with the World War.

All of our creditors except Russia and Armenia have signed agreements to pay.

Between 1923 and 1926, through a reduction of interest rates, debts owed us were in effect reduced by about 51 per cent.

Payments were suspended June 30, 1931, by the Hoover moratorium. The first deferred payments came due December 15 last.

Of all our creditors the British owe the largest sum. The December 15 payment was scheduled at $95,500,000. The total due from Great Britain was $3,788,500,000.

Her payments were to be made during 62 years in annual installments ranging from $159,940,000 to $187,350,000.

The British and other nations borrowed commodities, not gold. Wheat and cotton, munitions, and manufactured products were shipped abroad.

The debt agreements call specifically for payment "in United States gold coin of the present standard of weight and fineness or its equivalent in gold bullion" or in United States bonds.

The world supply of gold at the end of last October amounted to $11,696,000,000. Of this the United States held $3,818,000,000.

Obviously, therefore, the amount of gold outside the United States—$7,878,000,000—is less than the sum of the war debts owed us.

If we demanded and got all the gold in the world, the war debts would still be unpaid.

The British Government had a total of $678,000,000 in gold at the end of September. If we took all the British gold, our debt would be paid less than 20 cents on the dollar.

Obviously payment can not and will not be made in gold. The necessary gold supply does not exist.

The only possible way by which payments could be made is through imports of commodities and services.

We don't want any nation to return to us wheat, cotton, munitions, or any of the other commodities we loaned them. We erected tariff barriers, very high tariff barriers, for the precise purpose of keeping foreign goods out of the United States.

So the situation comes down to this: The debts can't be paid in gold. We won't accept payment in goods. Still we insist that payment must be made.

Plainly we are in a blind alley. Politically we insist upon a policy which practically is impossible of fulfillment.

It is easy to understand the politicians' difficulty. The debts owed us are represented by United States bonds. The bonds must be redeemed by taxes. If foreigners don't pay, Americans must. There's the rub.

But foreigners can not pay with anything we are willing to accept. Consequently the bare fact is that the greater part of the debts will not be paid. Annoying, but simple arithmetic.

What course, then, does our self-interest suggest in these circumstances? Shall we force our debtors to scrape the bottom of the cash box and give us all they have?

They might default, but assuming that they were willing to strip themselves clean of gold, would it profit us to take the last ounce?

Certainly not. The less gold a nation has the less valuable its currency becomes and the more disturbing it is to the well-being of other nations.

Have you thought about the recent great expansion in exports from Japan, not only to the United States but elsewhere?

The explanation is very simple: The Japanese yen is ordinarily worth 50 cents. Likely it went below 20 cents. With the yen at 20 cents, tariffs were not high enough to restrict Japanese imports.

Take the gold reserve vitally needed by Great Britain and at once the pound will drop in value. Directly and indirectly every class of Americans will be hit.

A hundred years ago Great Britain stood where we stand. Great Britain financed the wars against Napoleon. The Napoleonic war

loans were largely written off because the British decided it was more profitable to forgive the debts than to accept payment.

We shall serve ourselves best if with all possible expedition we negotiate new agreements in tune with these times.

The President and the Congress who have the courage to put national interest above political fears will deserve well of this Republic. In the long run we tend to get what we deserve.

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[From Collier's, January 21, 1933]

LET'S PARK OUR PREJUDICES

More than a hundred years ago a group of New Yorkers wanted to establish a bank. Banks were few and unpopular.

So the legislature was persuaded to grant a charter authorizing the establishment of a water company. The water company was, incidentally, empowered to carry on a banking business. Thus secretly was founded one of the oldest and most reputable banks in the United States.

This little episode is typical of our history. Throughout our life as a Nation we have tried by prejudice and by law to forbid and to prevent natural economic development.

We tried, both through Federal and State laws, to prevent the establishment of corporations. So widespread was the feeling against corporations that Illinois forbade their owning land except as safe-deposit institutions. Consequently, any corporation which wanted to buy land had merely to qualify as such.

In endless other ways we have tried vainly to dam the currents of economic change.

When we reconciled ourselves to the existence of small corporations we decided to outlaw large ones. Thus we got our antitrust laws. Only the mentally blind, deaf, and dumb imagine that purpose was accomplished.

In spite of every political prejudice and every hostile act of legislation, more than any other people we transact our business through corporations. During a century and a half we have shown ingenuity enough to circumvent any impracticable law we were foolish enough to enact.

We are not unique in this. When Diaz was overthrown and Mexico was arranging a new constitution a delegate proposed a thoroughly foolish financial plan.

Another delegate argued that the suggestion was impossible since it violated the economic principle known as Gresham's law. Gresham's law is merely the observation that bad money drives out good, that people conceal and hoard gold if irredeemable paper is circulating.

The Mexican advocate of bad money was not stopped. He merely said, "repeal Gresham's law."

It sounds silly when a foreigner says it, but we, too, have tried to repeal habits and customs and instincts by an act of legislation. The eighteenth amendment is a hollow monument to futility.

We face many issues to-day which we are trying to settle with our prejudices and emotions rather than by a cool and intelligent consideration of the facts.

Congressmen, for example, are talking about the necessity of making money cheap because the farmer needs help.

Of course the farmer needs help. It is also true that from the days of Daniel Shays onward during the last 146 years rural politicians have cast sheep's eyes at cheap money.

We are not going to debase the American dollar. Our own self-interest will step forward, regardless of what laws we pass, and stop the process. Lots of good time and energy can, however, be wasted in pursuit of this false hope.

On the foreign front both we and the French, for that matter, have done more feeling than thinking about war debts.

We have never taken the pains to discover just what sort of settlement would benefit us most. "They hired the money, didn't they?" has been repeated as a complete summary of practical wisdom on this subject. As a matter of history, the answer is "No." They didn't hire the money. They hired munitions, food, and many other commodities but not the money.

Not that this matters now. It does matter, however, that at no time since the armistice has any convincing political leader had the wit or the courage to talk frankly to the American people concerning our own interest in these matters.

Two men, Senator BORAH and ex-Gov. Alfred E. Smith, did speak out last summer. But other matters diverted their attention, and nothing more was done.

What we want is not another political settlement dictated by prejudice and possibly in anger, but a clear-headed, discerning policy which projects a course that actually can be followed.

As to war debts, we say "let the foreigner pay." As to taxes, it is good political talk to say "soak the rich." All right in both instances, but only as far as it is practicable.

We seem to have reached the limit so far as the rich are concerned. Increased levies yield decreasing returns because the incomes are not there to be taxed. The money will have to come from other sources.

We shall unquestionably muddle through these difficulties even though we continue to refuse to think about them. There is enough strength and resource in this country to guarantee the future, whatever we do or neglect to do.

But we can hasten the time of recovery immeasurably if for once in our history we lay aside partisanship, prejudice, and claptrap and focus all the intelligence we possess and can employ upon the large matters immediately in front of us. We face no difficulty which we lack the mind to solve if only we are willing to work our minds and rest our prejudices.

EQUALIZATION OF TARIFF DUTIES

Mr. HULL. Mr. President, I ask permission to insert in the RECORD a few extracts from the recent testimony of Chairman Robert L. O'Brien, of the Tariff Commission.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. ROBERT L. O'BRIEN, CHAIRMAN, UNITED STATES TARIFF COMMISSION, BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, WHICH HAD UNDER CNSIDERATION EQUALIZATION OF TARIFF DUTIES BY COMPENSATING FOR DEPRECIATION OF FOREIGN CURRENCIES, ON THURSDAY, FEBRUARY 2, 1933

I have a clipping in my pocket which I think has appeared in your record on the situation in Holland, which is so clear as it relates to this bill that it ought to be repeated.

The legislative body in Holland asked the Finance Minister what were the advantages of depreciated currency, or of Holland's going off the gold standard. This Finance Minister said that they were partly illusory and partly temporary, and those that were not temporary were illusory and those that were not illusory were temporary.

That is the whole story, as it can be demonstrated very conclusively.

The two sets of bills here that are under consideration—the old Hawley bill and the Hill bill, and perhaps others—rest upon the illusion that you create an advantage by changing the measure of value.

The new Hawley bill, which has quite a little support—it has many merits and some defects—addresses itself to the temporary character of the thing. In other words, we want to keep squarely in mind the difference between the temporary side of this thing and the illusive or delusive side.

I was talking the other night with a man, a Republican who had served with honor and distinction on this committee, and had gone to even higher honors, who told me that this general currency-depreciation legislation reminded him of the man who had a fever. The doctor put a clinical thermometer under his tongue and it came out 105. The doctors and all present held up their hands in horror. "This man is terribly sick." Said a man in the room, "I will fix that all right." He had a clinical thermometer in the process of making, upon which the graduations had not been put. He marked some new graduations on it, stuck it under the man's tongue, and brought out that the man's temperature was 98.6. "He is well; his fever is gone."

Now, that is the picture. That is what might be called the delusive side of this thing, the theory that by changing a unit, or the measuring stick, or the clinical thermometer, you change the condition or the fever of the patient.

Mr. Chairman, I would crave the privilege to give a few illustrations from the past which I think it does no harm for this committee to take cognizance of. When I was a boy the gold dollar was worth $1.14 in this country. It did not become par with gold until 1879 under the secretaryship of the Treasury of John Sherman and in pursuance of the Republican platform of 1876, which had declared for a resumption of specie payments.

Now, with that level of $1.14 we were further off the gold standard in that period of the seventies than Canada is to-day, or has been. Did other countries levy extra duties, extra taxes, against us because we were producing things "so cheaply," because we had such an "undoubted advantage"? When it took $1.14 of our money to buy $1 in gold in the seventies, were we producing things more cheaply, so that other countries should have had a heavier duty against us? Was our competitive efficiency in the world increased by our gold being worth $1.14?

To suppose so is to indict the entire Republican administration of that period. I had grown up to believe that the resumption of the specie payments in this country on January 1, 1879, was a wise thing, in pursuance of the platform of the Republican Party of 1876 and carried out by John Sherman, the Republican Secretary of the Treasury.

If there is one scintilla of basis behind the theory of the Hill bill, of the original Hawley bill, Mr. Sherman, the Secretary of the Treasury, was leading his country into an abyss of error; he was leading his country away from a low production cost and from a superior competitive efficiency.

The phrase is used constantly in the discussions of this matter, the "advantages" that countries have by going off the gold standard. If it were an advantage, we were enjoying it in the seventies. Were we producing things more cheaply because we were off the gold standard? Was our industry handicapped when we went back to specie payments in 1879? If so, Secretary Sherman was a blundering idiot to do it.

I wish to say further that there is no escape from the conclusion that if countries are better off, if their competitive efficiency is increased by being off the gold standard, then we ought to go off the gold standard. Every man in the House of Representatives who votes on February 13 for the unadorned Hill bill, for the unadorned principle that a country is a more serious competitive factor when off the gold standard, is voting to take this country off, and this country ought to go off. There are limits to which you can miseducate the people of a country with safety. That is my great objection to this general theory that underlies the old Hawley bill, the Hill bill, and others. It is that by the inescapable logic of it we ought to go off the gold standard ourselves.

I believe our going off the gold standard would be the paramount calamity of this entire disordered period. It would be a terrible thing and a needless thing, but one that is exactly called for by the logic of this line of legislation.

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Our imports to-day are at a very low ebb, both in quantity and price. There is still a very heavy balance of trade in our favor, both in quantity and in value. We are not being flooded with imports.

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Now, this whole affair is one upon which I am perhaps speaking a little feelingly—the Associated Press last year said I spoke vehemently. This is a period of popular madness. This depreciated-currency matter is a great lesson in the world of the power of propaganda. Every person tells everybody else and it keeps on going until people believe it.

I saw a very good man, a journalist, in the hotel here the other day who showed me a beautiful overcoat and said, "I was able to get that because England had gone off the gold standard."

I said, "Is that so? How is that?"

"I was over there. This coat would have been worth $100 (we will say) several years ago, but because England is off the gold standard I could buy it for $70 now."

I said, "Have you been in any clothing stores here of late? You have noticed comparable declines in prices in the United States?" I said, "There is Liggett's drug store right across the street, where they tell me their articles are practically all American, and yet the drop in prices in hairbrushes—every sort of article you can pick out—has been just exactly as great. The only thing is the countries that are on the gold standard, like the United States, are expressing their price decline in a definite drop in prices. That is, the thing you bought and paid a dollar for, to-day you buy it for 50 to 75 cents."

The countries that have gone off the gold standard express part of that decline, or perhaps all of it, in the lessened value of the money. That is all there is to that.

Take Vermont and Maine. Every article in Vermont is being sold at a much lower price than formerly. Vermont friends of mine are selling milk at $2.80 a hundred quarts that cost them $5 to produce. Why? Is it because Vermont has gone off the gold standard? Is New York being flooded with Vermont milk because Vermont has gone off the gold standard?

The same is true of Maine, the potatoes in Maine. The same is true all over, but people have started this gold-standard story and everybody is telling it to everybody else; and there are people who want the duties increased—and I do not necessarily blame them; I think there is a good deal of argument for an embargo of all imported goods that can be produced here. But if you want that embargo, go ahead and pass it. Let us do things honestly and intelligently. An embargo or a horizontal increase in tariff applied to countries both on and off the gold standard would seem to me to have much of merit.

But I would like to see my countrymen act on this subject with the intelligence that the Hollanders are acting on it, in following their great Finance Minister.

And I want to say right here now that Holland has nothing on us in having a Finance Minister who told them the truth with such power and clarity. We have such a Finance Minister in this country.

I have here before me a speech made by Ogden L. Mills, whose clarity of thought in financial matters, whose courage and intelligence in voting for what he believes, or in advocating what he believes, seems to me unexcelled.

He went up to Columbia University the other night and addressed the faculty and students of Columbia University on the economic troubles of the world.

I read his speech through, as I have read every speech that he has made during the entire campaign. I read everything that Ogden Mills writes. You can not find in this speech one scintilla of support for the principle behind the Hill or the original Hawley bills.

In other words, this theory, the theory of curing the fever by changing the gradations on your instrument, there has not been a word from Ogden Mills in support of that. There is—in fact, I put my pencil on it—something that is entirely inconsistent with that theory, from Ogden Mills.

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I said that in here there are some things in the Mills speech utterly inconsistent with that theory of these bills. Here is a line:

"Of those countries in Europe which through force of circumstances rather than choice experienced the panacea of inflation." * * *

"Rather than choice." The theory behind the present depreciated-currency legislation, as I get it from various people—letters that I could quote—is that these countries, seeing what a trick they could come on our tariff and how cheaply they could produce if they were only off the gold standard, did it as a trick to get in under us, to circumvent our tariffs; that it was just a device of theirs, a trick of theirs, to do us.

Mr. Ogden Mills gives no support to that. Of course, that trick theory is too ridiculous to discuss. The British people dislike very much the abandonment of their historic and ancient standards. They would go back to stabilized currency any moment that they could. They can not go now. They can not go back until world economic conditions are restored.

And yet the theory of this depreciated-currency legislation rests upon the belief that this is a trick that somebody else put over on us. If it is a trick and is a good trick, we ought to be doing it, and we ought to correct the blunder that we made in America in 1896 when we did not accept a trick currency that would have given us that preeminence in efficiency in the markets of the world.

We ought to revise our estimates of John Sherman and the Republican Party, that put us back on specie payments in 1879 when by staying off of them we could have had so much more prosperity, and power, and have pushed our way into other markets with so much success.

Gentlemen, this is a very serious time in the history of the world. That is a time when we ought not be acting without frankness and soundness. And that is where I commend our great Secretary of the Treasury. You may search his speeches and his public utterances in vain for any of the theories behind this fundamental depreciated-currency legislation. I respect and honor him for it, just as I do the Hollander whom I quoted who said this thing was part an illusion and part temporary and what was not temporary was an illusion and what was not an illusion was temporary.

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The Tariff Commission has taken action on this widely proclaimed footwear matter that came out in the papers this morning. We are changing the rate of duty on footwear for reasons prescribed by the statutes and we are passing it out with even hand since it applies equally to Japan, which is off the gold standard, and to Czechoslovakia, which is on the gold standard. Under the terms of our law it is the difference in costs of production in the two countries beside our own which determine the decision.

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I remember coming down here one night from Boston, with a very successful business man who said, "People are not cutting trees in Maine this year because Canada has gone off the gold standard. That is a question I know about. They are not cutting trees in Maine because Canada has gone off the gold standard."

I said, the Saturday Evening Post, selling 3,000,000 copies a week, used to print 256 pages to a copy and is now printing 78 pages. The difference between 78 and 256 pages on 3,000,000 copies a week accounts for a good many trees.

In other words, you may overexplain the situation. The great thing in this affair is the world depression. The small thing is whether the countries are on or off the gold standard.

As far as this temporary measure is concerned, the new Hawley bill facilitates and increases the Tariff Commission's power to weigh and act on these things.

I think it not unfair to say on the rubber-footwear matter—of course, they make that in Massachusetts where I have a friendly interest, although, of course, I could take no judicial cognizance of that; but I am pleased to see the Massachusetts manufacturers saved from a little competition—but I do not think the cutting off of Japanese and Czechoslovakian footwear is going to create such a boom in that industry in Massachusetts that the unemployed of the rest of the Union might make a trek there to take up the jobs.

In other words, the tariff relationship is very much smaller than most people suppose. I think I am disclosing no improper secret to you gentlemen, who are the makers of our laws, when I say that this conclusion that we sent down yesterday had a dissenting addendum attached to it by my friend, Mr. Page, who is here with us to-day. There was another member of the commission, a Republican, Doctor Coulter, who signed it on condition that we should put in a clause that at the end of one year we would look over the facts again. In other words, it was not so dead open and shut a matter that all my associates wanted to make the change, willy-nilly. And yet that is the greatest single article of trouble from Japan.

The great trouble with Japan is its enormous depression. There is a man in the Library of Congress named Victor S. Clark who has just returned from Japan and his story of conditions there is perfectly terrible. Their budget is not balanced, their international trade is in awful shape, their military expenses are so heavy.

Japan has always been a dangerous, a hard competitor. In the last century Gen. William F. Draper, of Massachusetts, a Member of this House of Representatives, afterwards ambassador to two or three European countries, made a trip to Japan and came home with the belief that we, the American people, must have an embargo on manufactured products from Japan, that Japan has such great imitative faculties, such low-priced labor, that we must shut out Japanese products just as we do the Japanese people under our immigration laws.

That was the conclusion that Mr. Draper reached in the last century. Whether Japan was at that time on or off its gold standard, whether its yardstick was 18 or 36 inches, I do not know; whether its clinical thermometer was graded for 105 degrees for fever, or 98, I do not know; nor is it very important that I should know. The important thing is that Japan was and is and remains, because of the character of their people, industrious, hard-working, vegetarian-living people—a very serious competitor.

If they should go onto the gold standard to-morrow, it would not end the seriousness of their competition any more than their going off the gold standard started the seriousness of their competition.

These seem to me fundamentals that I hope this honorable committee in the consideration of legislation will bear in mind. The

seriousness of this thing lies in its relation to the maintenance of the gold standard. That is the sheet anchor of economic soundness in the world.

See Ogden Mill's speech at Columbia University in which, in five columns on the evils of the world and the things that should be done to straighten out existing disorders, there is no mention of legislation against depreciated-currency countries. I do not even see Mr. Mills here to-day urging any of these bills.

I doubt if any of the Republican Members would testify that they were urged to go into this thing—to go into what we will call the original Hawley bill—and the Hill bill by the request of our great Secretary of the Treasury. That is extremely significant.

Now, I see that one of the Senators from South Carolina has introduced a bill deliberately to take the United States off the gold standard. I think it would be a calamity inexpressibly great and needless to do that.

But, gentlemen, you are going to vote on the 13th of February on whether you think that would be a good thing. Anyone that votes for the unadorned Hawley bill or the unadorned Hill bill is expressing his belief in the superior competitive efficiency of countries off the gold standard, from which there can be but one logical conclusion. It is inescapable that if the countries off the gold standard are so much more efficient competitively than we are, we ought to derive that advantage ourselves by going off the gold standard, but I do not believe that. I do not want to see that done.

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Of course, the test of this thing is the price. When things are sold cheaply, those people become dangerous competitors. We can all ask this question: Are things cheaper measured in human sacrifice, in effort, in the realities? Are things cheaper in countries that have gone off the gold standard?

They are cheaper in this great period of distress everywhere, and it does not seem to make a great deal of difference whether the country has or has not gone off the gold standard. The panic, the depression that we are in, is greatly accentuated. We have had a perfectly tremendous drop in prices.

Take the products of the Iowa farm lands. If one were to look at the proceeds in the value of agricultural products in America now and in 1929 or earlier, he would see a perfectly tremendous drop. That is not because the United States has gone off the gold standard. If any country were buying these things of us, they would get them very cheap. That is not because we have gone off the gold standard. A country that had gone off the gold standard would also be selling cheaply, too. It is, perhaps, fair to say that the countries that are off the gold standard are in the worse economic plight. I rather think that is more or less true, and that might be a factor of some weight.

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When I first went to France a franc was worth 19 cents. To-day it is worth a little under 4 cents. The same 10 francs to-day do not buy—40 cents—the same dinner that $1.90 bought before.

According to the theory of this bill, it should buy just the same.

This whole affair is an illustration of the power of propaganda. For instance, I have received advertisements from a tailor who says, "Since England has gone off the gold standard, cloth is so much cheaper, you can get a suit now for so many dollars that you used to have to pay so many dollars for." One very good friend of mine writes me a letter "Isn't this proof that depreciated currency is doing what this bill seeks to correct?"

It is only proof that the tailor thinks that is a good thing to advertise; a good thing to talk about. Now, I have the greatest respect for tailors and for their sales methods, but I should not think a national policy should be based upon the talking points of a tailor's advertisement.

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What the world needs now is the healing effects of improved international relations rather than the destructive effects of further antagonistic activities. We ought to act as sanely as we can and as calmly and as rationally as we can. That is what the world needs.

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In this period of great upset, many people are doing different things with their commodities from what they ever did before.

The Brazilians are pumping coffee out into the harbor and are using it for locomotives, I understand.

In Nebraska they are using corn for fuel. All of which are abnormalities, not because Nebraska has gone off the gold standard but because of the abnormality of this world situation. It ought to be handled in a way that will restore normal thinking or normal reasonableness rather than jumping in the opposite direction.

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There are very few countries in the world to whom we do not sell more than we buy from.

As to Great Britain, the balance is very heavy. Even as to Japan, which has been the source of all this discussion, according to the last figures prepared by the Department of Commerce and issued by the National Chamber of Commerce, the difference was very slight; I think it was $199,000,000 one way and $195,000,000 the other way. It is true that they would like to sell to us more than they do.

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The balance of world trade has been so adverse to Great Britain for a number of years that she could not make the payment of her exchanges in gold, and was forced off the gold standard; and once being forced off, her money fluctuates just as ours did when we went off the gold standard. In the Confederate War, it took $2.80 in our money to buy a dollar in gold; and, as I say, in my boyhood it had got down to $1.14. It all depends upon the likelihood of countries balancing trade. Trade balance has a great deal to do with it—the balance of trade in both directions, and the ratio of the National Budget. England was very badly behind in making ends meet, as a government, just as Japan is, in a very much more extreme degree to-day, and we have something to show in the way of a deficit ourselves. Our Budget is not altogether in very good shape, and so on; but it is a very delicate thing, this world standard, and I wish to correct and make clear my relations to Ogden Mills. He does not know me by sight. I have hardly ever spoken to him in my life. I have no right, license, or authority to quote him. What he said in a paper, however, I think I have a right to read. I have read him throughout the entire campaign. I do not believe there is a speech he has made in the last two years I have not read. All I have said was, that a man, having five columns in which to address himself to the economic evils of our times, if this Crowther bill would have been a correction of the evils of the time, I should have thought he would have included it. I still think so. There used to be an old saying, about somebody being conspicuous by his absence. I think the most conspicuous thing in this whole discussion here is the absence of Ogden Mills.

* * * * * * *

I will say, however, that the whole depreciated-currency thing itself is a tremendous factor in politics. It has been the greatest exhibit that I have ever seen of the power of propaganda. I remember when anybody who did not believe chopping off Belgium babies' hands was the chief enjoyment of the German soldier was regarded as pro-German. I was one of those who labored under the stigma of being pro-German because I did not believe all of the crazy things that propagandists of that period passed out. Had I been living in Salem, Mass., I hope I should not have joined in the destruction of the witches. It is very easy to see how it happened. Everybody tells everybody else, all the people who have a selfish interest, and want the tariff increased, if they all talk on one side, and they get the papers and the organs of opinion all in a state of mind where they tell everybody else that this is a good thing. Then you see what happens. There are those who for selfish interest say, "We want an increase of tariff. We have talked the old arguments a long time, and we want something new. Let us talk about depreciated currency."

* * * * * * *

In that respect, the prices in the countries that have gone off the gold standard—back in England a pound to-day will buy what the pound bought before. In other words, $3.30 will buy what $4.86 bought before England went off the gold standard.

In Vermont to-day $3.30 will buy what $4.86 bought two years ago. In France to-day the same. The world-wide depression in prices is the big thing, and the thing we should not lose sight of. The only thing, Mr. Hill, that I can't agree with you on, and I say this with profound respect and regret, is when you speak, as you steadily do, of concrete benefits and advantages in being off the gold standard. If that be true, I want to undo my whole background. I am angry with John Sherman, Secretary of the Treasury, for having put us back on the gold standard when we, back in the seventies, according to your theory, had the "advantage" of being off the gold standard, and of producing things more cheaply. John Sherman, of the Republican Party, got us back on the gold standard. Should they be blamed for that? Should I be blamed for voting against Bryan in 1896?

* * * * * * *

If one believes in this legislation, we ought to get off the gold standard as quickly as we can. I don't see how one can escape from that, when people refer to the countries off the gold standard as having great advantages, and speak of the benefits they have. Everybody that wants this legislation speaks about the benefits the other countries have. If it is a benefit, can't I have it? Can't we as Americans have it? If it is an advantage to be off the gold standard, we could have got it in 1896. We did have it in the seventies, but through the possible blundering of John Sherman we got out of it. He "blundered" us onto the gold standard and so deprived us of the low prices we are trying to effect equalizations for now.

It is our duty to do it if the theory behind these bills is correct. If it is an advantage to have a small yardstick, we ought to get off. If Massachusetts made 24 inches a yard, and textile manufacturers derived such enormous profits by it that all the other States around there put up tariffs against Massachusetts's cloth because they were making it so much more cheaply, they would wisely go to the 24-inch yard themselves. My theory is that it doesn't make any difference what they use, that that thing adjusts itself, as it has in all human history, as it did in France between the 19-cent franc and the 4-cent franc, as it did in Germany with the mark, the Italian lira. The Italian lira has been established at 5 cents. It used to be 25 cents. American manufacturers who have products coming in from Italy want the Italian stuff to go up because the Italians are producing so cheaply there. They tell exactly the same story.

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I think the value of the committee system is to get specialized judgment and specialized information; and if I were a member of this honorable body, which I never expect to be, I would never vote to discharge any committee from its investigation and the

performance of its duty. I should think the 21 members of this committee would be a great deal better able to decide on this thing than the total membership of the House or a referendum of the State of Massachusetts, or anything else. I think this committee ought to be allowed to lead; and I think this committee, under the leadership of our great Secretary of the Treasury, would undoubtedly work out a plan that would be helpful and beneficial; and if I were a Member of Congress, I would act under that leadership.

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INVESTIGATION BY TARIFF COMMISSION—CALF AND KIP UPPER LEATHER

Mr. COPELAND. Mr. President, I have a resolution on the desk, being Senate Resolution 335. I should like to have action upon it.

The PRESIDING OFFICER (Mr. FESS in the chair). The clerk will report the resolution referred to by the Senator from New York, coming over from a previous day.

The Chief Clerk read the resolution (S. Res. 335) submitted by Mr. COPELAND on January 18, 1933, as follows:

*Resolved*, That the United States Tariff Commission is hereby directed to investigate, for the purposes of section 336 of the tariff act of 1930, the difference in the cost of production between the domestic article and the foreign article, and to report at the earliest date practicable upon calf and kip upper leather.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

SALE AND ENCUMBRANCE OF KICKAPOO LANDS

Mr. THOMAS of Oklahoma. Mr. President, there is now on the Vice President's desk a message from the House of Representatives transmitting an amendment of the House to Senate bill 4439. I ask the Chair to lay the amendment before the Senate.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 4339) repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma, which was, on page 2, to strike out lines 1 to 8, inclusive, and insert:

SEC. 2. All restrictions upon said lands, which were removed by operation of said act are hereby reimposed for a period of 10 years from the date of the approval of this act on all of such lands as are still held or owned by the Indians: *Provided, however*, That valid encumbrances now resting against any of said lands shall not in any manner be affected by the provisions of this act, but any of such lands so encumbered, if still owned by the Indians, shall, when such encumbrances have been removed, become subject to the provisions of this act as fully and to the same extent as if such lands were now unencumbered: *Provided further*, That the President may, in his discretion, in accordance with existing law, further extend the period of restriction herein provided for.

Mr. THOMAS of Oklahoma. I move that the Senate concur in the House amendment.

The motion was agreed to.

LABOR CONDITIONS IN FLOOD-CONTROL AREAS

Mr. WAGNER. Mr. President, I should like to make an inquiry of the junior Senator from Delaware [Mr. TOWNSEND].

The PRESIDING OFFICER. Does it relate to some matter now before the Senate?

Mr. WAGNER. It relates to a resolution pending before the Committee to Audit and Control the Contingent Expenses of the Senate. About a month ago the Committee on Commerce reported with a favorable recommendation a resolution, which had been submitted by me, providing for an investigation of labor conditions in the flood-control areas, the resolution having been presented as the result of charges made by some very responsible organizations in this country as to the exploitation of labor in those sections.

The resolution provided for an appropriation, and, therefore, went to the Committee to Audit and Control the Contingent Expenses of the Senate about a month ago. I understand that that committee has taken upon itself the duty of determining the merits of the resolution, with which, as I understand the law and the rules, it is not concerned. I make this public statement because for three weeks at least I have pleaded with the chairman of the committee to hold a meeting and determine the amount which the committee might think proper as the expense to be incurred in the investigation. I am not so much interested in that as I am in securing some action by the Senate, and thus far there has been no action taken by the Committee to Audit and Control the Contingent Expenses. I think there ought to be an explanation of the delay.

Mr. TOWNSEND. Mr. President, I will say to the Senator from New York that there is no intention on the part of the committee to hold up the resolution to which he has referred. The committee will hold a meeting at 1.30 o'clock p. m. to-day, at which the resolution will be considered and a report ordered.

Mr. WAGNER. I thank the Senator.

IDA E. GODFREY

The PRESIDING OFFICER. Morning business is closed. The clerk will state the first bill on the calendar in order under the unanimous-consent agreement.

Mr. KEAN. I ask unanimous consent that the Senate return to Calendar No. 1134, being House bill 3033. I understand that the Senator from Utah [Mr. KING], who objected to the bill yesterday, will withdraw his objection.

The PRESIDING OFFICER. The Senator from New Jersey asks unanimous consent to return to Calendar No. 1134, being House bill 3033. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 3033) for the relief of Ida E. Godfrey and others, which was read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida E. Godfrey, of Cookstown, N. J., the sum of $750; to the estate of Annie L. Davis, of Wrightstown, N. J., the sum of $500; to Thomas N. Emley, of Cookstown, N. J., the sum of $750, damages by fire on June 11, 1921, to certain cranberry bogs adjacent to the rifle range at Camp Dix, N. J.: *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney, or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. KING. Mr. President, I objected to the consideration of that bill yesterday. I had examined the report, and I found that the then Secretary of War, Mr. Weeks, had reported adversely on the bill. I do not object to its consideration now; but I shall vote against the bill, and, from the facts presented by the report, I confess that I do not see any merit in it.

The Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, was announced as next in order.

Mr. MCNARY. Mr. President, at the request of the Senator from Wisconsin [Mr. LA FOLLETTE] and other Members interested in this legislation, I ask that it be passed over without prejudice.

The PRESIDING OFFICER. The bill will be passed over without prejudice.

The bill (H. R. 13742) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. This bill will be passed over.

DES MOINES RIVER BRIDGE, ST. FRANCISVILLE, MO.

The bill (H. R. 9385) authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, to construct, main-

tain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, be, and are hereby, authorized to construct, maintain and operate a bridge and approaches thereto across the Des Moines River, at a point suitable to the interests of navigation, at or near St. Francisville, Mo., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, are hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of Missouri, the State of Iowa, any public agency or political subdivision of either of such States, within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of five years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall at any time be taken over or acquired by the States or public agencies or political subdivisions thereof, or by either of them, as provided in section 4 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 6. The said Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, shall, within 90 days after the completion of such bridge, file with the Secretary of War and with the highway departments of the States of Missouri and Iowa, a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and upon request of the highway department of either of such States shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, shall make available all of its records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 4 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

PACIFIC GAS & ELECTRIC CO.

The bill (S. 5539) authorizing the Secretary of the Navy to grant a perpetual easement of 15 feet in width to Pacific Gas & Electric Co., a California utility corporation, over, across, in, and upon the site of the lighter-than-air base, near Sunnyvale, in the county of Santa Clara, in the State of California, for an existing 20-inch gas main was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from California explain the bill?

Mr. SHORTRIDGE. Mr. President, the only purpose of the bill is to authorize the Secretary of the Navy to grant an easement to the Pacific Gas & Electric Co. to continue to maintain a 20-inch gas-pipe main under the Sunnyvale lighter-than-air base at Sunnyvale, in Santa Clara County, Calif.

Mr. McKELLAR. I see that the bill is approved by the Secretary of the Navy, so I have no objection to it.

Mr. SHORTRIDGE. There is a committee amendment, very wisely suggested by the Senator from Florida [Mr. TRAMMELL], which should be considered first.

The Senate proceeded to consider the bill, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 5, after the word "Government," to insert "and subject to reversion to the United States in the event of abandonment or nonuser by the grantee for the purpose herein specified," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Navy is hereby authorized and empowered to grant, under such terms and conditions as will best conserve the interests of the Government, and subject to reversion to the United States in the event of abandonment or nonuser by the grantee for the purpose herein specified, a perpetual easement to Pacific Gas & Electric Co., a California utility corporation, over, across, in, and upon the site of the lighter-than-air base, near Sunnyvale, in the county of Santa Clara, in the State of California, for the maintenance and operation by said company of an existing 20-inch gas main: *Provided*, That the Secretary of the Navy shall include in his annual report to the President a full and complete statement respecting such easement, when granted, which statement shall also include the name and address of the grantee, the extent and purpose of the grant, and the benefits accruing to the United States or to the public therefrom.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Secretary of the Navy to grant a perpetual easement to Pacific Gas & Electric Co., a California utility corporation, over, across, in, and upon the site of the lighter-than-air base, near Sunnyvale, in the county of Santa Clara, in the State of California, for an existing 20-inch gas main."

BILLS PASSED OVER

The bill (S. 5555) to authorize an exchange of lands between the city of San Diego and the United States was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. SHORTRIDGE. Mr. President, will the Senator from Utah please give me his attention?

The PRESIDING OFFICER. Does the Senator from Utah object to the consideration of this bill?

Mr. KING. I object to it, Mr. President. I will say to the Senator that I think the whole plan is unwise. I believe it

is an adventure that is not justified by past experience or warranted by the present condition of the Treasury.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 5498) to authorize an increase in the limit of cost of one aircraft carrier was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MICHAEL J. BUDZINSKI

The Senate proceeded to consider the bill (S. 5214) to correct the naval record of Michael J. Budzinski, which had been reported from the Committee on Naval Affairs with an amendment to strike out all after the enacting clause and to insert:

That in the administration of any laws conferring rights, benefits, and privileges upon persons honorably discharged from the United States Navy Michael J. Budzinski shall be held and considered to have been honorably discharged from the United States Navy on the 15th day of December, 1918: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. REED. Mr. President, I suggest that the proviso should be amended in the form agreed upon yesterday.

The PRESIDING OFFICER. Without objection, the amendment suggested by the Senator from Pennsylvania to the amendment of the committee will be agreed to.

The amendment was, on page 2, line 4, after the word "*Provided,*" to strike out "That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act," and to insert:

*Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Michael J. Budzinski."

EXCHANGE OF LANDS WITH CITY OF SAN DIEGO

Mr. SHORTRIDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. SHORTRIDGE. Are we operating under the 5-minute rule?

The PRESIDING OFFICER. On unobjected bills.

Mr. SHORTRIDGE. Where some Senator, without knowledge of the bill, objects, may we reply to his observation?

The PRESIDING OFFICER. Not if any Senator calls for the regular order.

Mr. SHORTRIDGE. I propose, a little later on, to reply to the observations of the Senator from Utah with respect to this bill.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. A moment ago I interposed an objection, as I supposed, to Order of Business No. 1219, Senate bill 5498. I have no objection to Order of Business No. 1218, Senate bill 5555.

Mr. McKELLAR. Mr. President, I objected to that bill.

Mr. SHORTRIDGE. May I ask the always courteous and generous Senator from Tennessee not to object to it? It is approved by all the departments and unanimously approved by the committee. The Government received some two hundred and forty-odd acres of land which the Navy wants.

Mr. McKELLAR. The Senator has a different bill from the one to which I objected. I objected to Order of Business No. 1219, Senate bill 5498, the authorization of a $19,000,000 aircraft carrier. I have no objection to Order of Business No. 1218.

The PRESIDING OFFICER. Is there objection to returning to Order of Business No. 1218? The Chair hears none.

The Senate proceeded to consider the bill (S. 5555) to authorize an exchange of lands between the city of San Diego and the United States, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Navy be, and he is hereby, authorized to transfer to the city of San Diego, Calif., free from all encumbrances and without cost to said city of San Diego, all right, title, and interest of the United States in and to the lands contained within that part of the Marine Corps Base, San Diego, Calif., described as follows: Beginning at a point on the United States bulkhead line as established in February, 1912, distant 300 feet northwesterly from station No. 104 on said bulkhead line; thence north 7° east a distance of 2,160 feet; thence north 60° 34′ 59″ west to an intersection with the prolongation of the northwesterly line of Bean Street; thence southwesterly along the prolongation of the northwesterly line of Bean Street to an intersection with the United States bulkhead line, as established in February, 1912; thence south 83° east along said bulkhead line to the point of beginning, in consideration of the transfer to the United States by said city of San Diego, free from all encumbrances and without cost to the United States, of all right, title, and interest in and to the lands contained within the following-described area: Beginning at the intersection of the prolongation of the northwesterly line of Bean Street with the United States bulkhead line as established in February, 1912; thence southwesterly along the prolongation of the northwesterly line of Bean Street to the pierhead line as the same has been or may hereafter be established by the United States; thence northwesterly and southwesterly along the said pierhead line to its intersection with the prolongation of the northeasterly line of Lowell Street; thence northwesterly along the prolongation of the northeasterly line of Lowell Street to the United States bulkhead line as established in February, 1912; thence northeasterly, easterly, and southeasterly along the United States bulkhead line as established in February, 1912, to the point of beginning; and also all of block 16, municipal tidelands subdivision, tract No. 1.

LIMIT OF COST OF AIRCRAFT CARRIER

Mr. SHORTRIDGE. Now, Mr. President, as to Order of Business 1219, Senate bill 5498, that does not call for any appropriation.

Mr. McKELLAR. But it is an authorization of $21,000,000.

Mr. SHORTRIDGE. Unhappily we have a Navy, and other nations have; and the present appropriation for this particular aircraft carrier is $19,000,000. I say "unhappily," but it has become necessary, according to the Navy Department, to increase that appropriation by $2,000,000. I hope the Senator at least will permit this bill to go through.

The PRESIDING OFFICER. Does the Senator from Tennessee withdraw his opposition?

Mr. McKELLAR. Mr. President, I am sorry, but I can not do so.

Mr. SHORTRIDGE. Very well.

The PRESIDING OFFICER. The bill will be passed over.

COLUMBIA RIVER BRIDGE, THE DALLES, OREG.

The bill (S. 5502) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg., was announced as next in order.

The PRESIDING OFFICER. According to the calendar, this bill is similar to Order of Business 1257, H. R. 14060.

Mr. McNARY. Mr. President, I ask to have the House bill substituted for the Senate bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senate proceeded to consider the bill (H. R. 14060) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg., which was ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg., authorized to be built by Dalles City by an act of Congress approved February 20, 1931, heretofore extended by act of Congress approved February 11, 1932, are hereby further extended one and three years, respectively, from February 20, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The PRESIDING OFFICER. Without objection, Senate bill 5502 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 5035) amending the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water, was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from California be good enough to explain that bill?

Mr. JOHNSON. Mr. President, in justice to the views of the Senator from Michigan [Mr. VANDENBERG], I call his attention to the bill that is now before the Senate.

Mr. VANDENBERG. Mr. President, I thank the Senator. I think the bill should go over. It is a matter of major importance.

The PRESIDING OFFICER. The bill will be passed over.

FLOOD-CONTROL WORKS, LOWELL CREEK, SEWARD, ALASKA

The bill (H. R. 6733) for estimates necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska, was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of War is authorized to submit for the consideration of Congress such estimates as are, in his judgment, necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska, construction under authority contained in Public Resolution No. 52 (69th Cong.), approved February 9, 1927.

ELECTRIC LIGHT SYSTEM, MOLOKAI, HAWAII

The Senate proceeded to consider the bill (H. R. 311) to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai," which was read, as follows:

*Be it enacted, etc.*, The act No. 268 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the islands of Molokai," passed by the Legislature of the Territory of Hawaii and approved by the Governor of the Territory of Hawaii on April 30, 1931, is hereby approved: *Provided*, That the authority in section 16 of said act for the amending or repeal of said act shall not be held to authorize such action by the Legislature of Hawaii except upon approval by Congress in accordance with the organic act: *Provided further*, That nothing herein shall be construed as an approval by Congress of the theory of establishing value on the actual cost of reproducing or replacing property as contained in section 18 of the said act.

Mr. McKELLAR. Mr. President, can we not have some explanation of this bill?

Mr. BINGHAM. Mr. President, may I say to the Senator that this bill is in the usual form. It is impossible for the Territory of Hawaii to give a franchise to any public-utility company without the permission of the Congress. The Territorial legislature has granted such a franchise, and it is necessary for the Congress to ratify the action of the legislature. It is not a monopoly, and is in the usual form granted to such companies. The island of Molokai at present is without any electric-light plant at all; and this bill grants the people of that island an opportunity to have a small company to give them electric light.

The bill was ordered to a third reading, read the third time, and passed.

PANAMA CANAL ZONE

The bill (H. R. 7503) to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor was announced as next in order.

Mr. WALSH of Montana. Mr. President, this bill and the following 10 bills—11 all together—relate to the laws of the Panama Canal Zone. The bills come here from the Committee on Interoceanic Canals.

In 1928 Congress passed an act providing for the revision and codification of the laws applicable to the Canal Zone. Pursuant to that act a skilled codifier, an employee of the West Publishing Co., experienced in work of that character, as most Senators know, was employed to effect the revision and codification. He brought to his aid a judge of the Canal Zone, Judge Lennon—a man of very high character and reputation—as well as the district attorney, and they did the work of revision and codification. The Governor of the Canal Zone then called to his aid an advisory body consisting of 9 members—3 lawyers and 6 laymen. The bar of the Canal Zone also reviewed the work, and it has the approval of all of those, and likewise had the study of the Committee on Interoceanic Canals. The bills should be passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the pending bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor, be, and it is hereby, repealed.

The bill (H. R. 7506) to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone, was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the ordinance enacted by the Isthmian Canal Commission on August 5, 1911, and approved by the Secretary of War on August 22, 1911, establishing market regulations for the Canal Zone be, and it is hereby, repealed.

The bill (H. R. 7508) to provide for the inspection of vessels navigating Canal Zone waters was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That all vessels navigating the waters of the Canal Zone, except public vessels of all nations, and private vessels merely transiting the canal, shall be subject to an annual inspection of hulls, boilers, machinery, equipment, and passenger accommodations; and the governor is hereby authorized to prescribe regulations concerning such inspection, provided that such regulations shall, as nearly as practicable, conform to the laws and regulations governing the Steamboat Inspection Service of the United States.

SEC. 2. A foreign vessel of a country which has inspection laws approximating those of the United States, having an unexpired certificate of inspection duly issued by the authorities of the said country, shall not be subjected to an inspection other than that necessary to determine if the vessel, boilers, and life-saving equipment are as stated in the certificate of inspection; but no such certificate of inspection shall be accepted as evidence of lawful inspection unless like privileges are granted to vessels of the United States under the laws of the country to which such vessel belongs.

SEC. 3. When the board of local inspectors of the Panama Canal approves a vessel and its equipment, a certificate of inspection, in triplicate, will be issued by the canal authorities, two copies of which shall be displayed in conspicuous places in the vessel where they are most likely to be observed by passengers and others, and there kept at all times framed under glass.

SEC. 4. Should the board of local inspectors not approve the vessel or its equipment, a certificate of inspection will be refused, and the board of local inspectors will make a statement in writing giving the reasons for failure to approve, filing such statement in the records of the board, and giving a copy thereof to the owner, agent, or master of the vessel.

SEC. 5. Any vessel, other than those excepted in section 1 of this act, that navigate the waters of the Canal Zone without having an unexpired certificate of inspection issued by the canal authorities or by the Steamboat Inspection Service of the United States, or an unexpired certificate accepted by the canal authorities under section 2 of this act, shall be subject to a fine not exceeding $1,000; and whenever any passenger is received on board a vessel not having certified copies of the certificate of inspection placed and kept as required by section 3 of this act, or whenever passengers are received on board a vessel in excess of the number authorized by said certificate of inspection, such vessel shall be liable to a fine not exceeding $100 for each passenger so received. Fines shall be recovered in the district court of the Canal Zone, and the amount so recovered shall be a lien upon such vessel, and it may be seized and sold to satisfy same, as well as the costs of the court proceedings.

SEC. 6. In case a vessel holding an unexpired certificate issued by the canal authorities shall change its condition as to hull, boilers, machinery, equipment, or accommodations for passengers in such manner as not to conform to the regulations under which such certificate was issued, the board of local inspectors is authorized to make an inspection and to recommend revocation of the certificate of inspection, and upon approval of such recommendation by the marine superintendent, or such other officer of the Panama Canal as may be designated by the governor, a notice of revocation will be issued to the owner, agent, or master of the vessel; and after such notice of revocation the navigating of Canal Zone waters by such vessel shall subject it to the penalty prescribed by section 5 of this act.

SEC. 7. Other than public vessels of the United States or of the Republic of Panama, small vessels propelled in whole or in part by machinery shall be required to be registered, certificated, and numbered, and to display the numbers assigned in a conspicuous

place in prescribed form. Such vessels shall not be operated except by an operator holding a license to operate, issued after examination by the board of local inspectors, and approval of such examination by the marine superintendent or such other officer of the Panama Canal as may be designated by the governor.

SEC. 8. Small vessels not propelled in whole or in part by machinery shall be registered and numbered, and when numbers have been assigned they shall be displayed in a conspicuous place in prescribed form.

SEC. 9. Vessels under 65 feet in length, before carrying passengers for hire in the Canal Zone waters, shall obtain a certificate from the Canal Zone authorities to engage in this business, and such certificate shall specify the number of passengers and life preservers and fire-fighting apparatus which the vessel must carry. Such vessels shall be subject to annual inspection, and the certificate referred to will be granted for one year only. Small vessels carrying passengers without having first obtained a certificate from the canal authorities, or carrying passengers in excess of the number authorized by such certificate, shall be liable to a fine of not exceeding $100 for each passenger so carried.

The bill (H. R. 7514) in relation to the Canal Zone postal service was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the postal service of the Canal Zone shall be governed by such of the laws, rules, and regulations of the Postal Service of the United States as are not inapplicable to the conditions existing in the Canal Zone, and the Governor of the Panama Canal is authorized to establish new post offices or discontinue those already established, to provide such rules and regulations as are necessary for the operation of the service, to appoint the personnel thereof, and to prescribe the postage stamps and other stamped paper which shall be used in such service: *Provided, however,* That the expenses of operating the Canal Zone postal service shall be defrayed, so far as possible, from the revenue derived therefrom, the use of which for that purpose is hereby authorized.

SEC. 2. That deposit money orders issued in the Canal Zone in lieu of postal savings certificates in accordance with rules and regulations heretofore established by the President, or that may hereafter be established by him, shall bear interest at a rate not exceeding 3 per cent per annum.

SEC. 3. That the interest received from the Canal Zone money-order funds deposited in banks under Canal Zone regulations shall be available to pay the interest on deposit money orders authorized by the preceding section. Such interest, which shall form a part of the postal revenues, shall also be available to pay the losses which are chargeable to the Canal Zone postal service.

SEC. 4. That all other laws for the operation of the Canal Zone postal service, excepting section 43a of the Penal Code of the Canal Zone, are hereby repealed.

The bill (H. R. 7515) to provide for the establishment of a customs service in the Canal Zone, and other matters, was announced as next in order.

Mr. REED. Mr. President, I should like to inquire about that bill. Is it the purpose of this measure to give the Governor of the Panama Canal the right to prescribe a scale of duties?

Mr. WALSH of Montana. No. My recollection is that the bill merely provides for the enforcement of the duties.

Mr. REED. The first section provides:

That the Governor of the Panama Canal shall have control for customs purposes over all articles, including passengers' baggage, introduced into the Canal Zone, and he is authorized to establish rules and regulations governing the entry and importation of goods into said zone, the disposal of goods brought into the Canal Zone in violation of such regulations, and to alter and amend such rules and regulations from time to time.

I do not understand whether the customs are to be collected on a scale of rates fixed by the governor, or on the rates fixed by Congress.

Mr. WALSH of Montana. My understanding is that the act relates only to the provision for the collection of the customs prescribed by the act of Congress.

Mr. REED. Is it the Senator's understanding that the tariff act at present in force applies to the Canal Zone?

Mr. WALSH of Montana. I understood so.

Mr. KING. Mr. President, would not some amendment be required to make the matter certain—that "nothing herein shall be construed to modify or repeal existing revenue and tariff acts enacted by the Congress of the United States"?

Mr. WALSH of Montana. I have no objection whatever to that.

Mr. KING. In the interest of clarity, it would seem to me that something of that character ought to be added.

Mr. WALSH of Montana. Whatever the fact may be, Mr. President, this is merely an affirmation of a practice that has been observed there since we exercised authority over the Canal Zone.

Mr. ROBINSON of Arkansas. Mr. President, apparently the act does not give any authority to fix rates of duty. An examination of it discloses that it merely permits the regulations, and orders for their enforcement, with respect to merchandise and baggage coming into the Canal Zone.

Mr. KING. Mr. President, I shall not insist upon the proposed amendment. If there should be any controversy later, Congress could very quickly pass a joint resolution.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Governor of the Panama Canal shall have control for customs purposes over all articles, including passengers' baggage, introduced into the Canal Zone, and he is authorized to establish rules and regulations governing the entry and importation of goods into said zone, the disposal of goods brought into the Canal Zone in violation of such regulations, and to alter and amend such rules and regulations from time to time.

SEC. 2. That general powers of search, seizure, and arrest are hereby conferred upon customs officers in the Canal Zone, including deputy shipping commissioners and boarding officers when performing customs duties. In the exercise of these powers customs officers are authorized to enter any building, other than dwelling houses, to stop vessels and vehicles, and to search vessels, vehicles, and their contents; and to stop and search persons and any packages carried by them. Such right of entry, stopping, search, seizure, and arrest shall be exercised only when there are reasonable grounds for suspecting violations of the customs rules and regulations authorized hereunder or of the United States applicable in the Canal Zone.

SEC. 3. That it shall be unlawful to enter or import, or attempt to enter or import, any articles or merchandise into the Canal Zone until the entry or importation of such articles or merchandise has been approved by the proper officers of the Canal Zone, and that it shall further be unlawful to pass, or attempt to pass, any false, forged, or fraudulent invoice or bill or other paper, for the purpose of securing the entry or importation into the Canal Zone of any articles or merchandise in violation of the rules and regulations to be promulgated in pursuance of the authority contained in the first section of this act, and any article brought into or obtained in the Canal Zone in violation of such regulations may be seized and held, and, unless within a period of 30 days from the date of seizure such articles are entered in conformity to the rules and regulations to be promulgated by the governor, they may be confiscated and disposed of as provided in such rules and regulations. Any person violating the provisions of this section or any of the rules and regulations authorized hereunder, shall, upon conviction, be punished by a fine not exceeding $100, or by imprisonment in jail not exceeding 90 days, or by both such fine and imprisonment.

SEC. 4. That if any vessel arriving at the Canal Zone from any port, other than a port in the Canal Zone or the Republic of Panama, is found to have on board merchandise not manifested, the master of such vessel shall be liable to a penalty equal in amount to the value of the merchandise not manifested, and all such merchandise belonging to or consigned to or for the officers or crew of the vessel shall be forfeited: *Provided, however,* That such penalty shall not be imposed if it is made to appear to the customs officers, or to the court in which the trial is held, that no part of the cargo has been unloaded, except as accounted for in the master's report, and that the errors and omissions in the manifest were made without fraud or collusion; and in such case the master may be allowed to correct his manifest by means of post entry. A permit shall not be granted to unload any such merchandise so omitted from the manifest before post entry or addition to report of manifest has been made.

SEC. 5. That if sea stores are found on board of a vessel from any port, other than a port in the Canal Zone or the Republic of Panama, which are not specified in the list furnished the boarding officer, or if a greater quantity of such articles is found than that specified in such list, or if any of such articles are landed without a permit being first obtained from the customs officer for that purpose, all of such articles omitted from the list or manifest, or so landed shall be seized and forfeited, and the master of the vessel shall be liable to a penalty treble the value of the articles so omitted or landed.

The Senate proceeded to consider the bill (H. R. 7518) to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on

the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916, which had been reported from the Committee on Interoceanic Canals with an amendment, on page 2, line 5, to strike out "public health board" and to insert in lieu thereof "Board of Health," so as to read:

*Be it enacted, etc.*, That section 1 of the act approved August 21, 1916 (ch. 371, 39 Stat. 527), is hereby amended to read as follows: "That, until otherwise provided by Congress, the President is authorized to make rules and regulations in matters of sanitation, health, and quarantine for the Canal Zone or to modify or change existing rules and regulations and those hereafter made from time to time: *Provided*, That the President, under such regulations as he may prescribe, may authorize the Board of Health of the Canal Zone to issue licenses to practice the healing art, which regulations shall include conditions under which such licenses shall be issued and include provisions for revocation for cause of licenses issued. Violations of any quarantine regulations provided for herein shall be punished by fine not to exceed $500 or by imprisonment in jail not to exceed 90 days, or by both such fine and imprisonment, in the discretion of the court; and a violation of any sanitary or health regulation authorized hereunder shall be punished by a fine not to exceed $25 or by imprisonment in jail not to exceed 30 days, or by both such fine and imprisonment, in the discretion of the court. Each day such violation may continue shall constitute a separate offense."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 7519) to amend the Penal Code of the Canal Zone, which had been reported from the Committee on Interoceanic Canals with amendment.

The first amendment of the committee was, on page 26, to strike out lines 6 to 24, inclusive.

Mr. ROBINSON of Arkansas. Mr. President, this appears to be a revision of the Penal Code. It is therefore apparently a very important measure. Does the Senator from Montana wish to have the bill considered under the 5-minute rule?

Mr. WALSH of Montana. Mr. President, I am only able to say to the Senator from Arkansas that the legislation was prepared with the care to which I have heretofore alluded. The Committee on Interoceanic Canals went over the bill with some care; and while I could not undertake to say that a critical analysis of it was made, I feel certain that it is, on the whole, an advisable penal code.

Mr. KING. Mr. President, a number of complaints were made to me several years ago and, indeed, within the past year, of alleged arbitrary acts upon the part of officials of the Panama Canal Zone, not only executive officials but also judicial and administrative officials. Some complaints were made with regard to the method of enforcing the criminal statutes. I was wondering whether any hearings had been had by the committee and the matters to which I have referred taken up.

Mr. WALSH of Montana. Nothing of the kind was suggested. Another one of the bills provides a code of procedure in criminal cases.

Mr. ROBINSON of Arkansas. Apparently the bill as reported carries an amendment entitled "section 115," designed to prevent the changes contemplated by the revised code from being retroactive. I presume, of course, that amendment should be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 26.

The amendment was agreed to.

The next amendment of the committee was, on page 57, after line 16, to insert section 115, reading as follows:

SEC. 115. Nothing contained in this act shall apply to an offense committed prior to the time when this act takes effect. Such an offense shall be punished according to the provisions of law existing when it was committed in the same manner as if this act had not been passed.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, there is an error in the printing of the bill. Page 53 as printed should take the place of page 56 in the printed bill, and page 56 of the printed bill should take the place of page 53.

The PRESIDING OFFICER. The clerk will be authorized, without objection, to make the correction. The question is on engrossing the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 7520) to amend the Code of Criminal Procedure for the Canal Zone, which had been reported from the Committee on Interoceanic Canals with amendments.

The first amendment of the committee was, on page 36, line 24, after the word "against," to strike out the word "a" and insert the word "the"; on page 43, line 1, to insert a new side head "Sec. 219"; on page 62, at the end of the bill, to insert a new section, as follows:

SEC. 120. This act shall apply to criminal actions and proceedings from the time it takes effect except that all such actions and proceedings theretofore commenced shall be conducted in the same manner as if this act had not been passed.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 7521) to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, which had been reported from the Committee on Interoceanic Canals with amendments.

The first amendment of the committee was, on page 1, line 9, to insert the words "1st day of October, 1933."

The amendment was agreed to.

Mr. ROBINSON of Arkansas. This is quite a voluminous bill. I suppose it has been carefully worked out.

Mr. WALSH of Montana. I may say, with respect to the bill, that this Code of Civil Procedure is founded upon the Code of Civil Procedure of the State of California, which is the model of the codes of procedure of nearly all the Western States, including the State of Montana, with the code of which I have intimate familiarity, of course. An examination of this code will disclose that it is practically a reproduction of the California Code of Civil Procedure.

The next amendments of the committee were, on page 128, line 11, to strike out the word "actions" and insert in lieu thereof the word "action"; on page 191, line 24, to strike out the word "encumberance" and insert in lieu thereof the word "encumbrance"; on page 233, line 13, to strike out the word "and" before the word "undertaking" and insert in lieu thereof the word "an"; on page 315, line 24, to transpose lines 24 and 25. Insert line 24 reading "ing, a trial by jury must be had, as in cases of the contest of" immediately after line 25; on page 334, line 17, to strike out entire line 17 and insert the words thereof reading "law, to the duties of executor or administrator, which oath must" immediately after line 14; on page 335, line 19, to strike out entire line 19 and insert the words thereof reading "chapters 23 to 36, the sureties must justify thereon in the" immediately after line 17; on page 378, line 21, to strike out the word "Orders" and insert in lieu thereof the word "Order"; on page 388, line 8, to strike out the word "Adminstrators" and insert in lieu thereof the word "Administrators"; on page 443, line 20, to strike out the word "defandant" and insert in lieu thereof the word "defendant"; on page 459, line 19, to strike out the word "that" and insert in lieu thereof the word "than"; and on page 485, line 13, to strike out the word "discharge" and insert in lieu thereof the word "discharge."

The amendments were agreed to.

Mr. BLAINE. Mr. President, I observe, from the expression on the face of the junior Senator from California [Mr. SHORTRIDGE] that in a way he regards this bill as a tribute to the State of California. I might suggest that, the bill being very voluminous, it leaves nothing to the imagination. Practically every detail of the civil code is written into this

code so that all opportunity for construction by applying the common law will be avoided.

Mr. SHORTRIDGE. Mr. President, permit me to say that in drafting the California Code we borrowed largely from the learning of Wisconsin.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 7522) to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code, which had been reported from the Committee on Interoceanic Canals with amendments.

The first amendment of the committee was, on page 1, lines 9 and 10, to insert the words "1st day of October, 1933."

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, I ought to say, in this connection, that these changes in the law covered by the Code of Civil Procedure and by the Civil Code seemed to be necessitated and required by reason of the change of conditions in the Canal Zone. When it was originally taken over it was occupied by people of Spanish descent, and the laws, as well as the procedure, were such as those people were familiar with. All those people have been removed from the Canal Zone, and there are now there only those whose training has been in the other system of law, founded upon the common law of England, and that necessitates these changes.

The PRESIDING OFFICER. The clerk will state the next amendments.

The next amendments of the committee were, on page 101, line 6, to strike out the entire line reading "witness subscribed his name thereto as a witness" and insert same words immediately after line 13; on page 121, line 17, to strike out the word "or" at the end of the line and substitute therefor the word "of"; on page 147, line 6, to strike out the letter "s" from the word "assignees," so as to make it singular, "assignee"; on page 202, line 9, to strike out the word "requires" and substitute therefor the word "acquires"; on page 206, line 6, to strike out the word "it" between the words "if" and "at"; on page 368, to strike out lines 7 to 11, inclusive, constituting section 1167; on page 378, to strike out lines 7 to 11, inclusive, constituting section 1217 and cross reference; on page 378, to strike out lines 14 to 16, inclusive, and the numeral (2) in line 17.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The Senate proceeded to consider the bill (H. R. 7523) to amend sections 7, 8, and 9 of the Panama Canal act, as amended.

The bill was ordered to a third reading, read the third time, and passed.

### UNEMPLOYED PERSONS AT MILITARY POSTS

The bill (S. 5363) to provide for the housing, feeding, and clothing of certain unemployed persons at military posts of the United States was announced as next in order.

Mr. SMOOT. Mr. President, that bill was reported adversely.

Mr. REED. Mr. President, in the absence of the Senator from Michigan [Mr. COUZENS], I ask that the bill may go over.

The PRESIDING OFFICER. The bill will be passed over.

### DRAINAGE DISTRICT NO. 1, RICHARDSON COUNTY, NEBR.

The Senate proceeded to consider the bill (S. 4589) to authorize the Secretary of the Interior to make payment of part of the expenses incurred in securing improvements in drainage project of drainage district No. 1, Richardson County, Nebr., and for other purposes, which had been reported from the Committee on Indian Affairs, with amendments, on page 1, line 7, to strike out the words "out of any money in the United States Treasury not otherwise appropriated" and to insert in lieu thereof the words "from funds now or hereafter on deposit to the credit of the individuals concerned," and on page 2, line 9, to strike out the proviso, as follows:

*Provided further*, That the amount paid on account of any allotment shall be reimbursable out of funds under the supervision of the Secretary of the Interior belonging to the respective allotment owners or out of the proceeds of the sale of such allotment.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior, with the consent of the Indians of the Sac and Fox Reservation, Nebr., whose lands shall be benefited by the project of drainage district No. 1, Richardson County, Nebr., is hereby authorized to pay, from funds now or hereafter on deposit to the credit of the individuals concerned, such Indians' pro rata share of the expenses incurred by landowners interested in such project in the prosecution of a suit in equity to require the said drainage district to enlarge the channel of its system, and to do all things necessary to accommodate the water accumulated therein and to prevent overflows thereof: *Provided*, That the amounts so paid on behalf of such Indians shall not exceed the rate of $2 per acre for each acre of Indian land benefited nor a total of $600.

### SETTLERS ON FORT PECK INDIAN RESERVATION

The bill (S. 5433) for the relief of certain settlers on the Fort Peck Indian Reservation, in the State of Montana, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That any entryman on the Fort Peck Indian Reservation, or any of his successors or transferees, who is unable to make payment on his entry as required by law, may obtain an extension of time for such payment, including interest, until November 1, 1933, upon the payment of interest on the total amount involved at the rate of 5 per cent per annum, provided that he shows to the satisfaction of the commissioner of the General Land Office, by affidavit corroborated by the affidavits of at least two persons, the fact of and the reason for his inability to make the payment. Any such person, upon making payment of like interest and furnishing a like affidavit, may obtain an additional extension of one year, but no more, for the payment of any amount so expended.

SEC. 2. Upon failure of any person to make complete payment of the required amount within the period of any extension granted in accordance with the provisions of this act, the homestead entry of such person shall be canceled and the lands shall revert to the status of other tribal lands of the Fort Peck Indian Reservation.

### JUAN APODACA

The bill (S. 4590) for the relief of Juan Apodaca was considered. The bill had been reported from the Committee on Military Affairs with amendments, on page 1, line 9, to strike out the word "of" and insert the word "on"; in lines 10 and 11, strike out the words "that no bounty, pension, pay, or other emoluments shall accrue prior to the passage of this act" and insert in lieu thereof:

That no compensation, retirement pay, back pay, pension, or other benefits shall be held to have accrued prior to the passage of this act.

So as to make the bill read:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, or their dependents, Juan Apodaca, who was a private in the Medical Department, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of the Medical Department on the 11th day of April, 1919: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### GEORGE W. M'DONALD

The bill (H. R. 4368) for the relief of George W. McDonald was considered. The bill had been reported from the Committee on Military Affairs with an amendment, on page 1, line 4, after the word "soldiers," to insert the words "and their widows," so as to make the bill read:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers and their widows, George W. McDonald, who was a member of Company C, Sixty-fifth Regiment Illinois Volunteer In-

fantry, mustered in on June 1, 1862, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 1st day of October, 1862: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I ask that the bill go over. The bill was reported on adversely from the department.

Mr. REED. Mr. President, that is because the bill as then submitted to the Secretary apparently required the issuance of honorable-discharge papers. The man McDonald was undoubtedly taken into the service in the regiment in Illinois. The regiment was moved to Harper's Ferry. The Confederates captured every man in the regiment and all the papers of the regiment, and consequently it is one regiment in the Civil War concerning which The Adjutant General is absolutely unable to furnish a list of the members of the different companies. If a man wanted a pension on plausible grounds he ought to have claimed to belong to the Sixty-fifth Illinois, because nobody can disprove it; but McDonald undoubtedly did belong to it.

McDonald was a drummer boy only 11 years old. He was captured with this regiment by the Confederates at Harpers Ferry. There are affidavits in the record from his companions who say they remember him at a fist fight with a Confederate drummer boy for the possession of his drumsticks. He surrendered his drum, but would not surrender his drumsticks. He had a fight with the Confederate drummer boy and won the fight and kept the drumsticks. That is proven by affidavits. There is no question that he was in the regiment.

During his lifetime he himself was given a pension by special act of Congress. Now he is dead and his widow applies for a widow's pension and can not get it because The Adjutant General states his records do not show that the boy was in the service for 90 days. They were married before 1905, I am sure, and yet the widow can not get any pension.

The boy was taken out of the service under habeas corpus proceedings instituted by his mother when the regiment got back to Illinois. In the Chicago fire all the records of the habeas corpus proceedings disappeared, so that between the Confederates and Mrs. O'Leary's cow there is no record whatsoever to show that this young man ever was in the Army 90 days. However, the affidavits show it beyond question.

I hope the Senator from Utah will withdraw his objection.

Mr. LEWIS. Mr. President, may I submit an inquiry to the able Senator from Pennsylvania? There is nothing against the young man's record even when he was in the service?

Mr. REED. No; nothing at all.

Mr. SMOOT. Very well.

There being no objection, the amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of the widow of George W. McDonald."

### LANDS FOR USE OF UNIVERSITY OF ARIZONA

Mr ASHURST. From the Committee on Public Lands and Surveys I report back favorably without amendment the bill (S. 5361) to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona, and I submit a report (No. 1184) thereon. I call the attention of my colleague [Mr. HAYDEN] to the bill.

Mr. HAYDEN. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

Mr. McNARY. Mr. President, may we have a brief statement of what the bill provides?

Mr. HAYDEN. It authorizes the transfer of some 2,000 acres not far from Tucson, Ariz., to the State of Arizona for the use of the State university. The area described is covered with a fine growth of giant cactus. The university authorities are most anxious to have the growth preserved. There has been a movement on foot to make this a national monument or national park. I think it is better to have it maintained in the nature of a State park under the guardianship of the university.

Mr. McNARY. Is it to be used for experimental purposes by the State university?

Mr. HAYDEN. The primary purpose is to preserve the marvelous growth of cactus to which I have referred.

Mr. McNARY. Would not the Senator be satisfied to let it go over for the day? Several Senators wish to look at it. I shall not interfere further with its passage.

Mr. HAYDEN. Very well.

The PRESIDING OFFICER. The bill will be placed on the calendar.

### CONVEYANCE OF LAND IN LOS ANGELES COUNTY, CALIF.

The bill (S. 5537) to convey certain land in the county of Los Angeles, State of California, was considered. The bill had been reported from the Committee on Military Affairs with amendments, on page 2, line 10, after the word "land," to insert the word "not"; in the same line, to strike out "any other" and insert "that"; and on page 3 to add a new section, as follows:

SEC. 2. That the amount received from the county of Los Angeles, State of California, for the land above described shall be deposited in the Treasury to the credit of the fund known as the military post construction fund, to be and remain available until expended for permanent construction at military posts in such amounts as may be authorized by law from time to time by the Congress.

So as to make the bill read:

Whereas on or about the 22d day of August, 1921, the county of Los Angeles, State of California, conveyed to the United States of America the hereinafter-described tract of land for the use of the War or Navy Departments; and

Whereas the county of Los Angeles, in the State of California, purchased said property for the purpose of making said conveyance at a total sum of $148,655, of which amount the United States of America contributed $55,655 and the county of Los Angeles contributed the sum of $93,000; and

Whereas the United States of America has ceased to use said property, or any part thereof, for military, or naval, or other purposes, and the same is now and for some time has been idle: Therefore

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized and directed to convey to the county of Los Angeles the hereinafter-described land, exclusive of such structures thereon which may be designated by the Secretary of War for retention by the War Department with a view to their eventual removal from the premises, to be used for public park, playground, and recreation purposes only, on condition that should the land not be used for that purpose it shall revert to the United States: *Provided, however*, That the county of Los Angeles, State of California, pay to the United States of America the sum of $55,655, the amount originally paid by the Government on the purchase price of said property, which property is particularly described as follows:

All those certain lots, pieces, or parcels of land, together with all buildings thereon, situate, lying, and being in the city of Arcadia, county of Los Angeles, and State of California, and particularly described as follows, to wit: Lot 4 of tract No. 949 as delineated upon the map of said tract recorded in book 17 of maps, at page 13, records of Los Angeles County, and lots 3, 4, 5, and 6 of tract No. 2409 as delineated upon the map of said tract, recorded in book 23 of maps, at page 23, records of Los Angeles County. The land intended to be conveyed by this deed is bounded on the north by Falling Leaf Avenue, on the east by Santa Anita Avenue, on the south by Huntington Drive and by land now owned by Clara Baldwin Stocker, and on the west by the rights of way of Pacific Electric Railroad Co. and Southern Pacific Railroad Co., and being all of the land claimed or owned by the grantor within the exterior bounds of Arcadia balloon field.

SEC. 2. That the amount received from the county of Los Angeles, State of California, for the land above described shall be deposited in the Treasury to the credit of the fund known as the military post construction fund, to be and remain available until expended for permanent construction at military posts in such amounts as may be authorized by law from time to time by the Congress.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

### GASOLINE TAX IN DISTRICT OF COLUMBIA

The bill (H. R. 5823) to increase the motor-vehicle fuel tax in the District of Columbia and to provide for the better administration thereof was announced as next in order.

Mr. BINGHAM. Mr. President, I wish the Senator from Kansas [Mr. CAPPER] would explain the bill. I have been

informed that the present motor-vehicle fuel tax is more than sufficient to provide for repairs of roads, streets, and so forth. I do not understand why the additional tax is believed to be necessary.

Mr. CAPPER. Mr. President, the basis of taxation for the District of Columbia is broadened by this bill. At the present time the funds obtained from the existing gasoline tax are used exclusively for repair and improvement of streets and roads. Under the terms of this bill and in accordance with the recommendation of the District Commissioners, additional uses are provided for the gasoline tax. These additional uses for gasoline-tax funds include park-road improvement and repair; the construction, maintenance, and repair of bridges; expenses of the department of vehicles and traffic; salaries of street and bridge division employees in the highway department; salaries of police officers assigned to the traffic bureau and salaries of crossing policemen.

The commissioners are very strongly of the opinion that the District must obtain additional sources of revenue. The gasoline tax in the District of Columbia is below that of nearly every State in the Union. There are only four States of the 48 that have a 2-cent tax, as is still in force in the District of Columbia. The State of Virginia, adjoining the District, has a tax of 5 cents; the State of Maryland, 4 cents; and the State of Pennsylvania, 3 cents. The receipts from the real-estate taxes are likely to fall off very materially. Receipts from the sale of properties for delinquent taxes already have fallen off very seriously. The District Commissioners and the District tax assessor believe it imperative and urgent that we should undertake to develop new sources of revenue for the District.

Mr. WALSH of Massachusetts. Mr. President, I hope the Senator from Connecticut will not object. This is a reasonable tax. I believe every State in the Union has a higher rate than that existing in the District of Columbia.

Mr. CAPPER. All but four.

Mr. BINGHAM. The State of Connecticut has a 2-cent tax and uses the money solely for the roads.

Mr. KEAN. Mr. President, I should like to say in regard to this matter that the tax on automobiles in the city of Washington is perfectly absurd. It is only $1 per year. It does not make any difference how much an automobile weighs, the tax is only $1. The consequence is that the value of automobiles has gone down so far that Washington is filled with old secondhand automobiles from which the city receives practically no tax. This is the only source from which the District might recover some funds for use on the roads and streets.

Mr. ODDIE. Mr. President, I will ask that the bill go over for the present. I should like to have an opportunity to look it over before action is taken on it.

The PRESIDING OFFICER. On objection, the bill will be passed over.

### CHESAPEAKE BAY BRIDGE, MARYLAND

The bill (S. 5503) authorizing the Chesapeake Bay Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County, in the State of Maryland, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the Chesapeake Bay Bridge Co., a corporation organized and existing under the laws of the State of Maryland, its successors and assigns, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across the Chesapeake Bay, at a point suitable to the interests of navigation, from a point in Baltimore County, Md., south of Back River, to Hart Island, to Miller Island, and thence to some point in Kent County, Md., between 39° and 12′ and 39° and 13′ and 30″ N. latitude, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act: *Provided*, That in the interests of national defense, and for the protection of life and property, the Secretary of War is hereby authorized and empowered, when, in his judgment, military necessity shall require it, to close said bridge to traffic at such time and during such periods as he may determine.

SEC. 2. After the completion of such bridge, as determined by the Secretary of War, either the State of Maryland, any political subdivision thereof within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interests in real property necessary therefor, by purchase or condemnation or expropriation, in accordance with the laws of such State governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 30 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion cost, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interest in real property; and (4) actual expenditures for necessary improvements.

SEC. 3. If such bridge shall at any time be taken over or acquired by the State of Maryland, or by any municipality or other political subdivision or public agency thereof, under the provisions of section 2 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 30 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of tolls shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper repair, maintenance, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for operating, repairing, and maintaining the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. The said Chesapeake Bay Bridge Co., its successors and assigns, shall, within 90 days after the completion of such bridge, file with the Secretary of War and with the highway department of the State of Maryland a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion cost. The Secretary of War may, and at the request of the highway department of the State of Maryland shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Chesapeake Bay Bridge Co., its successors and assigns, shall make available all of its records in connection with the financing and the construction thereof. The findings of the Secretary of War as to the reasonable cost of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 2 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 5. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the said Chesapeake Bay Bridge Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

### DELAWARE RIVER BRIDGE NEAR BUSHKILL, PA.

The bill (S. 5504) authorizing the Bushkill Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Delaware River at or near Bushkill, Pa., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Bushkill Bridge Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Delaware River, at a point suitable to the interests of navigation, at or near Bushkill, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Bushkill Bridge Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use

real etate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Bushkill Bridge Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. After the completion of such bridge, as determined by the Secretary of War, either the State of Pennsylvania, the State of New Jersey, any public agency or political subdivision of either of such States, within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of either of such States governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of five years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion costs, not to exceed 10 per cent of the sum of the cost of constructing the bridge and its approaches and acquiring such interests in real property; and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall at any time be taken over or acquired by the States or public agencies or political subdivisions thereof, or by either of them, as provided in section 4 of this act, and if tolls are thereafter charged for the use thereof, the rate of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 6. The Bushkill Bridge Co., its successors and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War and with the Highway Departments of the States of Pennsylvania and New Jersey, a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and upon request of the highway department of either of such States shall, at any time within three years after the completion of such bridge, investigate such costs and determine the accuracy and reasonableness of the costs alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Bushkill Bridge Co., its successors and assigns, shall make available all of its records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 4 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Bushkill Bridge Co., its successors and assigns; and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

WAR DEPARTMENT APPROPRIATIONS

The bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. This being the unfinished business, the bill will be passed over until 2 o'clock.

FEDERAL GASOLINE TAX

The bill (H. R. 14416) to make the Federal gasoline tax effective until June 30, 1934, was announced as next in order.

Mr. SMOOT. Let that go over.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. Objection has been made to Calendar 1249, has it not?

The PRESIDING OFFICER. The bill went over on the objection of the Senator's colleague.

Mr. ODDIE. Mr. President, I introduced an amendment to this bill this morning that I should like to have considered at the proper time. This amendment is for the Federal-aid road appropriation for the years 1934 and 1935 as it passed the Senate on June 8, 1932, known as the Oddie bill (S. 36), which passed the Senate as an authorization.

Mr. SMOOT. That is the reason why I objected.

Mr. KEAN. It is a very important bill and it should be passed.

Mr. WALSH of Massachusetts. Mr. President, will not the Senator from Nevada ask that his amendment be printed at this juncture in the RECORD, so that we may know what it is?

Mr. ODDIE. Yes; I ask that that may be done.

The PRESIDING OFFICER. On objection the bill will be passed over, and without objection the amendment of the Senator from Nevada will be printed in the RECORD.

At the proper place in the bill to insert the following:

"That for the purpose of carrying out the provisions of the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be expended according to the provisions of such act as amended: The sum of $125,000,000 for the fiscal year ending June 30, 1934; the sum of $125,000,000 for the fiscal year ending June 30, 1935: *Provided*, That in apportioning the foregoing sums among the several States and the Territory of Hawaii for said fiscal years deductions shall be made as reimbursement to the United States of the $80,000,000 emergency advance funds apportioned to such States and the Territory of Hawaii and used in road work, such deductions to be made at the rate of $16,000,000 each fiscal year, in accordance with the item 'Federal-aid highway system' of the act approved December 20, 1930 (46 Stat. 1031).

"SEC. 2. That for the purpose of carrying out the provisions of section 23 of the Federal highway act approved November 9, 1921, there is hereby authorized to be appropriated for forest roads and trails, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said section 23: The sum of $12,500,000 for the fiscal year ending June 30, 1934; the sum of $12,500,000 for the fiscal year ending June 30, 1935.

"SEC. 3. That for the purpose of carrying out the provisions of section 3 of the Federal highway act as amended June 24, 1930 (46 Stat. 805), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of roads through unappropriated or unreserved public lands, nontaxable Indian lands or other Federal reservations other than the forest reservations, the sum of $3,000,000 for the fiscal year ending June 30, 1933, the sum of $3,000,000 for the fiscal year ending June 30, 1934, the sum of $3,000,000 for the fiscal year ending June 30, 1935, available until expended.

"SEC. 4. That for the purpose of carrying out the provisions of the act of April 9, 1924 (43 Stat. 90), entitled 'An act authorizing the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges in the national parks and monuments under the jurisdiction of the Department of the Interior,' as amended by the act of January 31, 1931 (46 Stat. 1053), and the act of March 4, 1931 (46 Stat. 1553), there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said acts: The sum of $7,500,000 for the fiscal year ending June 30, 1934; the sum of $7,500,000 for the fiscal year ending June 30, 1935; of which sums $1,500,000 may be allocated each year, in the discretion of the Secretary of the Interior, for the construction, reconstruction, and improvement of approach roads to national parks and national monuments, inclusive of necessary bridges: *Provided*, That in lieu of the total cash appropriations herein authorized the Secretary of the Interior may approve projects, incur obligations, and enter into contracts for additional work each fiscal year not exceeding the difference between the amount of the unobligated appropriation for the particular fiscal year and the amount herein authorized for said fiscal year and his action in so doing shall be deemed a contractual obligation of the Fed-

eral Government for the payment of the cost thereof and appropriations hereafter made for the construction of roads in national parks and national monuments shall be considered available for the purpose of discharging the obligation so created.

"SEC. 5. In every case in which, in the judgment of the Secretary of Agriculture and the highway department of the State in question, it shall be practicable to plant and maintain shade trees along the highways authorized by the act of November 9, 1921, and by this act, the planting of such trees shall be included in the specifications provided in section 8 of said act of November 9, 1921, and the Federal highway act of November 9, 1921, is amended accordingly."

BILL PASSED OVER

The bill (S. 5530) to provide for placing the jurisdiction, custody, and control of the Washington City post office in the Secretary of the Treasury was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PUBLIC-BUILDING PROJECTS—ORE AND MINERAL RIGHTS

The bill (S. 5588) authorizing the acceptance of title to sites for public-building projects, subject to the reservation of ore and mineral rights, was considered and was read.

Mr. WALSH of Massachusetts. Mr. President, the bill ought to be passed. Under the existing law the Federal Government can not hold property upon which there are any restrictions of any kind. The bill permits the Federal Government to make acceptance of properties, with a provision to reserve the ore or mineral rights to the people who have them. I do not think there can be any objection to the bill. It is recommended by the Post Office Department.

Mr. KING. Mr. President, it would merely mean that the Government could not get the fee title. It would mean that the Government can get the surface rights, as explained in the bill.

Mr. WALSH of Massachusetts. That is true.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That title to sites and additional land for the construction thereon of public-building projects authorized by the emergency relief and construction act of 1932 and subsequent acts may be acquired subject to the reservation of title in and the right to mine ores and minerals on such sites and land.

COLONIAL REALTY CO.

The Senate proceeded to consider the bill (S. 5382) providing for an exchange of lands between the Colonial Realty Co. and the United States, and for other purposes, which was read, as follows:

*Be it enacted, etc.*, That upon execution and delivery by the Colonial Realty Co. of a deed conveying to the United States, title in fee, free of incumbrance, to approximately 1,420 acres of seeped and unproductive lands, as determined by the Secretary of the Interior, in sections 20, 21, 22, 25, 27, 28, 31, 32, 33, and 34, township 39 south, and section 3 of township 40 south, range 9 east, Willamette meridian, Oregon, Klamath project, or to such portion thereof as said company may elect so to convey, the said Secretary is hereby authorized and directed to issue a patent to the Colonial Realty Co., conveying to said company title to approximately an equivalent amount of public lands on the Tule Lake division of the Klamath project in Oregon-California to be selected and designated by said company from available lands in that division: *Provided*, That in order to avoid the expense of additional surveys, and since many of the tracts to be conveyed to the United States are designated as lots by public-land surveys and for this reason the subdivisions contain areas both less than and in excess of legal subdivision, the areas conveyed to the Government and the areas patented by the Government need be only approximately of the same acreage: *Provided further*, That should any legal subdivision of the lands herein described consist of more than 50 per cent of unproductive land the whole subdivision may, at the option of said company, be conveyed to the United States, with the right of exchange of an equivalent area as herein authorized.

SEC. 2. That all charges heretofore paid on account of construction and operation and maintenance on the unproductive lands to be conveyed to the United States shall be credited upon the unpaid construction and operation and maintenance charges payable on account of the productive lands, if any, of said Colonial Realty Co. situate within the boundaries of the Klamath irrigation district retained by said company. Should such credits be more than sufficient to pay all construction and operation and maintenance charges accrued and unpaid at the time of conveyance against the productive area retained by said company in the Klamath irrigation district, such excess credits shall be transferred to the irrigable lands in the Tule Lake division patented by the Secretary of the Interior to said company as herein authorized.

SEC. 3. The Klamath irrigation district, upon agreeing to the exchange of lands and transfer of credits herein authorized, shall be credited by the United States with all amounts heretofore paid by it on account of the construction and operation and maintenance charges assessed against unproductive lands in said district conveyed by the company to the United States under authority of this act, and the district shall be relieved of the payment to the United States of any further construction or operation and maintenance charges on account of the land so conveyed.

SEC. 4. The water-right charges payable by said company or its successor on the Tule Lake lands patented pursuant to this act shall be the same as those fixed for similar lands in that district and shall be subject to payment in the same manner, subject to the allowance of credits as herein authorized. Such credits shall be applied in reduction of the construction charge fixed for the Tule Lake division.

Mr. KING. Mr. President, will the Senator from Oregon make a brief explanation of the bill and state whether it relates to the Klamath Indian Reservation?

Mr. McNARY. No, Mr. President; it does not refer to that reservation. The Klamath irrigation district is located partly in Oregon and partly in northern California The company referred to in the bill acquired several sections of land; but on account of the seepage of the Government ditch, it became waterlogged and useless. Consequently, in order to be fair and equitable to the purchaser, the bill simply provides that the Government shall exchange good land in the irrigation district for the waterlogged land which is useless and valueless. The bill has received the recommendation of the Secretary of the Interior and the Commissioner of Reclamation who has jurisdiction over the district.

Mr. KING. As I understand, it does not involve any Indian reservation?

Mr. McNARY. Oh, no.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MORRISTOWN NATIONAL HISTORICAL PARK, N. J.

The Senate proceeded to consider the bill (S. 5469) to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes.

Mr. KING. Mr. President, I stated the other day that from investigations I had made I thought there were entirely too many national parks. There seems to be a mania for putting under the control of the Federal Government every spot of scenic beauty and that has some unique quality. I am rather reluctant to assent to the creation of any more parks at the present time.

Mr. KEAN. Mr. President, will the Senator withhold his objection for a moment?

Mr. KING. I will withhold my objection for a moment.

Mr. KEAN. Mr. President, this bill was introduced last year while the country was celebrating the bicentennial of the birth of Washington. It was thought to be exceedingly appropriate that there should be acquired in New Jersey the lands where Washington's troops were camped and also the house in which he lived for three years during the darkest days of the American Revolution. On the soil of New Jersey there were fought more battles during the Revolutionary War than in any other State of the Union. Morristown to-day is a strategic point in the United States if an invading army should ever attempt to invade the United States. It is well known that the site of the proposed Morristown National Historical Park is one of the most historic points in the United States, and I hope the Senator from Utah, coming as he does from a race that has served the United States well, not only in Utah but in other States, and being a patriotic citizen, will consent to passage of this bill.

Mr. WALSH of Massachusetts. Mr. President, after the plea which has been made by the Senator from New Jersey I am sure the Senator from Utah will withdraw his objection.

Mr. KING. Mr. President, of course it is very ungracious, after the very complimentary reference made by my friend, to interpose any objection. I find, however, on page 4 an amendment has been offered which provides—

That no appropriation of Federal funds for administration, protection, and maintenance of said park in excess of $7,500 annually shall be made for the fiscal years 1934, 1935, and 1936.

Whenever a national park is created, the next thing, of course, is to secure a large appropriation. I think the Senator from New Jersey had better eliminate that amendment, and then perhaps the bill may get through.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. KING. I appeal to my friend to eliminate that amendment.

Mr. KEAN. Very well, Mr. President; I will consent that the amendment be rejected.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with amendments.

The first amendment was, in section 1, page 2, line 10, after the name "Morristown," to strike out "to be accepted subject to existing water rights," so as to make the section read:

That when title to all the lands, structures, and other property in the military camp-ground areas and other areas of Revolutionary War interest at and in the vicinity of Morristown, N. J., as shall be designated by the Secretary of the Interior, in the exercise of his discretion, as necessary or desirable for national-park purposes shall have been vested in the United States, such areas shall be, and they are hereby, established, dedicated, and set apart as a public park for the benefit and enjoyment of the people and shall be known as the Morristown National Historical Park: *Provided,* That the United States shall not purchase by appropriation of public moneys any lands within the aforesaid areas, but such lands shall be secured by the United States only by public or private donation: *And provided further,* That such areas shall include, at least, Jockey Hollow camp site, now owned by Lloyd W. Smith and the town of Morristown; Fort Nonsense, now owned by the town of Morristown; and the George Washington headquarters, known as the Ford House, with its museum and other personal effects and its grounds, now owned by the Washington Association of New Jersey.

The amendment was agreed to.

The next amendment was, in section 6, page 4, line 11, to insert:

*Provided,* That no appropriation of Federal funds for administration, protection, and maintenance of said park in excess of $7,500 annually shall be made for the fiscal years 1934, 1935, and 1936.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MEMORIAL TO DIPLOMATIC AND CONSULAR OFFICERS

The joint resolution (S. J. Res. 237) authorizing the erection in the Department of State Building of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.,* That the Director of Public Buildings and Public Parks of the National Capital be, and he is hereby, authorized to grant permission to the American Foreign Service Association for the erection of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances. The design of the memorial shall be approved and the site in the Department of State Building shall be chosen by the Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of the said memorial.

DISPOSAL OF LIGHTHOUSE RESERVATIONS

The bill (S. 5581) authorizing the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes, was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That the Secretary of Commerce is hereby authorized to convey to the State of Wisconsin for State park purposes that portion of the Eagle Bluff Lighthouse Reservation, Wis., which is not required to be retained for lighthouse purposes. The Secretary of Commerce shall describe by metes and bounds in the deed of conveyance the exact portion of the reservation transferred: *Provided,* That the Secretary of War may enter upon and utilize for the purpose of obtaining stone for river and harbor work, and other uses of the department, any area within said tract which he may determine to be necessary for such purpose. Authority is also hereby granted to lease to the State of Wisconsin that portion of the lighthouse reservation not transferred for a period of 25 years, subject to revocation at any time by the Secretary of Commerce.

SEC. 2. The Secretary of Commerce is authorized to convey to the city of Muskegon, Mich., a portion of the Muskegon Lighthouse Reservation, Mich., consisting of 1 acre, located at the foot of Beach Street, in the said city of Muskegon, formerly occupied by light keeper's dwelling, in exchange for a parcel of land 80 feet wide north and south by approximately 500 feet long, extending to the shore of Lake Michigan, containing ninety-two one-hundredths of an acre, lying adjacent on the south to property now occupied by light keeper's dwelling. The city of Muskegon will be required to furnish a fee-simple title good of record and free of all incumbrances, together with abstract of title acceptable to the Attorney General of the United States.

SEC. 3. The Secretary of Commerce is authorized to convey to the borough of Keansburgh, N. J., that portion of the Point Comfort Lighthouse Reservation, N. J., not required for lighthouse purposes under the following conditions: The property will be used for public beach or park purposes; the property will be kept in good condition by the borough of Keansburgh; no buildings or other structures will be erected on the property which would in any way interfere with the operation of the light; the Lighthouse Service shall have right of way over the property at all times to and from the light; the Lighthouse Service shall have right of way for the maintenance of the existing pole lines across the property; and the Lighthouse Service may make future use of the property that may be found necessary in connection with maintaining aids to navigation.

SEC. 4. The Secretary of Commerce is hereby authorized to convey to the Lower Township of Cape May County, State of New Jersey, for public-roadway purposes that portion of the Cape May Light Station which is not required to be retained for lighthouse purposes, consisting of a strip of land 50 feet in width and approximately 217 feet in length, said land to be described by metes and bounds in the deed of conveyance.

SEC. 5. The Secretary of Commerce is hereby authorized to convey to the board of selectmen of the town of Chatham, Mass., for roadway and public-park purposes such portions of the Chatham Lighthouse Reservation, Mass., as are not required to be retained for lighthouse purposes. The deed of conveyance shall describe by metes and bounds the exact portions of the reservation transferred.

SEC. 6. The Secretary of Commerce is hereby authorized to convey to the city commission of the city of St. Augustine, Fla., for public-park purposes that portion of the Anastasia Island Lighthouse Reservation, Fla., which is not required to be retained for lighthouse purposes, consisting of lots 1 and 2, section 21, township 7 south, range 30 east, Tallahassee, Fla., excepting that part of lot 2 between the 5-acre lighthouse tract and the hard-surfaced road, together with a perpetual easement for beams of light across any part of the land that may be between the lighthouse and the sea: *Provided,* That no conveyance of the property shall be made until such time as the city commission of the city of St. Augustine shall have agreed in writing to relieve the United States from being a party to any claims or litigation through the acquisition of the land in question by the city of St. Augustine, and that satisfactory agreements are reached with holders of record to subdivided lands in said lots 1 and 2 prior to 1923. The deed of conveyance shall be subscribed by metes and bounds the exact portions of the reservation transferred.

SEC. 7. The Secretary of Commerce is hereby authorized to transfer to the War Department of the Marblehead Lighthouse Reservation, Mass., reserving unto the Department of Commerce an area of 100 feet square surrounding the lighthouse tower, together with a right of way by land and sea.

SEC. 8. The Secretary of Commerce is hereby authorized to transfer to the Treasury Department the Grosse Isle Lighthouse Reservation, Wayne County, Mich., to be occupied by the Customs Service as a patrol base. The reservation consists of approximately eleven one-hundredths of an acre, more or less.

SEC. 9. That the Secretary of Commerce is authorized to acquire by exchange a parcel of land located in Atlantic County, N. J., under the jurisdiction of the Board of Chosen Freeholders of Atlantic City, N. J., and offered by that board in exchange for the present site, belonging to the United States, acquired for lighthouse purposes, situate on what is known as Rum Point, containing approximately 3 4/10 acres, more or less, as a more suitable site for the establishment of a lighthouse depot at that point to care for increased activities within the third lighthouse district.

SEC. 10. The Secretary of Commerce is hereby authorized to transfer to the Navy Department the Blakistone Island Lighthouse Reservation, Md. The reservation is no longer required for lighthouse purposes.

SEC. 11. The Secretary of Commerce and the Secretary of the Treasury are hereby authorized to acquire by transfer from the War Department certain unused property located adjacent to the South Pier, Buffalo Harbor, N. Y., which is now reserved for military purposes but not required for such purpose by the War Department, excepting therefrom the United States South Pier. Two parcels of the land containing 5 36/100 acres and 8 68/100 acres, respectively, may be transferred to the Secretary of Commerce for lighthouse purposes, and one parcel of land containing 14 55/100 acres may be transferred to the Secretary of the Treasury for Coast Guard activities.

SEC. 12. That the act of February 18, 1931 (46 Stat. 1172), entitled "An act to reserve for public use rocks, pinnacles, reefs, and small islands along the sea coast of Orange County, Calif.," is

hereby amended to reserve for lighthouse purposes the San Juan and San Mateo Rocks and the two rocks in the vicinity of Laguna Beach, off the coast of Orange County, Calif.

SEC. 13. Each conveyance authorized by sections 1, 2, 3, 4, 5, and 6 shall be subject to the express condition that the grantee assume the obligations imposed by such sections, including carrying out the purposes of the grant. The Secretary of Commerce may at any time, by letter addressed to its chief executive officer or officers, notify any such grantee which has not begun to perform, or has ceased to perform, any such obligation that the property so conveyed will revert to the United States; and if such grantee does not begin or resume the performance of such obligation within a period of six months from the date of such notice, such property shall, upon the expiration of such period, revert to the United States without further notice or demand or any suit or proceeding. The United States reserves the right to resume ownership, possession, and control, for Government purposes, of any of the property so conveyed, at any time and without the consent of the grantee.

MAJ. O. S. M'CLEARY, UNITED STATES ARMY, RETIRED

The bill (S. 2508) for the relief of Maj. O. S. McCleary, United States Army, retired, was read, considered, ordered to be engrossed for a third time, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is authorized and directed to allow to Maj. O. S. McCleary, United States Army, retired, the sum of $148.98, being difference between active-duty pay and allowances and retired pay for period from July 2 to 20, 1927, while he was on leave from active duty to which as a retired officer he was assigned.

BILL PASSED OVER

The bill (S. 4326) for the relief of R. S. Howard Co. (Inc.), was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

W. H. HENDRICKSON

The bill (S. 2862) for the relief of W. H. Hendrickson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. H. Hendrickson, of Salt Lake City, Utah, the sum of $250 in full satisfaction of his claim against the United States arising out of the sale of a Ford truck to him by the prohibition administrator on June 7, 1930, at Salt Lake City, Utah.

JOHN O'NEIL

The Senate proceeded to consider the bill (H. R. 5989) for the relief of John O'Neil, which had been reported from the Committee on Naval Affairs with an amendment in line 9, after the word "*Provided,*" to strike out "That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act" and to insert "That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act," so as to make the bill read:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John O'Neil, late of United States Naval Reserve Force, shall hereafter be held and considered to have been discharged under honorable conditions from the naval service of the United States on the 10th day of October, 1918: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefits shall be held to have accrued prior to the passage of this act.

Mr. KING. Mr. President, I ask the Senator from Massachusetts whether this bill falls within the rule which he announced yesterday?

Mr. WALSH of Massachusetts. Mr. President, I am not familiar with the exact facts in this case, but I do know that no relief bills of this nature are passed by the full committee without falling within the rule announced yesterday.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

OLEN H. PARKER

The Senate proceeded to consider the bill (H. R. 9473) for the relief of Olen H. Parker, which had been reported from the Committee on Naval Affairs with an amendment on page 1, line 9, after the word "*Provided,*" to strike out "That no bounty, back pay, pension, compensation, or allowance of any kind shall be held to have accrued prior to the passage of this act" and to insert "That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act," so as to make the bill read:

*Be it enacted, etc.*, That in the administration of the compensation laws and laws conferring rights and privileges upon honorably discharged soldiers, sailors, marines, and so forth, their widows and dependent relatives, Olen H. Parker shall hereafter be held and considered to have been discharged under honorable conditions from the United States Marine Corps on May 10, 1919: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NAVAL RESERVE AND MARINE CORPS RESERVE

The Senate proceeded to consider the bill (H. R. 5329) to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929.

Mr. KING. Mr. President, I should like to have an explanation of that measure.

Mr. SHORTRIDGE. Mr. President, the report sets forth the facts. The bill really was initiated by the Navy Department and they recommend favorable action. However, in compliance with the Senator's request, let me say that he will note in the report, beginning with the second paragraph, the following:

Under present law the Secretary of the Navy has authority to stop the retainer pay of men transferred to the reserve prior to July 1, 1925, who fail to report for inspection. As to men transferred to the reserve after July 1, 1925, the Comptroller General has ruled pay can not be stopped except by the sentence of court-martial; the purpose of this bill is to correct this situation, so that the Secretary of the Navy may have authority to stop the retainer pay of any and all members of the reserve who fail to report for inspection when called.

Mr. KING. Mr. President, I am not sufficiently acquainted with the measure to be sure, but it seems to change the existing law. I shall not object to its passage with the understanding that I shall call up Mr. McCarl, the Comptroller General, in whom I have great confidence, and if he feels that this is not a modification of the existing law, and does not restrict him in the authority which has been conferred upon him, I shall not move to reconsider; but if he shall report otherwise, I shall move to reconsider and ask the Senator to permit the bill to go back on the calendar. Is that understood?

Mr. SHORTRIDGE. That is understood, and is quite agreeable to me.

The bill was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 9166) for the relief of William E. B. Grant was announced as next in order.

Mr. WALSH of Massachusetts. Mr. President, I notice there is a similar Senate bill on the calendar. Not knowing which bill the Senator from Maryland [Mr. TYDINGS] desires to have passed, I think I shall ask that the bill go over temporarily.

The PRESIDING OFFICER. The bill will be passed over temporarily.

JOHN HUNTZ ROLOFF

The Senate proceeded to consider the bill (H. R. 9272) to correct the rating of John Huntz Roloff, Fleet Naval Reserve, which had been reported from the Committee on Naval Affairs with an amendment, on page 2, line 4, after the word "*Provided,*" to strike out "That no bounty, back pay, or allowance shall be held to have accrued prior to the passage of this act" and insert "That no compensation, retirement

pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act," so as to make the bill read:

*Be it enacted, etc.*, That John Huntz Roloff, chief machinist's mate, acting appointment, Fleet Naval Reserve, shall be deemed to hold the rating of chief machinist's mate, permanent appointment, Fleet Naval Reserve, from date of the approval of this act, because John Huntz Roloff was found qualified for the rating of chief machinist's mate, permanent appointment, on July 22, 1922, and recommendation for the promotion was forwarded to the Navy Department, where the papers concerning the advancement were filed and no action taken, and said Roloff was transferred to the Fleet Naval Reserve from the active list on September 20, 1922, without having received the promotion for which he had been found qualified and had been recommended: *Provided*, That no compensation, retirement pay, back pay, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BRIDGE BILLS

The PRESIDING OFFICER. The next three bills on the calendar are House bridge bills, and, without objection, will be considered en bloc.

Mr. LEWIS. Mr. President, I rise being slightly solicitous as to order of business No. 1268, being House bill 14129, and to make sure of its being passed, as it is the great desire of my constituency to have the privilege sought in the construction of the bridge connecting Lake Michigan and the Chicago River, and I may add the definition of the place that attends and attaches to the location is what is known as the Ogden Slip. I may add that this is not the only slip that exists in my community, but it is one in which they are very much interested in having at once bridged.

The PRESIDING OFFICER. The Senator is not objecting to the passage of the bill, is he? [Laughter.]

Mr. LEWIS. Oh, no. I am urging its immediate and unanimous passage.

The following bills were severally considered, ordered to a third reading, read the third time, and passed:

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.; and

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

LOCAL COOPERATION IN WATERWAY IMPROVEMENTS

The joint resolution (S. J. Res. 235) amending provisions in river and harbor laws relating to local cooperation in the prosecution of waterway improvements was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of that joint resolution?

Mr. BULKLEY. Mr. President, under the act of 1930 providing for river and harbor improvements there were a number of cases where contributions of specific sums of money were required by local interests. Since that time the cost of doing construction work has been considerably reduced so that in some cases it is actually being accomplished for not much more than 50 per cent of the cost as estimated at the time the project was undertaken. Under those circumstances it does not seem fair that the local contributions should remain the same as required under the original estimate.

This joint resolution would authorize the Secretary of War to reduce local contributions in such cases so that the local contributions would bear the same proportion to the actual cost of the work as was originally intended; that is to say, that they would bear the same proportion to the actual cost of the work as the fixed contribution under the law bears to the estimated cost of the work.

Mr. McKELLAR. Has the joint resolution the approval of the War Department?

Mr. BULKLEY. I think the War Department has not as yet reported on it.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Commerce, with an amendment, on page 1, after line 5, to insert "subject to the approval of the Board of Engineers for Rivers and Harbors," so as to make the joint resolution read:

*Resolved, etc.*, That when the authorization of a project of river and harbor improvement requires that local interests shall contribute a specific sum of money toward its cost, the Secretary of War, subject to the approval of the Board of Engineers for Rivers and Harbors, may reduce the sum to be contributed to an amount which shall be in the same ratio to the amount of the required contribution as the actual cost of the work to which said contribution is applicable bears to its original estimated cost as set forth in the project document: *Provided*, That the reduction hereby authorized shall not extend to contributions heretofore made.

The amendment was agreed to.

Mr. CONNALLY. This proposed amendment of the law, it seems to me, is ill advised. It seems to me that the authority ought to rest in the Secretary of War. He is the responsible authority, and to make his action dependent upon what the Board of Army Engineers should advise him seems to me undue infringement on the power of a Cabinet officer. So I hope the amendment will be rejected.

Mr. McKELLAR. He naturally would have to get the facts from the Board of Engineers.

Mr. CONNALLY. To be sure.

Mr. McKELLAR. And he would not approve unless he had their approval, anyway.

Mr. CONNALLY. That is the point exactly. Therefore it is unnecessary.

Mr. VANDENBERG. Mr. President, I shall have to object to the consideration of the joint resolution.

Mr. KING. I call for the regular order.

The PRESIDING OFFICER. The joint resolution is objected to and will be passed over.

Mr. BULKLEY subsequently said: Mr. President, I ask to return to Order of Business No. 1270, S. J. Res. 235. I am now advised by the Senator from Texas [Mr. CONNALLY] that he will not insist upon his opposition to the committee amendment, and in that case I understand that the Senator from Michigan [Mr. VANDENBERG] will withdraw his objection to the consideration of the joint resolution.

The PRESIDING OFFICER. The amendment has been agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

REINTERMENT OF DEAD BODIES IN THE DISTRICT

The Senate proceeded to consider the bill (S. 5052) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late Annie Regina Brahler from St. Mary's Cemetery to Cedar Hill Cemetery, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause and to insert:

That section 93 of title 5 of the Code of Law for the District of Columbia is hereby amended by adding thereto the following proviso: "*Provided*, That the health officer of the District of Columbia may, in his discretion, authorize the opening, under sanitary precautions, of any such grave, and the disinterment and reinterment in the same grave or other suitable burial ground, of the dead body of any person who has died of any of the contagious diseases enumerated above."

Mr. WALSH of Massachusetts. Mr. President, I think the Committee on the District of Columbia is to be commended for abolishing the practice of requiring the passage of individual bills granting permission to move dead bodies, where persons have died of a contagious disease, by recom-

mending a general law on the subject. We have too many of those special bills.

Mr. KING. Mr. President, I desire to say to my friend from Massachusetts that the District Commissioners would have far greater power than they now possess to deal with these local questions which require special legislation if the people of the District could agree among themselves as to what powers they desire. We have introduced measures from time to time in the committee to enlarge the powers of the District Commissioners so as to enable them to deal with these matters instead of bringing every little question to Congress; but the people of the District have controversies among themselves as to the authority which they desire conferred upon their own commissioners.

Mr. WALSH of Massachusetts. I think this bill illustrates the absurdity of coming to the Congress of the United States with a bill to get permission to move a dead body from one cemetery in the city to another.

Mr. KING. I agree with the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to empower the health officer of the District of Columbia to authorize the opening of graves, and the disinterment and reinterment of dead bodies, in cases where death has been caused by certain contagious diseases."

### CALL OF THE ROLL

Mr. BINGHAM. I suggest the absence of a quorum.

The PRESIDING OFFICER. Will not the Senator permit us to complete the calendar? We are about to take up the last bill on the calendar.

Mr. BINGHAM. For the purpose of calling the attention of certain Senators who are not present to the bill, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dale | Keyes | Schuyler |
| Austin | Davis | King | Sheppard |
| Bailey | Dickinson | La Follette | Shipstead |
| Bankhead | Dill | Lewis | Shortridge |
| Barkley | Fess | Logan | Smith |
| Bingham | Fletcher | McGill | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Metcalf | Swanson |
| Bratton | Glenn | Moses | Thomas, Idaho |
| Brookhart | Goldsborough | Neely | Thomas, Okla. |
| Bulkley | Gore | Norbeck | Townsend |
| Bulow | Grammer | Norris | Trammell |
| Byrnes | Hale | Nye | Tydings |
| Capper | Harrison | Oddie | Vandenberg |
| Caraway | Hastings | Patterson | Wagner |
| Clark | Hatfield | Pittman | Walcott |
| Connally | Hayden | Reed | Walsh, Mass. |
| Coolidge | Hebert | Reynolds | Walsh, Mont. |
| Copeland | Hull | Robinson, Ark. | Watson |
| Costigan | Johnson | Robinson, Ind. | White |
| Couzens | Kean | Russell | |
| Cutting | Kendrick | Schall | |

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present. The clerk will state the next bill on the calendar.

### BILL PASSED OVER

The bill (S. 5553) to relieve destitution in the District of Columbia was announced as next in order.

Mr. KING. Mr. President, a number of Senators are interested in this bill, one of whom desires to be heard upon it. In view of that fact, I suggest that it go over. We will have an opportunity to consider it a little later.

The PRESIDING OFFICER. The bill will be passed over. That completes the calendar.

### AMENDMENT OF RADIO ACT

Mr. DILL. Mr. President, under Rule VIII, I move that the Senate proceed to the consideration of H. R. 7716, to provide certain amendments to the radio law.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, which had been reported from the Committee on Interstate Commerce, with amendments.

Mr. DILL. Mr. President, I think I might make a short statement to explain the nature of this bill.

The PRESIDING OFFICER. Does the Senator wish to dispense with the formal reading of the bill and have the committee amendments considered first?

Mr. DILL. I should like to have that done.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DILL. Mr. President, this bill consists of several pages; but most of the pages are taken up with a reprint of the present provisions of the radio law that are amended, in order that Senators may know what the law is like when it has been amended. For that reason there are not so many changes as might seem to be the case at first glance at the bill.

The bill is designed first to provide certain changes in the hearings by the commission. The commission never has had any specific statute under which to hold hearings, and this bill attempts to set up a procedure for hearings. Since there are so many hearings by the commission, it seems highly desirable that this subject should be covered by statute.

Then there are certain minor changes regarding the transfer of licenses to holding companies, and certain amendments regarding appeal procedure by the committee. It has been felt that the appeal provision of the present law is somewhat lacking in definiteness, and therefore that this procedure should be more specifically stated by statute.

Then there is an amendment known as the amendment prohibiting the advertising of lotteries by radio, as newspapers are now forbidden, and another amendment of considerable importance enlarging the equality provision of the use of radio for political purposes.

I think we can discuss the amendments as we come to them, if Senators desire to ask questions.

Mr. KING. Mr. President, may I inquire of the Senator whether the bill enlarges materially the powers of the commission to deal with wave-lengths, and to extend greater privileges and restrict certain privileges?

Mr. DILL. No; I think it gives no added power to the commission, but only defines probably a little more clearly certain powers of the commission.

Mr. KING. It relates to administration rather than to what might be denominated substantive law?

Mr. DILL. With the exception of the matter of lotteries, it is largely a matter of amendments of a technical nature to the existing statute.

Mr. KING. It does not increase the number of employees?

Mr. DILL. No; it does not.

Mr. KING. Or increase the expenses?

Mr. DILL. We hope it will cut down some of the expenses.

I ask to have the amendments stated.

The PRESIDING OFFICER (Mr. DICKINSON in the chair). The clerk will read the bill for amendment, the amendments of the committee to be first considered.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Interstate Commerce was, on page 3, line 4, after the name "Guam," to strike out "Eastern" and insert "American," so as to read:

> The Virgin Islands, Puerto Rico, Alaska, Guam, American Samoa, and the Territory of Hawaii are expressly excluded from the zones herein established, but this act shall otherwise apply to them with equal force and effect.

The amendment was agreed to.

The next amendment was, on page 4, line 16, after the word "member," to insert "or members"; in the same line, after the word "commission," to strike out "or any examiner or other officer or employee thereof," so as to read:

The commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and the ends of justice. The commission may hold public hearings and order testimony to be taken by deposition, at any designated place, in connection with any proceeding or investigation authorized by this act, and may require the attendance and testimony of witnesses and the production of documentary evidence, from any place in the United States, at any designated place of hearing. Any member or members of the commission, when duly designated by the commission for such purpose, may hold hearings, sign and issue subpœnas, administer oaths, examine witnesses, and receive evidence at any place within the jurisdiction of the United States designated by the commission.

The amendment was agreed to.

The next amendment was, on page 4, line 21, after the word "commission," to insert a colon and the following provisos:

*Provided*, That the commission may authorize examiners to hold hearings and exercise all of the powers herein granted the commission in connection with holding hearings in cases not involving a change of policy by the commission, a transfer of the use of radio facilities from one zone to another, a change of regulations, new devices or developments in radio, or a new kind of use of frequencies: *Provided further*, That in all cases heard by an examiner the commission shall grant oral arguments on request of either party.

The amendment was agreed to.

The next amendment was, on page 5, line 8, after the word "thereof," to strike out "or before an examiner or other officer or employee thereof" and insert "or an examiner," so as to read:

In case of failure to comply with any subpœna or in case of the contumacy of any witness appearing at any hearing before the commission, a commission thereof, or an examiner, the commission may invoke the aid of any district court of the United States. Such a court may thereupon order the witness to comply with the requirements of the subpœna or to give evidence which is relevant to the matter in question; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

The amendment was agreed to.

The next amendment was, on page 5, line 25, after the words "before the," to strike out "commission or" and insert "commission"; on page 6, line 1, after the word "thereof," to strike out "or before an examiner or other officer or employee of the commission" and insert "or an examiner"; in line 4, after the word "commission," to strike out "or"; in line 5, after the word "thereof," to strike out "or of any examiner or other official or employee thereof" and insert "or of an examiner,"; and in line 9, after the word "interested," to insert "as shall all opinions or memorandum opinions filed by the commission in support of its decisions," so as to read:

A majority of the commission shall constitute a quorum for the transaction of business, but no commissioner shall participate in any hearing or proceedings in which he has a pecuniary interest. The commission may, from time to time, make or amend such general rules or orders as may be requisite for the order and regulation of the proceedings before it, including forms of notices and the service thereof, which shall conform, as nearly as may be, to those in use in the courts of the United States. Any party to any proceeding may appear before the commission, any commissioner thereof, or an examiner holding any hearing and be heard in person or by attorney. Every vote and official act of the commission, of any commissioner thereof, or of an examiner, in any hearing, proceeding, or investigation, shall be entered of record, and such record shall be public upon the request of any party interested, as shall all opinions or memorandum opinions filed by the commission in support of its decisions.

The amendment was agreed to.

The next amendment was, on page 6, line 22, after the word "commission," to strike out "or"; in the same line, after the word "thereof," to strike out "or any examiner, official, or employee thereof," and insert "or an examiner"; so as to read:

The commission may order testimony to be taken by deposition in any proceeding or investigation pending under this act at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall then be subscribed by the deponent. Any person may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commission, any commissioner thereof, or an examiner, as hereinbefore provided.

Mr. KING. Mr. President, I ask the Senator from Washington, having the bill in charge, whether he regards this rather extraordinary conferring of authority upon examiners, to compel attendance of witnesses, and to require individuals to be present and testify is not too great authority to confer upon the examiners?

Mr. DILL. Mr. President, perhaps I should say that the authority is conferred upon the commission, and if we are to allow examiners to hold hearings for the commission, we must give them this power.

Under the present procedure the commission has proceeded to do all these things, and is holding practically all of the hearings by means of examiners. I do not believe, and never have believed, that under the statute they had that right, because the law simply authorizes the commission to hold hearings, and then it provides they may appoint examiners. The commission has proceeded to follow a system such as that used in the Interstate Commerce Commission.

The Senator will note that we have limited the hearings which examiners may hold. All of the new questions and new policies which might be raised before the commission must be considered by the commission or a commissioner.

We have also provided that when an examiner does hold a hearing the commission must permit oral argument. For many months now they have had hearings conducted by examiners, and the cases have been submitted to the commission, and sometimes the parties were unable to get even a hearing before the commission. It is to put a stop to this procedure that this amendment was written in this way.

Mr. KING. Mr. President, the Senator, with his experience, and knowing the conduct too often of bureaucrats, knows that to confer upon persons, many of whom may not have had large judicial experience, authority to hale witnesses before them and compel them to testify is going a long way.

Mr. DILL. Mr. President, I may say it is a policy we have followed in connection with the Interstate Commerce Commission; and if a hearing by an examiner is to be effective, of course the examiner must have the power conferred in this amendment. Personally I should have liked to provide that all hearings should be held by the commission itself, or some member of the commission, but I was overridden by the committee in that viewpoint, and I accepted this amendment as a substitute, requiring, as we do here, that all hearings affecting the development of radio or new problems of radio shall be heard before the commission.

Mr. KING. Mr. President, I share the views of the Senator. I think all such questions ought to be heard before the commission, because it is a very important matter, and the importance of radio and its activities will become more apparent as the days go by. But if the Senator has given attention to this and is willing to accept it, I shall pretermit any further objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 7, line 11, before the word "any," to strike out "or," in the same line, after the word "commissioner" to strike out "examiner, or other officer or employee thereof," and insert "or examiner," so as to read:

No person shall be excused from attending and testifying or answering any lawful inquiry or from deposing or from producing documentary evidence before the commission, any commissioner, or examiner or in obedience to the subpœna of the commission, whether such subpœna is signed or issued by one or more commissioners, or by any other person duly authorized, or in any cause or proceeding, criminal or otherwise, based upon or growing out of any alleged violation of this act or upon the taking of any deposition herein provided for, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no natural person shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled under oath so to testify,

answer, or produce evidence, documentary or otherwise: *Provided*, That no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

The amendment was agreed to.

The next amendment was, on page 9, line 5, after the name "Guam," to strike out "Eastern" and insert "American," so as to read:

The provisions of this section shall not apply to the Virgin Islands, Puerto Rico, Alaska, Guam, American Samoa, and the Territory of Hawaii.

The amendment was agreed to.

Mr. SHIPSTEAD. Mr. President, I would like to ask the Senator from Washington whether these amendments are proposed as the result of a hearing that was held.

Mr. DILL. Mr. President, some of the amendments are; some of them were prepared as a result of previous hearings.

Mr. SHIPSTEAD. Was the bill recommended by the committee unanimously?

Mr. DILL. Yes; the report was unanimous. What particular phase of the question did the Senator have in mind?

Mr. SHIPSTEAD. I attended the hearing, and I found many objections to the bill as it was being considered in the committee.

Mr. DILL. I may say to the Senator that the representative of the broadcasters, Mr. Fellows, came before the committee, and has since written me a letter stating that while we did not put in all of the changes they had hoped for that we had remedied most of the things of which complaint was made.

Mr. SHIPSTEAD. The Senator feels that most of the objections I heard raised in the hearing will be eliminated by these amendments?

Mr. DILL. I think so.

The next amendment was, on page 10, line 20, after the word "which," to strike out "any officer or director is an alien" and insert "more than one-fifth of the directors are aliens"; so as to read:

SEC. 12. The station license required hereby shall not be granted to, or after the granting thereof such license shall not be transferred in any manner, either voluntarily or involuntarily (or indirectly by transfer of control of any company, corporation, or association holding such license), to (a) any alien or the representative of any alien; (b) to any foreign government or the representative thereof; (c) to any company, corporation, or association organized under the laws of any foreign government; (d) to any company, corporation, or association of which more than one-fifth of the directors are aliens or of which more than one-fifth of the capital stock may be voted by aliens or their representatives, or by a foreign government or representative thereof, or by any company, corporation, or association organized under the laws of a foreign country: *Provided, however*, That nothing herein shall prevent the licensing of radio apparatus on board any vessel, aircraft, or other mobile station of the United States when the installation and use of such apparatus is required by act of Congress or any treaty to which the United States is a party.

The station license required hereby, the frequencies or wave length or length authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner either voluntarily or involuntarily disposed of, or indirectly by transfer of control of any company, corporation, or association holding such license, to any person, firm, company, association, or corporation, unless the commission shall, after a hearing, decide that said transfer is in the public interest, and shall give its consent in writing.

Mr. DILL. Mr. President, that language was inserted by mistake, and was not intended by the committee. I should like to offer a substitute on page 10, line 20, for the amendment as it is printed.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Washington as a substitute.

The CHIEF CLERK. In lieu of the amendment as printed, the Senator from Washington moves to amend line 20 so that it will read, "of which any officer is an alien or more than one-fifth of the directors are aliens."

Mr. WHITE. Mr. President, are we considering only committee amendments at this time?

The PRESIDING OFFICER. That is the order.

Mr. WHITE. I give notice that at the appropriate time I will move to strike out this whole section.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington in the nature of a substitute.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 11, line 22, after the word "revoked," to strike out the comma and "modified, or suspended" and insert "or the station owner fined not to exceed $1,000," so as to read:

SEC. 9. Section 14 of the radio act of 1927 (U. S. C., Supp. V, title 47, sec. 94) is amended by striking out the words "Any station license shall be revocable by the commission," in the first line of said section, and by inserting in lieu thereof the following: "Any station license may be revoked or the station owner fined not to exceed $1,000 by the commission."

The amendment was agreed to.

Mr. KING. Mr. President, the Senator from Washington knows that there have been many complaints, whether reasonable or unreasonable I do not intend to suggest, in regard to alleged discrimination in the granting of licenses, and complaints have been made because of alleged arbitrary cancellation or revocation of licenses. Complaints have been made that some stations have received too great privileges and others denied reasonable rights. I inquire of the Senator whether those complaints have been fully considered, and the bill as it is now presented deals with this question in as fair and just a way as the wisdom of the committee permitted them to suggest.

Mr. DILL. Mr. President, in reply to the Senator I may say that the committee did not attempt to recommend legislation which would restrict the commission in some of its powers, which would be necessary if we were to remedy the complaints which have been made. The fact of the matter is that most of the complaints which the Senator mentions are complaints which go to the discretion of the commission itself, and it is my opinion that the better way to meet those objections would be rather to change the personnel of the commission, than to hamper a commission by a series of provisions that would hinder a commission from giving more satisfactory and more just decisions. This particular amendment, however, refers to the matters of revocation and fine, and this amendment, together with the one which follows, is designed to provide a little more definite procedure as to hearings before a revocation can be effected. The committee thought that was desirable.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 12, line 2, after the word "revoke" to strike out the comma and "modified, or suspended" and insert "and no station owner fined," and in line 6, after the word "given" to strike out "reasonable opportunity" and insert "15 days," so as to make the proviso read:

Said section is further amended by striking out all of the proviso in said section and by inserting in lieu thereof the following: *Provided, however*, That no license shall be revoked and no station owner fined until the licensee shall have been notified in writing of the proceedings for such revocation, modification, or suspension, the cause for the proposed action, and shall have been given 15 days to show cause why an order of revocation, modification, or suspension should not be issued.

The amendment was agreed to.

The next amendment was, on page 15, line 19, after the word "exclusive" to insert "except as to revocations and fines," so as to read:

(g) The jurisdiction of the Court of Appeals of the District of Columbia under this section to review any decision or order of the commission shall be exclusive except as to revocations and fines, and the judgment of said court shall be final, except that it shall be subject to review by the Supreme Court of the United States upon certiorari as provided in section 240 of Judicial Code, as amended (U. S. C., title 28, sec. 347), and that nothing in this section shall be construed to prevent the application of section 239 of the Judicial Code, as amended (relating to certification of questions of law) (U. S. C., title 28, sec. 346), to cases in the Court of Appeals of the District of Columbia arising under this section.

The amendment was agreed to.

The next amendment was, on page 16, after line 4, to insert:

(h) Any licensee may, at his option, in lieu of appealing to the Court of Appeals of the District of Columbia, appeal from any order of the commission revoking a station license or fining a station owner to the district court of the United States for the district in which the transmitting apparatus of the station license is operated. The provisions of subsections (b), (c), (e), and (f) shall apply to such appeals. Upon any such appeal the commission shall appear as respondent. The matter may be brought on to be heard by the court in the same manner as a motion, by either the attorney for the commission or the attorney for the licensee, at any time after the commission has filed with the court the record provided for by subsection (c). The findings of the commission as to the facts, if supported by evidence, shall be conclusive. The court shall hear and determine the appeal upon the record before it and shall have power to affirm or, if the order of the commission is not in accordance with law, to modify or reverse the order of the commission for error of law. After review of any order from which an appeal is taken under this subsection it shall be the duty of the commission to set aside or modify its order in so far as may be necessary to accord with any judgment of the district court that has become final.

The amendment was agreed to.

The next amendment was, on page 17, line 17, after the name "Guam," to strike out "Eastern" and insert "American," so as to make the section read:

SEC. 11. Section 30 of the radio act of 1927 (U. S. C., Supp. V, title 47, sec. 110) is amended by inserting in the first proviso thereof after the word "Alaska," the words "Guam, American Samoa."

The amendment was agreed to.

The next amendment was, on page 17, after line 21, to strike out:

SEC. 13. No person shall broadcast by means of any radio station for which a license is required by any law of the United States, any information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any information concerning any ticket, certificate, or instrument representing any chance, share, or interest in or dependent upon the event of any lottery, gift enterprise, or similar scheme offering prizes dependent in whole or in part upon lot or chance, or any list of prizes or information concerning any list of prizes awarded by means of any such scheme, and any person so doing, upon conviction thereof, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

And in lieu thereof to insert:

SEC. 13. No person shall broadcast by means of any radio station for which a license is required by any law of the United States, and no person, firm, or corporation operating any such station shall knowingly permit the broadcasting of, any advertisement of any lottery, gift enterprise, or similar scheme offering prizes dependent in whole or in part upon lot or chance, or any list of the prizes drawn or awarded by means of any such lottery, gift enterprise, or scheme, whether said list contains any part or all of such prizes. Any person, firm, or corporation violating any provision of this section shall, upon conviction thereof, be fined not more than $1,000 or imprisoned not more than one year, or both.

The amendment was agreed to.

The next amendment was, at the top of page 19, to insert a new section, as follows:

SEC. 14 (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such station; and if any licensee shall permit any person to use a broadcasting station in support of or in opposition to any candidate for public office, or in the presentation of views on a public question to be voted upon at an election, or by a governmental agency, he shall afford equal opportunity to an equal number of other persons to use such station in support of an opposing candidate for such public office, or to reply to a person who has used such broadcasting station in support of or in opposition to a candidate, or for the presentation of opposite views on such public question.

(b) The commission shall make rules and regulations to carry this provision into effect. No such licensee shall exercise censorship over any material broadcast in accordance with the provisions of this section. No obligation is imposed upon any licensee to allow the use of his station by any candidate, or in support of or in opposition to any candidate, or for the presentation of views on any side of a public question.

(c) The rates charged for the use of any station for any of the purposes set forth in this section shall not exceed the regular rates charged for the use of said station to advertisers furnishing regular programs, and shall not be discriminatory as between persons using the station for such purposes.

The amendment was agreed to.

Mr. DILL. Mr. President, I did not know that the clerk had read past subsection (*i*) of page 17. That language was not corrected as it should have been owing to the other changes in the earlier part of the bill, and I want to offer a substitute for Section I, lines 3 to 13.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In lieu of the amendment of the committee, on page 17, line 3, the Senator from Washington offers the following:

(i) The jurisdiction of the Court of Appeals of the District of Columbia and of district courts of the United States, under this section, to review any order of the commission revoking a station license or fining a station owner, and the jurisdiction of the Court of Appeals of the District of Columbia under this section to review any other order of the commission specified in subsection (a), shall be exclusive. An appeal filed by any licensee with any such court for the review of an order of the commission revoking or suspending a station license shall bar appeal by such licensee to any other court for the review of such order.

And in lieu thereof insert:

(i) The jurisdiction of the Court of Appeals of the District of Columbia and of district courts of the United States to review any order of the commission revoking a station license or fining a station owner shall be exclusive. An appeal filed by any licensee with either of said courts for the review of an order of the commission revoking a station license or fining a station owner shall bar appeal by such licensee to any other court for the review of such order.

Mr. KING. Mr. President, I have had no opportunity to examine the amendment which the Senator just tendered.

Mr. DILL. The language as it is written in the statute is not quite correct in light of the changes made about fining a station, and for that reason I had to correct it to make it fit into the amendment made previously. It was my mistake in reporting the bill.

Mr. KING. As I remember the amendment, it denies the right of appeal from certain courts.

Mr. DILL. No; it makes it exclusive with either the Court of Appeals of the District of Columbia or the district court in the district in which the station is located.

Mr. KING. But it does not attempt to deny the right of appeal to the Supreme Court of the United States if some Federal question is involved?

Mr. DILL. Oh, no; but if they appeal to the district court they can not then appeal to the Court of Appeals of the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. GEORGE. I desire to offer an amendment on page 18, line 23, of the committee amendment, to strike out the semicolon and to insert a period and to strike out all after the semicolon down to and including the word "violation," in line 25. The amendment is offered solely for this purpose.

This section relates to the power of the commission over broadcasting companies and radio stations that have been guilty of violating the lottery or gift enterprise provision. A fine is imposed. The language which I seek to strike out is this:

But no radio-station license shall be suspended or revoked on account of any such violation.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. REED. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside so as to permit the final disposition of the pending bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GEORGE. Mr. President, I do not think Senators in charge of the bill will have serious objection to the proposed amendment because it is not likely that the commission would revoke a license for a single violation. As the Postmaster General is not authorized to revoke the mailing

privilege of a publication for a single violation, certainly he does not do so; but for repeated or continued violations, the license of a broadcasting station might well and properly be revoked. With this language in the provision the power to revoke even for flagrant violations would be denied. I, therefore, move to strike the language I have indicated, beginning in line 23 and running through to the end of that sentence.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 18, lines 23, 24, and 25, the Senator from Georgia proposes to strike out the following:

But no radio-station license shall be suspended or revoked on account of any such violation.

Mr. GLENN. Mr. President, it seems to me the amendment proposed by the Senator from Georgia is a sound amendment. It does seem to me that authority should be given in case of repeated and flagrant violations to revoke a license. I trust the amendment will be adopted.

Mr. DILL. Mr. President, this particular language was put in by the Committee on Interstate Commerce, but I think it not particularly important because the commission would have the authority to revoke a license if the words referred to were taken out. The reason for putting in that provision was that a newspaper which violates the law is not precluded from using the mails for future issues. I think there is no necessity for it. I have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to, and without objection the amendment as amended is agreed to. The clerk will state the next amendment.

The next amendment was, at the top of page 19, to insert the following:

SEC. 14. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such station; and if any licensee shall permit any person to use a broadcasting station in support of or in opposition to any candidate for public office, or in the presentation of views on a public question to be voted upon at an election, or by a governmental agency, he shall afford equal opportunity to an equal number of other persons to use such station in support of an opposing candidate for such public office, or to reply to a person who has used such broadcasting station in support of or in opposition to a candidate, or for the presentation of opposite views on such public question.

(b) The commission shall make rules and regulations to carry this provision into effect. No such licensee shall exercise censorship over any material broadcast in accordance with the provisions of this section. No obligation is imposed upon any licensee to allow the use of his station by any candidate, or in support of or in opposition to any candidate, or for the presentation of views on any side of a public question.

(c) The rates charged for the use of any station for any of the purposes set forth in this section shall not exceed the regular rates charged for the use of said station to advertisers furnishing regular programs, and shall not be discriminatory as between persons using the station for such purposes.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to amendment.

Mr. VANDENBERG. Mr. President, the Senator from Washington [Mr. DILL] is familiar with an amendment which was known as section 15 which was in one of the original prints of the bill, undertaking to straighten out some of our international difficulties across the border in respect to broadcasting. I have discussed the matter with him and I ask whether he would resist taking to conference the language which appeared in the original print if I offer it as an amendment.

Mr. DILL. Mr. President, I have no objection to the amendment. There may be other Senators who would have. It is an amendment in the bill which was reported previously, and then when it was taken back to the committee some of the members of the committee thought it was unnecessary in view of the fact that we would probably hold a North American conference and that these differences and troubles between our own country and other countries on this continent could be settled by international agreement, and therefore this legislation would not be needed. However, so far as I am concerned I have no objection to taking the amendment to conference.

Mr. VANDENBERG. I offer the following amendment.

The PRESIDING OFFICER. The amendment will be reported for the information of the Senate.

The CHIEF CLERK. Add at the proper place a new section as follows:

SEC. 15. No person, firm, company, or corporation shall be permitted to locate or maintain a radio broadcast studio or other place or apparatus from which or whereby sound waves or mechanical reproductions thereof are converted into electrical energy and transmitted, or delivered, to a radio station in a foreign country for the purpose of being broadcast from a radio station there, and thereby transmitted back into the United States without first obtaining permission from the Federal Radio Commission upon proper application therefor.

Such application shall contain such information as the commission may by regulation prescribe, and the granting or refusal thereof shall be subject to the requirements of section 11 of the radio act of 1927 with respect to applications for renewal or modification of station license, and the license or permission so granted shall be revocable when the commission, after hearings, shall find its continuation no longer in the public interest.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. LEWIS. Mr. President, I should like to ask the Senator from Washington, who has been so energetic in matters of radio legislation, and also the Senator from Michigan [Mr. VANDENBERG], if the feature of the bill which assumed to forbid lotteries and the provisions which accompany it in the forms of penalty have been changed from the condition in which they were when I had a conference with the Senator from Washington on the matter?

Mr. DILL. Mr. President, the Senator from Georgia [Mr. GEORGE] offered an amendment striking the two lines to which the Senator has reference.

Mr. LEWIS. Those to which I objected in bringing the matter to the attention of the Senator from Washington?

Mr. DILL. Yes.

Mr. LEWIS. That has been disposed of?

Mr. DILL. Yes.

Mr. LEWIS. That was satisfactory to the Senator from Washington?

Mr. DILL. Yes.

Mr. LEWIS. I thank the Senator.

Mr. FRAZIER. Mr. President, in behalf of the Senator from South Dakota [Mr. NORBECK], who is temporarily absent, I offer the following amendment.

The PRESIDING OFFICER. The Clerk will report the amendment for the information of the Senate.

The CHIEF CLERK. On page 9, after line 14, insert the following:

Section 9 of the radio act of 1927, as amended by the act of March 28, 1928 (Public Law No. 195, 70th Cong.), is hereby amended by adding at the end of section 9 the following: "*Provided further*, That the commission may grant applications for licenses for stations not exceeding 250 watts of power if the commission finds that such stations will serve the public convenience, interest, or necessity and that their operation will not interfere with the fair and efficient radio service of stations licensed under the quota provisions of this section, and said stations may be authorized without regard to the quota restrictions herein provided."

Mr. DILL. Mr. President, that amendment goes to a modification of what is known as the Davis amendment requiring equality of broadcasting facilities between the different zones and a division between the States. I am willing to take it to conference; but I do not want to agree to bring it back from the conference in the bill, because I do not know that it will be possible to do so. Mr. Davis, who was the author of the original amendment, will undoubtedly be chairman of the House conferees, and I am sure that if anybody will protect his own amendment it will be Mr. Davis. I, myself, have no objection to the amendment being accepted and taken to conference.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. WHITE. Mr. President, I move to strike out section 8 of the bill, appearing on page 10, relating to section 12 of the radio act of 1927.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 10, strike out lines 7 to 25, inclusive, and on page 11, lines 1 to 16 inclusive, as amended, as follows:

SEC. 8. Section 12 of the radio act of 1927 (U. S. C., Supp. V, title 47, sec. 92) is amended by striking out the whole of said section and inserting in lieu thereof the following:

"SEC. 12. The station license required hereby shall not be granted to, or after the granting thereof such license shall not be transferred in any manner, either voluntarily or involuntarily (or indirectly by transfer of control of any company, corporation, or association holding such license), to (a) any alien or the representative of any alien; (b) to any foreign government or the representative thereof; (c) to any company, corporation, or association organized under the laws of any foreign government; (d) to any company, corporation, or association of which more than one-fifth of the directors are aliens or of which more than one-fifth of the capital stock may be voted by aliens or their representatives, or by a foreign government or representative thereof, or by any company, corporation, or association organized under the laws of a foreign country: *Provided, however,* That nothing herein shall prevent the licensing of radio apparatus on board any vessel, aircraft, or other mobile station of the United States when the installation and use of such apparatus is required by act of Congress or any treaty to which the United States is a party.

"The station license required hereby, the frequencies or wave length or length authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner either voluntarily or involuntarily disposed of, or indirectly by transfer of control of any company, corporation, or association holding such license, to any person, firm, company, association, or corporation, unless the commission shall, after a hearing, decide that said transfer is in the public interest, and shall give its consent in writing."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

Mr. KING. Mr. President, will the Senator explain briefly his purpose?

Mr. WHITE. Mr. President, this is only one of a number of amendments which I should like to offer if time permitted. I do not want to set my judgment up against that of the Senator from Washington [Mr. DILL] or of that of the committee which unanimously reported this bill, and to prevent action by amendments and debate.

This particular section, in the form in which it changes present law, is aimed at a particular situation and a particular American corporation. It is directed against the International Telephone & Telegraph Co. of the United States. When the original law was drafted, serious thought was given to preventing the issuing of licenses to aliens. The law specifically provided that no license should be issued to, or after the issuing of a license, no license should be transferred to any alien or to any representative of an alien, to any corporation organized under the laws of a foreign country, or to any corporation that might be the representative of a foreign government, and so forth.

A great many people objected to these provisions, thinking that they violated the provisions of treaties which gave equality of right and equality of opportunity to the nationals of the contracting parties. Others doubted the wisdom of them, because they said they might seriously impair and interfere with the efforts of American companies to extend their facilities throughout the world and build up a world-wide communication system on behalf of the United States.

We went as far as I have indicated in preventing the issuance of licenses to aliens. We did not, however, deal with the question of the subsidiaries of a corporate parent company having some alien director or officer or some alien ownership.

Subsidiaries of the International Telephone & Telegraph Co. are licensees from the Federal Radio Commission. There is such a company on the Pacific coast which operates in international communication there and also maintains ship-to-shore service and, I think, does some point-to-point communication on the Pacific coast. There is another such company of Delaware which carries on like services on this coast. They are licensees from the Federal Radio Commission, and they are 100 per cent American companies, both in stock ownership and in officer and director personnel. But above them there are holding companies, and eventually the control of those two licensees is in the International Telephone & Telegraph Co. That company has very important foreign interests. It operates communication services in various South American countries and in nations in other parts of the world. This proposed legislation is intended to force either the relinquishment of the licenses by the subsidiaries of this company or the ousting of all foreign officers and directors of the parent company. It would present to that company a most acute and embarrassing situation. That is the purpose that is aimed at, and it raises a substantial question of policy. My objection to the amendment——

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Kentucky?

Mr. WHITE. May I finish? Then I will yield. My objection to this proposed amendment to the law in the first place is that the language put in the bill, "or indirectly by transfer of control of any company, corporation, or association holding such license," which is not in the original law, does not, in fact, reach the situation at which the committee is aiming. It would apply, in my opinion, only to such a transfer of control corporate licensee hereafter and would not affect a situation where this parent control came about prior to the enactment of this legislation. That is one objection. I do not think it accomplishes, in a legal sense at all, what the committee seeks to do.

The next difficulty is in the incorporation of the language providing that one-fifth of the officers or directors—I am not sure precisely what the form of the amendment now is—opens up and enlarges existing law, because that would permit a licensee of the Federal Radio Commission to have such alien officers and alien directorate. That is not permitted under the present law. That is distinctly a backward step from the standard of what I will call Americanism, written in the 1927 law. It is because of those two infirmities that I think the whole section should be stricken out and that the entire matter should go to conference, because I have every confidence that from conference will come a provision giving the solution that we all want. I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, with the whole section stricken out, of course, it would mean that no Senate amendment would be incorporated in the House language; and inasmuch as the House language eliminates both officers and directors who are aliens, what field would the conferees have for adjusting any difference between the House and the Senate?

Mr. WHITE. The broad question of policy and the outstanding object at which we are aiming, I think, would be within the purview of the conferees, because there would be no Senate legislation upon the subject; and between those two extremities of the House provision and the absence of Senate action I think there would be ample opportunity to work out a compromise.

Mr. BARKLEY. Can the Senator inform me, inasmuch as he has brought in the International Telephone & Telegraph Co. as the holding company of a number of subsidiaries which have licenses, how many subsidiaries there would be operating under the old parent company?

Mr. WHITE. I would not want to speak with authority as to that, but I have spoken of two, and they are the principal ones. There may be one or two more, I am not certain; I would not presume to answer.

Mr. BARKLEY. Can the Senator tell the Senate how many alien directors there are on the board of the International Telephone & Telegraph Co.?

Mr. WHITE. Out of the 23, my recollection is that there were 4, and one of them has since died, so I think that 3 out of the 22 or 23 directors are aliens. I think that is right, but I have not checked this for some time.

Mr. BARKLEY. I do not want to take time from the Military Affairs Committee. I did not know the pending bill was coming up.

Mr. REED. I am going to have to call for the regular order very soon, Mr. President.

Mr. BARKLEY. I opposed the amendment of the Senate committee to the language of the House bill and reserved the right to oppose the amendment when the bill should be considered upon the floor, and I had intended to discuss it at some length. While I was called away in another committee which was attempting to frame a bill for consideration at an early date this measure was brought forward. I was absent at the time the Senate committee amendment was agreed to. I do not want to delay the military appropriation bill and I do not want to consume the time of the Senate unnecessarily on any score, but unless the conferees would have the widest authority in ironing out any difference between the House and the Senate on this proposition I would not feel disposed to vote upon the motion to strike the entire language out of the bill.

Mr. DILL. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. DILL. If the amendment of the Senator from Maine shall be adopted, the conference committee will have the most complete latitude. They can rewrite this entire section and I will say to the Senator that I feel certain the conferees will write a section that will be satisfactory to the Secretary of the Navy.

Mr. BARKLEY. I am basing my position largely on the attitude of the Secretary of the Navy, as disclosed in the letter which he wrote to the committee, which impressed me apparently more than it did the committee as a whole. I do not want to be in the attitude of trying to delay anybody or anything here but I want this section written so that it will be satisfactory to the Navy Department. I am not concerned about any other interest.

Mr. COUZENS. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. Yes.

Mr. COUZENS. I should be one of the conferees and I can assure the Senator that we will take full cognizance of the letter written by the Secretary of the Navy.

Mr. BARKLEY. The Senator, of course, had the Secretary's letter before him as a member of the committee; it did not seem to make much impression on him in the committee, and I wonder whether it would make any more impression on him as a conferee.

Mr. COUZENS. I confess to the fact that I do not now recall just what was in the letter from the Secretary of the Navy. The Senator knows.

Mr. BARKLEY. The Secretary of the Navy protested in the letter against the amendment that was inserted in the House language by the Senate committee, the House language eliminating all alien officers and directors, and the Senate committee amending it so as to limit the number of such alien officers and directors to one-fifth of the total. The Navy Department objected to any aliens being directors or officers of these companies and gave what seemed to me to be very cogent reasons for their position. I am wondering whether the Senator's mind is sufficiently open on the subject really to consider the Navy Department's attitude in view of the action of the committee.

Mr. COUZENS. I think the Senator from Washington [Mr. DILL] and myself, who have been watching this bill back and forth in the committee and in the Senate, are sufficiently open minded to give the matter due consideration.

Mr. BARKLEY. Well, Mr. President, I am not going to take further time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine. [Putting the question.] By the sound, the "noes" seem to have it.

Mr. WHITE. I ask for a division.

On a division, the amendment was agreed to.

Mr. DILL. Mr. President, I have one more amendment I should like to offer.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

The amendment to subparagraph (c) of section 5 of the radio act of February 23, 1927, approved May 19, 1932, is hereby repealed.

Mr. DILL. Mr. President, this amendment is designed to permit the Radio Commission to grant licenses to aviators who have radio sets on their planes. The bill that is being repealed was passed here without our realizing, I think, that it would prevent aviators from foreign countries who were in this country from having licenses to operate their radios. I should like to have this amendment providing for the repeal go to conference, and then we can hear from the Secretary of Commerce and obtain his opinion about it.

Mr. WHITE. Mr. President, I am not going to discuss the amendment, although I doubt its necessity or wisdom. I take this opportunity to say that there are many amendments that I should like to offer to this proposed legislation, and there are amendments which have been adopted of which I disapprove, but, as I previously said, I was not willing to defeat the bill by delays, so I am withholding amendments and withholding further comment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. DILL].

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

### TREASURY AND POST OFFICE APPROPRIATIONS

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ODDIE. Mr. President, I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and Mr. ODDIE, Mr. SMOOT, Mr. BINGHAM, Mr. DICKINSON, Mr. KEYES, Mr. MOSES, Mr. GLASS, Mr. MCKELLAR, Mr. BRATTON, Mr. BYRNES, and Mr. THOMAS of Oklahoma were appointed conferees on the part of the Senate.

### ARMY APPROPRIATIONS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. REED. I ask unanimous consent that the formal reading of the bill may be dispensed with, that it may be read for amendment, the committee amendments to be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. REED. I ask unanimous consent that when the consideration of the bill shall have been completed the clerk may be authorized to adjust the totals in accordance with the action of the Senate.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered. The clerk will state the first amendment reported by the committee.

The first amendment of the Committee on Appropriations was, under the subhead "Contingent Expenses, War Depart-

ment," on page 5, at the end of line 7, to strike out "$125,000" and insert "$148,000," so as to read:

For stationery; purchase of professional and scientific books, law books, including their exchange; books of reference, pamphlets, periodicals, newspapers, maps; typewriting and adding machines, and other labor-saving devices, including their repair and exchange; furniture and repairs to same; carpets, matting, linoleum, filing equipment, photo supplies, towels, ice, brooms, soap, sponges; maintenance, repair, and operation of motor trucks and motor cycles; freight and express charges; street-car fares, not exceeding $750; postage to Postal Union countries; and other absolutely necessary expenses, including not to exceed $750 for traveling expenses, $148,000.

THE LIBRARY OF CONGRESS

Mr. FESS. Mr. President, I shall speak on the amendment in order to be in order from a parliamentary standpoint, but I will discuss a different subject.

Mr. President, not far distant from the Capitol there stands a building which architecturally is one of the finest to be found anywhere in the world. It is occupied by the Library, and contains in many ways the most remarkable collection of books and other volumes housed anywhere under one roof. It is really the Library of Congress but is generally regarded as a national library in view of the fact that it serves more than the Members of Congress. However, it is specifically designated as the "Library of Congress," and I presume it will always so remain.

About 15 years ago, while a Member of the House of Representatives and serving on the Committee on the Library of that body, I took occasion to set out in detail the workings of that great institution. What was said on the floor of the House at that time provoked a great deal of interest which was displayed by the correspondence which ensued. Since that day the Library of Congress has experienced great growth and development; it really has increased by leaps and bounds. When I spoke about it 15 years ago it was the third largest library in the world, from the standpoint of the number of volumes it contained, whereas to-day, when measured by its collection of books and other material, it stands first of all the libraries of the earth.

I am constrained to believe that the workings of the Library are not generally appreciated. I know they are not by the public, and I think they are not fully appreciated even by those who are intimate with the Library—Members of Congress. In fact, what we see when we go over to the building which appears to be the Library is a small part of the Library proper. The most important feature of the Library is not open to the public. It is a veritable hive of industry in expert research; and I desire now to take a little time, really out of order, to point out what the Library has come to be in recent years.

I do not feel that I need apologize for speaking out of order, because yesterday we passed one appropriation bill; the day before we passed one; and doubtless we will pass another to-day, or come very near passing it. So we are really making progress; and I do not believe it will be a waste of time for me to set out what this famous institution has become, especially to the Members of Congress, and, in a certain way, to the people of the United States.

As chairman of the Committee on the Library of Congress, I am occasionally moved to some remarks upon it. I ask your indulgence for some now, for I have recently encountered several characterizations of it so extraordinary in their appreciation that they have caused me to consider whether all of us here quite realize its nature and service as viewed from without.

One such characterization is from a librarian, the head of one of our most efficient State libraries, who, in acknowledging a copy of the Librarian's Report, remarks that the Library of Congress "is one of the wonders of the modern world." Another is from an educator, Mr. Albert Jay Nock, who, in the preface of his Life of Jefferson, asserts that—

If 10 per cent of the patriotic pride now frittered away on silly and vicious objects were engaged upon our finest national possession, the Library of Congress, we should have a new civilization. What an incomparable instrument it is!

The third is from a historian, Mr. James Truslow Adams, who, in the epilogue to his Epic of America, after reiterating his belief in an "American dream, which is being wrought out in many hearts and many institutions," adds:

Among the latter I often think that the one which best exemplifies the dream is the greatest library in this land of libraries, the Library of Congress. * * * [It] has come straight from the heart of democracy, as it has been taken to it, and I here use it as a symbol of what democracy can accomplish on its own behalf * * * a perfect working-out, in a concrete example, of the American dream.

Now, a librarian's special interest in the Library of Congress is in its service relations with the other libraries of this country. I mention the Librarian's interest because he is the officer of the Library, and his interest would be, in a way, more intense than the interest of a Congressman. The serious investigators, represented by Mr. Nock as an educator, and by Mr. Adams as a historian, are concerned with the Library not as a mere "dream" but as a very substantial reality. Their appreciation of it indicates, therefore, that they find in it material for their research, adequate apparatus as a guide to the use of the material, specialized accommodation, a welcoming hospitality, and an efficient and genial service.

They evidently do; and there is now also a tendency to center at the Library of Congress group projects involving serious research in books and manuscripts. There is even a disposition to commit to the Library the administration of funds for such projects; and a remarkable phenomenon of the past seven years has been the gift from the public of sums of money for them and for others less technical, which can not well be provided for out of the Public Treasury.

May I interpolate that it is not supposed that Congress could vote appropriations for all the things that we ought to have in the Library? But many public-spirited men and women who have money and would like to make good use of it, if the way were opened, would make the contribution to the Library itself for the benefit of the public.

We opened that opportunity through the creation of what we call now the Library Trust Fund Board. The gifts began with the remarkable one from Mrs. Frederic Coolidge of $100,000 for the auditorium now erected in the Library Building, and of over $500,000 as an endowment for the promotion of the understanding and appreciation of music and of musicology; but others have followed for various purposes. Our Library of Congress Trust Fund Board now holds nearly three-quarters of a million dollars, with an assurance of an equal sum in addition, the income of which is applicable to them; and from time to time, in this recent era, other sums have been placed at the disposal of the Librarian for immediate application.

Mr. President, the resolution creating the Library of Congress Trust Fund Board was introduced and carried in this Chamber after I became a Member of this body. To-day it has in possession or assurance gifts of nearly $2,000,000 that have come from generous people who want to assist the Library in its public functions.

No such contribution serves to relieve any appropriation by the Government. On the contrary, it assumes that the Government will still do its full share; and the gift is made on the assumption that it will remit nothing of its interest and duty to provide for the suitable development of the collections, physical accommodation of them, adequate apparatus, and an efficient organization. What induces the gifts is such a belief and the desire to take advantage of the resulting establishment in order to extend its service in directions or particulars to which Government appropriations can not reach. Every such project is creditable in itself, in the interest of learning or culture, appropriate to the Library, and honorable to the Government.

A fine example is the famous Shakespeare temple across the way, which is not the possession of the Federal Government but has been created through the generous employment of a great fund of money to establish the greatest Shakespeare collection found anywhere in the world to-day.

It does not belong to us; it does not belong to the Library, but it is placed near by, and in close cooperation with the Library.

But the phenomenon itself! Gifts from the public—of money—to a governmental agency! Except for the Smithsonian, there is no parallel to it; and the gifts have not been casual or impulsive, for they are not merely from individuals, but also from some of the foundations, whose decisions are reached only after careful investigation.

That phenomenon, and the expressions which I have quoted, have caused me to reflect on whether we have a full appreciation of what the Library is, and also to inquire into certain particulars. Some of those disclosed, and the import of them, were not fully familiar to me, and they may not be to you.

We ourselves—97 per cent of the House, 100 per cent of the Senate—use the Library, and our families and staffs use it, in varying degrees, of course; some of us only for recreative literature, but others for most serious study and investigation; so that during a session the calls upon it from Congress average one every five minutes. A considerable number of us—during the present session over half of the Members of the House and 90 of the 96 Members of the Senate—have used actively its legislative-reference service, which in abstracts, digests, and other compilations furnishes data to be considered in legislation. Personally, I do not know what I would do if it were not for the generous service of the Library when I want information on a subject of legislation that we are considering.

Some of the most important committees—for instance, on Ways and Means and Foreign Relations—require of the Library studies so elaborate that the resulting compilation is printed. There are, of course, some Members and some committees who, not having occasion for such a service, have slight appreciation of it. Those who use it most, however, appreciate it best, and they would emphasize the economy in the small expenditure—only $70,000 a year—for such a continuing agency, as against the outlay for a succession of agencies created for each particular occasion, and unfamiliar with the collections in the Library and the apparatus.

In addition to our own use, we assume, of course, that there is a considerable use by the various executive departments and scientific bureaus of the Government, whose workers draw upon the Library of Congress as a main reservoir.

I do not know whether my experience is the same as that of the average Senator or not; but when I have some friend whom I want to show Washington, the very first place to which I take him is the Library of Congress; and I prefer to take him in the evening, because I know of nothing more beautiful in all the world than that Library lighted up at 8 o'clock. The significance, however, of the Library in its more general relations comes to our attention only as some visitor to the building may express admiration for it as a monument of architecture, or some constituent may compliment us on the enlightened policy which has induced Congress to develop and maintain such an establishment, or some serious investigator may acknowledge to us the benefit it has been to him, or some commission from abroad may extol its organization and methods. We may recall that, although it has never asked from Congress a dollar for editing, it has produced publications, not merely scholarly expositions of its collections, but also—in the case of the Journals of the Continental Congress, the Records of the Virginia Company, and the Guides to the Law of certain foreign countries—notable contributions to knowledge.

We are conscious, of course, that there are huge collections developing over there, and have just been notified—in the Librarian's Annual Report—that in gross they now exceed those of any other library anywhere in the world; 4,500,000 printed books, a million maps, a million musical compositions, a half million prints, an inestimable number of manuscripts.

I do not want to be misunderstood. While we have a larger library than any other country in the world, it is not the most important, it is not the most valuable, because such institutions as the British Museum and the Bibliothèque Nationale have manuscripts and books so rare that money could not buy them, and in that degree, of course, we fall far below those libraries. But in range of subject matter we are first in all the world.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. SCHUYLER in the chair). Does the Senator from Ohio yield to the Senator from Idaho?

Mr. FESS. I yield.

Mr. BORAH. I wanted to ask the Senator under what authority the Library secures recent books, books which have been out but a short time. Is there any method by which anyone in the Library or any committee goes over the publications and selects recent books?

Mr. FESS. A copy of all American publications is deposited in the Library, of course, in accordance with the copyright law.

Mr. BORAH. I understand that.

Mr. FESS. And we appropriate $100,000 a year for the general purchase of books. There are also exchanges, of course.

Mr. BORAH. What I have in mind is this: Is there any committee or any person authorized to look over lists of publications, of foreign books, for instance, and select such books as ought to be purchased?

Mr. FESS. Yes; there is a committee in the Library for that very purpose, and they are very remarkably alert. If the Senator wanted a certain book, by communication over the telephone with certain persons—Mr. Morrison is one and Mr. Milne is another—he would not only be able to find whether our Library has the book or not, but he would be able to find what other library in the country had it, if it had been catalogued.

Mr. President, we may even be aware of some particulars of the collection, and we were quite roused to a conviction of what its quality should be when we decided to buy for it the 3,000 fifteenth-century books constituting the Vollbehr collection.

Senators will appreciate that I am making a confession when I say that when these incunabula, the rarest collection we have ever acquired, about 3,000 volumes of fifteenth-century books, were offered our Library I was opposed to their purchase. I said that the Government could not afford to go into the practice of buying anything of a rare nature, that we would have to depend upon some generous capitalist purchasing the rare treasure and presenting it to the Government. I opposed it as the chairman of the Committee on the Library in the Senate, and the chairman of the Committee on the Library in the House opposed it. The Librarian of Congress thought we probably were going too far. Yet when that collection was presented here before the Senate and the House the only note against it was on the part of the persons I have mentioned. Both the Senate and the House overwhelmed us and demanded that we buy it, although it cost over a million dollars.

That indicates the public interest in our Library buying these rare things. For example, there was a Gutenberg Bible in the collection, and I have been told that that Bible alone may be worth $1,000,000.

We may know that the manuscript collection, though not including any great group of medieval manuscripts, which are a distinction of the British Museum and the Bibliothèque Nationale, does include—what is most appropriate—the greatest amount of source material for American history under any one roof, and that one of the groups within it is an almost complete series of the papers of the Presidents, beginning with Washington and down through Roosevelt, Taft, Wilson, Harding, and Coolidge, and of numerous other statesmen; that, thanks to Mr. John D. Rockefeller, jr., there are available there several million facsimiles of documents from foreign archives essential to the study of our history; and that, thanks to Mr. Harkness, it possesses extraordinary groups of manuscripts relating to the Spanish occupation of

Mexico and Peru. And we may readily believe that no student of any period of our history can afford to ignore it.

We may know similar particulars as to some other of the special collections; for instance, that the collection of maps, originals and facsimiles, is now so embracing that it is the incessant recourse of geographers, historians, and litigants; and that frequently included among the litigants are the United States itself, various of our States, and some foreign countries; that the collection of prints, though in examples of the finer processes inferior to many elsewhere, is so extensive and so varied that it constitutes an invaluable resource for history, for illustration, and for the study of the arts, and is so convincing in these respects that it induced one of our foremost artists and critics—Mr. Joseph Pennell, of Philadelphia—not merely to present to it his own very important collections, but to bequeath to its service his entire and very substantial estate.

We may be aware that the collection of music—one of the three largest in the world—is known to every musicologist both here and abroad, is drawn upon by our serious investigators in music, by conductors of orchestras, by critics, by composers, and by musicians, and is to such an extent an interest of the profession that one group representing it—the Beethoven Association, of New York—regularly contributes to its enrichment.

We can readily believe that among the possessions unsurpassed by any other institution is the collection of official documents of the various States and foreign countries, of transactions and proceedings of learned societies, and of miscellaneous serials; though, unless we had been informed of the fortunate circumstances that explain them, we might be surprised to learn that the collection of Slavic literature in the Library is the most important outside of Russia, and that the 150,000 volumes of Chinese books constitute the most important such assemblage outside of China.

We must, however, realize that a few such preeminences do not assure a whole that is either organic or a perfect and final resource for any scholar; and that it will be only by assiduous application of considerable sums that the collections can be balanced and made organic. At present they are inferior not merely to some of the great libraries abroad in respect to the rarities of literature, but also to some of the libraries in the United States in particular fields of concern to the serious investigator. Except for the purchase of the Vollbehr collection, which was a special matter, the actual expenditure of the Government for the increase of the Library has been pitifully small. This year it is but $125,000—less than is annually expended by some of our university libraries. Last year it was $180,000, but was unfortunately reduced by the economy measures. Of the 185,000 items added last year, only one-fourth were due to purchase, the other three-fourths coming from gift, exchange, and copyright deposits—or rather a selection of the last named, for not everything copyrighted is brought up into the Library proper.

The fact that the bulk of the material now in the possession of the Library has come to the Government without cost is, to be sure, a claim for the adequate accommodation and treatment of it. But mere numbers do not establish the rank of a library; and complacency in them must not remit our attention to the systematic development which will require the assiduous application of sums much larger than we are now granting.

Mr. President, it is not necessary to call the attention of Senators to the fact, but I want especially to call the country's attention to what we have in the Library in the form of facilities for study, of which the public are not aware at all. I might say that one of the dreams I had before I ever came to the other House, 22 years ago, was that some day in Washington we would have a great center of research, thoroughly equipped in the way of laboratory and library facilities. I felt that we ought to have a national university, one of the things I had an ambition to see developed. I introduced a bill looking to that end and had hearings and developed a vast mass of facts, but there was some objection in both Houses. We never have been able to get any final action, and years ago I gave the idea up, abandoned it altogether.

However, we have in Washington a center of investigation that is rapidly coming to equal anything in Europe. In years gone by whenever a man graduated in a great university and wanted to do research work or postgraduate work there was no place for him to carry it on in the United States. He always started for Germany, either for Berlin or some other point in that country, and we had to confess that we did not have the facilities here capable of supporting the desire and ambition of these people. It was that lack I wanted supplied here through this movement.

Mr. HATFIELD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from West Virginia?

Mr. FESS. I yield to my friend.

Mr. HATFIELD. May I remind the Senator that the great chemical industry which has developed so rapidly was started in one of the great German universities, due to the fact that the lawmaking body of that land supported it financially?

Mr. FESS. That is true. Germany before the war had outlined a policy of industrial growth as a result of which upon every directorate of every great industry they had an officer from some German university, supported by the German Government, to assist the industry in developing along scientific lines. That is one of the fundamental principles of Germany that made her difficult for us to compete with in the open market.

The facilities I have mentioned are now over in the Library. Senators will find alcoves where there are separate tables. They will find little rooms where a student can go by himself away from all noise, not in any way distracted. His books are supplied to him and he can go back and forth day after day to pursue the investigation which he is conducting. Nobody sees those cases. Those are unseen forces that are working in this great national institution.

Also, imperfect as the collections are, they cover a vast range of subject matter for the investigator content with the substance rather than the form, and the facilities for approaching and using them absolutely surpass any afforded by any library anywhere. They include special physical accommodation free from the distractions of the reading room, but also direct personal access to the shelves, where the books are classified by subject, the aid of catalogues exceedingly competent so far as they go, and even the personal counsel of men of special learning in certain fields, experienced in research, and familiar with the collections and the apparatus, who are happy to assist any investigator in the use of them. This last feature is unique in any library. It is due, not to any Government appropriation, but to resources furnished from without in the endowment of the four " chairs " and the group of so-caled " consultants," now being maintained, for a demonstration period, by a grant from the General Education Board. That group includes specialists in history, philosophy, economics, sociology, and some other subjects, whose service at the Library is not to do research but to aid in it. It recognizes that, in addition to the technical apparatus and the technicians, there is need of such expert personal mediation between that great mass of material and the public.

I am delighted to have the testimony of Senators that they appreciate what the Library has done. They have testified that they have received an enormous amount of assistance from the Library. I know that the public does not understand it and I fear that many of our best-informed persons connected with the Government are not fully aware of what we are carrying on in the Library under the " chairs " I have mentioned. For example, I had hoped that some day this would be done by the National University, except that the National University would deal with students only. The Library does not pretend to teach, but it does supply the research-worker student or mature investigator with the sources that otherwise he could not have.

The Library is, of course, freely open to the ordinary reader and to the thousands of students from the five uni-

versities at Washington; at times the reading rooms are crowded with them. But the aspect of those rooms gives little idea of the serious investigators who at the moment may be engaged elsewhere in the building, in the special divisions, in the bookstacks, at desks in secluded alcoves, or in the study rooms. There are 52 such study rooms, with a waiting list for them; there will be 150 more in the annex. The need of them becomes apparent from the list of visiting investigators of the past year. They represented every one of our 48 States, and 23 foreign countries; 131 American universities and 30 foreign. But it is not only the visiting investigator that the Library reaches. Through its system of interlibrary loans it will lend an unusual book to a serious investigator who can not come to Washington.

There is a service the public does not really recognize. If the University of California had an advanced student wishing to pursue a certain line of investigation and there is a rare book which the California university does not have, but it happens to be in the Library at Washington, that book can be sent to the library of the University of California for use by that student. That is another library service which this great institution is rendering.

There is a service at large of quite a different sort which may not be so familiar except to our appropriation committees, to whom it is annually explained. That is a service to other libraries as institutions. It is represented by the little card which I hold in my hand; an inconspicuous bit of pasteboard—only 3 inches by 5—but momentous in its relation to the efficiencies, and the economy of libraries. It is a catalogue card, of the size and form now standard in American libraries. It carries the author of the book, the title and imprint, and other bibliographic details, and the subjects to which it relates; and if prepared at the Library of Congress includes also the symbol of the book in the classification of it on the shelves. Recently it adds also the corresponding symbol in another system of classification (the decimal) more largely in use in American libraries.

Now the Library of Congress is preparing such cards for the books in its own collection and printing for its own need 100 copies of each. It prints 57 additional copies for the depository sets which it places in as many different institutions at centers of research, as ultimately a catalogue of the National Library. But it does not stop there. It permits any other library—or individual—to buy copies of the card at the cost of their production and the service of sale and distribution. A library having a copy of the identical book can, therefore, secure in these cards a complete "entry" for it—author and subject—and the proper classification—in brief, look to the Library of Congress to do the work of cataloguing and classification which, before this system, was the most expensive item in the preparation of a book for the reader.

Mr. President, I want the economists in this Chamber to listen to this statement:

There are now nearly 6,000 libraries taking advantage of the privilege. They pay from 2 to 4 cents per card, depending upon the form of the order. Even at those rates the receipts from sales are already about $250,000 per annum, all of which is covered into the Treasury.

That is the item I want the economists here to recognize. They do not realize that the Library, without appropriation therefor, is printing these cards in its own printery, selling them to the 6,000 libraries over the country, and realizing $250,000 annually that is remitted to the Treasury of the United States.

The cards sold are, of course, a mere by-product, for the Library of Congress would in any case have to prepare the original entry and print an edition for its own purposes; and the expense of producing the extra copies and of handling the orders is fully met by the charge made. But the benefit to the purchasing libraries far exceeds the sums paid. In direct saving it is certainly six times as much; that is, a million and a half dollars per annum when the sales amount to $250,000. Incidentally, a million and a half dollars are nearly equal to the entire budget of the Library, if we deduct from its total the offsetting $250,000 from these sales and about $300,000 from copyright fees also covered into the Treasury. In other words, Mr. President, the Library as it is operating now has two income-producing activities. One is the sale of these cards and the other the copyright fees, which amount to about $300,000 a year.

But the system of sales is only in its infancy. The Library can at present supply only 70 per cent of the cards needed by the popular libraries and only 35 per cent of those needed by the larger research libraries. It has not yet all the books necessary, nor the cataloguers, nor the resources for printing and delivering the cards in season to be of use. Granting all these, it may become in fact a central cataloguing bureau for the entire country. The significance of that may be judged from the statement that if the Library did not exist, it would be worth while for the Government to create such a bureau for the sake of buying the books, cataloguing them, and producing these cards, even if the books were then thrown away; "worth while," I mean, as an appropriate Government function in the interest of the general welfare.

No wonder the librarians of the country look to our Library as a source of power, stand solidly in support of it, and are restive at mention of it as the Library of Congress and not, as they think it, the National Library of the United States. They are quite at liberty to think of it so even though we hold its ancient title.

But they are not the only outside interests which look to it or confide in its abilities. When a group of such interests—legislators, lawyers, economists, sociologists, and librarians—appealed to Congress to institute, maintain, and publish an index to the statutes of the various States, they expected that the Library of Congress would do the work. So when another group concerned with the welfare of the blind appealed to Congress for an appropriation of $100,000 a year to provide more books in raised type for the use of the adult blind, it was the Library of Congress that was urged as the appropriate agency. These two activities are entirely outside of the scope of the Library's ordinary functions; and yet Congress, in authorizing the work to be done, designated the Library of Congress as the agency to perform it. It may be added that these two projects, now under way, though not requested by the Library but in effect imposed upon it, swell its budget by $135,000 per annum. When a still further group, represented by the American Council of Learned Societies, determined upon a census of the medieval manuscripts now in the United States, it was the Library of Congress that was asked to administer the grant secured for the purpose from one of the foundations.

Years ago the Library initiated a Union Catalogue—on cards—which should include the titles and locations of all the books of a serious nature in other American libraries, foreseeing the value of such a catalogue to its own cataloguers, to any investigator here, and in its informational service to investigators and librarians who might make inquiry from a distance. After examining the beginnings of this service, Mr. Rockefeller's experts were so impressed with its potential value to research at large that they recommended to him a grant for its development. He made such a grant in a substantial sum, spread over a 5-year period. At the conclusion of the period last August—and I should like to have interested persons note this statement—the repertory included about 8,000,000 titles, with over 12,000,000 locations, of books in American libraries important in research work. What does that mean? It means that through the Union Catalogue, which is prepared by the Library of Congress, one can to-day find where any rare book in existence in America is located. That is a specific service that has never been undertaken in any such dimension by any other library anywhere. Its further development must be from the Government, and is now provided for by a small appropriation. It is an absolutely suitable object for such an expenditure.

There are, however, other activities entirely appropriate to the Library and calculated to extend and diversify its benefits, which, if undertaken, must depend upon contribution from private sources. There are vast gaps within its collections that can be filled only by the gift of material. We can

not ask Congress to make appropriations to supply these omissions; we shall have to depend upon public-spirited individuals to supply the funds. Unlike the universities of the country, the Library has not any body of alumni, with loyal enthusiasms and long purses, who, during the past decade, have so remarkably enriched the libraries of their almæ matres. The benevolence of Congress toward it seems to be purely corporate; certainly I know of no Member of Congress who has ever made a gift of money to it, nor, except the late Representative Ackerman, any Member who has made a gift of important material. It is, therefore, only to the general public that it may look for such gifts—the connoisseurs, collectors, public-spirited individuals ambitious to do something for culture, and the foundations concerned in promoting research.

The interest of such groups is not spontaneous; it is not secured by professions or promises; it is not secured by mere argument. It must be aroused by some actual and inspiring fact. In the case of the Library of Congress that inspiration, so far as it exists, is represented by the great building over there which Congress determined upon 40 years ago as suitable to the destiny of the library that it proposed; by the additional provision that Congress has from time to time made for the accommodation of the comprehensive collections proper to a national library for the United States; by its decision to provide additional accommodations represented by the present extension and the proposed annex, and by the development which it has fostered of an organization embodying the highest competence in the treatment of the material and the highest and broadest professional standards in the service rendered. If at any time the policy of Congress should seem to change, or its interest weaken, or its standards for the Library be lowered, the inflow of gifts would abruptly cease; and what is more important, there would ensue a profound disappointment and disheartenment among the libraries of the country and the members of the learned professions that the Library which was in line to be their main resource was to fail in its mission; and likewise every patriot would suffer a feeling of disappointment that our Government could not, after all, be depended upon to maintain fitly and to develop amply an institution which is the Nation's unique contribution to culture. If such disillusionment should ever occur, there would be no further gifts made to the Library.

Whatever, therefore, the stress of the moment, we can not afford to impair the integrity of that institution or its efficiency as an instrument of Congress or as an agency for the public good. We must not cripple its activities; we must not halt its development.

To halt the normal development of any institution of learning is a serious matter; to halt the development of a library is an expensive one. Reduce the funds for purchase, and you postpone opportunities which may never recur, or recur only at greater cost later. Reduce the funds for the orderly treatment of the material, and you postpone work which must be done at a greater cost later. Restrict the funds for service, and you cripple the service at a time when both Congress and the public have most urgent need for it. For the "depression" has not lessened the demands upon our libraries; it has increased them. In the Library of Congress the calls for books alone have increased 30 per cent during the past year. The funds provided for the purchase of books have never been adequate and a reduction such as that of last year is disastrous. It not merely deprives the readers and research workers who depend upon the Library, but limits the benefit it confers upon other libraries through the production of catalogue cards. The orderly treatment of the material is far in arrears. The binding urgently necessary would alone require an appropriation of $600,000. An unbound book in use means that to the cost of the binding will later be added the cost of repair. Publications important as contributions to knowledge or even as guides to the Library's collection have had to be suspended because of the inadequacy of the funds for printing. And every division of the Library proper is undermanned, struggling with the accumulations that mount daily, even without additional purchases, and with demands from Congress and the public that can not be ignored.

The postponement last year, over the protest of the chairman of the Committee on the Library, of an appropriation to start construction of the annex was most unfortunate. When seven years ago the need became obvious, the Library had 3,000,000 printed books; it has now 4,500,000, with every other class of material increased in proportion. The congestion is now serious. In certain ranges books stand two and even three deep on the shelves. Tons of material have frequently to be shifted to make room in the subject classes for incoming accessions. Valuable material has to be stored in the cellar and in buildings on Second Street, where it is subject to damp or excessive heat and is for the time being inaccessible. Numerous employees have to carry on their work in portions of the bookstacks under artificial light and ventilation and separated from their coworkers and the apparatus upon which they depend. It is necessary to place the files of the Copyright Office in the public corridors, and in that and the other self-supporting division—the card division—the cramped conditions not merely impede the operations but increase their expense.

We are discouraging new projects of construction. But the annex to the Library is not a new project. The purchase of the site was authorized nearly five years ago, the construction of the building nearly three years ago. The authorization is complete. The site has been acquired, the plans for the building have been prepared, and in the extension of the main building, now nearing completion, accommodation is being provided for an electric plant which will serve the annex also. So far, therefore, from being a new project, the annex is one long pending and in a measure under way.

It is a project at Washington; but that does not mean that the benefit of the expenditure will be confined largely to the District of Columbia. In the minor case of the extension the contracts have involved 76 concerns in 28 different cities. The granite, for instance—some of it replacement, some newly quarried in Vermont—was sent to Minnesota to be cut or recut.

There seems every justification, therefore, even within our present policies as to public works, for proceeding at once with the annex itself. We are committed to it; it can not be avoided; costs are now low; and the expenditure will work benefits directly in line with the other efforts of the Government in behalf of industry.

All such matters are, of course, for the Committee on Appropriations, with whom rests the current welfare of the Library; but its general welfare is a concern of the Library Committee. I am not criticizing the committee, because with that committee rests the current welfare of the Library; but its general welfare is a concern of the Library Committee, of which I am chairman. As chairman of the latter I have a freedom and a duty to express my understanding of it, my hopes, and, if any, my apprehensions. I am especially impelled to do so when I consider the numerous tokens of the public appreciation of it, faith in it, and reliance upon Congress to enable it to fulfill its manifest destiny. I know of no greater contribution this Government has made to the public than the Library of Congress.

Mr. President, I ask to have printed in the RECORD at the end of my remarks a brief statement of the budget of the Library.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

*Budget of the Library—The appropriations for 1932–33*

(Current maintenance and increase)

| | |
|---|---|
| The total, including the Copyright Office and sums disbursed by the Architect of the Capitol, approximately | $2,233,000 |
| Less deduction for furloughs, say | 130,000 |
| | 2,103,000 |

| | | |
|---|---|---|
| Less offsetting receipts covered into the Treasury, if equal to those of 1932: | | |
| From sales of catalogue cards | $244,000 | |
| From copyright fees | 280,000 | |
| | | $524,000 |
| | | 1,579,000 |
| Less 2 items of expenditure not chargeable to the operations of the Library proper, viz: | | |
| The index to State legislation | 25,000 | |
| Books for the blind | 90,000 | |
| | | 115,000 |
| Net total | | 1,464,000 |

Which must cover all expenses of maintenance, including that of the building itself (in cubic area equal to the Capitol), equipment, repairs, the increase of the collections, and printing and binding.

Comparison with other libraries is impracticable, because there is no other identical in its nature or operations. The reference department of the New York Public Library (in the main building on Fifth Avenue) offers some analogies. Its budget for 1931 was $1,622,382. (For the branches the city appropriated independently $1,776,025.)

Harvard spends regularly $70,000 for law books alone, and in a recent year spent $400,000 on the increase of its general collection. Duke University is understood to spend about $170,000 a year for the purpose.

Considered from another angle: The above $1,464,000 (for the Library of Congress) is about the sum which several cities—Boston, Cleveland, Chicago—appropriate annually for their public-library systems.

Mr. JOHNSON. Mr. President, after the very excellent and the very timely address of the Senator from Ohio, it would be like painting the lily or gilding refined gold to endeavor to add to it. It is not as litterateur nor as philosopher, except as a world of hard knocks makes one, nor as economist, nor as research student, but simply as an ordinary official with varying, everyday problems, without resources, and without a sufficient force wholly in detail to enable the work to be done, that I add my mite of praise to what has been said by the Senator from Ohio of the work that has been so well and so efficiently performed by the Congressional Library.

I have found, Mr. President, as to the things which I sought to do—things that I could not do because perhaps of lack of ability in that direction; things that I could not accomplish because of a very limited office force—that I had but to apply in many instances to the Library of Congress, and there aid was forthcoming, and always willingly forthcoming, and always the information was efficiently furnished.

So I take this opportunity thus very briefly, Mr. President, to congratulate the Senator from Ohio upon what he has said, to congratulate the Library upon the work it is doing, and to express thus publicly my appreciation of what it has done for me in the problems that have been mine, and my thanks for its constant readiness to aid in the solution of those problems.

### WILLIAM E. B. GRANT

Mr. TYDINGS. Mr. President, when the calendar was being considered this morning I was necessarily absent.

There is a bill on the calendar, House bill 9166, which I ask unanimous consent to be taken from the calendar and now considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The Senate proceeded to consider the bill (H. R. 9166) for the relief of William E. B. Grant, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 5, after the words "by the" to strike out "Secretary of the Navy" and insert "Secretary of War," so as to make the bill read:

*Be it enacted, etc.*, That the Comptroller General of the United States is authorized and directed to examine, on the basis of facts and figures to be found and reported to him by the Secretary of War, the claim of William E. B. Grant, warrant machinist, United States Navy, retired, for the amount withheld from him under section 4 of the act entitled "An act to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone," approved August 24, 1912, as amended, from April 7, 1909, to May 3, 1917, and from November 29, 1919, to February 28, 1922, the periods during which he was employed by the Isthmian Canal Commission or the Panama Canal.

Mr. TYDINGS. Mr. President, this is simply a bill to authorize an inquiry into the status of William E. B. Grant, owing to a conflict of law between an act passed regulating employees in the Canal Zone and the Regular Army act. It costs no money. It simply asks that the facts in the case be adduced and sent to the Senate.

Mr. KING. May I ask the Senator by whom the investigation is to be made?

Mr. TYDINGS. By the Secretary of War. The bill has the approval of the Navy Department, in which branch of the service Mr. Grant formerly was employed.

Mr. KING. I have no objection.

Mr. REED. Mr. President, if the Senator will pardon me, I think the investigation should be made by the Comptroller General after a report from the Secretary of War.

Mr. TYDINGS. The Secretary of War, however, is the officer who has custody of the records giving the facts and figures.

Mr. McNARY. Mr. President, what is the request of the Senator from Maryland?

Mr. TYDINGS. I asked that the bill to which I have referred be taken from the calendar and passed. I was absent when it was brought up this morning, and it was temporarily laid aside during my absence.

Mr. McNARY. I have just come into the Chamber, and I desire to know what the bill is.

The PRESIDING OFFICER. The clerk will read the bill for the information of the Senator.

The Chief Clerk again read the bill.

Mr. McNARY. Is there a favorable report upon the bill, and favorable action?

Mr. TYDINGS. The committee was unanimous, and the Navy Department recommended it.

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1011 will be indefinitely postponed.

### DEPARTMENT OF INTERIOR APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMOOT. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the conferees on the part of the Senate may be appointed by the Chair.

The motion was agreed to; and Mr. SMOOT, Mr. ODDIE, Mr. NYE, Mr. McKELLAR, and Mr. KENDRICK were appointed conferees on the part of the Senate.

### DEPARTMENT OF AGRICULTURE APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13872) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McNARY. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. McNARY, Mr. KEYES, Mr. CAPPER, Mr. KENDRICK, and Mr. SMITH were appointed conferees on the part of the Senate.

WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The PRESIDENT pro tempore. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

Mr. McNARY. Mr. President, a number of Senators are absent from the Chamber, and I promised to suggest the absence of a quorum when the Senate returned to the bill. I do so now.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dale | Keyes | Schuyler |
| Austin | Davis | King | Sheppard |
| Bailey | Dickinson | La Follette | Shipstead |
| Bankhead | Dill | Lewis | Shortridge |
| Barkley | Fess | Logan | Smith |
| Bingham | Fletcher | McGill | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Metcalf | Swanson |
| Bratton | Glenn | Moses | Thomas, Idaho |
| Brookhart | Goldsborough | Neely | Thomas, Okla. |
| Bulkley | Gore | Norbeck | Townsend |
| Bulow | Grammer | Norris | Trammell |
| Byrnes | Hale | Nye | Tydings |
| Capper | Harrison | Oddie | Vandenberg |
| Caraway | Hastings | Patterson | Wagner |
| Clark | Hatfield | Pittman | Walcott |
| Connally | Hayden | Reed | Walsh, Mass. |
| Coolidge | Hebert | Reynolds | Walsh, Mont. |
| Copeland | Hull | Robinson, Ark. | Watson |
| Costigan | Johnson | Robinson, Ind. | White |
| Couzens | Kean | Russell | |
| Cutting | Kendrick | Schall | |

The PRESIDENT pro tempore. Ninety Senators have answered to their names. A quorum is present.

The first amendment of the committee was, on page 5, line 7, to strike out "$125,000" and insert in lieu thereof "$148,000," so as to read:

CONTINGENT EXPENSES, WAR DEPARTMENT

For stationery; purchase of professional and scientific books, law books, including their exchange; books of reference, pamphlets, periodicals, newspapers, maps; typewriting and adding machines, and other labor-saving devices, including their repair and exchange; furniture and repairs to same; carpets, matting, linoleum, filing equipment, photo supplies, towels, ice, brooms, soap, sponges; maintenance, repair, and operation of motor trucks and motor cycles; freight and express charges; street-car fares, not exceeding $750; postage to Postal Union countries; and other absolutely necessary expenses, including not to exceed $750 for traveling expenses, $148,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

The amendment was agreed to.

The next amendment was, under the subhead "General Staff Corps—Contingencies, Military Intelligence Division," on page 6, line 25, after the word "information," to strike out "$19,990" and insert "$39,990," so as to read:

For contingent expenses of the Military Intelligence Division, General Staff Corps, and of the military attachés at the United States embassies and legations abroad, including the purchase of law books, professional books of reference, and subscriptions to newspapers and periodicals; for the hire of interpreters, special agents, and guides, and for such other purposes as the Secretary of War may deem proper, including $5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign states at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, $39,990, to be expended under the direction of the Secretary of War.

The amendment was agreed to.

The next amendment was, under the subhead "Army War College," on page 7, line 16, after the figures "$63,927," to strike out the colon and the following proviso:

*Provided*, That no appropriation contained in this act shall be increased by transfer from another appropriation in consequence of section 317 of Part II of the legislative appropriation act, fiscal year 1933, as continued by section 4 of the Treasury and Post Office Departments appropriation act, fiscal year 1934, for the purposes of making a larger amount available for or on account of personal services or for increasing a limitation on any appropriation.

The amendment was agreed to.

The next amendment was, under the subhead "Welfare of enlisted men," on page 8, line 23, before the word "balances" to insert "unobligated," and on page 9, line 2, after the word "and," to strike out "such fund, including interest accruals," and insert "the principal sum of such fund," so as to read:

For the equipment and conduct of school, reading, lunch, and amusement rooms, service clubs, chapels, gymnasiums, and libraries, including periodicals and other publications and subscriptions for newspapers, salaries and travel of civilians employed in the hostess and library services, transportation of books and equipment for these services, rental of films, purchase of slides for and making repairs to moving-picture outfits, and for similar and other recreational purposes at training and mobilization camps now established or which may be hereafter established, and travel (not to exceed $825), $66,778: *Provided*, That the Secretary of War shall deposit in the Treasury of the United States the unobligated balances on January 12, 1933, to the credit of the funds entitled "Other funds" and "Stars and Stripes," the money so deposited to be credited to a fund to be entitled "Recreation fund, Army," which shall draw interest at the rate of 3 per cent per annum, and the principal sum of such fund shall not be subject to withdrawal except in time of war, when it shall be available for expenditure by the Secretary of War for the recreation, amusement, comfort, contentment, and health of the enlisted personnel of the Military Establishment.

The amendment was agreed to.

The next amendment was, under the subhead "Finance Department—Pay, etc., of the Army," on page 9, line 22, after the word "duty," to strike out "$2,143" and insert "$3,810, and the appropriation for pay of the Army, fiscal year 1933, shall be available for the increased pay and allowances of one retired officer on active duty in addition to the two retired officers specified in the War Department act for that fiscal year," so as to read:

For pay of not to exceed an average of 12,000 commissioned officers, $28,871,420; pay of officers, National Guard, $100; pay of warrant officers, $1,450,300; aviation increase to commissioned and warrant officers of the Army, not to exceed $1,608,093; additional pay to officers for length of service, $7,440,760; pay of enlisted men of the line and staff, not including the Philippine Scouts, $51,247,821; pay of enlisted men of National Guard, $100; aviation increase to enlisted men of the Army, $588,279; pay of enlisted men of the Philippine Scouts, $1,050,446; additional pay for length of service to enlisted men, $3,667,172; pay of the officers on the retired list, $8,563,492; increased pay to retired officers on active duty, $3,810, and the appropriation for pay of the Army, fiscal year 1933, shall be available for the increased pay and allowances of one retired officer on active duty in addition to the two retired officers specified in the War Department act for that fiscal year, etc.

The amendment was agreed to.

The next amendment was, on page 10, line 20, after the words "in all," to strike out "$128,450,827" and insert "$128,452,494," and in line 24, after the word "discharges," to strike out "$128,165,827" and insert "$128,167,494," so as to read:

In all, $128,452,494, less $285,000 to be supplied by the Secretary of War for this purpose from funds received during the fiscal year 1934 from the purchase by enlisted men of the Army of their discharges, $128,167,494; and the money herein appropriated for "Pay, and so forth, of the Army" shall be accounted for as one fund:

The amendment was agreed to.

The next amendment was, on page 12, after line 18, to strike out:

No part of this appropriation shall be used to pay any officer on the retired list whose income is in excess of $3,000 per annum.

The amendment was agreed to.

The next amendment was, on page 18, line 7, after the word "reports," to strike out "$2,671,465" and insert "$2,921,465," so as to read:

Regular supplies of the Army: Regular supplies of the Quartermaster Corps, including their care and protection; stoves required for the use of the Army for heating offices, hospitals, barracks, and quarters, and recruiting stations, and United States disciplinary barracks; also ranges, stoves, coffee roasters, and appliances for cooking and serving food at posts in the field and

when traveling, and repair and maintenance of such heating and cooking appliances; authorized issues of candles and matches; for post bakery and bake-oven equipment and apparatus; for ice for issue to organizations of enlisted men and offices at such places as the Secretary of War may determine, and for preservation of stores; authorized issues of soap, toilet paper, and towels; for the necessary furniture, textbooks, paper, and equipment for the post schools and libraries, and for schools for noncommissioned officers; for the purchase and issue of instruments, office furniture, stationery, and other authorized articles for the use of officers' schools at the several military posts; for purchase of commercial newspapers, market reports, and so forth; for the tableware and mess furniture for kitchens and mess halls, each and all for the enlisted men, including recruits; for forage, salt, and vinegar for the horses, mules, oxen, and other draft and riding animals of the Quartermaster Corps at the several posts and stations and with the armies in the field, for the horses of the several regiments of Cavalry and batteries of Artillery and such companies of Infantry and Scouts as may be mounted, and for remounts and for the authorized number of officers' horses, including bedding for the animals; for seeds and implements required for the raising of forage at remount depots and on military reservations in the Hawaiian, Philippine, and Panama Canal Departments, and for labor and expenses incident thereto, including, when specifically authorized by the Secretary of War, the cost of irrigation; for the purchase of implements and hire of labor for harvesting hay on military reservations; for straw for soldiers' bedding, stationery, typewriters and exchange of same, including blank books and blank forms for the Army, certificates for discharged soldiers, and for printing department orders and reports, $2,921,465.

Mr. CONNALLY. Mr. President, the item on page 18 represents an increase of about $250,000, and I think we ought to have some explanation as to why that is recommended.

Mr. REED. Mr. President, the House made a terrific cut under the Budget. It was shown to us by the Chief of Staff that it would be wholly impossible to provide the necessary forage for the animals of the Army under the figure the House had fixed, that it would be sheer cruelty to animals to try to do it.

Last year the appropriation for that item was $3,904,926. The Budget this year cut that about $400,000 and recommended $3,471,529. The House cut that down $800,000, to $2,671,465. We want to cut it as far as is possible, but it would not be humane to cut the animals' ration further than it has been cut. For that reason the committee restored part of what the House cut out.

Mr. CONNALLY. Mr. President, the forage for the animals is cheaper now than it has ever been.

Mr. REED. That is the reason why we are able to recommend a sum a million dollars less than that of last year.

Mr. CONNALLY. Did the committee just take the request of the Chief of Staff and put the figures as he desired them?

Mr. REED. We considered the request when he made it, and it seemed to all of us to be entirely reasonable. The committee was unanimous in acquiescing.

Mr. CONNALLY. As a matter of fact, the Army is doing away with cavalry and mechanizing, so why should they need more forage now than they did last year?

Mr. REED. They do not. The appropriation is $1,000,000 less than the same item last year.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 18, line 16, after the words "operation of," to strike out "existing laundries" and insert "laundries, existing or now under construction,"; in line 22, after the words "equipment of," to strike out "existing dry-cleaning plants" and insert "dry-cleaning plants, existing or now under construction,"; and on page 19, line 17, after the word "reasons," to strike out "$5,194,045" and insert "$5,694,045," so as to read:

Clothing and equipage: For cloth, woolens, materials, and for the purchase and manufacture of clothing for the Army, including retired enlisted men when ordered to active duty, for issue and for sale; for payment of commutation of clothing due to warrant officers of the mine planter service and to enlisted men; for altering and fitting clothing and washing and cleaning when necessary; for operation of laundries, existing or now under construction, including purchase and repair of laundry machinery therefor; for the authorized issues of laundry materials for use of general prisoners confined at military posts without pay or allowances, and for applicants for enlistment while held under observation; for equipment and repair of equipment of dry-cleaning plants, existing or now under construction, salvage and sorting storehouses, hat repairing shops, shoe repair shops, clothing repair shops, and garbage reduction works; for equipage, including authorized issues of toilet articles, barbers' and tailors' materials, for use of general prisoners confined at military posts without pay or allowances and applicants for enlistment while held under observation; issue of toilet kits to recruits upon their first enlistment, and issue of housewives to the Army; for expenses of packing and handling and similar necessaries; for a suit of citizen's outer clothing and when necessary an overcoat, the cost of all not to exceed $30, to be issued to each soldier discharged otherwise than honorably, to each enlisted man convicted by civil court for an offense resulting in confinement in a penitentiary or other civil prison, and to each enlisted man ordered interned by reason of the fact that he is an alien enemy, or, for the same reason, discharged without internment; for indemnity to officers and men of the Army for clothing and bedding, and so forth, destroyed since April 22, 1898, by order of medical officers of the Army for sanitary reasons, $5,694,045, of which amount not exceeding $60,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1934.

Mr. CONNALLY. Mr. President, I want to ask the Senator from Pennsylvania why the clothing and equipage allowance was increased $500,000 over the House figure.

Mr. REED. That is in a somewhat similar class with the forage item. Last year the appropriation was $6,300,000.

Mr. CONNALLY. That is, for clothing?

Mr. REED. For clothing mostly. In fixing that figure at $6,300,000 the committee last year expected that that would be supplemented by drawing from the reserve war stocks left over from the Great War. Those have now been exhausted, and the Budget Bureau thought they had made the utmost cut when they recommended for this year $6,775,579, but the House cut under that nearly $600,000. Of course, we could have the Army go barefooted, as Lee's troops did and as Sherman's troops did, but we do not want to do that. We do not think we have reached that point. The figure fixed by the Senate committee, which the Senator will see in the bill, $5,694,045, will allow the issuance of not more than one uniform per enlisted man per year, and certainly that is the irreducible minimum.

Mr. CONNALLY. Mr. President, the Senator from Pennsylvania makes an eloquent appeal about the soldiers going barefooted. Nobody expects the soldiers to go barefooted, and there is no danger of the soldiers going barefooted.

I want to call the attention of the Senate and of the Senator from Pennsylvania to some information I have here from the War Department itself. The Senate committee has increased the figures over the House figures $500,000 for clothing. These figures I have show that the War Department on the 30th of June, 1932, had on hand woolen breeches, E. M., service breeches, 1,535,514 pairs. That refers to woolen breeches.

It had on hand also coats, E. M., service, woolen, O. D.—that is olive drab, I suppose—1,521,882. They say they had an excess and surplus of 643,000 coats last June. Here is the whole list of supplies of the various kinds they have on hand.

Let us see about these poor barefooted soldiers about whom the Senator from Pennsylvania is talking, these "Valley Forge" soldiers. Let us see how many shoes they have on hand. I read from figures furnished by the War Department:

Shoes, E. M., garrison, 314,000 pairs—two pairs for every soldier in the Army now.

Shoes, E. M., service, 514,000 pairs.

Mr. REED. It ought to be twice that, Mr. President.

Mr. CONNALLY. If the Senator from Pennsylvania has his way, it will be.

Mr. REED. It certainly will be.

Mr. CONNALLY. How many enlisted men are there in the Army now?

Mr. REED. One hundred and eighteen thousand seven hundred and fifty now, but if war were declared, there would be over a million.

Mr. CONNALLY. Of course, if war were declared.

Mr. REED. That is what we keep this Army for, to be prepared for war.

Mr. CONNALLY. Is the Senator looking for war anywhere within the next six months?

Mr. REED. I do not think any of us were looking for war six months before we got into the last war.

Mr. CONNALLY. The Senator knows that it is absolutely foolish to stock up now, in time of peace, with enough shoes and enough clothes for war time, because by the time the war comes, the shoes and the clothes will be out of date and will be rotting on the shelves.

Mr. REED. We are not planning to stock up. We are only planning not to cut into our reserve stocks.

Mr. CONNALLY. I just want the Senate to know what it is asked to do. Of course, if it wants to squander the people's money, it may do so. The committees of Congress, particularly the Military and Naval Affairs Committees, have a habit of doing what the Secretary of War and the Chief of Staff, and the Secretary of the Navy and the Chief of Operations, tell them to do.

Let us see about these barefooted soldiers. They have now four pairs of shoes apiece. Let us see about socks, how they are supplied with socks. First I shall read the statement as to cotton socks. Of course, nobody would want them to wear cotton socks in the wintertime. But they have on hand 1,076,000 cotton socks.

Mr. REED. I think it is probably more than that. I think we have that many pair.

Mr. CONNALLY. I was speaking of pairs; if the Senator wants to be exact I can give him the exact figures. I thought the Senator was aware that socks go in pairs. [Laughter.]

Let us see about woolen socks. Socks, stocking type—the Senator will know what the "stocking type" means. I suppose they are the long-legged socks for these barefooted soldiers.

Socks, stocking type, woolen, heavy, E. M. socks: They have 609,000 pairs, and there are only 117,000 or 118,000 men in the Army. They have only about five pairs for each soldier already on hand.

Mr. REED. Mr. President, does the Senator from Texas consider five pairs of socks too many for an individual to own?

Mr. CONNALLY. The Senator's remarks are rather facetious. Let us see about some more socks.

Socks, stocking type, woolen, light: The others I read about were the heavy socks, these are the light socks. There are on hand 2,095,000 pairs for 117,000 soldiers. I am wondering whether the people who want to sell woolen goods and woolen socks are not receiving more consideration in the action of the committee in appropriating more money to buy more clothes and more socks and more shoes than is the Treasury of the United States.

We talk about economy, of the fact that we are going to cut down expenses, that we are going to economize. We are asked to appropriate $500,000 more than the House allowed. The House bill carries over $5,000,000 for new clothing. I do not know how many socks that would buy.

Mr. President, these items I have cited are samples of what the Army has on hand now of these supplies, and the Senator from Pennsylvania, in making the statement that it is necessary to stock up now in war supplies of clothing, assumes an attitude which can not be defended from the standpoint of the Treasury and the taxpayers.

Everybody knows that if war should come we would immediately give orders for these additional stocks. The Army discards every year large supplies of clothing because they say it is out of date, it is old, they do not want to dress the soldiers in it, and I think that the Senate ought to defeat this amendment and let the Army get along a little while longer on the stocks of goods and supplies it has on hand.

I understand that it is the purpose, in this appropriation bill, to authorize the purchase of millions of yards of additional woolen goods to be later manufactured into clothing.

I submit these remarks with the hope that the Senate will defeat this amendment. If we are to talk about economy all the time, and never do anything about it, we are not going to get anywhere in balancing the Budget or reducing expenditures; and if we are going simply to O. K. the requests of all the department heads, we shall never balance the Budget, and we shall be putting a heavier load on the taxpayers every day.

Mr. REED. Mr. President, just a word in reply. In the first place, we are not O. K.ing the requests of the officials of the War Department, because, as I have shown, the estimate sent down by the Budget was more than $1,000,000 greater than the amount the Senate committee allows.

In the next place, we are not, as the Senator says, stocking up with these supplies. On the contrary, we have drawn from the surplus stocks every year since the World War, and our stocks are less each year than they were the year before. It has been the policy to maintain barely enough to equip a million troops in case of outbreak of war.

We learned by sad experience in the last war what happened when we tried to outfit men who were suddenly called to the colors. I do not know of any case in the last war where our men were compelled literally to go barefoot; but I know that in my own regiment we taught equitation by putting the men on wooden barrels to teach them how to sit on a horse, and when our horses came we had neither bridles nor saddles. We taught the men to ride using rope halters which we made ourselves. They were compelled to ride bareback, and had at least one man killed, and I do not know how many hurt, in my own outfit, as a direct consequence of that absence of supplies.

We are trying as hard as we can to avoid that kind of mistake in the next emergency; and we are keeping, with much struggle, enough to clothe and equip an army of a million men in case war should break out.

The old-fashioned uniforms, made in war time out of shoddy—and they are poor enough things; the Senate would be ashamed to see our present-day Army dressed in these uniforms, which are kept back in the war-time emergency stock, but they will cover a man, and they are uniform clothing. That is what shows in these figures which have been read by the Senator from Texas.

Mr. CONNALLY. Mr. President, the Senator from Pennsylvania, I hope, does not mean to say that all of the clothing the Army now has is the shoddy of the war time?

Mr. REED. All of the war reserve is, and the balance is barely enough to meet the day-to-day requirements.

Mr. CONNALLY. But the Senator said the balance is enough to maintain an army of a million men.

Mr. REED. No. The war-time surplus is enough to clothe a million men. The balance for daily issue is just enough to meet our day-to-day needs. Let me say to the Senator that I am just as anxious as he is to cut the appropriation down. It is not fair to say that we are not trying to economize. The bill we have reported shows $106,000,000 less than the same bill showed last year.

Mr. CONNALLY. But most of it is river and harbor work.

Mr. REED. There is $26,000,000 of it which is savings in the military expenditures. We are spending $26,000,000 less on military items in this bill than in last year's bill.

Mr. CONNALLY. I do not want to take a moment of the time of the Senate in useless discussion, but I submit that the Senator from Pennsylvania in his argument a moment ago created the impression on me—and if I am in error, I beg his pardon—that the plans of the War Department called for keeping on hand supplies sufficient to equip a million men because of a fear of war. If that be true——

Mr. REED rose.

Mr. CONNALLY. I yield to the Senator.

Mr. REED. The Senator is exactly right in the way he has stated it now. That is what we call the war reserve.

Mr. CONNALLY. I thought the Senator meant the old reserve clothing left over from the World War.

Mr. REED. That is what it is.

Mr. CONNALLY. Well, which is it? Is it reserve from the last war or for the next war? I want to be fair with the Senator.

Mr. REED. I must be stupid, because I thought I had made myself clear. What we are doing is saving supplies that we had left over from the last war with which to equip a million men who would be called upon for service in the next war.

Mr. CONNALLY. That material is of the kind that would be serviceable and suitable for the next war?

Mr. REED. No; but it will be enough to let us get along for a while, and that is all.

Mr. CONNALLY. My understanding is that the Army has been selling to the Red Cross and giving away for nothing for years the clothing which was not suitable for military use, and I commend it for doing so. The Senator in one instance said we are keeping the old war stuff from the World War that is not fit for the soldiers to wear, not suitable for their use, and in the next breath he said that we are saving it for use in the next war. The point I am trying to make is whether it is not true that the plans of the Chief of Staff and the War Department are to keep on hand all the time supplies sufficient for a million men. That is what I am protesting against. In this time, when we are all debt ridden and tax ridden and when the Treasury is " busted " to the tune of $4,000,000,000, I can see no justification whatever for going into the Treasury and spending more money than we need to provision and equip and supply an Army of 1,000,000 men when we have only an Army of 117,000 or 118,000 men. I do not call that business. I do not call it economy. I do not call it military science.

Mr. KING. Mr. President, I have learned during my experience in the Senate that opposition to appropriations for military and naval purposes is barren of results. Upon numerous occasions during the past 10 or 15 years I have endeavored to secure reductions in various bills carrying appropriations for the War and Navy Departments. Other Senators who have attacked these appropriation bills have encountered stubborn opposition, and their efforts have usually been in vain. During the years referred to the attention of Congress has frequently been challenged to the mounting expenses of the Government, and when appeals were made for economies and for reductions in Federal expenditures, not infrequently statements were made that when the Army and Navy appropriations were before Congress for consideration material reductions would be made. Notwithstanding these prophesies of reductions, when military and naval bills made their appearance it was discovered that the promised economies were not apparent. The military budget of the United States is now and has been for a number of years entirely too large. We have heard much during the past few months about economies and a balanced Budget, but, unfortunately, the results thus far are most disappointing.

Owing to the great increase in Federal expenses during the past few years, many persons have reached the conclusion that Congress will not inaugurate governmental reforms or reduce Federal appropriations. That belief is in part responsible for the willingness upon the part of some and the demand upon the part of others that the authority be vested in the President of the United States to reorganize the departments and administrative machinery of the Government and make drastic cuts in governmental expenditures. A few months ago we frequently heard statements to the effect that the appropriations for the next fiscal year should be reduced between $750,000,000 and $1,000,000,000, and it was claimed by many that the military budget could be reduced $200,000,000. While there have been some reductions in some of the appropriation bills thus far reported, it is now apparent that the net result will be most unsatisfactory and that Congress will adjourn without making provision to balance the Budget. Treasury reports indicate a very great reduction in revenue receipts, and we have no reason to believe that the revenues of the Government will be sufficient to meet the appropriations which will be carried in the bills passed before Congress adjourns.

Mr. President, in my opinion the appropriation bills thus far reported carry in the aggregate sums entirely too large. We are not living up to the promises made, and the result will be an enormous deficit for the next fiscal year. Many reductions could be made in the pending bill which, if brought about, would not prove disadvantageous to our country. In my opinion, many economies could be effected in the War Department. There is too much machinery in the War Department; there are too many unnecessary expenses; there is too large a civilian personnel. I recall, two or three years ago, making inquiry as to the number of civilian employees in the War Department, as well as in the Navy Department, and my recollection is that in the two departments there were approximately 60,000 civilian employees.

Mr. President, in periods of depression such as this, the Federal Government should practice the most rigid economy and go to the very extremes in lightening the burdens which rest upon the people. It seems incredible that in the present situation the Federal expenditures should be approximately $5,000,000,000. It is only a few years ago when the entire expenses of the Government were less than a billion dollars annually, but the appropriations which were made for this fiscal year for the Army and Navy are approximately $700,000,000. We are now brought face to face with a situation which indicates that the military and naval expenses for the next fiscal year will approach the same stupendous figure.

I appreciate that the Senator from Pennsylvania [Mr. REED], chairman of the Military Affairs Committee, has endeavored to circumscribe some of the activities of the War Department and to bring within more reasonable limits the demands of the officials for Federal appropriations. Notwithstanding his efforts in that behalf, I respectfully insist that the bill before us carries a sum entirely too large and should be subjected to reductions of between twenty-five and fifty million dollars.

Mr. President, examination of the military expenses of the Government before as well as those since the war furnish convincing proof that our budgets for military and naval expenses have been entirely too large. In 1914 the total appropriation for the War Department was $194,000,000, and the Navy Department received $144,000,000. In 1915 the appropriation for the War Department was $188,000,000 and for the Navy, $150,000,000. In 1916 the War Department received $189,000,000 and the Navy, $153,000,000. In 1917—and in that year the United States entered the World War—the appropriation for the War Department was $443,000,000 and the Navy Department received $320,000,000. Of course, during the war and for several years immediately following the war it was imperative that very much larger appropriations be made. But in 1923, after demobilization of our Armies, the appropriation for the War Department was $359,000,000 and the Navy, $300,000,000.

In 1924 the appropriations for the Army and Navy amounted to $680,000,000. In 1925 the Army appropriation bill carried $341,000,000 and the Navy received $278,000,000. In 1926 the appropriations for the Army were $364,000,000 and for the Navy $324,000,000. In 1927 and 1928 the appropriations were substantially the same for these departments. In 1929 for the War Department there was appropriated $466,000,000 and for the Navy Department $394,000,000. It is only proper to state that a part of the appropriations for the Army in each of the years referred to were to cover nonmilitary activities. In 1930 the War Department appropriations amounted to $382,000,000, and substantially the same appropriations were made for 1931 and 1932.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator yield to the Senator from Tennessee?

Mr. KING. Yes.

Mr. McKELLAR. The Senator recalls, of course, that under the economy provision and the Bratton amendment, so-called, 5 per cent will be taken off the entire amount.

Mr. KING. The Senator knows that the measure to which he refers has not yet passed the House, and its ultimate fate may be attended with some uncertainty.

Mr. McKELLAR. It unquestionably will be passed, in my judgment.

Mr. KING. Five per cent approximately of $700,000,000, and that is the approximate amount which the War and Navy bills will carry for the next fiscal year, is only $35,000,000. The Senator from Tennessee has been earnest in his efforts to reduce Federal expenses but I think he will admit

that even if $35,000,000 shall be deducted from the War and Navy appropriations, the balance will be unnecessarily large and will constitute a considerable part of the aggregate appropriations of the Government for all purposes.

Mr. McKELLAR. This reduction of $35,000,000 is much better than I expected out of this particular appropriation bill, and I feel delighted that we are to have even that much economy.

Mr. KING. However, the reduction of $35,000,000 is from the appropriation bills of the Army and Navy and not the Army alone. The reduction from the Army appropriation bill by reason of the Bratton amendment will probably not exceed $15,000,000.

Mr. McKELLAR. May I say that I think if the Senator had undergone what I have undergone for the last year in seeking these economies, he would look at it as I do, that this is quite a saving.

Mr. KING. I know the Senator has courageously battled against the mounting Federal expenses, and I have been glad to associate myself with him during the past 10 or 15 years in efforts to reduce Federal expenses and to restrain departments and bureaus from their aggressive activities which call for increased expenses.

Mr. McKELLAR. No; not in every instance. I agree with the Senator that he has made a wonderful fight, but the Senator will recall that last year the economies secured by the House and Senate amounted to $334,000,000 more than the President had recommended in his Budget message. This saving of $334,000,000 was quite a saving. This year our saving under the amount of the President's recommendation will probably be not less than $200,000,000. These savings, while not as large as they ought to be, are certainly no mean savings. Five hundred and thirty-four million dollars is a tremendous sum and constitutes about one-fifth or one-sixth of the ordinary aggregate expense of our Government.

Mr. KING. I agree with the Senator that notwithstanding that Congress has not appropriated as much as has been recommended by the executive departments my recollection is that the appropriations made by Congress since the Budget law was enacted have been more than $500,000,000 below the recommendations of the Chief Executives. But notwithstanding that Congress has appropriated less than recommended by the President there have been large deficits for the past two years and there will be a deficit of approximately $2,000,000,000 for this fiscal year.

Mr. President, there are two forces operating in the country. A powerful force for economy and a very potent movement for increased expenditures. Obviously, if Congress yields to the latter demand a time may soon arrive when the credit of the Government may be impaired. There is an analogy between governments upon the one hand and corporations and individuals upon the other. Governments must balance their budget, governments must limit their appropriations to their revenues, failing which the day will arrive when their credit will be impaired.

I repeat that under no circumstances must a course be pursued that will affect in any way the credit of the Government. If the financial standing of the Government should be weakened, the effect upon the entire business and industrial structure of the country would be calamitous. The Government will soon be faced with the necessity of meeting maturing obligations aggregating billions of dollars. In addition it must be in a position to find markets for bonds which it will be compelled to issue to meet deficits for the current fiscal year and perhaps for the next fiscal year. The bonded indebtedness of the Federal Government has been increased to the extent of several billions of dollars during the past two or three years. Every possible effort should be made to reduce to the lowest possible point the expenditures of the Government. Even if that shall be done, it is obvious that additional revenues must be obtained in order that an equilibrium shall be established between income and expenditure.

Mr. President, pledges were made by both political parties that the Government expenses would be drastically cut in order that the Federal Budget should be balanced. After examining the present bill I have reached the conclusion that it does not effect any important reductions in the military organization of the United States.

The nonmilitary activities of the War Department, it is true, have been substantially reduced; but as I read the bill before us, the appropriations for military purposes are within a million dollars of the appropriation for the present fiscal year. Comparing the appropriation for 1933 with the amount carried in this bill as reported to the House there is an apparent reduction of $26,933,000 for the military activities of the War Department. The appropriations for 1933, however, included more than $15,000,000 which was made available in the emergency relief and construction act which passed last year. The 1933 appropriations also included approximately $10,000,000 which was not expended by reason of the economy act. My recollection is that the Senator from Pennsylvania [Mr. REED] in his colloquy with the Senator from Texas [Mr. CONNALLY] alluded to that reduction.

The Senate appropriations, moreover, have increased by $1,598,482 the amount carried by the bill as it passed the House. Therefore, taking these several factors into consideration, the net result is that the appropriations for military activities in this bill as presented to the Senate are about $800,000 over the actual appropriations for 1933, if my computations are correct.

During the debate in the House the opposition to further reducing military expenditures was based in large part on assertions attributed to General MacArthur, the Chief of Staff, and repeated many times, as I recall, in the debate on the floor. These assertions, briefly summarized, were as follows:

1. That the United States already has accomplished a degree of reduction in its land forces that stands as a unique example among world powers.
2. That practically all other nations are increasing their military strengths.
3. That the larger nations are increasing their outlays for military preparedness.
4. That the United States is now the seventeenth ranking nation in military strength in the world.

These statements, Mr. President, can be easily checked by reference to the official figures of the military strength and military expenditures published in the League of Nations Armaments Yearbook, which I have here upon my desk, and also by figures from authentic documents issued by the principal foreign governments. Inasmuch as armaments are to some extent relative, it is highly important to know whether foreign nations are, in fact, increasing their military strength and increasing their armament expenditures.

Mr. President, in determining what our military policy shall be and what military and naval expenditures shall be made, it is not absolutely essential that we shall adopt the military policy of other nations. The situation in the United States is different from that of other nations. We occupy a position geographically so different from other nations that it is conceded, I think, that our country is impregnable to attack from any other nation. Aside from the wealth of our country and its material resources, its physical position gives to it a strategic preeminence from a military and naval standpoint that is denied to any other country in the world. Great Britain and Japan are islands, not continents. They are dependent upon other lands for food supplies, raw materials, and commodities for the well-being and, indeed, the life of their people. They lack resources which the United States as well as some other countries possess. In their insular position it must be conceded by all that they lack advantages in many ways which are enjoyed by this country. Reasons which might constrain France and Germany and Great Britain and other European nations to adopt certain military and naval policies may not be invoked to justify the United States adopting similar policies.

I repeat that the United States is in no danger whatever from invasion by any nation on earth. Our position makes us invulnerable to attack. Moreover, the people of the United States are not belligerent; they desire peace and the

happiness and welfare of the people of all nations. They covet no territory; they have no imperialistic ambitions; they desire, I believe, to cooperate in every proper way with the nations of the earth in the promotion of international peace and good will. There may be loose and thoughtless talk at times about the inferior naval strength of the United States as compared with Great Britain, or its lack of naval strength compared with the resources of Japan; but in my opinion, Mr. President, there is no foundation for such views. It is unthinkable that there should be any contest between Great Britain and the United States. It has been said that the presence of Canada at our very door is a guaranty of continued peace between Great Britain and the United States. Some have said that Canada is a shield which, in effect, is a protection for both Governments, and others have indicated that in a sense it might be regarded as a hostage of and for both Governments. Mr. President, I have not infrequently said that the United States and Great Britain constitute a mighty force for world peace and for the development of democratic ideals and democratic institutions.

There is much in common between the United States and Mexico and the other peoples to the south of us. The Latin American countries have not forgotten that they derived inspiration from this Republic in the days of Monroe and that the doctrine then proclaimed by the United States was a shield and protection to them in the hour of their weakness. In my opinion, the United States and Latin America will be drawn closer together, and the ties between them will grow stronger as the years go by.

Mr. President, I have not been in sympathy with the rather chauvinistic attitude taken by some, and their demands for increased appropriations for military purposes. I repeat when I say that our country is in no danger from any power or any combination of nations. With the protection afforded by the Atlantic and Pacific, the fleets of any or all nations might strike in vain against our shores. Admiral Sims, one of our greatest naval experts, has stated that no nation could successfully land its troops upon our shores, and in effect declared that the United States was invulnerable against any possible combination of forces that attempted its invasion. He as well as other naval experts referred to the development of the submarine and the airplane, and pointed out that with these additional defensive forces it fortified his statement.

Mr. President, I return to the statement made by General MacArthur, to which I have referred. I refer to the statement "that the United States has already accomplished a degree of reduction that stands as a unique example among the world powers." I submit that this is not borne out by the official league figures submitted by it and by some of the principal military powers. In order to demonstrate that the United States has reduced its military strength, this officer assumes, if I understand his position, that the military forces of the United States are maintained at their authorized strength of 280,000 men. As a matter of fact, Congress has never maintained the authorized strength of the Army as provided in the national defense act since 1922.

Each of the great powers has likewise contended that it has brought about a military reduction in its armed strength. An examination of the military strength of the various nations, beginning with the year 1913, will, I believe, refute the statements of General MacArthur. In 1913 the Army of the United States consisted of 92,000 officers and men, and in 1930 and 1931 it was 139,000 officers and men.

In 1914 the regular British Army, not including British troops in India, consisted of 174,000 officers and men. In 1931, according to the official figures furnished by the British Government to the League of Nations, the British Army consisted of only 144,522 officers and men.

In the case of France the size of the peace-time French Army in 1913 was 790,000 officers and men. In 1930, according to the figures furnished to the League of Nations, the French Army consisted of 561,320 officers and men.

The Senator from Pennsylvania [Mr. REED] a few moments ago stated that our Army has been reduced until it numbers now 118,000 men. I might add, by way of parenthesis, that we have an effective Marine Corps amounting to approximately 18,000 men. It is true that the marines are under the Navy, but they constitute an important part of our military strength, whether in offensive or defensive activities. I submit that the record does not confirm the view that the foreign powers have increased their armed forces in recent years. I shall, a moment later, refer to Japan and show that owing to recent military activities her present military forces have increased. The British Army has been steadily reduced since 1923 from 170,800 to 148,800. The French Army has also been reduced from 733,707 in 1925 to 522,737 in 1930. The latter figure represents the actual number of men provided for in the budget, but my information is that the figure is less than the number of men authorized under existing law.

I am also advised, Mr. President, that in a number of countries the budget strength does not truly register the actual number of men in the military forces, because in preparing the budget it is designed to provide for contingencies, and it is expected that fewer men will be in the military forces than the budget authorizes and makes provision for.

The Italian Army has remained approximately stationary since 1924 at 251,000 officers and men.

Presented in tabulated form, the figures of the armies of Great Britain, France, and Italy are as follows:

*Postwar strength of principal armies*[1]

| | 1923 | 1924 | 1925 | 1926 | 1927 | 1928 | 1929 | 1930 | 1931 |
|---|---|---|---|---|---|---|---|---|---|
| Great Britain (active army) officers and men | 170,800 | 161,600 | 160,600 | 159,400 | 166,500 | 153,500 | 150,500 | 148,900 | 148,800 |
| France (active army) officers and men | ------- | ------- | 733,707 | 687,113 | 672,122 | 617,533 | 596,200 | 522,737 | ------- |
| Italy (active army) officers and men | ------- | 251,125 | 250,965 | 231,513 | 231,418 | 250,470 | 251,170 | 251,170 | ------- |

[1] Source: League of Nations Armaments Yearbook, special edition, 1932.

Mr. President, I again repeat that there is no foundation for the claim so often made by those who are urging large appropriations for the Army and Navy that other nations are increasing their armies. We are not infrequently inundated by propaganda to the effect that our Nation is in danger of attack, that it is impotent to defend our shores or to protect the American people. This spirit found expression some time ago in the attack made upon the President of the United States by the Navy League. President Hoover was charged with "abysmal ignorance" with respect to the condition of our Navy. President Hoover in his address before the International Chamber of Commerce in May, 1931, declared that—

> Vast armament continues not only a burden upon the economic recuperation of the world but of even more consequence, the constant threats and fears which arise from it are a serious contribution to all forms of instability, whether social, political, or economic.

He also said:

> * * * The destruction of life and property, the great tax burdens, and the social and political instability which resulted from the Great War have had large responsibility in the origins of the present depression * * *. Of all proposals for the economic rehabilitation of the world I know of none which compares in necessity or importance with the successful result of that conference.

The President was referring to the naval conference at which it was hoped a plan would be agreed upon that would materially limit the naval armaments of the world, and thus reduce the military burdens of the people.

I recall that General Pershing stated in substance that the lessons of the war should convince everybody of the danger of nations "striding up and down the earth armed to the teeth," and he said:

> Isn't it, then, time for an awakening among enlightened peoples to the end that the leading powers may reach some rational agreement which would not only relieve the world of this terrible financial load but which in itself would be a long step toward the prevention of war?

I commend these statements to Senators. They are pertinent in this discussion to-day. The United States, because of its preeminence in the world, its great resources, its wealth, its physical and moral strength, should take the lead in bringing about relief from the burdens upon the world imposed by military armaments. Moreover in view of the rôle which it played in securing the adoption of the Kellogg-Briand pact it should assume a position of leadership in seeking to remove the causes of war and in effecting organizations and tribunals for the settlement of all international controversies by peaceful means rather than upon sanguinary battlefields.

Mr. President, Japan is practically the only important exception to the statement that the principal foreign powers have not increased their armed strength in recent years. Since the Manchurian controversy, which broke out in December, 1931, the number of men serving in the Japanese Army has been considerably increased.

Mr. President, upon a number of occasions since I have been in the Senate I have referred to Japan in complimentary terms. I have referred to the progress that she has made during the past 50 or 60 years. Her progress has been so extraordinary as to excite the commendation and praise of the people of the world. Her people have proven that they have great ability and capacity for extraordinary achievements in all of the fields of human endeavor. The relations existing between the United States and Japan have been most cordial, and our Government, particularly under the administration of President Roosevelt, manifested a friendly interest in the welfare of Japan and her people. Notwithstanding the very cordial relations between the Russian Government and the United States dating from the early days of this Republic, when the Russian-Japanese conflict was in progress, the people of the United States generally were sympathetic toward Japan and were not displeased when the issues of the conflict were favorable to Japan. President Roosevelt, as Senators will recall, played an important part in the peace negotiations between the two belligerents, and subsequently his course, as well as that of his successors, was such as to furnish convincing proof to the Japanese people that they had a friend in the United States. The belief was current among the American people that Japan was marching forward toward the heights of genuine democratic government. As one who has entertained a feeling of friendship toward Japan and who has desired that the spirit of good will and amity should exist between the two countries, I can not help but experience a feeling of regret over the developments in Manchuria.

Japan for a number of years has been one of the great powers in the world. Her statesmen have played important rôles in the councils of the nations, and her influence has been felt in determining world policies. Japan has reason to look with gratification upon the advancement which she has made, and the high place which she has occupied among the nations of the earth.

I am sure the people of the United States and of other nations would regret to see Japan pursue a policy that would affect the cordial relations that have existed between the Japanese Government and other nations. It is to be hoped that Japan will not forget the regard in which she has been held and the friendships which have been formed.

The horrors of the World War are still before us. The calamities which follow misunderstandings and conflicts should be warnings against the adoption of policies that may caue their repetition. The world is in the shadows; the summits of world peace are not far beyond, if the peoples will forget their pathetic ancestralisms and in a spirit of fellowship and cooperation march toward the summits which are bathed in the sunlight of a new day.

Mr. President, the official figures do not reveal that the principal foreign powers have increased their outlays for military preparedness during the last few years. On the contrary, the figures show that virtually all of the important foreign countries, with the exception of Japan, have actually decreased their military budgets, particularly since the world depression. This statement must be qualified by the fact that, as compared with expenditures before the war, most of the European nations are spending more to-day upon their armaments—military, naval, and air—than they did in 1913.

As compared with 1913, however, the military expenditures of the United States have increased, relatively, more than those of any other power. The following table shows the percentage of increase in expenditures for land, naval, and air armaments for the principal powers since 1913:

| | 1913 | 1930 | Percentage of increase (+) or decrease (−) |
|---|---|---|---|
| United States | $244,600,000 | $727,700,000 | +197 |
| Japan | 95,500,000 | 232,100,000 | +142 |
| Italy | 179,100,000 | 258,900,000 | +44 |
| Great Britain | 375,100,000 | 535,000,000 | +42 |
| France | 348,700,000 | 455,300,000 | +30 |
| Russia | 447,700,000 | 579,400,000 | +30 |
| Germany | 463,300,000 | 170,400,000 | −63 |

I pause, Mr. President, to make a brief reference to Russia. In recent conferences dealing with disarmament Mr. Litvinoff, the Russian representative, submitted proposals which appear to have been made in good faith and which, if accepted, would have been distinct contributions to a limitation in military armaments. In my opinion the governments then represented were too indifferent to his proposals and also failed to react to the demands of the masses of the people of the world for the adoption of policies looking to disarmament.

The British military budget has been reduced each year since 1927. The budget for the British Army for 1931 amounted to £39,930,000. In 1932 the figure was reduced to £36,488,000, a total net reduction of £2,832,000, or approximately $16,500,000. The largest part of this reduction came in the category of effective services, or what we would call in our Budget "military" activities as distinct from "nonmilitary" activities.

In the case of France the budget for the year 1933 shows a reduction of approximately $38,000,000 from the preceding year. The 1932 army budget was 9,393,000,000 francs, as compared with 8,398,000,000 francs for 1933.

Japan is the only great power which has actually increased its military budget during the past year.

The statement that the United States ranks seventeenth among the military nations of the world is based on an estimate of the trained man power available in countries which employ the conscript system. It includes not only the active army but also all of the trained reserves who are liable for military service under the laws of the different countries, regardless of the age or military fitness of men liable to military service.

Thus, according to the table submitted by General MacArthur, Russia is accredited with having an army of 18,817,000 men. Of course, such figures are absurd. When in Russia a few years ago, I conferred with the Soviet leaders and many of the military commanders, including Trotzky, who was at that time head of the red army, which was then 500,000 men. Since then there has been no material increase in Russia's military forces. The Armaments Yearbook, to which I have referred, states that the Russian active army is only 562,000 men. These various units are scattered from the Pacific Ocean to the Baltic Sea and from the White Sea to the Persian boundaries. It would be difficult to mobilize these scattered forces, and, with the limited transportation facilities of Russia, the obstacles to such mobilization are increased.

Theoretically compulsory military service in Russia begins at the age of 19 and lasts until the close of the fortieth year. Obviously men who have been out of active training for nearly 20 years are not available for immediate service in time of war. In the case of France and other countries with the conscript system, the duration of military service is fixed at 27 years, to include all male citizens between the ages of 20 and 47; and that is not an accurate measure of military strength. According to these tables, for example, Greece,

with 583,450 men "liable to military service," is stronger than Great Britain, with only 547,000 in its active and reserve forces.

It is questionable whether military strength can be compared merely in terms of man power, whether trained or not. In the case of the United States, our industrial and economic facilities, our financial power, our ability to transform from peace-time to war-time production, and our geographical isolation are far more important elements of strength than mere man power, and must logically be taken into account in determining our capacity for self-defense.

The present organization of our Army, moreover, which is based on the theory of the immediate mobilization of man power and industrial resources, raises the question of whether the national defense act is really designed for purposes of self-defense or whether it is intended to provide the man power which would be required in a war waged on the same scale and fought on the same principles as the World War.

The military organization provided in the national defense act apparently assumes that the United States will participate in another World War in Europe or Asia. It assumes that mass armies will be employed in the future as in the past, that offensive as well as defensive operations are required, and that mobilization of the man power of the Nation is still essential to the defense of the United States, regardless of our relative geographical isolation, as long as there is any possibility of being drawn into a general war. On the strength of this theory, the creation of a small but well-trained mobile force, equipped to meet a sudden emergency, has been sacrificed to the task of training a citizen reserve and building up a vast Officers' Reserve Corps, which is officially regarded as inadequate to meet the requirements of mobilization.

In many respects the military problem of the United States is similar to that of Australia, which could be adequately defended, according to some military experts, by a small mobile force equipped to repel invasion. In both cases, invasion would come from overseas, and in both cases defensive rather than offensive operations are the natural rôle of the Army—provided the primary object is to resist invasion. The primary object of the national defense act, however, is not confined to defense of American territory. The proposal of the American delegation at Geneva, nevertheless, and several official utterances of President Hoover seek to establish just such a limited objective. In his speech accepting renomination for President, Mr. Hoover declared:

> I insist upon an Army and Navy of a strength which guarantees that no foreign soldier will land on American soil.

This, it is pointed out, is a clear declaration of the object of the armed forces, compatible with our international commitments and within the military means. An army organized solely to defend American soil would be in full accord with the antiwar pact; it would not require offensive preparations, and it would not be materially affected by the size or organization of foreign armies.

Mr. President, I regret that genuine reduction has not been made in the various appropriation bills which have been submitted, and particularly in the measure now before us. The Senator from Pennsylvania, I have no doubt, has resisted appeals from military sources in favor of larger appropriations. In what I have said I have not intended any criticism of my friend. However, I do believe that in view of the great depression existing and the want and privation found in every part of our land, and in view of our diminishing revenues and the imperative demands for appropriations for relief and to meet the unemployment and to aid in reviving business and lifting our country out of the shadows, we should have found in this and in a number of other bills opportunities for material and important reductions.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 19, line 17.

Mr. CONNALLY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Austin | Cutting | Keyes | Robinson, Ind. |
| Bailey | Dill | King | Russell |
| Bankhead | Fess | La Follette | Schuyler |
| Barkley | Fletcher | Lewis | Sheppard |
| Bingham | Frazier | McGill | Shipstead |
| Blaine | George | McKellar | Smith |
| Bulkley | Glass | McNary | Steiwer |
| Bulow | Gore | Metcalf | Trammell |
| Byrnes | Grammer | Moses | Tydings |
| Capper | Hale | Neely | Vandenberg |
| Caraway | Harrison | Norris | Wagner |
| Clark | Hastings | Nye | Walsh, Mass. |
| Connally | Hatfield | Oddie | Walsh, Mont. |
| Coolidge | Hayden | Patterson | Watson |
| Copeland | Hebert | Reed | White |
| Costigan | Johnson | Reynolds | |
| Couzens | Kendrick | Robinson, Ark. | |

The PRESIDING OFFICER. Sixty-six Senators having answered to their names, there is a quorum present. The clerk will state the amendment.

The CHIEF CLERK. The question is on the committee amendment on page 19, line 17, where the committee proposed to strike out "$5,194,045" and to insert in lieu thereof "$5,694,045."

Mr. CONNALLY. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment of the committee was, on page 21, to strike out lines 10, 11, 12, and 13, as follows:

> *Provided further*, That not to exceed $2,522,880 shall be available for expenditures for or on account of the transportation of persons pursuant to the provisions of this appropriation.

Mr. CONNALLY. Mr. President, the amendment which has just been voted on will result in a cost to the taxpayers of $500,000 which they need not justly bear. The pending bill increases the House figures about a million and a half dollars.

Economy will not get anywhere, in this bill or any other bill, so long as Senators absent themselves from the Chamber, do not hear the discussions, do not know anything about what they are voting on, and come rushing into the Chamber when there is a quorum call and vote with the committee. Of course, it is natural for them to vote with the committee.

Mr. President, we have been debating the economy bill here for the last week, and Senators with much heat have been voting to cut departmental salaries, and I voted with them; I think those salaries ought to be cut along with our own.

Now, when we have an opportunity by one vote to cut off $500,000 for clothing in the Army, when it has been shown that the Army has a supply of clothing that will last it more than a year, perhaps more than two or three years, Senators come in and back up the committee and vote to add $500,000 for an absolutely useless item.

This Congress is not going to economize. This Senate is not going to economize. Economy in the newspapers and noneconomy in the voting. We talk a lot about economy on the stump and in the newspapers, and when we have a chance to economize we strike a blow at the taxpayers, we raid the Treasury, and maintain a clothing supply for a million men when we have only 117,000 in the whole Army. We vote some more subsidies to the clothing manufacturers and woolen manufacturers so they can stock up the Army with supplies and the moths can eat them up before they will ever be used, so they will go out of style and the Army will not deign to wear them. But what does the Senate care about the taxpayers? I have made a fight on this amendment and tried to save half a million dollars. Apparently there is no use to try.

We asked for the yeas and nays and there were not 10 Senators in the Chamber who were willing to go on record.

If the proposal had been to cut off 1⅔ per cent from somebody's pay, Senators would have rushed out here and had a yea and nay vote, but when we try to cut off $500,000 in one lump sum, Senators will not let us have a roll call. Not 10 Senators were willing to have a roll call. The Chair nods his head in verification. There were 49 Senators present and one-fifth would be 10, all that were necessary to grant the yeas and nays.

Mr. President, I move reconsideration of the item. I want to get the Senate on record once as to whether Senators are willing to have a gag rule here and not come out and vote on these items. I want the RECORD to show. I want the roll call to show who are here and who are refusing to give us the yeas and nays on this proposal to save the taxpayers $500,000.

Mr. REED. Mr. President, the bill carries $106,000,000 less than the Army bill of last year. The particular item which the Senator from Texas has been discussing carries $1,000,000 less than the Budget estimate for the item this year. We have reduced the Budget on this single item over a million dollars. I think we have gone a long way toward saving the taxpayers' money.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maryland?

Mr. REED. Certainly.

Mr. TYDINGS. May I ask the Senator from Pennsylvania, who is chairman of the Committee on Military Affairs and has the bill in charge, a question or two?

Mr. REED. Certainly.

Mr. TYDINGS. Is it true that we have sufficient clothing and shoes on hand now to last the Army another year?

Mr. REED. If we draw upon the reserve stock. We have a reserve, as the Senator knows, and have had ever since the World War, that will give the first needed equipment to an Army of a million men. We have tried to keep on hand enough clothing, saddles, ordnance supplies, rifles, and so forth, for that Army of 1,000,000 men. These uniforms are the old war-time uniforms. We are not making new uniforms and we are not adding to that reserve supply which comprises the old uniforms similar to those the Senator had in his regiment during the war.

Mr. TYDINGS. May I ask the Senator what proportion of the stock we now have in reserve the $500,000 would buy?

Mr. REED. It will not buy any of that. By adding $500,000 to this item we will be able to issue one uniform to each enlisted man in the course of the next fiscal year, and it seemed to the committee that that was the irreducible minimum.

Mr. TYDINGS. As I understand it, in the reserve supply now there are uniforms for 1,000,000 men?

Mr. REED. That is right.

Mr. TYDINGS. And shoes for a million men?

Mr. REED. That is right.

Mr. TYDINGS. So that the $500,000 would buy, roughly, enough equipment to supply about 100,000 men.

Mr. REED. No; the $500,000 added to the amount the House provided will be enough to meet our current needs for this year.

Mr. TYDINGS. I do not think I have made my question clear, and it is rather difficult for me to do so. What I am attempting to draw from the Senator is this: How much goods can be purchased with this money as compared with the goods now in reserve?

Mr. REED. That is difficult to say. The question of the goods now in reserve——

Mr. TYDINGS. I mean in numbers of suits and numbers of shoes.

Mr. REED. That again is difficult to say. The $500,000 added to what the House gave will furnish only the current needs of the Army for the year.

Mr. TYDINGS. That is for 118,000 men?

Mr. REED. Yes; 118,000 men.

Mr. TYDINGS. This appropriation is equal to one-twelfth of the reserve?

Mr. REED. The total of this year's appropriation will enable us to buy about 10 per cent as much as we now have in reserve.

Mr. TYDINGS. That is what I wanted to know. If this item is cut off, how much of the 10 per cent will be lost that we can not purchase?

Mr. REED. The item as it came from the House was $5,194,000. We added $600,000 to that, which is about 12 per cent.

Mr. TYDINGS. Then as I understand it we have enough reserve of clothing and shoes to equip 1,000,000 men.

Mr. REED. That is right.

Mr. TYDINGS. Therefore if this appropriation is not made we will have to draw between 5 and 10 per cent of our reserve to take care of the current needs for this year?

Mr. REED. Yes; I should think so.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. REED. Certainly.

Mr. BARKLEY. As I understand it, at the end of the fiscal year for which the appropriation is made, instead of having enough clothing and shoes for 1,000,000 men, we would have enough in storage for about 900,000.

Mr. REED. Something like that, but there is this factor in it, and I think it is worthy of consideration. The uniforms that are kept in the reserve supply are the war-time uniforms made of shoddy, of a different design from that which is being worn at the present time by the enlisted men. They are all the old high-collar style. We would have to use them in case of war. The modern uniform is different. Consequently they would be most undesirable for issue at this time.

Mr. BARKLEY. I was wondering why that reserve of old uniforms has been kept now for about 13 years instead of having been worn off gradually by having it drawn on from year to year so we could keep up the reserve in current uniforms.

Mr. REED. We have drawn on the reserve to a very great extent. We came out of the World War with millions and millions of uniforms. Part of those have been issued to troops, part of them have been sold as surplus stores. The Senator will see traces of them on the streets of every city every day. The reserve for 1,000,000 men is what is left. It has been our policy for 15 years not to encroach upon it. We learned in the last war the unhappy consequences of trying to train an army without any equipment.

Mr. BARKLEY. How much longer will we be able to preserve these old uniforms?

Mr. REED. They are very well kept. They will keep a long time.

Mr. BARKLEY. Is there any disintegration that is now apparent in them?

Mr. REED. I do not think so. They are all new uniforms. They have not been worn.

Mr. BARKLEY. Where are they being kept?

Mr. REED. By the Quartermaster's Department, stored in quartermaster reserve depots scattered all over the country.

Mr. CONNALLY. Mr. President, I beg Senators' pardon for taking up any more time, but the colloquy between the Senator from Pennsylvania [Mr. REED] and the Senator from Maryland [Mr. TYDINGS] brought out something I am sure the Senate did not understand. The Senator from Pennsylvania answered the Senator from Maryland that if this item is not carried in the bill it will result in a 10 per cent reduction in the reserve supply. That is not accurate. That is not correct. As a matter of fact the bill as it passed the House carried $5,194,000 for clothing to supplement the supplies now on hand for a million men. I am not objecting to the House figure of $5,194,000, but I am objecting to the Senate committee's adding $500,000 more. If we vote down the Senate committee amendment and adhere to the House figures we shall have clothing on hand for a million men and in addition we shall spend $5,194,000 more. The amend-

ment I am opposing is the addition of $500,000 to the House item.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Kentucky?

Mr. CONNALLY. I yield.

Mr. BARKLEY. How much do the uniforms cost?

Mr. CONNALLY. I do not know.

Mr. BARKLEY. Will the Senator permit me to ask the Senator from Pennsylvania?

Mr. CONNALLY. I yield for that purpose.

Mr. BARKLEY. Can the Senator from Pennsylvania tell me how much the uniforms cost?

Mr. REED. It is very difficult to say. I do not know. A good many of them are made by the Army itself. It buys the material and makes them up at its own quartermaster factory, or else it issues the material to contractors who make up the uniforms out of the Government material.

Mr. BARKLEY. If the Senator's reply is correct that $500,000 would buy uniforms for 100,000 men, that would indicate about $5 a suit, which, I think, is rather low.

Mr. REED. I did not mean to give that impression.

Mr. BARKLEY. That is the way I understood the Senator.

Mr. REED. Oh, no; I did not mean to give that impression. The $5,600,000 will furnish enough clothing for a year for 118,000 men.

Mr. CONNALLY. How much is that per capita?

Mr. REED. It is not very difficult to divide it.

Mr. CONNALLY. The Senator from Colorado [Mr. COSTIGAN] does me the service of suggesting that it is something over $50 apiece for an Army of 117,000 men. The amount in the bill as it passed the House provides for over $5,000,000 in addition to the reserve supplies for 1,000,000 men. I suppose they must have three or four apiece, because——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. TYDINGS. In order to be fair, I think it is only proper to state that that includes underclothes and blankets, in fact, the soldier's total allowance for clothing, shoes, and all.

Mr. CONNALLY. I understand that. That only accentuates it. That simply means that in addition to uniforms they have enough socks, enough underclothes, and enough of everything else for a million men. That only aggravates the situation. There are enough shoes for a million men. We have all of these supplies on hand now, enough for a million men. The House appropriated $5,194,000 in addition, to which I am not objecting; but the Senate Committee on Appropriations, with its extravagant ideas, adds $500,000 more.

We have been cutting other appropriation bills 10 per cent. The Senate committee is adding 10 per cent to this item. I have no personal interest in this matter, but I think this is an item that is indefensible. I have selected it because I want to test the Senate. I want to know whether there is any use of standing here and fighting for economy. If not, if we can not get a test vote anywhere along the line, then we might as well admit to the country that a fight for economy is futile. Senators will vote as they please. I think they should vote to reconsider the item of $500,000 and give us a roll call on it. If the Senate wants to approve the item, let it do so. I want Senators to know what they are doing. The Senate is about to squander $500,000 in order that woolen manufacturers may sell some woolen goods to the Army when it does not need it.

Mr. TRAMMELL. Mr. President, if I have not miscalculated, the amount carried in the House bill provides over $400 each for each soldier for this purpose. I understand there is $5,194,000 carried in the House bill for this purpose. Dividing that by 120,000 soldiers, we have $400 for each soldier for this purpose. The proposal is to add $50 for each soldier. It seems to me it is the height of extravagance, and I heartily sympathize with the position of the Senator from Texas [Mr. CONNALLY].

I was present when the viva voce vote was taken and voted with the Senator from Texas. I hope that we will reconsider the matter and eliminate the item.

Mr. REED. Mr. President, I simply want to invite the attention of the Senator from Florida to the mathematics which he has just given the Senate. If we take the amount recommended by the Senate committee and divide it by 118,000, the result is $49 per capita—not $490 but $49 per capita—and that includes uniforms, underclothing, shoes, blankets, and all that sort of thing, supplied by the Quartermaster General. That is the situation.

Mr. NORRIS. May I interrupt the Senator?

The PRESIDING OFFICER. The Senator from Illinois has the floor. Does he yield to the Senator from Nebraska?

Mr. LEWIS. I yield.

Mr. NORRIS. I want to make a suggestion to the Senator from Pennsylvania, who has delayed our work considerably now. This is an important amendment, so regarded by several Senators, particularly the Senator from Texas [Mr. CONNALLY]. If we could have had a roll call, it would have been disposed of long ago, but we are in danger now of having two roll calls instead of one; at least we are going to have one, and we could have one on the direct amendment just as easily as having a roll call on the motion to reconsider. Now I want to suggest to the Senator from Pennsylvania——

Mr. REED. If the Senator will permit me, I am not opposing a roll call. I am very confident the Senate will sustain the committee.

Mr. NORRIS. I understand that; probably the Senator is correct; but the Senator from Texas has asked that we have a roll call; he wants a record vote on the amendment. Why does not the Senator, in order to bring that about, consent to a reconsideration, with the understanding that we will immediately have a yea-and-nay vote on the amendment? Would that be agreeable?

Mr. REED. Yes; I am perfectly willing that that shall be done.

Mr. NORRIS. I ask unanimous consent to reconsider the action agreeing to the amendment, and that we then proceed to vote on the amendment itself by the yeas and nays.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Is there objection?

Mr. LEWIS. Mr. President, I am not sure of my parliamentary position. While a motion has been made for a reconsideration, may I offer some evidence as to the justification of the item itself? I should like to have the opinion of the chairman of the Committee on Military Affairs—and I am honored by being a member of that committee—as to whether or not the War Department and the Quartermaster General's office and other officials of our Government who have to do with this question involving this increase which the eminent Senator from Texas finds at variance with his judgment, have not recommended it as necessary?

Mr. REED. That is quite true. They recommended a million dollars more than we are giving them. The Appropriations Committee of the Senate in reporting this amendment recommend a cut of a million dollars under the Budget estimate.

Mr. LEWIS. That is the information I sought.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent proposed by the Senator from Nebraska? The Chair hears none, and the vote whereby the amendment was reconsidered is agreed to. The Secretary will state the amendment for the information of the Senate, and will then call the roll.

The CHIEF CLERK. On page 19, line 17, the committee proposes to strike out "$5,194,045" and insert "$5,694,045."

The PRESIDING OFFICER. The question is on agreeing to the amendment, and on that question the clerk will call the roll.

The Chief Clerk called the roll.

Mr. WALSH of Montana. I wish to announce that my colleague [Mr. WHEELER] is absent to-day on account of illness. Were he present he would vote "nay."

Mr. KING (after having voted in the negative). I find that I have a pair with the junior Senator from New Jersey [Mr. BARBOUR]. I transfer that pair to the junior Senator from West Virginia [Mr. NEELY], and allow my vote to stand.

Mr. McKELLAR (after having voted in the negative). I inquire if the junior Senator from Delaware [Mr. TOWNSEND] has voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. McKELLAR. I have a pair with that Senator, which I transfer to the Senator from Nevada [Mr. PITTMAN], and allow my vote to stand.

Mr. BARKLEY (after having voted in the negative). I have a pair with the junior Senator from Iowa [Mr. DICKINSON], who is absent. Not knowing how he would vote I withdraw my vote.

Mr. ROBINSON of Indiana (after having voted in the affirmative) I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who has not voted. I transfer that pair to the junior Senator from California [Mr. SHORTRIDGE] and allow my vote to stand.

The PRESIDENT pro tempore (after having voted in the affirmative.) The occupant of the chair transfers his general pair with the Senator from Louisiana [Mr. BROUSSARD] to the Senator from Connecticut [Mr. WALCOTT] and lets his vote stand.

Mr. FESS. I wish to announce the following general pairs:

The Senator from Wyoming [Mr. CAREY] with the Senator from Louisiana [Mr. LONG];

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN];

The Senator from Nebraska [Mr. HOWELL] with the Senator from New Mexico [Mr. BRATTON];

The Senator from Idaho [Mr. THOMAS] with the Senator from Montana [Mr. WHEELER];

The Senator from New Jersey [Mr. KEAN] with the Senator from Arizona [Mr. ASHURST];

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Tennessee [Mr. HULL];

The Senator from Minnesota [Mr. SCHALL] with the Senator from Oklahoma [Mr. THOMAS]; and

The Senator from Vermont [Mr. DALE] with the Senator from Alabama [Mr. BLACK].

Mr. SHEPPARD. I wish to announce that the following Senators are detained from the Chamber on official business:

The Senator from Arizona [Mr. ASHURST]; the Senator from Alabama [Mr. BLACK]; the Senator from New Mexico [Mr. BRATTON]; the Senator from Tennessee [Mr. HULL]; the Senator from West Virginia [Mr. NEELY]; the Senator from Nevada [Mr. PITTMAN]; the Senator from Oklahoma [Mr. THOMAS]; and the Senator from Virginia [Mr. SWANSON].

The result was announced—yeas 38, nays 26, as follows:

YEAS—38

| | | | |
|---|---|---|---|
| Austin | George | Lewis | Schuyler |
| Bailey | Grammer | McNary | Sheppard |
| Bingham | Hale | Metcalf | Smith |
| Caraway | Hastings | Moses | Steiwer |
| Coolidge | Hatfield | Oddie | Vandenberg |
| Copeland | Hayden | Patterson | Wagner |
| Couzens | Hebert | Reed | Watson |
| Cutting | Johnson | Reynolds | White |
| Fess | Kendrick | Robinson, Ind. | |
| Fletcher | Keyes | Russell | |

NAYS—26

| | | | |
|---|---|---|---|
| Bankhead | Connally | King | Shipstead |
| Blaine | Costigan | La Follette | Trammell |
| Bulkley | Dill | McGill | Tydings |
| Bulow | Frazier | McKellar | Walsh, Mass. |
| Byrnes | Glass | Norris | Walsh, Mont. |
| Capper | Gore | Nye | |
| Clark | Harrison | Robinson, Ark. | |

NOT VOTING—32

| | | | |
|---|---|---|---|
| Ashurst | Carey | Kean | Smoot |
| Barbour | Dale | Logan | Stephens |
| Barkley | Davis | Long | Swanson |
| Black | Dickinson | Neely | Thomas, Idaho |
| Borah | Glenn | Norbeck | Thomas, Okla. |
| Bratton | Goldsborough | Pittman | Townsend |
| Brookhart | Howell | Schall | Walcott |
| Broussard | Hull | Shortridge | Wheeler |

So the amendment of the committee was agreed to.



The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 21, line 10, after the word "enlistment," to strike out the colon and the following additional proviso:

*Provided further,* That not to exceed $2,522,880 shall be available for expenditure for or on account of the transportation of persons pursuant to the provisions of this appropriation.

The amendment was agreed to.

The next amendment was, on page 22, at the beginning of line 10, to increase the appropriation for Army transportation from $11,106,745 to $11,631,745.

The amendment was agreed to.

The next amendment was, on page 22, line 17, after the word "ambulances," to insert "and motor cycles"; in line 18, after the word "provided," to strike out "$150,000" and insert "$250,000," and in line 20, after the words "motor-propelled," to strike out "trucks: *Provided further,* That completely assembled and equipped motor-propelled trucks, including station-wagon types, may be purchased out of this appropriation, and other appropriations for the fiscal year 1934 under the Quartermaster Corps, which may be available for or on account of the maintenance of animals, or for or on account of the purchase, maintenance, and operation of animal-drawn equipment, or for or on account of rail transportation of persons and materials, the cost of any such vehicle so procured not to exceed $750, including the value of any vehicle exchanged" and insert "trucks, including station-wagon types except those that are procured solely for experimental purposes," so as to make the proviso read:

*Provided,* That no part of this appropriation shall be available for the purchase or exchange of motor-propelled passenger-carrying vehicles other than not exceeding $75,000 for the purchase or exchange of motor-propelled ambulances and motor cycles, and not exceeding (except as otherwise in this paragraph provided) $250,000 of this appropriation shall be available for the purchase or exchange of motor-propelled trucks, including station-wagon types except those that are procured solely for experimental purposes.

The amendment was agreed to.

The next amendment was, on page 23, line 23, after the word "transfer," to strike out the colon and the following additional proviso:

*Provided further,* That no appropriation contained in this act shall be available for any expense incident to the operation of the Fort Benning Railroad.

Mr. GEORGE. Mr. President, before the vote is taken on that amendment I desire to make a statement. This amendment was inserted on the floor of the House:

*Provided,* That no appropriation contained in this act shall be available for any expense incident to the operation of the Fort Benning Railroad.

A controversy has arisen between the Central of Georgia Railroad, the former lessee of the Government-owned railroad running between Fort Benning Junction and Fort Benning, a distance of about 4½ miles. The Central of Georgia Railroad held a revocable license and has operated this line of road under this revocable license since the 15th day of June, 1924. In 1931 some complaint was made by the commanding officer at Fort Benning, and subsequently the Secretary of War or the Assistant Secretary of War took steps to revoke the license under which the Central of Georgia Railroad operated this road.

As a matter of fact, the Central of Georgia was given no notice of complaint, and as a matter of fact the letter transmitting the order revoking the license was written on September 2. The order itself bore date of September 16; but on the 9th of September, prior to the date of the order, the Assistant Secretary of War made another contract—a contract by which the firm of Page & Harris, or the Page-Harris Co., was given the privilege of operating this short line of railroad, Government owned, from the Fort Benning Junction into the reservation.

Those facts are beyond dispute. There is in the hearings a statement to the effect that after the Central of Georgia learned that its license had been revoked the matter was reconsidered and reheard, but the hearing was purely per-

functory, and I undertake to say that the War Department ought to be glad to open up this transaction because of the facts stated.

The Secretary of War claims that leasing this short line of railroad to an operating company—not a railroad company at all; it has no property; it is not a taxpayer—will save to the Government about $17,000 a year on freights, mainly on coal, fuel, and so forth, carried into Fort Benning. It is questionable whether it will save such sum. Experience will demonstrate whether it will save anything. It can not save $17,000 a year, and I undertake to say, as a matter of fact, that it will not save $17,000 a year.

This matter is in controversy, so far as the leasing of the road is concerned, between the Central of Georgia Railway Co. and the operating company to which the lease was given without notice in the first instance to the Central of Georgia Railway Co.

The ground upon which the lease was revoked was that between two certain dates in 1931 the Central of Georgia Railway Co. had ceased to give double train service into the reservation; but I call the attention of the Senate to the fact that six months prior to the cancellation of the lease double service had been in fact restored, and therefore that could not have been the reason.

The Secretary of War ought to invite a close and careful scrutiny of this transaction, because the reasons assigned for the action are not borne out by the facts.

The order revoking was dated September 16, whereas on the 9th of September, prior to the 16th, a lease had been made with another concern without notice to the previous lessees; and the claim of economy will not in fact be borne out by actual experience.

So much for the facts on that point.

In the second place, the Central of Georgia Railway Co. is a railway company operating in the State, with its lines running throughout the State. It is now in the hands of a receiver. It is serving the Government at Fort Benning probably at a small profit; but I have definite information that it is serving the Government also at Fort Screven and Fort Oglethorpe at a loss. There is little sense in advancing money to railway companies, failed and failing, and then having the War Department cancel a contract with a railroad company and enter into one with an operating company in order to save, at the most, $17,000 a year, or, as one of the officials from the War Department stated, net $13,000 a year.

Mr. President, this controversy is between the Central of Georgia Railway Co. and the Page & Harris Co., a North Carolina concern. I am not going to take sides on the floor of the Senate in a controversy between two concerns that seek to control this small line of railway; but I am making this statement intentionally because the Fort Benning Railroad Co. has applied under sections 18 to 21, inclusive, of the interstate commerce act for a certificate of convenience and necessity. The Central of Georgia Railway Co. and perhaps others have intervened in that application, and are resisting the issuance of the order.

I submit to the Senate—and I think the Senator in charge of this bill will agree with me—that if the Interstate Commerce Commission denies to the Fort Benning Railway Co. the order or the certificate of convenience and necessity, then no part of the money appropriated in this act should be paid to this railway company. No part of it ought to be available to cover any expense or any item of indebtedness claimed to be due to the Fort Benning Railway Co.

This issue was debated at length on the floor of the House, and this amendment was inserted. The amendment is somewhat complicated, in that if it were taken in exactly the language in which it appears in the bill it is likely that the War Department would be embarrassed in carrying on the necessary operations which it itself has performed in shifting cars and making actual delivery of freight within the reservation.

The Senate committee has stricken out that amendment. The whole matter will be in conference; and I have spoken to the Senator in charge of the bill, and I have made this statement, for the purpose of enabling the conference committee to give proper consideration to this matter. I believe that the conferees will be pleased, if they will go into it fully, to attach a provision at least that no part of this money shall be available for payment to the Fort Benning Railway Co. unless the Interstate Commerce Commission should issue its order under the application now pending.

Of course, if the Interstate Commerce Commission issues that order, the case may stand upon a somewhat different footing. I am not insisting upon the amendment as entered in the House, because I think that amendment, precisely as entered, would work some hardship upon the War Department, although there is some substantial reason why this matter should be kept open by some agreement in conference along the lines suggested by me.

Mr. LEWIS. Mr. President, the Illinois Central Railroad—a constituent of mine, and my colleague's—is the supervising agency controlling the Georgia Central, to which the Senator from Georgia has just alluded.

I beg to inform the Senate that while I have no personal knowledge of these details as recorded and expressed by the Senator from Georgia, I am in receipt of a written communication fully setting out the details—the communication coming from the general counsel of the Illinois Central, addressed to me—which bears out and sustains the representations made by the Senator from Georgia.

Further than that, sir, I have no desire to trespass upon the time of the Senate; but I do desire to have it understood that the Illinois Central sends this confirmation of the views as expressed by the Senator from Georgia.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. REED. Mr. President, just a word in reply to the Senator from Georgia.

I understand that the committee amendment has been agreed to. In that case the conferees will have full authority to put in a qualified prohibition, so that if the certificate of necessity is refused by the Interstate Commerce Commission we shall be able to take care of that case.

The PRESIDENT pro tempore. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Horses, draft and pack animals," on page 24, after line 9, to strike out:

For encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance, $118,827.

And in lieu thereof to insert:

For the purchase of draft and pack animals and horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts for officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including $120,000 for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), $202,500.

The amendment was agreed to.

The next amendment was, under the subhead "Signal Corps—Signal Service of the Army," on page 31, line 17, before the word "of," to strike out "$2,381,870" and insert "$2,421,517," so as to read:

Telegraph and telephone systems: Purchase, equipment, operation, and repair of military telegraph, telephone, radio, cable, and signaling systems; signal equipment and stores, heliographs, signal lanterns, flags, and other necessary instruments; wind vanes, barometers, anemometers, thermometers, and other meteorological instruments; photographic and cinematographic work performed for the Army by the Signal Corps; not to exceed $18,641 for mileage or other travel allowances of officers, and traveling expenses of employees, traveling on duty in connection with the Signal Service of the Army; motor cycles, motor-driven and other vehicles for technical and official purposes in connection with the construction, operation, and maintenance of communication or sig-

naling systems, and supplies for their operation and maintenance; professional and scientific books of reference, pamphlets, periodicals, newspapers, and maps for use of the Signal Corps and in the office of the Chief Signal Officer; telephone apparatus, including rental and payment for commercial, exchange, message, trunk-line, long-distance, and leased-line telephone service at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, excepting the local telephone service for the various bureaus of the War Department in the District of Columbia, and toll messages pertaining to the office of the Secretary of War; electric time service; the rental of commercial telegraph lines and equipment and their operation at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, including payment for official individual telegraph messages transmitted over commercial lines; electrical installations and maintenance thereof at military posts, cantonments, camps, and stations of the Army; fire control and direction apparatus and material for field artillery; salaries of civilian employees, including those necessary as instructors at vocational schools; supplies, general repairs, reserve supplies, and other expenses connected with the collecting and transmitting of information for the Army by telegraph or otherwise; experimental investigation, research, purchase, and development or improvements in apparatus, and maintenance of signaling and accessories thereto, including patent rights and other rights thereto, including machines, instruments, and other equipment for laboratory and repair purposes; lease, alteration, and repair of such buildings required for storing or guarding Signal Corps supplies, equipment, and personnel when not otherwise provided for, including the land therefor, the introduction of water, electric light and power, sewerage, grading, roads and walks, and other equipment required, $2,421,517, of which amount not to exceed $150,000 shall remain available until June 30, 1935, for the construction and rehabilitation of Signal Corps telephone systems.

The amendment was agreed to.

The next amendment was, under the subhead "Air Corps—Air Corps, Army," on page 34, line 9, after the word "aircraft," to strike out "$23,324,185" and insert "$23,329,185," so as to read:

For creating, maintaining, and operating at established flying schools and balloon schools courses of instruction for officers, students, and enlisted men, including cost of equipment and supplies necessary for instruction, purchase of tools, equipment, materials, machines, textbooks, books of reference, scientific and professional papers, instruments, and materials for theoretical and practical instruction; for maintenance, repair, storage, and operation of airships, war balloons, and other aerial machines, including instruments, materials, gas plants, hangars, and repair shops, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith and the establishment of landing and take-off runways; for purchase of supplies for securing, developing, printing, and reproducing photographs in connection with aerial photography; improvement, equipment, maintenance, and operation of plants for testing and experimental work, and procuring and introducing water, electric light and power, gas, and sewerage, including maintenance, operation, and repair of such utilities at such plants; for the procurement of helium gas; for travel of officers of the Air Corps by air and rail in connection with the administration of this appropriation, not to exceed $92,825, exclusive of the cost of transporting new aircraft from factory to first destination; salaries and wages of civilian employees as may be necessary, and not to exceed $38,490 for payment of their traveling and other necessary expenses as authorized by existing law; transportation of materials in connection with consolidation of Air Corps activities; experimental investigation and purchase and development of new types of airplanes and balloons, accessories thereto, and aviation engines, including plans, drawings, and specifications thereof, and the purchase of letters patent, application for letters patent, licenses under letters patent and applications for letters patent; for the purchase, manufacture, and construction of airplanes and balloons, including instruments and appliances of every sort and description necessary for the operation, construction (airplanes and balloons), or equipment of all types of aircarft, and all necessary spare parts and equipment connected therewith; for the marking of military airways where the purchase of land is not involved; for the purchase, manufacture, and issue of special clothing, wearing apparel, and similar equipment for aviation purposes; for all necessary expenses connected with the sale or disposal of surplus or obsolete aeronautical equipment, and the rental of buildings, and other facilities for the handling or storage of such equipment; for the services of not more than four consulting engineers at experimental stations of the Air Corps as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed $50 a day for not exceeding 50 days each and necessary traveling expenses; purchase of special apparatus and appliances, repairs and replacements of same used in connection with special scientific medical research in the Air Corps; for maintenance and operation of such Air Corps printing plants outside of the District of Columbia as may be authorized in accordance with law; for publications, station libraries, special furniture, supplies and equipment for offices, shops, and laboratories; for special services, including the salvaging of wrecked aircraft, $23,329,185.

The amendment was agreed to.

The next amendment was, on page 34, line 20, after the word "employees," to insert "not exceeding $5,000 may be expended for the production of lighter-than-air equipment," so as to make the proviso read:

*Provided*, That from the amount herein appropriated and the amount herein authorized for obligation not to exceed $3,670,875 may be expended for pay and expenses of civilian employees other than those employed in experimental and research work; not exceeding $17,000 may be expended for the procurement of helium from the Bureau of Mines, of which sum such amounts as may be required may be transferred in advance to that bureau; not exceeding $3,035,429 may be expended for experimental and research work with airplanes or balloons and their equipment, including the pay of necessary civilian employees; not exceeding $5,000 may be expended for the production of lighter-than-air equipment; not less than $8,257,807 shall be expended for the production or purchase of new airplanes and their equipment and accessories, of which $7,614,522 shall be available exclusively for combat airplanes, their equipment and accessories; not less than $9,130,100 shall be expended, other than for pay of civilian employees, for aviation fuel and oil and for the repair and maintenance of airplanes and their equipment, spare parts, and accessories; and not more than $6,000 may be expended for settlement of claims (not exceeding $250 each) for damages to persons and private property resulting from the operation of aircraft at home and abroad when each claim is substantiated by a survey report of a board of officers appointed by the commanding officer of the nearest aviation post and approved by the Chief of Air Corps and the Secretary of War.

The amendment was agreed to.

The next amendment was, under the subhead "Medical Department, Army—Medical and hospital department," on page 38, line 6, to strike out "$1,095,976" and insert "$1,271,471," so as to read:

For the manufacture and purchase of medical and hospital supplies, including disinfectants, for military posts, camps, hospitals, hospital ships and transports, for laundry work for enlisted men and Army nurses while patients in a hospital, and supplies required for mosquito destruction in and about military posts in the Canal Zone; for the purchase of veterinary supplies and hire of veterinary surgeons; for inspection service and instruction furnished by the Department of Agriculture which may be transferred in advance; for expenses of medical supply depots; for medical care and treatment not otherwise provided for, including care and subsistence in private hospitals of officers, enlisted men, and civilian employees of the Army, of applicants for enlistment, and of prisoners of war and other persons in military custody or confinement, when entitled thereto by law, regulation, or contract: *Provided*, That this shall not apply to officers and enlisted men who are treated in private hospitals or by civilian physicians while on furlough; for the proper care and treatment of epidemic and contagious diseases in the Army or at military posts or stations, including measures to prevent the spread thereof, and the payment of reasonable damages not otherwise provided for for bedding and clothing injured or destroyed in such prevention; for the care of insane Filipino soldiers in conformity with the act of Congress approved May 11, 1908 (U. S. C., title 24, sec. 198); for the pay of male and female nurses, not including the Army Nurse Corps, and of cooks and other civilians employed for the proper care of sick officers and soldiers, under such regulations fixing their number, qualifications, assignments, pay, and allowances as shall have been or shall be prescribed by the Secretary of War; for the pay of civilian physicians employed to examine physically applicants for enlistment and enlisted men and to render other professional services from time to time under proper authority; for the pay of other employees of the Medical Department; for the payment of express companies and local transfers employed directly by the Medical Department for the transportation of medical and hospital supplies, including bidders' samples and water for anaylsis; for supplies for use in teaching the art of cooking to the enlisted force of the Medical Department; for the supply of the Army and Navy Hospital at Hot Springs, Ark.; for advertising, laundry, and all other necessary miscellaneous expenses of the Medical Department, $1,271,471.

The amendment was agreed to.

The next amendment was, under the subhead "Ordnance Department—Ordnance service and supplies, Army," on page 40, line 15, after the word "of" to strike out "light trucks, at not to exceed $750 each" and insert "trucks,"; and, in line 25, after the word "traveling" to strike out "expenses, not to exceed $26,981" and insert "expenses," so as to read:

For manufacture, procurement, storage, and issue, including research, planning, design, development, inspection, test, alteration, maintenance, repair, and handling of ordnance material together with the machinery, supplies, and services necessary thereto; for supplies and services in connection with the general work of the Ordnance Department, comprising police and office duties, rents,

tolls, fuel, light, water, advertising, stationery, typewriting and computing machines, including their exchange, and furniture, tools, and instruments of service; to provide for training and other incidental expenses of the ordnance service; for instruction purposes, other than tuition; for the purchase, completely equipped, of trucks, and for maintenance, repair, and operation of motor-propelled and horse-drawn freight and passenger-carrying vehicles; for ammunition for military salutes at Government establishments and institutions to which the issues of arms for salutes are authorized; for services, material, tools, and appliances for operation of the testing machines and chemical laboratory in connection therewith; for publications for libraries of the Ordnance Department, including the Ordnance Office, including subscriptions to periodicals; for necessary traveling expenses; for services of not more than four consulting engineers, as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed $50 per day for not exceeding 50 days each, and for their necessary traveling expenses, $9,366,116.

The amendment was agreed to.

The next amendment was, under the subhead "Seacoast defenses," on page 45, line 4, after the words "in all," to strike out "including not to exceed $3,320 in the aggregate for traveling expenses," so as to read:

In all, $2,035,431.

The amendment was agreed to.

The next amendment was, under the heading "Militia Bureau—National Guard—Arming, equipping, and training the National Guard," on page 48, line 18, after the name "United States," to strike out "for a disability rated by the Veterans' Administration in excess of 10 per cent," so as to read:

No part of the appropriations made in this act shall be available for pay, allowances, or traveling or other expenses of any officer or enlisted man of the National Guard who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States.

The amendment was agreed to.

The next amendment was, under the subhead "Arms, uniforms, equipment, etc., for field service, National Guard," on page 49, line 18, after the word "National," to strike out "Guard, at a cost of not to exceed $750 per vehicle" and insert "Guard," so as to make the proviso read:

*Provided*, That funds now and herein made available to the Militia Bureau may be used for the purchase of motor-propelled trucks, including station wagon types, for field artillery use of the National Guard.

The amendment was agreed to.

The next amendment was, under the subhead "Citizens' military training—Reserve Officers' Training Corps," on page 57, line 10, after the word "Air," to strike out "Corps, Medical Corps, Dental Corps, or Veterinary" and insert "Corps," so as to make the further proviso read:

*Provided further*, That none of the funds appropriated in this act shall be available for any expense on account of any student in Air Corps units not a member of such units on May 5, 1932, but such stoppage of further enrollments shall not interfere with the maintenance of existing units.

The amendment was agreed to.

The next amendment was, under the subhead "Citizens' military training camps," on page 60, after line 6, to insert:

Under the authorizations contained in this act no issues of reserve supplies or equipment shall be made where such issues would impair the reserves held by the War Department for two field armies or 1,000,000 men.

The amendment was agreed to.

The next amendment was, under the subhead "Ordnance equipment for rifle ranges for civilian instruction," on page 61, line 19, after the word "law," to strike out "$150,000" and insert "$125,000," so as to read:

For arms, ammunition, targets, and other accessories for target practice, for issue and sale in accordance with rules and regulations prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War, in connection with the encouragement of rifle practice, in pursuance of the provisions of law, $125,000.

The amendment was agreed to.

The next amendment was, on page 62, after line 9, to strike out:

None of the funds appropriated in this act shall be used for the purpose of paying any commissioned officer, active or retired, for his salary in computing which any service has been counted other than active commissioned service under a Federal appointment and commissioned service in any of the military or naval forces of the United States, including the National Guard or the Organized Militia, while in the service of the Government of the United States.

The amendment was agreed to.

The next amendment was, under the heading "Title II—Nonmilitary Activities of the War Department, Quartermaster Corps, Cemeterial Expenses," on page 64, line 7, after the word "travel," to strike out "$820,795" and insert "$847,943," so as to read:

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, laborers and other employees, purchase of tools and materials; and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery, and permanent American cemeteries abroad, including not to exceed $2,250 in the aggregate or $450 for any one person for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., Supp. V, title 5, sec. 118a); for repair to roadways, but not to more than a single approach road to any national cemetery constructed under special act of Congress; for headstones for unmarked graves of soldiers, sailors, and marines under the acts approved March 3, 1873 (U. S. C., title 24, sec. 279), February 3, 1879 (U. S. C., title 24, sec. 280), March 9, 1906 (34 Stat., p. 56), March 14, 1914 (38 Stat., p. 768), and February 26, 1929 (U. S. C., Supp. V, title 24, sec. 280a), and civilians interred in post cemeteries; for recovery of bodies and the disposition of remains of military personnel and civilian employees of the Army under act approved March 9, 1928 (U. S. C., Supp. V, title 10, sec. 916); for the care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate section in Greenlawn Cemetery at Indianapolis, the Confederate Cemetery at Point Lookout, and the Confederate Cemetery at Rock Island, and not to exceed $17,625 for or on account of travel, $847,943.

The amendment was agreed to.

The next amendment was, under the subhead "Corps of Engineers," on page 71, after line 8, to insert:

PRESERVATION AND REPAIR OF HISTORICAL FORTIFICATIONS

For the protection, preservation, repair, and maintenance of historical fortifications at San Juan, Puerto Rico, $5,000.

The amendment was agreed to.

The next amendment was, under the subhead "Rivers and Harbors," on page 72, line 13, after the figures "$39,388,129" to strike out the colon and the following additional proviso:

*Provided further*, That hereafter the provisions of section 5 of the act of July 16, 1914 (U. S. C., title 5, sec. 78), shall be construed as applying to the Corps of Engineers as to the purchase of motor boats and motor-propelled passenger-carrying vehicles.

The amendment was agreed to.

The next amendment was, on page 72, after line 21, to insert:

Fort Pierce Harbor: For dredging the channel of Fort Pierce Harbor, Fla., $30,000, or so much thereof as may be necessary, to be immediately available.

The amendment was agreed to.

The next amendment was, under the subhead "The Panama Canal," on page 76, line 23, after the name "Panama Railroad Co." to strike out "in excess of 10 per cent of the capital stock of such company"; so as to read:

For maintenance and operation of the Panama Canal: Salary of the governor, $10,000; purchase, inspection, delivery, handling, and storing of materials, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales; payment in lump sums of not exceeding the amounts authorized by the injury compensation act, approved September 7, 1916 (U. S. C., title 5, sec. 793), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal; for continuing the construction of the Madden Dam across the Chagres River at Alhajuela for the storage of water for use in the maintenance and operation of the Panama Canal, together with a hydroelectric plant, roadways, and such other work as in the judgment of the Governor of the Panama Canal may be necessary, to cost in the aggregate not to exceed $15,500,000; in all, $9,172,700, together with all moneys arising from the conduct of business operations authorized by the Panama Canal act, and such sums, aggregating not to exceed $2,000,000, as may be deposited in the Treasury of the United States as dividends by the Panama Railroad Co.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments.

Mr. COPELAND. Mr. President, I have an amendment to offer on page 56, line 12. This has to do with the Reserve Officers' Training Corps.

The Budget estimates for 1934 allowed $3,912,009 for this activity, a decrease of $167,475 under the amount appropriated for the current fiscal year. The House subcommittee reduced this by $557,798.

It is necessary, if we are to carry on this work of the reserve officers' training, to increase the appropriation somewhat. I am not asking that it should go back to the point where it was last year, when it was $4,079,484; but the Budget has estimated this at $3,912,009, and from the best information I can get the amount should be increased by $482,000. My amendment is that the figures on line 12, now reading "$3,354,211," be made "$3,840,211."

I ask to have inserted in the RECORD at this point a statement from the national president of the Reserve Officers' Association of the United States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The War Department appropriation bill (H. R. 14199), as passed by the House and reported by the Senate Appropriations Committee, meets the national-defense requirements of the country with but one exception. This exception relates to the Reserve Officers' Training Corps units.

The Budget estimates for 1934 allowed $3,912,009 for this activity, a decrease of $167,475 under the amount appropriated for the current (1933) fiscal year. The House subcommittee reduced the 1934 Budget estimates by $557,798. These reductions were effected by decreasing the allowances for subsistence, clothing, purchase of ammunition, purchase of horses and forage, etc. The Reserve Officers' Association of the United States, realizing the necessity of economy, does not contest certain of these reductions. However, it is opposed to those reductions which affect the training and morale of the students of the Reserve Officers' Training Corps who, upon the completion of their course, will be commissioned as reserve officers and the future leaders of our civilian army.

Senator ROYAL S. COPELAND, of New York, will offer an amendment from the floor of the Senate to increase the amount carried in the bill by $482,000. This amount will still be $75,798 under the Budget (1934) estimates. This amendment will provide for the following projects:

Permit 42 days field training for the Reserve Officers' Training Corps instead of 30 days' training, $112,000. The duration of field training has been reduced 29 per cent, whereas the monetary saving in camp expenses is but 10 per cent. In the course of his four years at college the Reserve Officers' Training Corps trainee attends but one summer camp. This is the only practical field training resembling war conditions the trainee receives. To qualify him as a reserve officer a period of six weeks of such training is indispensable.

Permit purchase of ammunition for target practice, $70,000. This amount of ammunition was formerly a free issuance out of surplus. There being no longer an ammunition surplus, the effect will be a further curtailment in training in the use of the basic arm of the service, the rifle.

Permit of uniform and clothing allowances for cadets, $300,000. By the elimination of this item from the bill the Reserve Officers' Training Corps students will be clothed in war-time shoddy uniforms left over from 1918.

The Reserve Officers' Training Corps is the principal source of procurement of reserve officers. It supplies the deficiency created by retirements of World War officers due to age, etc., from the Officers' Reserve Corps. It furnishes 6,000 commissioned officers annually and gives valuable training in military fundamentals to 121,000 additional students of our schools and colleges. It insures a reservoir of trained junior combat officers. The Reserve Officers' Training Corps graduate who is commissioned agrees to serve for five years in the Officers' Reserve Corps.

Under the present appropriations for training reserve officers the Reserve Officers' Training Corps graduate, after he is commissioned, will receive active-duty field training but once every four years. It is, therefore, highly important that he be trained while still in college.

L. KEMPER WILLIAMS,
*Colonel, Infantry Reserve, National President.*
BENNETT A. MOLTER,
*Major, Air Reserve, National Secretary.*

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from New York.

Mr. REED. Mr. President, I do not feel impelled to make a point of order against this amendment, but I can not give the Senator any assurance that we will be able to hold it in conference.

Mr. COPELAND. I realize that fully, Mr. President.

The amendment was agreed to.

Mr. COPELAND. Mr. President, on page 12, I move to strike out lines 8 to 18, inclusive. There is no question but that when this language was first placed in the bill some years ago there was need of it, but the prohibition against the officers on the active list serving on these various service publications is a great embarrassment and a very improper thing, in my opinion. Of course, I am particularly interested in the magazine called the Military Surgeon, but the same thing applies to the other service magazines. I ask that that language go out, and that the conferees of the Senate discuss the matter with the House conferees and see if they can not agree on the permanent elimination of the language.

Mr. REED. Mr. President, the provision of the present law and of the bill as it comes to us from the House does work a great hardship on publications like the Military Surgeon, the Cavalry Journal, the Infantry Journal, and the Field Artillery Journal because the officers who publish those magazines have nothing to do with the purchase of supplies. There was a real reason, however, why the Engineer Journal should not be allowed to carry advertisements of contractors with the Government. If the Senator's amendment is adopted, we will try to work out something in conference that will bring about justice.

The PRESIDENT pro tempore. The question is on agreeing to the amendment, which will be stated.

The CHIEF CLERK. The Senator from New York proposes, on page 12, to strike out lines 8 to 18, inclusive, as follows:

No appropriation for the pay of the Army shall be available for the pay of any officer or enlisted man on active list of the Army who is engaged in any manner with any publication which is or may be issued by or for any branch or organization of the Army or military association in which officers or enlisted men have membership and which carries paid advertising of firms doing business with the Government: *Provided, however,* That nothing herein contained shall be construed to prohibit officers from writing or disseminating articles in accordance with regulations issued by the Secretary of War.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I have one other amendment, which I send forward, to be inserted on page 45, line 13.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 45, line 13, the Senator from New York proposes to insert a new proviso, as follows:

*Provided,* That the duties of the librarian of the United States Military Academy may be performed by an officer of the Regular Army, retired from active service under the provisions of section 1251, Revised Statutes, and detailed on active duty for that purpose.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SCHUYLER. Mr. President, I have an amendment to offer, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 26, line 13, the Senator from Colorado moves to strike out "$1,203,700" and to insert in lieu thereof "$1,068,700," and on said page 26, lines 21 to 23, strike out the words "Fitzsimons General Hospital, Colorado; gymnasium, recreation, and social hall, $135,000."

Mr. SCHUYLER. Mr. President, this is a matter of very great interest to the people of Colorado, and especially to the people of Denver, affecting the Fitzsimons Hospital. Much as I dislike to detain the Senate at this hour, a prefatory statement is necessary before I reach the exact explanation of the amendment.

The Fitzsimons Hospital is the greatest hospital under the jurisdiction of the War Department. During the war it became obvious that on account of soldiers' being gassed and subjected to other hardships and exposures affecting their lungs a hospital should be provided for the treatment of the tubercular. Denver, as is well known, has an ideal climate for the treatment of that disease. The people of Denver

raised the money, by individual subscriptions, to buy the ground, some five or six hundred acres in extent, and presented it to the United States. The cost was $165,000.

On the ground thus secured the Government, with progressive and generous recognition of the needs of this great work, has constructed 161 buildings following along the lines of the actually necessary equipment. But there is one building that has been long desired, and which is lacking, a building where those who are in the arrested stages of this dread disease of tuberculosis may go, not to enjoy a luxury, not solely for recreation, but, as the physicians say, as a necessary part of their treatment.

The people of Denver have taken this hospital to heart. Our ladies out there, as a part of their daily lives, go to the hospital, where there are now 1,118 patients, with delicacies, with literature, with other things that tend to lighten the awful tedium that attends the treatment of tuberculosis and those who suffer from that dread disease.

Mr. President, in that situation, and with this so deeply at heart, the people are appealing that the appropriation made last year of $135,000 for the construction of what is termed a recreation hall, gymnasium, and social center may now be maintained. That was authorized last year as a part of a program of similar buildings to be placed at various Army barracks throughout the country. But in all the cases outside of this one those accommodations were to be provided for men who are strong and well, who, despite the weather, whatever it is, can have exercise and go forth into the open under all conditions.

But in the one case of the Fitzsimons Hospital, this building is required as a part of the treatment for the tubercular, to the end that those of these sufferers who are able to walk around, but who are confined in case of chilly, cold, or disagreeable weather to the small rooms which they occupy, may have a place where they may go, and as a part of their treatment have the advantage of some moderate exercises and receive the mental relief, so important in the treatment of tuberculosis, that follows from a slight change of scene. The physicians prescribe this as imperative, as much needed. The appropriation was authorized last year, but was classified with appropriations of a similar nature for buildings at other locations, where, as I have said, the men are healthy. In that classification the proposed construction at Fitzsimons Hospital has fallen under the ban of the necessary, prudent economy program, and is eliminated, mistakenly, I think, as being a luxury, not to be expected under present conditions.

Mr. President, if this partook of that nature, if these sufferers were able to go forth at any time, in any kind of weather, and take exercise or enjoy sports, I would be the first to urge that, in the interest of economy, a cut must be applied here as well as elsewhere. But that is a mistaken conception. The true purpose for which this appropriation has been made has been lost sight of.

Under this appropriation and its encouragement, plans have been drawn for this building, so much needed, at an expense of about $1,200. Bids were to be let in February. I want to read a very concise statement made by Major General Patterson, in charge of the hospitals of the War Department. In his statement, made last month, he succinctly states the need of this building, as follows:

> The need for a gymnasium at a large hospital should not be considered in the same way that such a building would be at an ordinary station. This gymnasium, recreation, and social hall is for a hospital. Everything at this station is there because it is a hospital. Such a building has been needed as a therapeutic measure for many years and should not be longer delayed. To-day there are 1,162 sick at this tuberculosis hospital, 547 of which are ambulant and semiambulant, but require gymnastic or graduated exercises. Without a gymnasium and this special equipment this work is limited to outdoor exercises on pleasant days and only during the warmer season. This building, therefore, while its proper title is as given, is required for the proper daily treatment of about 200 ambulatory sick and is necessary for therapeutic purposes as part of the whole hospital. Some $1,200 has already been expended in drawing up the plans for the building, and the Quartermaster General's office expected to call for bids next month for this construction authorized by Congress in the relief bill of last year.

Mr. President, when this matter came before the House of Representatives it developed that the authority for the expenditure of $135,000 for this hospital had been included in the program to which I have referred, for buildings similar to this one throughout various places in the country, and the House chose to deal with the appropriation as a lump sum of $1,203,700, to be taken away from the purposes for which it had been voted and reappropriated for building barracks and other similar construction. The Fitzsimons Hospital appropriation, being in this group, suffered the fate of the others.

Upon remonstrances from Colorado Representatives in the House, the fact that it was associated in this kind of a general item with buildings regarded as luxuries is borne out by the colloquy between our Representative from Denver, Mr. EATON, and Mr. COLLINS, the chairman of the subcommittee of the Committee on Appropriations. Mr. EATON said:

> It was not the intention to cut out places for hospital patients to be cared for in that line?
>
> Mr. COLLINS. I am afraid the gentleman has had the appropriation badly earmarked. It is like old dog Tray; it has gotten in bad company. I sympathize with the gentleman.

Mr. President, I maintain that form should not prevail over substance; that the mere fact that this appropriation, so much needed, and which, after years, was obtained for therapeutic purposes, for the purpose of enabling these veterans to have some place where, in inclement weather, they could go and have some comfort, some relaxation, was included in a general program for buildings denominated as luxuries, should not now lead us into a misconception of the true purpose of this construction at Fitzsimons Hospital. Rather, I feel we should maintain the appropriation which was made last year.

Mr. President, that would be accomplished by the amendment in the form in which I have presented it. Its adoption will result in keeping in force that appropriation, a small part of which has already been obligated, and provide a building which is so much needed and which it has been anticipated would be started as a result of bids to be advertised for in February.

I am authorized by Representative EATON, of Denver, to say that in a conversation he had with Representative COLLINS, the chairman of the subcommittee of the Committee on Appropriations of the House, Mr. COLLINS expressed regret that the item was involved in a situation of this kind, which lent itself to a blanket disposal of the subject, and Mr. EATON received encouragement to believe that should we place it in position here where it may be carried to conference, the true nature of the item might well be there considered, at least the distinction would be carefully reweighed between expenditures for things of the character of luxuries in barracks and fields where men are healthy, and an expenditure like this, which is needed for the relief of the sufferers from this terrible disease.

Mr. President, those physicians who have obtained eminence in their profession and who are members of this body would testify, if it were necessary that any testimony should be given, to that which is well known, that the tubercular's progress toward health is very slow. Time moves upon leaden wings. It is a vital thing for their recovery to have change of scene, to have light exercises, to have some companionship at this time.

Mr. COSTIGAN. Mr. President, will my colleague yield?

The PRESIDENT pro tempore. Does the junior Senator from Colorado yield to his colleague?

Mr. SCHUYLER. I am glad to yield.

Mr. COSTIGAN. I desire to ask my colleague whether the essential point in his able statement is not this: The item in the appropriation bill appears to have been condemned by the committee because it is wrongfully referred to as supplying recreational facilities, whereas the essential purpose is to provide a building in which patients afflicted with tuberculosis may have suitable opportunities and equipment furnished to assist them to accomplish complete recovery?

Mr. SCHUYLER. I thank my able colleague for his question. I know that his heart is in this measure as keenly as is my own and his question serves to emphasize the very keynote here. It is not recreation, not social communication, that is mainly involved in the item, but the very essence of it is, as certified by Major General Patterson in his letter, a therapeutic measure for the proper progress of these veterans toward recovery.

I earnestly hope that the distinguished Senator from Pennsylvania in charge of the bill will see his way clear—and that the Senate will see the way clear—to permit the subject to be taken to conference where this cloud that has been thrown upon the item for this hospital may be dissipated; at least, that the matter may be again weighed and that this much-needed relief may be brought to these patients suffering from the most dread disease in the world, and who, after many years, in the appropriation made last year, found this relief in sight.

It is an ably administered hospital. The hospital should be and is a pride of every American citizen who knows of it. It is capably administered, receiving the loving attention of thousands of our Colorado citizens; and we earnestly plead that the item may be maintained by the adoption of the amendment and carried through to conference and to final passage.

Mr. REED. Mr. President, the committee realizes this is a desirable building. It hopes to see it erected as soon as it may reasonably be done. The language of the bill does not affect any repeal of the authorization to construct the building. It simply takes away the appropriation for constructing it at this time. It does not cancel the project eventually to erect the recreation hall at the hospital in Denver, but it says in effect that we are not justified in doing it now.

The bill does not carry one penny for new construction at any Army post. The reason why it does not is that both the House and the Senate committees feel that when there are so many men without a roof over their heads, we are not justified in spending any of the public money for increasing our facilities at Army posts. For that reason I can not consent to the amendment offered by the junior Senator from Colorado, much as I would like to do so. If his amendment were to prevail, we would have to increase the appropriation of new money out of the Treasury to take care of current repairs of barracks and quarters. Already we have cut three-quarters of a million dollars below the Budget estimate, and it can not stand any further cut. If the amendment is adopted and takes this money from us, we will have to find new money in the Treasury.

The PRESIDENT pro tempore. The question is on the amendment proposed by the junior Senator from Colorado.

The amendment was rejected.

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. LEWIS. Mr. President, I invite attention to page 27. On that page is a reference to Chanute Field in the State of Illinois. I have had amendments tendered me covering the situation and I am asked to present them to the Senate. I defer to do so and for this reason: The authorizations for the expenditures referred to on page 27 still remain. The expenditures are merely suspended because of a lack of money in the Treasury. It is announced that as soon as money is available to undertake the improvements, they will again be reinstated. With this understanding with the War Department and having it borne out by the eminent chairman of the Committee on Military Affairs, I refrain from pressing the amendments at this time.

The PRESIDENT pro tempore. There being no further amendments, the question is, Shall the amendments be engrossed and the bill be read a third time?

Mr. REED. Mr. President, the Senator from Michigan [Mr. COUZENS] has an amendment pending and also a notice that he would move to suspend the rule. It will take two or three hours of debate to dispose of his amendment. The Senator from Alabama [Mr. BLACK] also has an amendment which he wishes to propose, which can be disposed of very quickly. Neither of the Senators is here now and I have assured them that at this point I would ask for a recess.

I move that the Senate stand in recess until 12 o'clock noon to-morrow.

The motion was agreed to; and the Senate (at 6 o'clock and 8 minutes p. m.) took a recess until to-morrow, Saturday, February 11, 1933, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate February 10, 1933*

### COAST GUARD

The following-named lieutenants to be lieutenant commanders in the Coast Guard of the United States, to rank as such from the dates set opposite their names:

Carl H. Hilton, August 20, 1932.
Joseph S. Rosenthal, August 20, 1932.
Frank M. Neals, October 16, 1932.
John W. Kelliher, October 16, 1932.
Emette B. Smith, October 16, 1932.
Ben C. Wilcox, October 16, 1932.
Thomas Y. Awalt, October 16, 1932.
Alfred C. Richmond, October 16, 1932.
Walter R. Richards, October 16, 1932.
Roy L. Raney, October 17, 1932.
George B. Gelly, October 17, 1932.
Russell E. Wood, October 17, 1932.
Clarence H. Peterson, October 17, 1932.
James A. Hirshfield, October 17, 1932.
Joseph D. Conway, October 17, 1932.
Charles W. Lawson, October 17, 1932.
Frank T. Kenner, October 17, 1932.
George C. Carlstedt, October 17, 1932.
John Rountree, October 17, 1932.
William W. Kenner, October 17, 1932.
Stephen P. Swicegood, October 17, 1932.
Henry C. Perkins, October 24, 1932.
Paul W. Collins, October 24, 1932.
Charles W. Thomas, October 24, 1932.
Frank A. Leamy, October 24, 1932.
John H. Byrd, October 24, 1932.
Beckwith Jordan, October 24, 1932.
Charles Etzweiler, October 24, 1932.

The above-named officers have passed the examinations required for the promotions for which they are recommended.

### POSTMASTERS

#### ALABAMA

John R. Fowler to be postmaster at Fayette, Ala., in place of J. R. Fowler. Incumbent's commission expires March 2, 1933.

Griffin G. Guest to be postmaster at Fort Payne, Ala., in place of G. G. Guest. Incumbent's commission expires March 2, 1933.

John F. Harmon to be postmaster at Troy, Ala., in place of J. F. Harmon. Incumbent's commission expires March 2, 1933.

#### ARKANSAS

Melvin E. Torrence to be postmaster at Atkins, Ark., in place of M. E. Torrence. Incumbent's commission expires March 2, 1933.

Sammie W. Kennedy to be postmaster at Cotton Plant, Ark., in place of S. W. Kennedy. Incumbent's commission expires March 2, 1933.

Lowry L. Jones to be postmaster at Kensett, Ark., in place of Bessie Bevill. Incumbent's commission expired April 23, 1932.

George D. Tubbs to be postmaster at State Sanatorium, Ark., in place of G. D. Tubbs. Incumbent's commission expires March 2, 1933.

John L. Hyde to be postmaster at Tillar, Ark., in place of J. L. Hyde. Incumbent's commission expires March 2, 1933.

CALIFORNIA

Walter W. Middleton to be postmaster at Costa Mesa, Calif., in place of W. W. Middleton. Incumbent's commission expires February 28, 1933.

IDAHO

Haly C. Kunter to be postmaster at Ririe, Idaho, in place of H. C. Kunter. Incumbent's commission expires February 28, 1933.

ILLINOIS

Lottie M. Jones to be postmaster at Antioch, Ill., in place of L. M. Jones. Incumbent's commission expires March 2, 1933.

IOWA

Frank S. Smith to be postmaster at Carson, Iowa, in place of F. S. Smith. Incumbent's commission expires February 28, 1933.

John R. Irwin to be postmaster at Keokuk, Iowa, in place of J. R. Irwin. Incumbent's commission expires February 28, 1933.

MARYLAND

Louis H. Wise to be postmaster at Mechanicsville, Md., in place of L. H. Wise. Incumbent's commission expired January 31, 1933.

Richard H. Williams to be postmaster at Midland, Md., in place of R. H. Williams. Incumbent's commission expires February 20, 1933.

MASSACHUSETTS

LeRoy H. Fuller to be postmaster at Allerton, Mass., in place of L. H. Fuller. Incumbent's commission expires March 2, 1933.

Richard B. Eisold to be postmaster at Ludlow, Mass., in place of R. B. Eisold. Incumbent's commission expires February 25, 1933.

MICHIGAN

John Y. Martin to be postmaster at Corunna, Mich., in place of J. Y. Martin. Incumbent's commission expires March 2, 1933.

MINNESOTA

George H. Hopkins to be postmaster at Battle Lake, Minn., in place of G. H. Hopkins. Incumbent's commission expires February 25, 1933.

Charles C. Gilley to be postmaster at Cold Spring, Minn., in place of C. C. Gilley. Incumbent's commission expires March 2, 1933.

Maurice E. Holden to be postmaster at Garvin, Minn., in place of M. E. Holden. Incumbent's commission expires March 2, 1933.

Anton M. Anderson to be postmaster at St. Peter, Minn., in place of A. M. Anderson. Incumbent's commission expires March 2, 1933.

John N. Irving to be postmaster at South St. Paul, Minn., in place of J. N. Irving. Incumbent's commission expires March 2, 1933.

Clara J. Nelson to be postmaster at Wendell, Minn., in place of Edwin Nelson, deceased.

MISSOURI

Homer E. West to be postmaster at Dexter, Mo., in place of H. E. West. Incumbent's commission expires March 2, 1933.

MONTANA

Bruce R. McNamer to be postmaster at Shelby, Mont., in place of B. R. McNamer. Incumbent's commission expires February 28, 1933.

NEW JERSEY

William G. Wallis to be postmaster at Florence, N. J., in place of W. G. Wallis. Incumbent's commission expires February 14, 1933.

Evan F. Benners to be postmaster at Moorestown, N. J., in place of E. F. Benners. Incumbent's commission expires February 12, 1933.

NORTH CAROLINA

Annie L. Lassiter to be postmaster at Jackson, N. C., in place of A. L. Lassiter. Incumbent's commission expires March 2, 1933.

OKLAHOMA

Joe Nash to be postmaster at Fairfax, Okla., in place of R. R. Dodd, removed.

Henry C. Griswold to be postmaster at Wetumka, Okla., in place of H. C. Griswold. Incumbent's commission expires February 28, 1933.

PENNSYLVANIA

Daniel F. Pomeroy to be postmaster at Troy, Pa., in place of D. F. Pomeroy. Incumbent's commission expires February 25, 1933.

SOUTH DAKOTA

John A. Nannestad to be postmaster at Brandt, S. Dak., in place of J. A. Nannestad. Incumbent's commission expires March 2, 1933.

Adam F. Glaser to be postmaster at Herrick, S. Dak., in place of A. F. Glaser. Incumbent's commission expired December 12, 1932.

Charles S. Hight to be postmaster at White River, S. Dak., in place of C. S. Hight. Incumbent's commission expires March 2, 1933.

TEXAS

John A. Noland to be postmaster at Crawford, Tex., in place of J. A. Noland. Incumbent's commission expires February 28, 1933.

Mary P. Vernon to be postmaster at Hermleigh, Tex., in place of M. P. Vernon. Incumbent's commission expires February 28, 1933.

John C. Ray to be postmaster at Hutto, Tex., in place of J. C. Ray. Incumbent's commission expired February 9, 1933.

Fannie Fuqua to be postmaster at Shiro, Tex., in place of Fannie Fuqua. Incumbent's commission expires February 28, 1933.

VIRGINIA

James T. Reely to be postmaster at Middletown, Va., in place of J. T. Reely. Incumbent's commission expired February 8, 1933.

Russell L. Davis to be postmaster at Rockymount, Va., in place of R. L. Davis. Incumbent's commission expired May 26, 1932.

Helen T. Munt to be postmaster at Surry, Va., in place of H. T. Munt. Incumbent's commission expired January 19, 1933.

WASHINGTON

Herbert A. Miller to be postmaster at Stevenson, Wash., in place of H. A. Miller. Incumbent's commission expires February 28, 1933.

WISCONSIN

John W. Kane to be postmaster at Fredonia, Wis., in place of J. W. Kane. Incumbent's commission expired January 29, 1933.

Carl C. Martin to be postmaster at New Lisbon, Wis., in place of C. C. Martin. Incumbent's commission expires February 25, 1933.

Libbie M. Bennett to be postmaster at Pewaukee, Wis., in place of L. M. Bennett. Incumbent's commission expires February 25, 1933.

Albert J. Topp to be postmaster at Waterford, Wis., in place of A. J. Topp. Incumbent's commission expires February 25, 1933.

## HOUSE OF REPRESENTATIVES

### FRIDAY, FEBRUARY 10, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Infinite Spirit, we rejoice that Thou art eternal light, eternal morning, and eternal noon. We thank Thee that Thou art our Father—the purest, the most just, and the most compassionate God who ever entered the conception of man. May the spirit of our divine Master be breathed into all hearts; let it be diffused so that it shall touch all duty and life. With deep solicitude and earnestness may

we work out the material and social salvation of our country. Heavenly Father, administer Thy gracious providence and grace for the special end of helping all who are in the emergencies of the day. Stimulate us, dear Lord, with the highest virtues; bless us with a serene faith, and with a hope that triumphs over all adversity. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 2599. An act for the relief of Henry Dixon Linebarger;

H. R. 2844. An act for the relief of Elmo K. Gordon;

H. R. 8120. An act for the relief of Jack C. Richardson;

H. R. 13872. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes; and

H. J. Res. 533. Joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which concurrence of the House is requested:

S. 254. An act authorizing adjustment of the claim of the Chicago, North Shore & Milwaukee Railroad Co.;

S. 257. An act authorizing adjustment of the claim of the Baltimore branch of the Federal Reserve Bank of Richmond;

S. 327. An act to reimburse the estate of Mary Agnes Roden;

S. 610. An act for the relief of the Anderson-Tully Co.;

S. 1067. An act for the relief of Agnes M. Angle;

S. 1463. An act for the relief of William Powell;

S. 2203. An act for the relief of John Pearce Cann;

S. 2374. An act to authorize and direct the Secretary of the Navy to convey by gift to the city of Savannah, Ga., the naval radio station, the buildings, and apparatus, located upon land owned by said city;

S. 2469. An act for the relief of Nellie E. Treuthart;

S. 2519. An act for the relief of Frank I. Otis;

S. 2680. An act for the relief of Harry E. Blomgren;

S. 3008. An act for the relief of Timothy J. Long;

S. 3405. An act for the relief of Raymond Ambrose Nichols;

S. 3673. An act for the relief of George W. Edgerly;

S. 3831. An act for the relief of William A. Lester;

S. 3832. An act for the relief of Zetta Lester;

S. 3972. An act for the relief of Alva D. McGuire, jr.;

S. 4085. An act for the relief of Dominick Edward Maggio;

S. 4135. An act for the relief of Douglas B. Espy;

S. 4230. An act for the relief of Betty McBride;

S. 4274. An act to authorize the Department of Agriculture to issue a duplicate check in favor of Department of Forests and Waters, Commonwealth of Pennsylvania, the original check having been lost;

S. 4286. An act to authorize credit in the disbursing account of Donna M. Davis;

S. 4287. An act for the relief of Harold W. Merrin;

S. 4382. An act for the relief of Wayne Bert Watkins;

S. 4480. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Woman's Club, of the city of Paducah, Ky., the silver service in use on the U. S. S. *Paducah;*

S. 4674. An act authorizing the Secretary of the Interior to issue patents to the numbered school sections in place, granted to the States by the act approved February 22, 1889, by the act approved January 25, 1927 (44 Stat. 1026), and by any other act of Congress;

S. 4782. An act authorizing adjustment of the claim of Arthur R. Saffran;

S. 4844. An act for the relief of C. N. Hildreth, jr.;

S. 4930. An act for the relief of Avery G. Constant;

S. 5085. An act for the relief of Leslie Jensen;

S. 5126. An act to extend the provisions of the Reconstruction Finance Corporation act and the emergency relief and construction act of 1932 to the Virgin Islands;

S. 5161. An act for the relief of Louis Vauthier and Francis Dohs;

S. 5203. An act for the relief of the Harvey Canal Ship Yard & Machine Shop;

S. 5204. An act for the relief of the Texas Power & Light Co.;

S. 5205. An act for the relief of the Great Falls Meat Co., of Great Falls, Mont.;

S. 5207. An act for the relief of Rose Gillespie, Joseph Anton Dietz, and Manuel M. Wiseman, as trustee of the estate of Louis Wiseman, deceased;

S. 5208. An act for the relief of Mary Byrkett Sinks;

S. 5233. An act to provide for the protection of national military parks, national parks, battlefield sites, national monuments, and miscellaneous memorials under the control of the War Department;

S. 5259. An act to provide for agricultural entry of lands withdrawn, classified, or reported as containing any of the minerals subject to disposition under the general leasing law or acts amendatory thereof or supplementary thereto;

S. 5270. An act to authorize the adjustment of a part of the western boundary line of the Plattsburg Barracks Military Reservation, N. Y.;

S. 5274. An act to regulate service of contest notices in all cases affecting mining locations or claims, and for other purposes;

S. 5283. An act authorizing the Secretary of the Navy to make available to the municipality of Aberdeen, Wash., the U. S. S. *Newport;*

S. 5289. An act to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District;

S. 5304. An act to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department;

S. 5305. An act to authorize the Secretary of War to acquire 5 acres of land, more or less, opposite the Mobile National Cemetery, Ala., for use as an addition to said cemetery;

S. 5325. An act for the relief of Sadie L. Kirby;

S. 5370. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.;

S. 5387. An act granting a franking privilege to Grace Goodhue Coolidge;

S. 5397. An act to confer the degree of bachelor of science upon graduates of the Naval Academy;

S. 5413. An act for the relief of the Booth Fisheries Co.;

S. 5417. An act to extend the operation of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law," approved April 1, 1932;

S. 5445. An act to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.;

S. J. Res. 194. Joint resolution conferring jurisdiction upon the Court of Claims to render findings of facts in the claim of the Mack Copper Co.;

S. J. Res. 238. Joint resolution relating to leave with pay for employees of the Government Printing Office; and

S. J. Res. 242. Joint resolution authorizing an appropriation for participation by the United States in an international monetary and economic conference to be held in 1933.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 311. An act to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai";

H. R. 3033. An act for the relief of Ida E. Godfrey and others;

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929;

H. R. 6733. An act for estimates necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska;

H. R. 7503. An act to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor;

H. R. 7506. An act to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone;

H. R. 7508. An act to provide for the inspection of vessels navigating Canal Zone waters;

H. R. 7514. An act in relation to the Canal Zone postal service;

H. R. 7515. An act to provide for the establishment of a customs service in the Canal Zone, and other matters;

H. R. 7523. An act to amend sections 7, 8, and 9 of the Panama Canal act, as amended;

H. R. 9385. An act authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho;

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.; and

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

POST OFFICE-TREASURY APPROPRIATION BILL, FISCAL YEAR 1934

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, as I stated yesterday, this bill has some very important legislation attached to it. While I do not intend to object to sending this matter to conference, unless it be absolutely necessary, I do think it is perfectly proper and right at this stage of the proceedings, because of the importance of the legislation I refer to, to get a little information and to know a little more about it.

When the matter of the reorganization of the various Government departments was first brought up in the beginning of the Seventy-second Congress I very strongly advocated giving certain prerogatives to the Chief Executive to make changes, consolidations, and reorganizations of various Federal agencies for the purpose of economy and also to bring about more efficiency in a great many respects. As far as I know, the present President has never suggested that he be given the right to absolutely abolish definite functions of the Government that have been established by law, certainly not without a review by Congress. It seems to me that the Democratic majority took a very strong position against this action at the beginning of the present Seventy-second Congress. I can not understand the radical change of position on the other side of the House. It seems to me that it is one of two things—either that the Democrats in the House take the position of opposing giving any such authority to a Republican President for absolutely political reasons, a purely partisan position, or else from the experience of the Democratic Party in running the House during the last two years the leaders have made up their minds that the party is absolutely inefficient to meet the responsibility of a majority in the House of Representatives and now propose to pass to the new Executive the responsibilities and duties placed on the legislative branch under the Constitution.

Mr. BLANTON. Ah, bunk!

Mr. SNELL. That is all right; I am just telling what you propose to do, and I do not wonder you are ashamed of it.

Mr. BLANTON. That statement is so ridiculous that nobody is paying any attention to it.

Mr. SNELL. And I do not yield. The gentleman can make any statement that he desires in his own time; and if the gentleman from Texas [Mr. BLANTON] disputes my statement, let him read the statement of the Speaker in last night's papers.

Mr. ARNOLD. Mr. Speaker, permit me to suggest to the gentleman from New York that this bill went over to the Senate and that certain amendments were there added to the bill. The matter now is deadlocked, unless we can get the bill to conference and get the thing threshed out. The gentleman from New York well knows that the matters about which the gentleman is complaining, that were added in the Senate, are legislative, and that they must come back to the House for consideration by the House. Either this bill must go to conference in this way or it will be necessary to get a rule upon it to send it to conference.

Mr. SNELL. I entirely agree with the gentleman. I intend to let it go to conference, for I have no intention of delaying any legislation during this session, as your record is bad enough now; but I think we ought to have the right to make a few observations before it goes, because this is the proper time to discuss some of the matters connected with this new legislation. I remember very well the opposition of the distinguished gentleman from Missouri [Mr. COCHRAN], the chairman of the Committee on Expenditures in the Executive Departments, relative to abdicating the rights of Congress and giving them over to the executive department.

Mr. COCHRAN of Missouri. Mr. Speaker, will the gentleman from Illinois yield?

Mr. ARNOLD. I yield.

Mr. COCHRAN of Missouri. The gentleman from New York can get the position of the gentleman from Missouri now, and I hope he will remember it. I am willing to let the bill go to conference, but I am not willing to make the Congress of the United States appear like a lot of cowards, and I shall not vote for any proposition such as is proposed in the newspapers to-day. The Senate amendment is too drastic. It should be modified. If we do pass such a proposal as the one outlined in the papers, we are nothing but a lot of cowards, refusing to do our constitutional duty. I am willing and ready at any time to perform my duty, and I do not ask that for political or other reasons that the Chief Executive take over the responsibilities that are mine. [Applause.]

Mr. SNELL. I am very much pleased to hear the gentleman from Missouri say that. I wanted to get some expressions of that kind from the other side of the aisle.

Mr. COCHRAN of Missouri. Well, the gentleman has secured it from me. I have some confidence in the Democratic conferees, because I do not believe that they are going to be stampeded by any such suggestion as has been advanced in this morning's press.

Mr. RANKIN. Mr. Speaker, will the gentleman from New York yield?

Mr. SNELL. Certainly, if I have the floor.

Mr. RANKIN. I desire to say in reply to the gentleman from New York [Mr. SNELL] that I am willing to support the Senate bill. I believe a great many of these departments and bureaus should be consolidated. But I do not want the

House conferees to take the statement in yesterday's paper as instructions, or as representing the unanimous sentiment of this side of the House. We are not willing to abdicate our functions as legislators, nor are we willing to pile all our responsibilities into the lap of the incoming President of the United States. [Applause.]

Mr. MAPES. Mr. Speaker, reserving the right to object, and I do not intend to object, personally I am in favor of sending this bill to conference, but it seems to me, inasmuch as the House is marking time waiting for the Committee on Appropriations to get ready to report another supply bill, that we might use a little time to good advantage to discuss the legislation put on the bill in the Senate, long enough, at least, to ascertain what it attempts to do and to express ourselves briefly upon the merits of it.

The Senate has incorporated in this appropriation bill some very important and far-reaching legislation. An examination of the Senate proceedings as they appear in the RECORD indicates that there was very little debate on some phases of the legislation in the Senate, and certainly we ought to know, at least, what is in the bill before we send it to conference. I have confidence in the conferees, and as far as I am personally concerned, I am willing to forego forming any judgment on the conference report until it is submitted to the House, but the membership of the House ought to realize before the bill goes to conference that one of the Senate amendments attempts to authorize and does authorize, if it is constitutional, the President of the United States not only to consolidate and merge all executive agencies of the Government as he sees fit, but it also authorizes him to abolish any and all executive agencies, without any veto on his orders being left to the Congress.

Mr. ARNOLD. Mr. Speaker, it occurs to me that this matter is now all beside the point. No one can anticipate what the conferees may do.

Mr. MAPES. Mr. Speaker, have I the floor?

The SPEAKER. Of course, this is all by sufferance of the House. The gentleman may have the floor by reserving the right to object.

The Chair is not attempting to interfere with the gentleman. The gentleman from Illinois [Mr. ARNOLD] is attempting to ask the gentleman from Michigan a question.

Mr. BLANTON. Will the gentleman yield?

Mr. ARNOLD. I have yielded to the gentleman from Michigan, but I hope he will not take so much of the time of the House in discussing this matter, which will properly be discussed when the conference report comes back to the House.

Mr. MAPES. We have ample time, and it is unusual, in my experience, to have conferees urge that a bill of this importance be sent to conference without any comment being made upon it. I do not care to take very much of the time of the House or to make any extended remarks, but I have given some attention to this matter of consolidation of departments and I would like to have a few minutes to briefly discuss the matter.

Personally I am in favor of giving the President just as much power as can be given him to consolidate and merge the departments of the Government, so as to prevent duplication and waste, and to promote efficiency. I would not advocate, however, giving him absolute power to abolish executive agencies, without any veto power whatsoever being left to Congress.

The incoming Congress is going to be controlled by the party of which the Executive is a member, and it seems to me the part of wisdom and the part of discretion to put into this provision some sort of veto power on the action of the President in eliminating executive agencies. It is giving undue authority to the President to clothe him with power to abolish without any restriction whatever any or all of the executive agencies of the Government, not only the independent commissions and establishments, but the different bureaus in the departments as well, all of which have been created by laws passed by Congress. Do you want to give one man the power to abolish the Federal Board for Vocational Education; the United States Board of Mediation; the Interstate Commerce Commission; the Federal Farm Board; the Federal Trade Commission; the United States Tariff Commission; the Federal Reserve Board; the Power Commission; the Radio Commission; or the Civil Service Commission? Any or all of those commissions could be abolished by the President without any veto power on the part of Congress if this legislation is passed as put on here by the Senate and if it is constitutional to clothe the President with that authority.

There has been some comment in the public press about going still farther. I am not concerned about that at present. I am willing to pass upon that after the conferees have brought in their report, but it does seem to me that the conferees should give serious attention to the question of putting in here some veto provision similar to that which was put in on the economy legislation at the last session of Congress, in so far as the power of the President to abolish agencies and commissions of the Government is concerned.

Mr. GIFFORD. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. GIFFORD. Having in mind the reorganization of all departments of my State, and the results thereof, it will be possible, under this sweeping authorization of reorganization, to substitute new designations for the departments that may be combined, to only apparently abolish a great many offices, only to get rid of even civil-service employees that new ones may be substituted, and create the opportunity of making a large number of new appointments. In spite of these patriotic utterances of to-day, we may be forgiven for a little suspicion that this may be the final result, because we have not been assured here of any more real economy than was contained in the recent plan submitted by President Hoover.

Mr. MAPES. The observation of the gentleman from Massachusetts is very pertinent. But for me, although I think to give the President unlimited power to abolish any bureau or agency that he sees fit is going too far, I am willing to go along with that provision in the bill if it is necessary, in order to give the President this other power to consolidate and reorganize departments and do away with duplication and waste.

This and preceding Congresses have refused to give the President power to reorganize the departments, to say nothing of abolishing them; and it should be kept in mind that this administration has never asked Congress to clothe the President with any such power as is proposed in the Senate amendment. Among other objections to the provision there is serious doubt as to its constitutionality. The independent commissions and the bureaus in the different departments have been created by express statutory enactments. Can they be abolished without the passage of legislation expressly repealing the statutes which created them?

Criticism has been made of the President, because he did not submit to Congress sooner than he did a reorganization plan as authorized by the economy act of the last Congress. That criticism overlooks the fact that the economy act was not passed until the closing days of the last session. The President had to submit this program to Congress. This he did as soon as Congress reconvened. He could not have acted any more promptly than he did.

I yield the floor, Mr. Speaker.

Mr. WOODRUM. Mr. Speaker, I ask for recognition.

Mr. BLANTON. Will the gentleman yield?

Mr. ARNOLD. I yield.

Mr. BLANTON. The gentleman from New York [Mr. SNELL] criticized the Democratic side of the House because we preferred to have our incoming President do this reorganizing himself.

They accuse us of partisan politics. The gentleman from New York knows that if ever there is to be any consolidation or grouping of bureaus it must be done by the President and not by Congress. He is not going to get Congress to do it.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. BLANTON. I would like to make this statement without interruption.

Mr. SNELL. The gentleman will not yield, then?

Mr. BLANTON. Not right now. When the gentleman from New York [Mr. SNELL], who unseated the gentleman from Connecticut, took over the reins of the Republican organization here, he told his Republican colleagues that every time a Democrat got up he would hit him on the head; that every time a Democratic proposition came up he would hit it on the head. He is merely carrying out his promises to his Republican colleagues. He is trying to hit something on the head. This is just part of his program. He promised when he unseated Tilson that he would hit something on the head, and now he is trying to fulfill his promises. Is not that so? [Laughter.]

I now yield to the gentleman from New York.

Mr. SNELL. I may say to the gentleman from Texas that when Democrats raise their heads in opposition to economic proposals I try to hit them, or when they attempt to do foolish things I call attention to it.

Mr. BLANTON. That is what the gentleman said when he unseated Tilson.

Mr. SNELL. The gentleman will have some trouble on his side before they organize the next Congress. If I were he, I would not have so much to say about it.

Mr. BLANTON. No; we Democrats are all working together over here. The gentleman knows if he wants consolidation he has got to leave it to the President, and that is what we propose to do. The gentleman from New York is not going to stop this bill from going to conference.

Mr. SNELL. I said I did not even want to, so what is the gentleman's argument?

Mr. BLANTON. We are prepared for his knocking things on the head. He and others can object but that will not stop it. We have a rule at the desk which sends the bill to conference. So, if the gentleman objects, we will pass the rule.

Mr. WOOD of Indiana. Mr. Speaker, reserving the right to object, I wish to say I am entirely willing and anxious for this bill to go to conference, but it is fraught with more importance than any measure that has come into the Congress since I have been a Member of it, not only as to the proposed legislation that abdicates the right to legislate with reference to the creation of offices or the abolition of offices, but as to a number of other amendments that are of vital importance to every Member of this Congress.

Especially do I invite your attention to section 201, which was eliminated in the Senate. If this section remains out of this bill it is going to permit the reestablishment of all the salaries we attempted to reduce at the last session. It is going to make it possible, if you please, to raise salaries all the way from $200 to $2,000 a year while at the same time it discriminates against many, especially every soldier and sailor in the Army and Navy of the United States. This is another thing of vital importance that I think everybody is interested in and I ask every Member of this Congress, without regard to his politics, to carefully study these proposals. In the interest of good government, in the interest of fair play, every section of this legislation that has been proposed on the Senate side should receive the closest possible attention of each individual Member of this House, so that when we bring the bill back here, as we will have to bring it back, we can understand its content and be able to vote intelligently upon the different proposals.

Mr. WOODRUM. Mr. Speaker, reserving the right to object, and of course I shall not object, I wish to make a very brief statement in reply to what the gentleman from New York said on yesterday and repeated again to-day about the attitude of the Democrats in the House of Representatives on this question of giving authority to the President to reorganize governmental departments, and so forth, and to eliminate useless activities.

The gentleman has forgotten the record made in the last Congress. The Democrats voted to give a Republican President broad and sweeping powers to reorganize, consolidate, and eliminate useless Government bureaus.

Mr. SNELL. Mr. Speaker, will the gentleman yield right there for a short question?

Mr. WOODRUM. I yield for a brief question.

Mr. SNELL. What became of his recommendations when they reached the House of Representatives?

Mr. WOODRUM. I am coming right to that.

What did the President do with the power we gave him? He did nothing whatever with it all summer long, until Congress convened in December, when he sent up here a plan of reorganization that even his own representative, the Director of the Budget, said ought not to be adopted, but should be left for the Democratic administration to take up. [Applause.]

Mr. SNELL. Mr. Speaker, will the gentleman yield further?

Mr. WOODRUM. I yield.

Mr. SNELL. We gave him that authority at the last end of the session. He presented his recommendations to Congress the very first day he was able to present them, but the Democrats were bound by caucus to vote against every one of them without even reading them.

Mr. WOODRUM. Oh, of course, of course. Any sensible man who would carefully study and analyze the plan the President sent up would see it was absolutely impossible, just as was pointed out by the distinguished Senator from Connecticut [Mr. BINGHAM] in a radio address made some time ago and put in the RECORD.

What did the President do? He tore apart certain governmental activities and then slapped them together, scrambled them together, and sent them up here calling it a plan of reorganization with no suggestion whatever as to any tangible saving in money or any benefit from the standpoint of efficiency.

The only two reasons for consolidation would be, first, efficiency, and, second, economy. So far as I am concerned, I think a whole lot of unnecessary fuss is being made about it anyway, because it would not amount to so very much if you eliminated entirely every one of these independent establishments. It would only take about $56,000,000 out of the Budget. It is much ado about nothing so far as the purely independent establishments are concerned. There are, no doubt, many places in the executive departments where there could be substantial savings by reorganization and coordination.

An examination of the plan the President sent to Congress showed the remarkable and startling fact that he had taken bureaus and activities one after another and slapped them together without once conferring or advising with the heads of the respective departments or anybody in Congress who ought to have accurate information as to what the effect of that consolidation would be.

I can name bureau after bureau that the President undertook to consolidate without ever securing accurate information from the activities affected. So, what happened when the plan was suggested here? The Democrats in Congress said, in effect, "We still affirm our belief that there ought to be consolidation, reorganization, and elimination; but it is on the eve of a new administration, and the facts show that this matter has not had the careful, logical, and orderly consideration it ought to have, and the whole matter ought to go over until a new administration comes in."

The Democrats stand to-day where they stood a year ago when they gave this authority to your Republican President. We are willing to give ample and adequate authority to the President of the United States to make the needed consolidations and reorganizations, because, for one, I believe that you will never get them unless we do give such power to the President.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. WILLIAMSON. The gentleman does not contend that the authority granted to the President here is at all parallel with the authority granted to the President at the last session of Congress?

Mr. WOODRUM. I think we are giving broader power and that we ought to give broader power to the President.

I should be willing to give broader power to your Republican President if he would do the job, and the gentleman knows that during the last 12 years these bureaus and departments have been growing and expanding all over the face of the earth and the Chief Executive could have come to the Congress with an orderly program to reorganize and consolidate these bureaus had he wanted to do so.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. WOOD of Indiana. The gentleman is mistaken that the President had 12 years to do all these things. As a matter of fact the President consolidated every one of the functions of government that it was possible for him to consolidate without taking upon himself legislation that it is the duty of this body to enact.

Mr. POU. Mr. Speaker, reserving the right to object, whatever may have been anybody's attitude in the past, there are a few things we do know, and one of them is that Government expenditures have steadily mounted and that every effort to reduce Government expenses has so far been a failure.

Here we have a simple proposal to send a nine hundred and forty-odd million dollar bill to conference and we find ourselves engaged in a political discussion. Gentlemen point over here and say, "You Democrats took such and such a position in the past; what are you going to do about it now."

I do not think at this time anybody gives a continental what position anybody took in the past. [Applause.] The time has come when something has got to be done to radically reduce Government expenditures; and it seems, as every effort to accomplish this has failed in the past, it would be practical to put the power in the hands of the incoming President and hold him responsible for results. As everything else has failed, let us give the necessary power to the President.

With 12,000,000 people idle, with the price of commodities far below the cost of production, with hungry people walking the streets in every city begging for something to eat, we ought not to be quibbling about what the majority did or what the minority did or what position some one took in the past. I think it is time to rise above all this, as we did during the war, and put country first, because I say to you, my brethren of the House of Representatives, this is the most serious moment in all the peace-time history of this country; and unless Congress and the President can bring about radical reduction in expenses, it may be that there will be a clean-out of the House and the Senate and somebody will be put here who can and will accomplish this.

The situation in the Nation is very, very serious. In places the attitude of conservative men and women has reached the danger point, and I do say the time has come when autocratic power to reduce governmental cost should be put in the hands of somebody who can be trusted, because it has been proven in the past that wherever you try to reduce expenses, there is always a reason why you must not touch this thing, and you must not touch that thing, and you must not touch this department and you must not touch that department, and in the end nothing is done. You all know this is so, whether you are Democrats or Republicans, or whatever you may be.

I pray God that He give me strength to put the good of my country above party every minute that I shall be permitted to remain here for the balance of my life. So long as this depression continues, our duty is perfectly plain. [Applause.] I am unworthy to sit here if I play politics when the distress of my country is so unspeakably great. You can charge that I am saying this for political effect, if you want to, but as the Lord God is my judge, I know it is not said for any such purpose. My life is largely behind me. I can have very little concern, I hope, except the good of my country, and I have seen Government expenses mount and mount and mount until the time has come, my friends, to call a halt. Let us adjourn politics for a while and address ourselves to the task that we know is ours—the bringing down of the cost of government, even though it becomes necessary to cut off an arm or to pluck out an eye. [Applause.]

Mr. CHINDBLOM. Reserving the right to object.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER. The gentleman from Texas demands the regular order.

Mr. BLANTON. I will withhold it for the present.

Mr. DYER. Mr. Speaker, I should like to make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DYER. We are proceeding now under a request for unanimous consent.

The SPEAKER. That is correct.

Mr. DYER. I give notice that I will not object to the gentleman from Illinois, but I shall object to any further debate.

The SPEAKER. The gentleman from Missouri gives notice that he will demand the regular order.

Mr. MURPHY. Let him demand it now.

The SPEAKER. The gentleman from Illinois reserves the right to object.

Mr. PATMAN. Mr. Speaker, I am inclined to object unless I am given some time.

Mr. HUDDLESTON. That is unfair. No Member can hold up the House in such a fashion.

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, I want to say that a year ago, when this matter was before the House, I urged that plenary power should be given the President to consolidate and reorganize, and if necessary in proper cases to eliminate and abolish Federal activities.

We will never succeed in reducing expenses of the Federal Government until that power is lodged somewhere. Not only in this House, but during the campaign, I criticized the majority for having grudgingly given the power to the present President with conditions which prevented successful operation. What happened? The House of Representatives was able to veto the action taken by the President by a simple House resolution, as it did a few days ago.

I am in favor of giving the President every power we can possibly give him within the bounds of the Constitution. I think if we examine the Senate amendments closely we will find that the power given to the President is more acceptable than we believe now. I call attention to section 403, paragraph (c), where the power is given to abolish the whole or any part of an executive agency, but in paragraph (d) it is provided that the President shall not have the authority to transfer executive departments and functions thereof. Upon proper examination we will find that these provisions are not as objectionable as some think they are.

I for one, knowing that there is absolutely no other way in which Government functions and expenditures can be reduced, am willing that the incoming Democratic control shall go as far as it can in giving the President authority to curtail and eliminate the enormous expenditure of these governmental agencies. [Applause.]

Mr. Speaker, I spoke along these lines in debate here on March 15 of last year, and on July 8, 1932, I made the following statement in the House:

> There is only one way in which any considerable and permanent reduction of the Federal Budget can be obtained. That is by dismantling and discontinuing activities, services, bureaus, boards, and commissions which are performing functions not strictly or necessarily of Federal character or even contemplated by the Constitution of the United States. They have been established on the ground that they promote the "general welfare" of the people in many relations and include services and interests which have widespread sympathy and support throughout the country. Broadly speaking, these services and interests are: Public health; education; conservation of natural resources; aids to agriculture, labor, industry, trade, aviation, and the merchant marine; and public buildings and public parks. It would be possible to curtail the activities of many of these departments and bureaus and to permanently eliminate some of them from the National Budget, but doubtless vehement and voluminous protests would arise from large groups and many individuals who are directly benefited by the maintenance of these activities.
>
> If the campaign for any considerable reduction of Federal taxation is to succeed, it must address itself to the objects and purposes for which taxes are collected and spent, not merely to pos-

sible efficiency and economy in the use of appropriations or in the expenditure of taxes. The appropriations themselves must be eliminated, not merely curtailed or controlled. These trees in the National Treasury forest must be uprooted and destroyed, not merely trimmed and conserved for future growth.

The only hope of the Federal taxpayer for permanent relief from his onerous burdens lies in the President of the United States, to whom Congress should grant the authority, * * * without interference even by Congress itself, to reduce expenditures, and advance efficiency in the executive departments, which are constitutionally under his management.

Mr. Speaker, those are my views, whether the President or the Congress be Republican or Democratic; whether the task was to be performed by the outgoing administration or will be undertaken by the new régime after March 4. If our friends across the aisle and their President elect will devote themselves sincerely to this great cause, I say earnestly more power and honor to them.

The SPEAKER. The gentleman from Illinois asks unanimous consent to disagree to the Senate amendments and ask for a conference.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

Mr. SCHAFER. I object.

Mr. POU. Mr. Speaker, I call up House Resolution 373, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 373

*Resolved*, That immediately upon the adoption of this resolution the bill H. R. 13520, with Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table, to the end that all Senate amendments be, and the same are, disagreed to and a conference is requested with the Senate upon the disagreeing votes of the two Houses.

Mr. POU. Mr. Speaker, objection to sending the bill to conference has made necessary the calling up of the resolution which has been read from the Clerk's desk. Inasmuch as there has been considerable comment upon the legislation that has been added to the bill in the Senate, inasmuch as there has been considerable debate on both sides, unless it is otherwise desired, I move the previous question.

Mr. PURNELL. Mr. Speaker, will the gentleman yield?

Mr. POU. Yes.

Mr. PURNELL. Merely to say that we are not opposed to the adoption of the rule. The purpose which was sought to be accomplished by the minority leader yesterday has been served already, and we are willing to have the matter go to a vote.

Mr. POU. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. POU. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 327, nays 1, not voting 99, as follows:

[Roll No. 157]

YEAS—327

| | | | |
|---|---|---|---|
| Adkins | Brand, Ohio | Clarke, N. Y. | Dickstein |
| Allen | Briggs | Cochran, Mo. | Dies |
| Allgood | Browning | Cochran, Pa. | Disney |
| Almon | Brumm | Cole, Iowa | Dominick |
| Andresen | Buchanan | Cole, Md. | Doughton |
| Andrew, Mass. | Bulwinkle | Colton | Douglass, Mass. |
| Andrews, N. Y. | Burch | Condon | Dowell |
| Arentz | Burdick | Connery | Doxey |
| Arnold | Burtness | Cooper, Ohio | Drane |
| Ayres | Busby | Cooper, Tenn. | Driver |
| Bachmann | Campbell, Iowa | Cox | Dyer |
| Barbour | Campbell, Pa. | Coyle | Eagle |
| Barton | Canfield | Crail | Eaton, Colo. |
| Beam | Cannon | Cross | Ellzey |
| Beck | Carden | Crosser | Englebright |
| Beedy | Carter, Calif. | Crowe | Erk |
| Biddle | Cartwright | Crowther | Eslick |
| Black | Cary | Culkin | Estep |
| Bland | Castellow | Cullen | Evans, Calif. |
| Blanton | Chapman | Darrow | Evans, Mont. |
| Bloom | Chavez | Davenport | Fernandez |
| Boehne | Chindblom | Davis, Pa. | Fiesinger |
| Bohn | Chiperfield | Davis, Tenn. | Fish |
| Boileau | Christgau | Delaney | Fishburne |
| Boland | Christopherson | De Priest | Fitzpatrick |
| Bolton | Clancy | DeRouen | Flannagan |
| Bowman | Clark, N. C. | Dickinson | Flood |
| Frear | Johnson, Wash. | Moore, Ky. | Somers, N. Y. |
| Free | Jones | Moore, Ohio | Sparks |
| French | Kading | Morehead | Spence |
| Fulbright | Keller | Murphy | Stafford |
| Fuller | Kemp | Nelson, Me. | Stalker |
| Fulmer | Kennedy, Md. | Nelson, Mo. | Steagall |
| Gambrill | Kerr | Niedringhaus | Stevenson |
| Garber | Ketcham | Nolan | Stokes |
| Gibson | Kinzer | Norton, Nebr. | Strong, Kans. |
| Gifford | Kleberg | Norton, N. J. | Strong, Pa. |
| Gilchrist | Knutson | Oliver, Ala. | Stull |
| Gillen | Kunz | Owen | Summers, Wash. |
| Glover | Kurtz | Palmisano | Sumners, Tex. |
| Goldsborough | Kvale | Parker, Ga. | Sutphin |
| Goodwin | Lambertson | Parker, N. Y. | Swank |
| Goss | Lambeth | Parks | Swanson |
| Gregory | Lamneck | Parsons | Sweeney |
| Griffin | Lanham | Partridge | Swick |
| Griswold | Lankford, Ga. | Patman | Taber |
| Guyer | Lankford, Va. | Patterson | Tarver |
| Hadley | Larrabee | Person | Taylor, Colo. |
| Haines | Leavitt | Pettengill | Thatcher |
| Hall, Ill. | Lehlbach | Pittenger | Thomason |
| Hall, N. Dak. | Lewis | Polk | Thurston |
| Hancock, N. Y. | Lichtenwalner | Pou | Timberlake |
| Hare | Loofbourow | Prall | Tinkham |
| Harlan | Lovette | Pratt, Harcourt J. | Turpin |
| Hart | Lozier | Purnell | Underhill |
| Hartley | Luce | Ragon | Underwood |
| Hastings | Ludlow | Rainey | Vinson, Ga. |
| Hawley | McClintic, Okla. | Ramseyer | Vinson, Ky. |
| Hess | McClintock, Ohio | Ramspeck | Warren |
| Hill, Ala. | McDuffie | Rankin | Wason |
| Hill, Wash. | McFadden | Ransley | Watson |
| Hoch | McGugin | Rayburn | Weaver |
| Hogg, Ind. | McKeown | Reilly | Weeks |
| Hogg, W. Va. | McReynolds | Rich | Welch |
| Holaday | McSwain | Robinson | West |
| Hollister | Maas | Rogers, Mass. | White |
| Holmes | Magrady | Rogers, N. H. | Whitley |
| Hooper | Major | Romjue | Whittington |
| Hope | Manlove | Sabath | Williams, Mo. |
| Horr | Mansfield | Sanders, Tex. | Williams, Tex. |
| Houston, Del. | Mapes | Sandlin | Williamson |
| Howard | Martin, Mass | Schafer | Wilson |
| Huddleston | Martin, Oreg. | Schneider | Wingo |
| Hull, Morton D. | May | Schuetz | Withrow |
| Hull, William E. | Michener | Seger | Wolcott |
| Jacobsen | Millard | Shallenberger | Wolverton |
| Jeffers | Miller | Shott | Wood, Ga. |
| Jenkins | Milligan | Simmons | Wood, Ind. |
| Johnson, Mo. | Mitchell | Sinclair | Woodruff |
| Johnson, Okla. | Mobley | Smith, Va. | Woodrum |
| Johnson, S. Dak. | Montague | Snell | Yon |
| Johnson, Tex. | Montet | Snow | |

NAYS—1

Amlie

NOT VOTING—99

| | | | |
|---|---|---|---|
| Abernethy | Crump | Johnson, Ill. | Reed, N. Y. |
| Aldrich | Curry | Kahn | Reid, Ill. |
| Auf der Heide | Dieterich | Kelly, Ill. | Rudd |
| Bacharach | Douglas, Ariz. | Kelly, Pa. | Sanders, N. Y. |
| Bacon | Doutrich | Kennedy, N. Y. | Seiberling |
| Baldrige | Drewry | Kniffin | Selvig |
| Bankhead | Eaton, N. J. | Kopp | Shannon |
| Boylan | Finley | LaGuardia | Shreve |
| Brand, Ga. | Foss | Larsen | Sirovich |
| Britten | Freeman | Lea | Smith, Idaho |
| Brunner | Gasque | Lindsay | Smith, W. Va. |
| Buckbee | Gavagan | Lonergan | Stewart |
| Byrns | Gilbert | McCormack | Sullivan, N. Y. |
| Cable | Golder | McLeod | Sullivan, Pa. |
| Carley | Granfield | McMillan | Swing |
| Carter, Wyo. | Green | Maloney | Taylor, Tenn. |
| Cavicchia | Greenwood | Mead | Temple |
| Celler | Hall, Miss. | Mouser | Tierney |
| Chase | Hancock, N. C. | Nelson, Wis. | Treadway |
| Clague | Hardy | O'Connor | Wigglesworth |
| Collier | Haugen | Oliver, N. Y. | Wolfenden |
| Collins | Hopkins | Overton | Wright |
| Connolly | Hornor | Peavey | Wyant |
| Cooke | Igoe | Perkins | Yates |
| Corning | James | Pratt, Ruth | |

So the resolution was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Maloney with Mr. Bacon.
Mr. Rudd with Mr. Bacharach.
Mr. Hornor with Mr. Reed of New York.
Mr. Sullivan of New York with Mr. Shreve.
Mr. Auf der Heide with Mr. Hopkins.
Mr. McCormack with Mr. Smith of Idaho.
Mr. Tierney with Mr. Britten.
Mr. Douglas of Arizona with Mr. Selvig.
Mr. Corning with Mr. Kopp.
Mr. Shannon with Mr. Connolly.
Mr. O'Connor with Mr. Perkins.
Mr. Gilbert with Mr. McLeod.
Mr. Drewry with Mr. Aldrich.
Mr. Collier with Mr. Reid of Illinois.
Mr. Lindsay with Mr. Cavicchia.
Mr. Kelly of Illinois with Mr. Treadway.

Mr. Bankhead with Mr. Carter of Wyoming.
Mr. Lonergan with Mr. James.
Mr. Boylan with Mr. Wolfenden.
Mr. Collins with Mr. Golder.
Mr. Mead with Mr. Foss.
Mr. Crump with Mrs. Pratt.
Mr. Oliver of New York with Mr. Nelson of Wisconsin.
Mr. Smith of West Virginia with Mr. LaGuardia.
Mr. Green with Mr. Baldrige.
Mr Wright with Mr. Clague.
Mr. Hall of Mississippi with Mr. Buckbee.
Mr. Dieterich with Mr. Kelly of Pennsylvania.
Mr. Overton with Mr. Doutrich.
Mr. Kniffin with Mr. Eaton of New Jersey.
Mr. Brand of Georgia with Mr. Wyant.
Mr. McMillan with Mr. Taylor of Tennessee.
Mr. Byrns with Mr. Wigglesworth.
Mr. Celler with Mrs. Kahn.
Mr. Sirovich with Mr. Cable.
Mr. Granfield with Mr. Mouser.
Mr. Kennedy of New York with Mr. Sieberling.
Mr. Brunner with Mr. Temple.
Mr. Stewart with Mr. Yates.
Mr. Igoe with Mr. Hardy.
Mr. Hancock of North Carolina with Mr. Finley.
Mr. Gavagan with Mr. Curry.
Mr. Carley with Mr. Chase.
Mr. Greenwood with Mr. Cooke.
Mr. Larsen with Mr. Freeman.
Mr. Gasque with Mr. Sullivan of Pennsylvania.
Mr. Lea with Mr. Peavey.
Mr. Abernethy with Mr. Haugen.
Mr. Swing with Mr. Sanders of New York.

Mr. CONNERY. Mr. Speaker, the gentleman from Massachusetts [Mr. McCORMACK] is unavoidably absent. He asked me to state that if he were here he would vote yea. Also, the gentleman from Connecticut [Mr. TIERNEY] is unavoidably absent, and he asked me to state that if he were here he would vote yea.

Mr. LONERGAN. Mr. Speaker, I was detained in my office on official business. If I had been present, I would have voted "aye."

The result of the vote was announced as above recorded.

The Chair appointed the following conferees: Mr. BYRNS, Mr. ARNOLD, Mr. LUDLOW, Mr. WOOD of Indiana, and Mr. THATCHER.

DEPARTMENT OF INTERIOR APPROPRIATION BILL, FISCAL YEAR 1934

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, with Senate amendments thereto, disagree to all of the amendments, and ask for a conference.

The SPEAKER. The gentleman from Colorado asks unanimous consent to take from the Speaker's table the bill H. R. 13710, the Department of the Interior appropriation bill, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The Chair appointed the following conferes: Mr. TAYLOR of Colorado, Mr. HASTINGS, Mr. GRANFIELD, Mr. MURPHY, Mr. FRENCH.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, FISCAL YEAR 1934

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13872) making appropriations for the Department of Agriculture, for the fiscal year ending June 30, 1934, and for other purposes, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Texas asks unanimous consent to take from the Speaker's table the Agricultural Department appropriation bill, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. BUCHANAN, Mr. SANDLIN, Mr. HART, Mr. SIMMONS, Mr. SUMMERS of Washington.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I think it would be a good idea if the gentleman from Illinois [Mr. RAINEY] were to announce the program for to-morrow.

Mr. RAINEY. To-morrow we will consider the District of Columbia appropriation bill, under general debate, and nothing else.

FRANK D. WHITFIELD

The SPEAKER. By order of the House, this is Private Calendar day, and the Clerk will call the calendar, beginning where the order of the House directed.

The first business on the Private Calendar was the bill (H. R. 6461) for the relief of Frank D. Whitfield.

The SPEAKER. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. McSWAIN. Mr. Speaker, will the gentleman reserve his objection?

The SPEAKER. Is the gentleman from Colorado going to finally object to the bill?

Mr. EATON of Colorado. I do not know. The gentleman from South Carolina may have an explanation for the bill.

Mr. McSWAIN. Mr. Speaker, I am taking this time because I believe I can show the gentleman from Colorado that this bill ought not to be objected to. When this man was drafted into the service in Alabama he was disabled, as the report shows. The two last fingers of his hand were clasped [indicating] on the palm of the hand in this fashion, and the other fingers held in this way, so that it would be physically impossible for him to handle a rifle. He reported to Camp Wheeler, in Georgia. While there, on the 4th of February, he received a telegram that his brother was dead at Toccoa, Ga.

He asked leave of absence to go to his brother's funeral. The lieutenant in command of the company, a man by the name of Phames, as is substantiated by his own affidavit, said, "Yes; you can go home, and you can stay. We are going to discharge you for physical disability," and the lieutenant loaned him the money with which to go to his brother's funeral. He went. He stayed in uniform until May of that year when the sheriff, thinking he was a deserter, called up the authorities, as the testimony shows, and asked them, "Do you want this man Whitfield there? I have got him under arrest." They said, "No; we do not want him." Then he remained at Toccoa, Ga., until 1921, when the clean-up squad of the ex-service men were going around asked him why he did not apply for his $60 bonus. He said, "All right; I will do so." Then it was discovered for the first time that he did not have a regular paper discharge. The same sheriff, hoping to make the $50 reward, arrested him and took him to Columbia, S. C., where he was held and where he was discharged by order of the War Department, not tried as a deserter, but discharged by order of the War Department on the 14th day of March, 1921, and I have here a certified copy of the order of discharge on the ground of physical disability.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. EATON of Colorado. Is it the contention of the gentleman that this injury to his arm was received in the service?

Mr. McSWAIN. No, indeed. It was received prior to his induction into the service. He ought not have been drafted.

Mr. EATON of Colorado. Then why should he be put upon the pension roll of the United States Government at the present time?

Mr. McSWAIN. He is not asking for that.

Mr. EATON of Colorado. Oh, yes.

Mr. McSWAIN. There is an amendment to the bill.

Mr. EATON of Colorado. The bill provides that in the administration of laws "conferring rights, privileges, and benefits upon honorably discharged soldiers, he shall be considered to have been honorably discharged."

Mr. BLANTON. Will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. BLANTON. That simply restores his right, as if he had never been dismissed with a dishonorable discharge. This man was sent home by order of his commanding officer. The commanding officer told him not to come back,

and this bill merely puts him back where he was before he was accused of desertion.

Mr. EATON of Colorado. Now, the gentleman does not believe that, although he may be repeating what somebody told him.

Mr. BLANTON. I am repeating what the record shows.

Mr. EATON of Colorado. No. What the man said, but not what the officer said.

Mr. BLANTON. I am repeating what the committee which investigated this matter said. They said that in their report. I have no interest whatever in this case, but whenever a man's commanding officer "tells him to go home, that he is in a crippled condition, and that he is going to be discharged anyway and there is no use of his coming back," that man ought to rely on what his commanding officer tells him, and I think this is a deserving bill. The committee recommends that it be passed, and I have only repeated just what the committee has found as a fact.

Mr. EATON of Colorado. On account of those statements in support of this case, I therefore withdraw my objection, Mr. Speaker.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Frank D. Whitfield, who served as a private in Company F, One hundred and twenty-third Regiment United States Infantry, Army serial number 1348550, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on March 14, 1921: *Provided*, That no back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 10, after the word "no," strike out the words "back pay, pension, or allowance shall be held to have accrued prior to the passage of this act," and insert the following: "bounty, back pay, pension, allowance, or any payment provided under the World War veterans' act, 1924, as amended, the World War adjusted compensation act, 1924, as amended, or other benefit whatsoever to which said person may be or become entitled to by law, shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Page 1, line 8, strike out the word "honorably," and after the word "discharged" insert the words "under honorable conditions."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CLIFTON C. COX

The Clerk called the next bill, H. R. 9175, for the relief of Clifton C. Cox.

Mr. BLANTON. Mr. Speaker, this bill ought not to pass, because the passage of this bill would establish a bad precedent. Where a man enters a gambling game and loses his money he must be a good sport and take his medicine. He should not be a baby and want his money back. He should not take a gun and go to the men who won his money and make them dig up the money which he lost. This bill would approve of such unsportsmanlike acts. I know the Speaker is not in favor of that kind of a bill, and I am not in favor of it. I object. [Laughter.]

ERNEST LINWOOD STEWART

The Clerk called the next bill (H. R. 589) for the relief of Ernest Linwood Stewart.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. CANFIELD. Will the gentleman reserve his objection?

Mr. EATON of Colorado. I will be glad to reserve it until the gentleman can explain the matter.

Mr. CANFIELD. This is a very worthy claim. If the gentleman from Colorado will look at the report he will find that this man was in the service in 1918 and 1919 and that his present condition is due, in the opinion of his physicians, to exposure which he was subjected to while working in the navy yard in 1918 and 1919. This party does not live in my district. He lives in Washington, D. C., and I looked into the claim very thoroughly before I introduced the bill and considered it a very worthy claim or I would not have introduced the bill.

Mr. EATON of Colorado. The statement in regard to the claim shows that he is making claim for injuries received in May, 1914.

Mr. CANFIELD. And aggravated by exposure while working in the navy yard in 1918 and 1919, in an unheated shop that was being constructed in the Washington Navy Yard during very cold weather. This caused his physical condition to gradually grow worse, and in the spring of 1919 he became so badly crippled in his spine and feet that he was no longer able to work. From that time up to this he has gradually grown worse and is at the present time bedridden and unable to even turn over in his bed without assistance.

Mr. EATON of Colorado. The employees' compensation act under which these cases are considered went into effect September 7, 1916. As far as I know, during the Seventy-second Congress no one has been given the right to come under the employees' compensation act for consideration of a claim for an injury which happened prior to the date of the enactment of the act. It is the general custom that has applied to a number of cases. I have no doubt this is a very meritorious case, and I sympathize with the claimant and with the gentleman, but under the circumstances it would not be fair to all the other cases to permit this man to have a favor which has been denied to the others.

Mr. CANFIELD. This case was aggravated by exposure while in the service after the law was enacted and I feel should be passed.

Mr. EATON of Colorado. Mr. Speaker, I object.

DOMINIC FRACAPANE

The Clerk called the next bill, H. R. 1567, to reimburse Dominic Fracapane for injuries sustained in an accident with a Government-owned motor truck.

Mr. BACHMANN. Mr. Speaker, reserving the right to object, I think this bill is a good example of bills improperly prepared, and I do not want to be taken as criticizing the Committee on Claims, its chairman, or anybody else. I think the Members themselves are generally responsible and I think it is their neglect, but the fact is we lose a lot of time on the floor of the House in considering private bills to which we have to make so many amendments. Could we save the time taken to make these amendments more private bills could be considered.

This bill, Calendar No. 695, does not even show the date on which the accident happened. All these bills that are for a tort action in law ought to show the date so that when we pass a bill the bill will show on its face the date the accident happened. The bill ought to show the place, the city or town in the United States where the accident happened. The bill ought to contain a clause that it is in full settlement of all claims against the Government growing out of the particular accident so that another bill could not be introduced for the same claim. In addition to that, the bill should be so worded that it shows on its face for what accident we are compensating the claimant.

There are four separate amendments I would be compelled to make before I could permit this bill to pass. In addition, in these tort action bills, where an individual is the claimant, there ought to be a provision incorporating the usual attorneys' fees clause. Were these details taken care of before the bill is placed on the calendar it would save a great deal of time on the floor.

Mr. BLACK. Mr. Speaker, now that the gentleman has finished his lecture——

Mr. STAFFORD. Not lecture; dissertation.

Mr. BLACK. Yes, dissertation; it is extensive enough to be a dissertation. The gentleman from West Virginia has lectured this committee time and time again, and always without intending to criticize the committee.

Mr. STAFFORD. Without intending to criticize the chairman.

Mr. BLACK. Oh, never the chairman. Now, as a matter of fact, a private bill was submitted to the committee by the gentleman from West Virginia. I recall that it was given such careful consideration in executive session that the gentleman complimented us.

As the gentleman says, we waste a great deal of time because we have to amend these bills. The only reason we consent to the amendments in these cases is to save time that the objectors are responsible for using. We consent to these little technical amendments just to satisfy you gentlemen.

The gentleman makes the criticism that there is no date of the accident in the bill. The date of the accident appears in the report, and the location of the accident likewise appears in the report. This is the last case to criticize, because not only do we state the location of the accident but we even give the House a picture of the accident. We have done everything but give you a movietone picture of the accident.

Now, to be serious for a minute, I was going to ask the House to pass this bill. This is the first bill since I have been chairman of the Committee on Claims that has been reported for the gentleman from New York [Mr. LAGUARDIA], than whom there is no more careful man in this House. I was hoping there would be no objection. In view of the fact the gentleman from New York [Mr. LAGUARDIA] is to leave us, and in view of his splendid, careful work on this calendar and on the Unanimous Consent Calendar, as a tribute of respect to him and as a token of our confidence in him, I was going to ask that we pass this bill just as it is without any objection; and I am sure the gentleman from West Virginia will go along with me.

Mr. BACHMANN. I would like to, and especially in the case of this bill of all the bills we have got to consider here this afternoon, but this is one I have marked that I must object to for the reason the report very frankly and correctly shows, as I read it, that the responsibility for the accident is attributable to the negligence of the injured boy. Therefore, there is no negligence on the part of the Government.

Mr. BLACK. The gentleman is stating the conclusion of the post-office inspector, and that conclusion is based on his imagination, because the post-office inspector believes that this boy deliberately put out his foot in the back of the truck so that his foot could be run over.

If the gentleman reads the report carefully, the gentleman can come to no conclusion but that the inspector added something to the situation. This truck was on the sidewalk where the boy had a right to be. The boy was not in the middle of the street. The truck came up where no truck belonged and where the boy did belong, the sidewalk.

I know the gentleman likes to object in the early stages of the consideration of the Private Calendar, but I hope he does not take it out on this bill.

Mr. BACHMANN. Mr. Speaker, I am sorry, but I shall be compelled to object. I object.

HORACE G. KNOWLES

The Clerk called the next bill, H. R. 4040, for the relief of Horace G. Knowles.

Mr. GRISWOLD and Mr. HANCOCK of New York reserved the right to object.

Mr. BLANTON. Mr. Speaker, I would like to make this statement about this bill. There is one feature of it that the House ought to know about before it goes any farther. There was a bill passed in a former Congress, December 12, 1928, being Private Act No. 309 of the Seventieth Congress, which paid this man $1,666.67, and that bill provided it should be in full settlement of all claims that this party had against the United States Government.

Whenever a bill has this kind of provision in it, I do not think a subsequent Congress ought to go behind it and grant an additional amount. This would set a bad precedent, and I wanted this one matter to be known to the House.

Mr. HOUSTON of Delaware. Will the gentleman yield?

Mr. BLANTON. I do not care to take up any further time.

Mr. GRISWOLD. I yield to the gentleman. I have the floor.

Mr. HOUSTON of Delaware. The former bill was not in full settlement, and if the gentleman will read the private act, he will find it is not in full settlement.

Mr. BLANTON. Private bill No. 309, Seventieth Congress, provides this—that same is "in full settlement against the Government."

Mr. HOUSTON of Delaware. The language is "in full settlement against the Government there is hereby appropriated the sum of $1,666.67 as salary for the period from March 30, 1909, to July 30, 1909."

Mr. BLANTON. But it states "in full settlement."

Mr. HOUSTON of Delaware. In full settlement for that period.

Mr. BLANTON. When a bill provides that the sum appropriated is "in full settlement," no subsequent Congress ought to reopen the case and allow an additional amount. We must protect such acts of a previous Congress.

Mr. Speaker, I object.

JOHN PITKANEN

The Clerk called the next bill, H. R. 4067, for the relief of John Pitkanen.

Mr. HOPE. Mr. Speaker, I object.

Mr. JOHNSON of Washington. Will the gentleman withhold his objection a moment?

Mr. HOPE. Yes.

Mr. JOHNSON of Washington. Mr. Speaker, I would like to make a brief statement, and would like to have the attention of the gentlemen at the table.

I heard the statements made a few moments ago by the distinguished and hard-working gentleman from Colorado on the bill (Calendar No. 694), that after a certain date it had been agreed not to pay one year's compensation to those injured in the Federal service shortly before the passage of the act referred to. What was the date of the passage of that act?

Mr. EATON of Colorado. September 7, 1916.

Mr. JOHNSON of Washington. I do not ask the gentleman to repeat his statement, but I see here that the report must be in error, because it speaks of an act of a much earlier date. This man was injured March 9, 1915.

Mr. HOPE. Will the gentleman yield there?

Mr. JOHNSON of Washington. Yes.

Mr. HOPE. The report shows that this man was injured before the passage of the 1916 act and that he was compensated under the terms of the 1908 act and received one year's pay under the terms of that act.

Mr. PITTENGER. The report is in error as to the date of the act.

Mr. HOPE. But this man did receive one year's pay as provided by the act in force at the time of the injury.

Mr. PITTENGER. If the gentleman will yield, he received compensation under the old act of 1908. He received one year's pay, and that was all they could pay. Subsequent to that, we had this new compensation act which entitles a man under such conditions to more compensation. The compensation he received for this injury was very inadequate, wholly inadequate, and the Compensation Commission has said that he ought to have more compensation, and they are willing to entertain the claim, and that is all that this bill provides.

Mr. HOPE. Does not the Compensation Commission say it is a matter of policy that must be determined by the Congress?

Mr. PITTENGER. And Congress has done this in several cases.

Mr. HOPE. Not in this Congress, as I understand.

Mr. JOHNSON of Washington. That is the point I wanted to bring out. My impression is that bills of this kind were passed early in the last session of this Congress. Now, here is a most humble man, who has spent much more in hospital fees than he was ever paid under the previous in-

adequate act. He is still an invalid and his wife has had to act as surgeon and nurse and they live in a very remote place. Acts of this kind were passed repeatedly and we are informed now that by some rule, perhaps, of the Claims Committee——

Mr. RAMSPECK. Mr. Speaker, I demand the regular order.

Mr. JOHNSON of Washington. Will the gentleman withhold that a moment?

Mr. RAMSPECK. We are wasting too much time on these matters, Mr. Speaker. If the gentleman is going to object, he should object now and save time. I demand the regular order.

Mr. HOPE. I am compelled to object, Mr. Speaker.

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of no quorum. If the gentleman wants to save time, let us save some time. If the gentleman will withhold his demand for the regular order until I can complete my statement, I will withdraw the point.

Mr. RAMSPECK. Mr. Speaker, if the gentleman who reserved the right to object will state that his mind is open in the matter, I shall withdraw my demand for the regular order, but if he is going to object, I want him to do it.

Mr. JOHNSON of Washington. I can complete my statement within three minutes. I withdraw the point of no quorum.

Mr. HOPE. I am willing to have the gentleman complete his statement.

Mr. RAMSPECK. Is the gentleman going to object after the gentleman completes his statement?

Mr. HOPE. I would rather hear the statement of the gentleman from Washington first.

Mr. JOHNSON of Washington. The report from the Claims Committee favors this bill. Now, then, if we have a rule of the Claims Committee, not an act of Congress, that they will not go back of September 3, 1916, when the compensation law was enacted, then why does the committee report bills and put them on the calendar, take up time to print them, and extend the hope of the claimant, when some Member of Congress, some organization, sub rosa, has come to a decision that they will not permit these bills to pass? Why are the bills reported in good faith by the committee?

Mr. EATON of Colorado. I resent the statement of the gentleman as to a sub rosa organization. If he will read the RECORD of the Seventy-second Congress, he will see that compensation claims were the subject of discussion on two different days in this House, and the whole policy of compensation was gone over, not by individuals, but by Members of the House, and the rule was made at that time.

Mr. SCHAFER. If the gentleman will yield, the discussion was by two or three Members, but the Claims Committee did not issue any rule of that kind.

Mr. JOHNSON of Washington. That is the condition that we have got ourselves in. I did not intend to imply any personal criticism.

Mr. EATON of Colorado. In answer to the gentleman from Wisconsin, I want to say that the discussion might have been by two or three Members or a half a dozen Members, but the RECORD contains the discussion, and the conclusion of the whole matter was by unanimous consent at the time, and they agreed upon the policy that no case should be approved of that went back prior to the date of the compensation act.

Mr. SCHAFER. Let me say that there was no unanimous-consent agreement contained in the RECORD.

Mr. PITTENGER. None at all.

Mr. JOHNSON of Washington. So, it appears, after all, that this bill was entitled to be introduced, and entitled to full consideration.

The SPEAKER. Is there objection?

Mr. HOPE. I object.

SADIE BERMI

The Clerk read the next bill on the calendar, H. R. 7040, for the relief of Sadie Bermi.

The SPEAKER. Is there objection?

Mr. HOLLISTER. Reserving the right to object, I would like to ask the gentleman to tell me what the condition of this claimant is now.

Mr. DYER. The report shows what the injuries were at the time. The statement of the physician is published in the report, but I wanted to present to the House information as to her present condition, and I made the inquiry of Doctor Weber, and he sent me a telegram which I received this morning in which he says that the claimant was injured on February 2, 1928, when struck by this automobile truck. She was rendered unconscious, brought to the hospital, and it was found that she had concussion of the brain, her scalp was lacerated, and there were contusions on her nose and left elbow.

Mr. HOLLISTER. That is in the report, but I am interested in her condition to-day.

Mr. DYER. The doctor says that after one year she has had complaints which indicate that her injuries are likely to remain permanent. She now has impaired hearing, frequent attacks of dizziness, severe headaches, and is very nervous and unstable, and her state of mind is such that her confidence in herself because of the injuries is destroyed. Mr. Speaker, she was very badly injured. The report of the department recommends the legislation which is before the House at this time. This is one of the most meritorious claims that could possibly be before the House.

By permission of the House, I insert herewith the telegram to which I have referred:

ST. LOUIS, MO., *February 9, 1933.*

Congressman L. C. DYER,
*House of Representatives Office Building,*
*Washington, D. C.*

DEAR SIR: Miss Sadie Bermi, now Mrs. Sadie Bermi Fredman, was injured by United States mail truck February 2, 1928, was rendered unconscious and brought to hospital immediately. Upon examination following was found concussion of brain, lacerated scalp, contusion of nose, contusion of left elbow, hematoma of scalp, impairment of hearing of left ear, nervousness, and emotional instability. Remained in hospital until February 19, 1928; was treated thereafter for about one year. At present has following complaints, which are likely to remain permanently: Impaired hearing, frequent attacks of dizziness, severe headaches, still very nervous and unstable emotionally. Above complaints have proved very distressing in her daily life, and have destroyed her confidence in herself.

S. WEBER, M. D.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Sadie Bermi, of St. Louis, Mo., to compensate her in full for all claims she may have against the United States arising out of injuries received by her from being struck by an automobile truck belonging to the United States Government in the city of St. Louis on the 2d day of February, 1928.

With the following committee amendment:

At the end of the bill insert: "*Provided,* That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to; and the bill as amended ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

M. J. LOBERT

The next business on the Private Calendar was the bill (H. R. 7761) for the relief of M. J. Lobert.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. Mr. Speaker, I reserve the right to object in order to ask whether there is any report here from the Department of Justice.

Mr. PITTENGER. I think there is quite a voluminous file in this case.

Mr. GRISWOLD. Will the gentleman tell us what the Department of Justice says about it?

Mr. PITTENGER. Oh, the Department of Justice never recommends that Congress pay out any money that has ever gotten into the Treasury. I spent two or three days going over the files, and if the gentleman wants to he can read them, but the facts and conclusions are all set forth.

Mr. GRISWOLD. Are the facts as given by the department in conformity with these facts?

Mr. PITTENGER. Yes; everything that I have said in this statement is correct.

Mr. HOLLISTER. Mr. Speaker, there is an intimation here that the criminal was finally convicted, but the report is not very clear in that respect.

Mr. KLEBERG. The criminal was convicted and given an 18 months' suspended sentence.

Mr. HOLLISTER. Why is the payment being made to the widow? Would it not be properly made to the estate? Can the gentleman assure us that the widow is the estate?

Mr. KLEBERG. Yes; the widow is the estate.

Mr. BLANTON. Are there any children?

Mr. KLEBERG. There is one son. The widow is the estate of the deceased.

Mr. STAFFORD. Mr. Speaker, the difficulty I had with this case may have been removed by the gentleman's statement. The report, as I read it, was that the criminal was discovered a year and a half afterwards in the prison at Little Rock.

Mr. KLEBERG. I think the gentleman will find that it was within the same year.

Mr. STAFFORD. The question I am more interested in is whether the criminal was afterwards arrested and punished for the act for which the bond was given.

Mr. KLEBERG. Yes.

Mr. BLANTON. And he went to the penitentiary.

Mr. PITTENGER. The answer to the gentleman's question is "yes."

Mr. STAFFORD. There is nothing in the report of the solicitor to indicate that.

Mr. PITTENGER. It is in the records submitted to the committee.

Mr. STAFFORD. So far as my difficulty is concerned that answers the objection that we have to these cases of reimbursing sureties. I can see no objection to it.

Mr. DYER. Mr. Speaker, there is a number of such cases as this, where a bond is forfeited and judgment is entered; and even if the defendant in the cast is brought into the court the next day and sentenced and punished, there is no way at present by which the money can be recovered. The Treasury Department solicitor has decided, in view of the decisions of the Attorney General, that in no case can this money be returned by the Government unless the United States attorney will recommend that there is a question about the ability to collect it. Something ought to be done in these matters. We can not come to the House through the Committee on Claims in all these cases.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. DYER. Yes.

Mr. BLANTON. During the eight years that I was on the circuit bench I had a practice of entering judgment nisi, but holding the matter up until the surety could have an opportunity to produce the defendant.

Mr. DYER. That is in a State court.

Mr. BLANTON. Yes; and if the defendant were produced within a reasonable time, final judgment was not entered. There is no such practice in the Federal courts, unfortunately. They do not give the surety ample time to produce the defendant. In this case the surety went to work and hunted up the criminal, found him, and produced him. He happened to be in the penitentiary.

Mr. DYER. I know of several cases where the surety has gone to great expense in hunting up the defendant and bringing him into court. He has been tried, has pleaded guilty, and has been punished, and yet not one dollar have the sureties been able to recover.

The SPEAKER pro tempore. Is there objection?

There was no objection, and the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Josephine Lobert, widow of M. J. Lobert, the sum of $1,632.68, representing judgment in the amount of $1,632.68, secured to the United States for the United States District Court of the Western District of Texas against M. J. Lobert, on account of bond of $1,500, for the appearance of Johnnie (Jack) Wander (Wunder), charged with a violation of the motor vehicle theft act, which bond was forfeited by reason of the failure of the said defendant to appear, and $132.68 being court costs, paid into court on December 31, 1929, and deposited by the United States marshal for the western district of Texas, and covered into the Treasury of the United States on January 9, 1930.

With the following committee amendment:

Page 1, line 5, after the word "to," insert "Mary Josephine Lobert, widow."

Page 2, after the figures "1930," insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. DYER. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DYER: Page 2, line 1, after the word "the" and before the word "motor," insert the word "National."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read: "A bill for the relief of Mary Josephine Lobert."

### FRANK A. FAIN

The Clerk called the next bill, H. R. 9435, for the relief of Frank A. Fain.

Mr. GRISWOLD. Mr. Speaker, I object.

### JOSEPH T. RYERSON & SON (INC.)

The Clerk called the next bill, H. R. 10170, authorizing adjustment of the claim of Joseph T. Ryerson & Son (Inc.).

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Joseph T. Ryerson & Son (Inc.) for $135.08 on account of certain brass angles furnished to the Navy Department under contract No. N251s-16622, dated December 7, 1929, and to allow not exceeding $112.55 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $112.55, or so much thereof as may be necessary, for payment of said claim.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### NELLIE OLIVER

The Clerk called the next bill, H. R. 8619, for the relief of Nellie Oliver.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring, rights, privileges, and benefits upon honorably discharged enlisted men Robert Oliver, alias John Lear, deceased, who was a member of Company C, Thirteenth Regiment New Hampshire Volunteer Infantry, shall hereafter be held to have been honorably discharged from the military service of the United States as a member of that organization on the 6th day of July, 1864: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. COCHRAN of Missouri. Mr. Speaker, I notice that this bill is for the relief of Nellie Oliver, and in the body of the bill it refers to one Robert Oliver. Nellie Oliver is not mentioned in any way. I move that the bill be amended so that the title will conform to the text, or amend the bill and place the widow's name therein.

Mr. ROGERS. Nellie Oliver is the widow.

Mr. HANCOCK of New York. Mr. Speaker, I notice the uniform practice seems to be to use the phrase "under honorable conditions" rather than "honorably discharged," and I suggest that amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: Page 1, line 8, strike out the word "honorably" and insert after the word "discharged" the following: "under honorable conditions."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection, the title will be amended.

Mr. STAFFORD. Mr. Speaker, I ask recognition as far as the correction of the title is concerned. We can not come to the relief of a dead person. The body of the bill shows that this is to virtually give pension privileges to a soldier who is now dead.

Mr. ROGERS. It is for the relief of the widow.

Mr. STAFFORD. It does not show apparently in the body of the bill that Nellie Oliver is the widow, but there must be some record somewhere showing that Nellie Oliver is the widow.

Mr. ROGERS. I can state that as a fact, that Nellie Oliver is the widow, and it is so shown in the report.

Mr. STAFFORD. Then, as this is a bill for the relief of his widow, and not for the relief of a dead person, the title is correctly stated.

Mr. COCHRAN of Missouri. The gentleman from Wisconsin is setting a precedent here.

Mr. STAFFORD. The fact is that we have never passed an act for the relief of a dead person.

Mr. COCHRAN of Missouri. But when we pass this act, the widow automatically becomes the beneficiary of the Pension Bureau.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill was passed, so as to offer an amendment.

The SPEAKER pro tempore. Without objection the proceedings by which the bill was passed will be vacated.

Mr. PARKER of Georgia. I object.

Mr. COCHRAN of Missouri. The bill has not been passed, and it is beyond the stage of objection.

Mr. PARKER of Georgia. I object to the unanimous-consent request of the gentleman from Wisconsin.

Mr. COCHRAN of Missouri. The gentleman can not object. The gentleman from Wisconsin is offering an amendment. It is in order to amend the bill.

Mr. STAFFORD. I offer an amendment. After the word "deceased," in line 5, add the following: "whose widow is Nellie Oliver."

Mr. PARKER of Georgia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. PARKER of Georgia. I should like to ask the Speaker if this bill has already been passed?

The SPEAKER pro tempore. The bill has not been passed. Unanimous consent was secured to vacate the proceedings, and the gentleman from Wisconsin [Mr. STAFFORD] is now offering a perfecting amendment.

Mr. PARKER of Georgia. I objected.

The SPEAKER pro tempore. The Chair did not hear the gentleman, and the objection now comes too late.

Mr. COCHRAN of Missouri. The gentleman objects to what?

Mr. PARKER of Georgia. I object to the gentleman from Wisconsin asking unanimous consent to offer an amendment.

Mr. COCHRAN of Missouri. The objection came too late. The gentleman has no right to object to an amendment.

Mr. PARKER of Georgia. I objected for the reason that the bill had already been passed.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 1, line 5, after the word "deceased," insert the words "whose widow is Nellie Oliver."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATHERINE L. MERRILL

The Clerk called the next bill, H. R. 8620, for the relief of Catherine L. Merrill.

Mr. BLANTON. Mr. Speaker, reserving the right to object, this man, Robert L. Merrill, so the War Department reports, was not mustered into the service until June, 1863. At the time he deserted, in September, he was awaiting court-martial on a charge of assault with intent to rape. Surely, after all these years, there having been a charge of this kind against the man, we ought not to restore him to an honorable status whereby a pension could be granted by the Government.

Mr. ROGERS. Mr. Speaker, will the gentleman withhold his objection to permit me to make a statement?

Mr. BLANTON. Certainly.

Mr. ROGERS. It appears this man first enlisted in August, 1862. He was honorably discharged in April, 1863, on account of physical disability. He reenlisted in May, 1863.

Mr. BLANTON. The date he was mustered in was June 20, 1863.

Mr. ROGERS. Yes; that is when he reenlisted, May 17, 1863.

Mr. BLANTON. And The Adjutant General says he deserted from that prison while awaiting trial for assault and battery with intent to commit rape. That was the last thing we heard of him during the Civil War, when he was under charge of a heinous offense for which men in some States can be strung up to a limb with a rope.

Mr. ROGERS. If the gentleman will permit, this man served actively during the period of hostilities in the Civil War.

Mr. BLANTON. Hostilities were going on, if I remember, through 1863, 1864, and a good part of 1865.

Mr. ROGERS. They were ended as of April 13, 1865. This man served honorably during all the period of hostilities. Upon his death he left a widow in desperate need.

Mr. BLANTON. With a charge of this kind against him, I do not think we should restore him to an honorable position that carries with it a pension for life from the United States.

Mr. Speaker, I object.

NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

The Clerk called the next bill, H. R. 10138, to exempt from taxation certain property of the National Society of the Sons of the American Revolution in Washington, District of Columbia.

Mr. BLANTON. Mr. Speaker, I object.

Mr. HOLMES. Mr. Speaker, will the gentleman reserve his objection?

Mr. BLANTON. I may say in explanation to the gentleman from Massachusetts that this bill was introduced by one of our good friends whom everybody loved, who has gone from us. I should like to see anything we could do for him done, but we are establishing a bad precedent in continually exempting from taxation the property of various organizations. We ought not to extend such exemption to this organization. If we are going to extend it to this one, some day we will be called upon to extend it to the grandsons of so and so, and the great-granddaughters of so and so. I am not in favor of it.

If the gentleman wishes to make some remarks about the bill I will reserve my objection.

The SPEAKER pro tempore. If the gentleman is going to object ultimately, under the ruling of the Speaker yesterday we will proceed with the next case.

Mr. BLANTON. Mr. Speaker, ultimately I am going to object to every one of these bills giving to property exemption from taxation.

NATIONAL SOCIETY OF THE COLONIAL DAMES OF AMERICA

The Clerk called the next bill, S. 570, to exempt from taxation certain property used by the National Society of the Colonial Dames of America in the District of Columbia.

Mr. BLANTON. Mr. Speaker, I object.

NATIONAL SOCIETY UNITED STATES DAUGHTERS OF 1812

The Clerk called the next bill, S. 1203, to exempt from taxation certain property of the National Society United States Daughters of 1812 in the District of Columbia.

Mr. BLANTON. Mr. Speaker, I object.

Mr. PARKER of Georgia. Mr. Speaker, I make the point of order that no quorum is present.

Mr. BLANTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 158]

| | | | |
|---|---|---|---|
| Abernethy | Curry | Hull, William E. | Reid, Ill. |
| Aldrich | Dieterich | Igoe | Rich |
| Auf der Heide | Douglass, Mass. | James | Rudd |
| Bacharach | Doutrich | Johnson, Ill. | Sanders, N. Y. |
| Bacon | Doxey | Johnson, S. Dak. | Selberling |
| Baldrige | Drewry | Kahn | Selvig |
| Bankhead | Eagle | Kelly, Ill. | Shannon |
| Boehne | Eaton, N. J. | Kelly, Pa. | Shreve |
| Boylan | Erk | Kemp | Simmons |
| Brand, Ga. | Finley | Kennedy, N. Y. | Sirovich |
| Brand, Ohio | Fish | LaGuardia | Smith, Idaho |
| Britten | Foss | Lankford, Ga. | Smith, W. Va. |
| Brumm | Freeman | Lankford, Va. | Snow |
| Brunner | Garber | Larsen | Stewart |
| Buckbee | Gasque | Lewis | Sullivan, N. Y. |
| Burdick | Gavagan | Lindsay | Sullivan, Pa. |
| Byrns | Golder | McLeod | Taylor, Tenn. |
| Carley | Granfield | McMillan | Temple |
| Cavicchia | Green | Maloney | Tierney |
| Celler | Greenwood | Martin, Oreg. | Treadway |
| Chase | Hall, Miss. | Mead | Wigglesworth |
| Chiperfield | Hancock, N. C. | Mouser | Williams, Tex. |
| Clague | Hardy | Nelson, Wis. | Wolfenden |
| Collier | Hare | O'Connor | Wolverton |
| Connolly | Hartley | Oliver, N. Y. | Wood, Ind. |
| Cooke | Hawley | Overton | Wright |
| Cooper, Ohio | Holaday | Perkins | Wyant |
| Corning | Hopkins | Pratt, Ruth | Yates |
| Cox | Hornor | Reed, N. Y. | |

The SPEAKER pro tempore. Three hundred and eleven Members are present, a quorum.

On motion of Mr. RAINEY, further proceedings under the call were dispensed with.

KATHERINE G. TAYLOR

The Clerk called the next bill, H. R. 1938, for the relief of Katherine G. Taylor.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Katherine G. Taylor, superintendent Taylor Hospital, Ridley Park, Pa., the sum of $159. Such sum shall be in full satisfaction of all claims against the United States for medical aid rendered to Laura Mae Kurtz as a result of being struck by United States Army Cadillac truck No. 60186 on March 20, 1929, near Ridley Park, Pa.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ARTHUR K. FINNEY

The Clerk called the next bill, H. R. 2188, for the relief of Arthur K. Finney.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur K. Finney, of Plymouth, Mass., the sum of $108.77 in full compensation for two carloads of coal totaling 84.19 tons sold to the United States Government and delivered to the Federal building at Plymouth, Mass.

With the following committee amendment:

Line 7, after the word "for," insert the word "handling."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ED SYMES ET AL.

The Clerk called the next bill, H. R. 3848, for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas.

Mr. HOPE. Mr. Speaker, reserving the right to object, I should like to have a little general information. It appears this is a claim which arose from 10 or 11 years ago, and one which is disputed by the War Department. Can the gentleman from Texas give us some information why this bill comes here at this late date?

Mr. CROSS. A dam was built across the Brazos River at this place some years ago. Quite a flood came after that, and the dam caused the waters to go across the lands where these people lived. Some of their homes were washed away, and some of the land had washed away. All this bill does is to give them the right to go into court to prove the damages that may have been done to them.

Mr. HOPE. The dam was erected in 1919, as I understand it. When did the damage occur?

Mr. CROSS. The damage occurred two or three years after that, but the big flood came along only a few years ago. The old concrete dam stands there.

The gentleman understands that some years ago they put this dam in there on the Brazos River for the purpose of making it navigable. After this dam was built the project was abandoned. When this flood came the dam diverted the waters and caused it to wash away the homes of these people.

Mr. HOPE. The War Department denies any liability on the part of the United States Government. Does the gentleman know the basis of their denial of liability?

Mr. CROSS. The only question would be that this dam was built without any floodgates or anything in the middle of the stream; and I presume the contention would be that if the Government had put proper floodgates in the dam the damage would not have resulted. Of course, that would be a question of proof in court; and if they did not make out a case, they would not get any relief.

Mr. HOPE. The bill permits the claimants to go into the United States District Court for the Western District of Texas. Should not this case be filed in the Court of Claims if the Government gives permission to sue?

Mr. CROSS. To begin with, the parties live there and court is held in Waco, a few miles from where they live. It would be much more convenient both for the Government and for the parties themselves to have the case filed in the District Court for the Western District of Texas. All the claimants are poor people. If the case were filed in the Court of Claims, they would have to come all the way here, which would be an impossibility. Two or three of these parties are colored people. They could not get up here. They would be accessible to the court were they permitted to file the claim as provided in the bill.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That Ed Symes and wife, Elizabeth Symes; Wade Symes and wife, Pearl Symes; Mrs. Helen Symes Dodson and husband, D. S. Dodson; Howard Evans and wife, Mary Ann Evans; John L. Jones, and Leslie Stegall, all of McLennan County, Tex.; Mrs. Harry Loyd Lincoln, a widow who resides in the county of Carbon, Pa.; and Albert Symes Hunter, of Panama, Canal Zone, all being the sole heirs at law of Albert Symes and wife, Mrs. Sally J. Symes, each deceased, their heirs, legal representatives, executors, administrators, and assigns, any statutes of limitation being waived, are hereby authorized to enter suit in the United States District Court for the Western District of Texas for the Waco division for the amount alleged to be due said claimants from the United States by reason of the alleged neglect and alleged wrongdoing of the officials and engineers of the United States War Department in the location, erection, and construction of a lock and dam on the Brazos River, in McLennan County, Tex., in the year 1919, that said lock and dam was so erected and constructed at

such a point and in such a manner as to cause the river to overflow and cut a new channel across said lands, the overflow washing all of the soil off of said lands, thereby making it worthless for any purpose.

SEC. 2. Jurisdiction is hereby conferred upon said United States District Court for the Western District of Texas to hear and determine all such claims. The action in said court may be presented by a single petition making the United States party defendant, and shall set forth all the facts on which the claimants base their claims, and the petition may be verified by the agent or attorney of said claimants, official letters, reports, and public records, or certified copies thereof may be used as evidence; and said court shall have jurisdiction to hear and determine said suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found due from the United States to the said claimants by reason of the alleged negligence and erroneous construction of said lock and dam, upon the same principles and under the same measures of liability as in like cases between private parties, and the Government hereby waives its immunity from suit. And said claimants and the United States of America shall have all rights of appeal or writ of error or other remedy as in similar cases between private persons or corporations: *Provided*, That such notice of the suit shall be given to the Attoney General of the United States as may be provided by order of said court, and upon such notice it shall be the duty of the Attorney General to cause the United States attorney in such district, or other representatives of the Department of Justice, to appear and defend for the United States: *Provided further*, That such suit shall be begun within 12 months of the date of the approval of this act.

With the following committee amendment:

Page 2, beginning in line 12, after the figures "1919," strike out the comma and the remainder of section 1; and on page 3, in line 3, strike out the word "shall" and insert the word "may."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: On page 3, line 4, after the word "claimants," insert "but in no event shall interest be allowed as part of any damages that may be awarded."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SARAH MADDOCKS FERGUSON

The Clerk called the next bill, H. R. 4064, for the relief of Sarah Maddocks Ferguson.

Mr. HOPE. Mr. Speaker, reserving the right to object, I call the attention of the author of the bill to the fact that this class of claims is one which the War Department ordinarily has refused to approve. In this case it seems that the War Department has approved the claim, and in view of that fact I am not disposed to object; but I should like to ask the gentleman if he would have any objection to an amendment providing that this shall be in full settlement of all claims against the Government.

Mr. JOHNSON of Washington. I shall be pleased to accept the amendment.

Mr. HOPE. And also the usual attorneys' fee amendment.

Mr. JOHNSON of Washington. I shall accept that.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, it appears in the report, as I read it, that this lieutenant colonel stored his goods for three years after he had left this place and that the fire occurred three years after he had gone, while he was in Washington or at some other post. There is a distinct provision of law that in such cases they shall only be reimbursed when the goods are lost while they are saving human life or Government property, which was not the case here at all.

Further along in the calendar there is another claim, based on the same state of facts, where the War Department recommends that the claim be not paid.

Mr. JOHNSON of Washington. Of course, I am dependent on the report. This is one of the routine matters that comes into the life of Members from districts where there are Army posts. As the gentleman will recall from reading the report, the War Department states with respect to this claim that settlement has not been made, owing to restricting decisions of the Comptroller General.

Mr. BLANTON. May I ask the gentleman this question? This would extend the law that Congress passed with relation to the destruction of property. This extends it to everyone, whether they come within the provisions of the law or not. Is the gentleman in favor of that?

Mr. JOHNSON of Washington. I can not tell until I learn the equities in each case. Here is the case of an officer sent about here and there on duty, not able to move his furniture. He was a lieutenant colonel and had a considerable amount of furniture. The man has since died and this is the claim of his widow, and the claim has been reduced in amount. It comes up in the routine way and the committee goes through it carefully. I did not even appear before the committee. I just wrote a letter stating the facts, and now the bill is on the calendar. My duty is to defend it and endeavor to pass it, and I believe equity requires reimbursement to the widow.

Mr. GRISWOLD. I would like to call the gentleman's attention to the fact that this man was relieved from duty at Fort Leavenworth in 1916. He left his goods stored at Government expense and went to the border. He was relieved from duty on the border and came to Washington and lived here for two years, leaving his goods stored all the time at Government expense.

Mr. JOHNSON of Washington. He was not relieved from duty in the Army.

Mr. GRISWOLD. He was transferred from one post to another.

Mr. JOHNSON of Washington. But he was still on duty.

Mr. GRISWOLD. The War Department uses the word "relieved," and that is the reason I used that term.

Mr. JOHNSON of Washington. He was transferred and could not move his furniture to the Mexican border.

Mr. BLANTON. If the gentleman will permit, here is a law which the gentleman himself helped to pass to cover such cases, but it does not cover this case. The act of March 4, 1921, provides for payment for loss of property of officers and enlisted men only when it appears that such private property was so lost, damaged, or destroyed in consequence of its owner having given his attention to the saving of human life or property belonging to the United States which was in danger.

Mr. JOHNSON of Washington. Exactly, and the gentleman says it covers this case, but it does not cover it.

Mr. BLANTON. It does not cover this case.

Mr. JOHNSON of Washington. It does not cover this case, or this bill would not be before us.

Mr. BLANTON. But this is what the gentleman said was a proper law when he helped to pass it in 1921.

Mr. JOHNSON of Washington. But the gentleman says it does not cover a case like this.

Mr. BLANTON. No; and there are thousands of other cases it does not cover. If we extend the law to cover this case, why not pay the loss on every bit of property of everybody else that is destroyed by fire?

Mr. JOHNSON of Washington. I would like to say, with all respect to the distinguished sharpshooters and watchdogs present here to-day, that a Member with a bill on the calendar, put on there in good faith and reported in good faith by any one of the various committees, all with highly responsible chairmen, is out of luck. This is a matter of equity, and this widow is entitled to payment.

Mr. GRISWOLD. Mr. Speaker, I object.

PAYMENT OF DAMAGES CAUSED BY OVERFLOW OF THE RIO GRANDE RIVER

The Clerk read the next bill on the calendar, H. R. 6774, to authorize amendment of the act of February 25, 1927, for the payment of damages caused by reason of the overflow of the Rio Grande on August 17, 1921.

The SPEAKER pro tempore. Is there objection?

Mr. HOPE. Reserving the right to object, I would like to ask the author of the bill to explain why the original bill was so drawn as not to include the claim covered by this bill?

Mr. CHAVEZ. It was the intention in the original bill to pay all the damages as the result of this flood, but the bill was so drawn that notwithstanding that the Bureau of Irrigation and Reclamation wanted to pay the claims due to

these claimants, under the bill as it was drawn they could not do it.

Mr. BLANTON. Is the gentleman in favor of paying these damages to noncitizens?

Mr. CHAVEZ. In this case I am, because I know the facts.

Mr. BLANTON. What duty do we owe noncitizens?

Mr. CHAVEZ. The same duty that we owe citizens in this regard.

Mr. BLANTON. We owe no duty to noncitizens to keep rivers within their banks.

Mr. CHAVEZ. If the gentleman will let me explain, he will see that I am right. Now, the American citizens were all paid. The United States built a dam in my State. In 1921 or thereabouts we had a very great abundance of water, and the people of this community—citizens of the United States and noncitizens—suffered damages as result of neglect by Government agents, who refused to let citizens break the dikes and relieve the danger. For two or three days they kept begging to cut the dikes, but the agents refused to let them do it until it was too late and the dam went out.

Mr. HOPE. According to the report made in the Senate on the original bill in 1926 there seems to be some dispute as to the facts, and it is stated on the part of the manager of the Bureau of Reclamation that there was no liability on the part of the Government of the United States.

I think, as the report shows, that while there was a flood, and possibly it was caused in part by the irrigation works which the Government had there, yet it could have been avoided, except there was a dispute between the residents of two different communities—those below refusing to permit a dike to be cut for fear the flood might damage them. It subsequently was cut and did no damage. But that is what held up the matter and kept the water in this town two or three days, which was the real cause of the damage.

Mr. CHAVEZ. The fact remains that Congress, after investigating all the facts, did come to the conclusion that the damage there was caused by the negligence of the Government agents. Congress appropriated $75,000. I will say that out of the $75,000 practically everyone has been paid except these claimants. The Bureau of Reclamation wanted to pay these two claimants. It only amounts to a few hundred dollars, but under the law it was impossible to do it.

Mr. HOPE. Are there more than these two claimants?

Mr. CHAVEZ. Only these two claimants.

Mr. BLANTON. If my friend will insert their names and the amounts so that it will be restricted, I shall not object to the bill, but I do object to a blanket bill like this under which thousands of dollars could be paid. If the gentleman will put in the specific amounts and let it apply to them I have no objection.

Mr. CHAVEZ. I have the names of two of the claimants down here. The gentleman can strike out the other portion of that paragraph if he desires.

Mr. BLANTON. Put in the names of the claimants the committee passed on, and the specific amounts allowed.

Mr. CHAVEZ. The gentleman from Texas will not demand that of me, I hope, because I do not know the amount at this time. I assure the gentleman that it will amount to only a few hundred dollars.

Mr. BLANTON. I call the gentleman's attention to the fact that we had an assurance of that kind when we passed the emergency officers' retirement act. We were assured that it would apply to only 900 officers, while already 7,000 have been retired.

Mr. CHAVEZ. I suggest that we could say that it shall not exceed so many hundred dollars.

Mr. BLANTON. Will $500 cover it?

Mr. CHAVEZ. I think it should go to $800.

Mr. BLANTON. If the gentleman will offer an amendment restricting the amount to a maximum of $800, I shall not object.

Mr. CHAVEZ. To these two gentlemen?

Mr. BLANTON. Yes; so that it is not a blanket bill.

Mr. CHAVEZ. Very well.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior is authorized and directed to investigate, ascertain the amount of, and to pay damages sustained by Ydelfonso Rodriguez, Andres Bustamante, and other property owners residing at or in the vicinity of Hatch and Santa Teresa, N. Mex., or whose property is located in that vicinity and was damaged on August 17, 1921, in the manner and to the extent authorized by the act approved February 25, 1927 (44 Stat. L., pt. 3, p. 1792), without regard to the citizenship of the owners of property so damaged.

SEC. 2. Funds authorized to be appropriated by said act of February 25, 1927, and appropriated pursuant thereto and not expended may be utilized for the payment of claims hereunder, and shall remain available to the extent required until expended.

SEC. 3. Such parts of the act of February 25, 1927, and acts supplementary thereto as are in conflict with the provisions of this act are hereby repealed.

With the following committee amendments:

Page 1, line 8, after the word "damaged," insert "by the overflow of the Rio Grande River," and on page 2, line 7, after the word "hereunder," insert "as therein provided."

The committee amendments were agreed to.

Mr. BLANTON. Mr. Speaker, I offer the following amendment: On page 1, line 5, strike out the word "and," and in line 6 strike out the words "other property owners," and at the end of the line add the following proviso——

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order that the amendment should be in writing.

Mr. BLANTON. Oh, we have a very expert clerk at the desk, and he will be able to take it down.

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order that the amendment should be in writing and in the meantime move to strike out the last word.

Mr. BLANTON. Mr. Speaker, I do not yield to my friend from Washington. I am offering an amendment. At the end of line 3 add the following proviso:

*Provided*, That not more than $800 shall be expended in making said two settlements. Strike out section 2 and renumber section 3.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, line 5, strike out "and other property owners," and on page 2, after line 3, insert "*Provided*, That not more than $800 shall be expended in making said two settlements" and strike out section 2, and in line 9 strike out the figure "3" and insert the figure "2" at the beginning of the section.

Mr. JOHNSON of Washington. Mr. Speaker, I rise in opposition to the amendment. I have no objection to this bill, and I hope to take only two or three minutes of the time of the House. Here a string of amendments is proposed, offered from the floor. A sort of coroner's jury is sitting at the tables on two sides of the floor of the House running back and forth to consult each other, when, if they are to act, they should be sitting down here in front as a court. They do nearly all of the conversing. The interruptions by these Members is such that there is rarely much opportunity for a connected statement. This is not an orderly method of legislation. I have had some claims bills, and several on this calendar, but I have never gone to a member of the coroner's jury to make a personal appeal, nor have I gone to any of the members of the Committee on Claims or other committees, other than with affidavits and documents properly prepared. What are we doing? My sympathy goes out to the chairman of this committee, whoever he may be in this and the next Congress. No system is provided. It is hit or miss. It is a distressful and unfortunate manner of legislating.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendments were agreed to.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. When I think of the long years of valuable service that my friend from Washington [Mr. JOHNSON] has performed here, valuable services because of big things

done, I forget all of these little chicken-feed private bills of his that he has introduced. They are a mere bagatelle beside the splendid services he has rendered to the country. [Applause.] He seems to measure his services by getting a little old private bill through once in a while. I have on my desk now a picture of my friend from Washington, and this picture shows him in his shirt sleeves bending over his desk working for the people of America whom he served here so well. The kind of speech the gentleman made here a moment ago detracts from the splendid service on big things that the gentleman has performed.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. JOHNSON of Washington. On the contrary, it does not detract at all, but it calls attention to this miserable form of legislation here in the name of the Private Calendar.

Mr. BLANTON. When the gentleman goes home to Washington, far away, he is going home with a feeling and sense of great security, because he knows there are a few men here who have taken up the great work that Jim Mann once performed, and that they are watching bills which many times take millions of dollars out of the Treasury when not one cent ought to be taken out.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BLANTON. I yield the floor to my friend.

Mr. JOHNSON of Washington. Mr. Speaker, I move to strike out the last three words.

I desire to thank the gentleman from Texas [Mr. BLANTON] for his very kind references. I am going home, not with that feeling of security that the distinguished gentleman from Texas just mentioned but with a feeling of alarm, in the knowledge that this great United States of ours, this great Republic, is one-third the way now on its march to a final social democracy, where claims like this will be mere incidents, settled outside of Congress entirely. I do not refer to the Democratic Party, or to the incoming administration, but to the onward march of a social democracy which proposes to do everything for the people—more than will ever be done by a government of our kind or any other kind. All the signs indicate disaster. It is true I have served here for 20 years. I have tried to do my duty on important legislation, on minor legislation, for orderly procedure, and I shall retire with a feeling of sorrow and regret as I see this coming social democracy. I think all can see it coming—and perhaps more.

I withdraw the pro forma amendment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### SENATE ECONOMY ACT RAISES SALARIES

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COLLINS. Mr. Speaker, in the economy act, passed at the last session, we suspended automatic promotions.

In the military and naval services the pay of commissioned officers is stepped up 5 per cent upon the expiration of each three years of service; likewise, length of service, and not rank alone, determines their base pay. In some instances, not all, a change of rank carries an increase of pay.

Now, as to the commissioned services, the economy act did not reduce the pay officers were receiving one penny more than 8⅓ per cent, the same as everybody else. It deprived them of increases in pay, which they would have received had it not been for the economy act, like everybody else was deprived of automatic increases in pay.

The impression has gotten abroad that officers in these services were reduced more than persons in other branches of the Federal service. This is not the case, and I wish to stress that fact.

Now let me cite you a specific instance of what would happen under the Senate bill. The Budget officer of the Navy Department—Admiral McLean—is a rear admiral. He is a rear admiral of what is called the lower half. A rear admiral of the lower half corresponds with a brigadier general in the Army. Admiral McLean receives a total in pay and allowances of $7,500. He received that before the economy act became effective. Since the economy act became effective he has become a rear admiral of the upper half, and the pay and allowances of a rear admiral of the upper half amount to $9,700, the same as a major general.

In the Treasury and Post Office Departments bill as passed by the Senate this officer would be advanced from $7,500 to $9,700, an increase of $2,200, and for doing identically the same work at this time as he was doing when the economy act was passed.

That is a concrete example of what this bill as passed by the Senate proposes to do. If we are going to undo what we did last year and start raising salaries, let us be frank about it and let the people know it.

And how is it proposed to pay for this increase, in part, at least? Listen, if you please. Congress in its wisdom, at the last session, refused to touch the pay envelopes of the enlisted men. There are seven pay grades for enlisted men. I shall use the average Navy rates, because they are generally higher than the Army rates. The pay of the top three grades only exceed $1,000. Here they are in order, $1,832, $1,451, and $1,202.

There is hardly a man among the enlisted personnel who has not a wife or dependents looking to him for support. What would you say, out of the compensations I have stated, he would have left for his personal needs after making remittances to his dependents, and yet, gentlemen, this bill as it comes from the Senate applies an 8⅓ per cent cut upon the pay of these men, and at the same time will add varying amounts, as high as $2,200, to the pay officers are now receiving.

Let me remind you, also, that we have already, for the next fiscal year, reduced the pay of enlisted men of the Army and the Coast Guard by taking away reenlistment allowances. The Budget proposes similar action as to the enlisted men of the Navy and Marine Corps. That course means a reduction in the pay of every enlisted man whose enlistment expires during the next fiscal year. It means a reduction in the top three grades at the rate of from 2.65 to 4 per cent per annum. Personally, I have no sympathy with that action. It is a Budget recommendation. To take away an additional 8⅓ per cent, to my mind, would be the height of folly.

Mr. Speaker, I want to know if we may have the assurance of the gentleman that he will bring these two propositions back to the House in disagreement if the Senate conferees will not recede?

### JOSE RAMON CORDOVA

The Clerk called the next bill, H. R. 6785, for the relief of Jose Ramon Cordova.

Mr. HOLLISTER. Mr. Speaker, I object.

Mr. CHAVEZ. Will the gentleman reserve his objection?

Mr. HOLLISTER. I will reserve the objection for the gentleman to make a statement.

Mr. CHAVEZ. In 1916 there was an uprising of Piute Indians in western Colorado and eastern Utah. The United States marshal there dispatched several citizens to go out into the country and try to get rid of this uprising amongst the Indians. Among those men sent was this man Cordova and a man by the name of Aikin. There was a battle between the duly authorized Government agents, the deputy marshals, the marshal, and the rebellious Indians. Mr. Aikin was killed. Mr. Cordova was shot in the arm and shot through the chest. He has been an invalid ever since.

In 1920 the gentleman from Colorado [Mr. TAYLOR] secured the passage of a bill for the relief of the widow of Mr. Aikin, and there was a bill favorably reported for the relief of Cordova, but for some reason the gentleman from Colorado was unable to get in contact with Cordova, who lived out in the wilds of Colorado, New Mexico, and Utah, and it was only last December when we received a request from the American Legion post at Farmington, N. Mex., telling of the condition of this man and the condition he has been in since 1916, that this matter was taken up. He was dependent, even during the war, on two sons, both of whom

went overseas. He has been bedridden. This bill was placed before the committee at the request of one of the American Legion posts in my State. The man was shot while doing his duty. They could not do anything else except go out with the United States marshal when the Indians were uprising.

The bill has been reported favorably, and a bill of similar import has heretofore passed for the widow of Mr. Aikin. The Department of Justice and the Attorney General recommend this bill for passage, and I do hope that justice may be done this man at this late hour. He only has a few years to live, and I was hoping this might get through so that he might get what he has had coming to him for a long time. If the gentleman from Colorado [Mr. TAYLOR] had been able to contact him, the Congress would have passed this bill as far back as 1920, when the bill for the relief of Mrs. Aikin, the widow of the man who was killed, was passed.

Mr. HOLLISTER. I would like to ask why the long delay. That is a long time to delay a matter of this kind.

Mr. CHAVEZ. The gentleman will appreciate that this poor man lives out in the country. Probably he does not know as much as some of us are supposed to know. If the American Legion post had not called my attention to this bill, you would not have it here to-day. After they saw the condition of this poor old man, they brought it to my attention. If it had not been for that, you would not have had the bill here. In other words, no one attended to or cared about him.

Mr. HOLLISTER. The report is very inadequate. The report does not state any of those facts at all.

Mr. SCHAFER. Will the gentleman yield?

Mr. CHAVEZ. I yield.

Mr. SCHAFER. I made the report, and I wish to state that the report sets forth all the facts. The report sets forth the full circumstances in a letter, over the signature of the Attorney General, William D. Mitchell, on page 2, in which he says he shall not interpose objection. That indicates the degree of the permanent disability at the time of the injury. The report indicates that the injuries were incurred in line of duty, while enforcing the law. The report also indicates the man's condition as totally disabled on March 11, 1932. In fact, I was very careful to request the author of the bill to wire for a physician's statement, showing the physical condition at that time. This is one of the most meritorious bills which our committee has ever had before it. There was not a question raised against it when it was before the full Claims Committee. Here is a man, totally disabled, shot through the lungs which resulted in pulmonary hemorrhages, and shot in the arm which caused paralysis. This injury was received while serving the Government of the United States in the position of a law-enforcement agent. He is totally disabled and helpless; and in view of all the facts incorporated in this report, I believe we should not hesitate to pass this bill if we are going to pass any bill at all on this calendar.

Mr. HOLLISTER. I am sorry to say the report does not show everything which the gentleman has stated. It does not say anything about his condition for the past 18 years.

Mr. SCHAFER. Here is the physician's statement showing the man's condition in 1932. This statement as to the man's physical condition is worth a great deal more than the statement of a layman, either on the floor of the House or off the floor of the House. The Attorney General's report indicates the serious nature of the disability in 1916 and it is corroborated by the physician's statement showing total disability on March 11, 1932.

Mr. HOLLISTER. Mr. Speaker, with the understanding that the amendment will be accepted, changing the amount to $2,500, I withdraw my objection.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jose Ramon Cordova, of Gallup, N. Mex., the sum of $5,000 for injuries sustained during February, 1915, while in the discharge of his duties as member of a posse organized by the United States marshal for the district of Utah for the capture of Tse-Ne-Gat, alias Everett Hatch, a Piute Indian charged with murder.

With the following committee amendment.

Page 2, line 1, after the word "murder," add the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

Mr. HOLLISTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Page 1, line 6, strike out "$5,000" and insert in lieu thereof "$2,500 in full settlement of all claims against the Government of the United States."

The amendment was agreed to.

Mr. SCHAFER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I realize that the only way the author of this bill could get some relief for this distinguished citizen was by accepting the amendment offered by one of the regular objectors before the unanimous-consent stage had passed.

Mr. BLANTON. As to objectors, is the gentleman one of the regulars or irregulars?

Mr. SCHAFER. I am not yielding to the gentleman now. Some other time I shall be pleased to yield to him as often as he desires.

These are the facts in the case: The committee report indicates that this man suffered a total and permanent disability. He was shot through the arm and was shot through the chest with the result that he has paralysis of the arm and pulmonary hemorrhages of the lungs. These injuries were sustained while serving the great Government of the United States as a law-enforcement agent on the trail of a murderer.

In order that his complete condition several years later could be before the committee and the House, I requested the author of the bill, when we considered the bill in the subcommittee, to wire to the American Legion post for a physician's statement showing the present condition, and that physician's statement is incorporated in the committee report. It reads as follows:

FARMINGTON, N. MEX., *March 11, 1932.*

Hon. DENNIS CHAVEZ:

Just examined Jose Ramon Cordova because of shot wound in arm. It has very little sensation. Because of shot wound in chest he has frequent hemorrhages from lungs. These hemorrhages occur upon least exertion. I consider him totally disabled for manual labor.

J. E. REECE, M. D.

The committee report sets forth the facts and circumstances justifying relief for this beneficiary, and the concluding paragraph of the report from the Attorney General states that in view of the facts of the case the Attorney General will interpose no objection. Yet we find here in the case of this man who served the Nation and was totally disabled by a shot in the arm and a gunshot wound in the chest resulting in pulmonary hemorrhages, that he is denied the maximum compensation which Congress has been allowing in cases of total disability. His case is put up on the auction block under this unanimous-consent procedure, and in order to get some relief for the poor unfortunate man the author of the bill has to accept an arbitrary reduction of 50 per cent. Otherwise the bill would not be considered in the House and no relief would be given.

Certainly, when you consider the facts, this is one bill which indicates the pernicious operation of this auction-block system, where claimants are denied the benefits due them because of the whims of some of the objectors who are sent out here on the floor of the House to overcome the

unanimous judgment of a standing committee of the House of 21 members of the Claims Committee.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER. I yield to my distinguished colleague from Texas.

Mr. BLANTON. The gentleman said the man had pulmonary hemorrhages of the lungs. Is there any hemorrhage of the lungs that is not pulmonary?

Mr. SCHAFER. That is a facetious interjection and beside the point. The gentleman can now talk about politics, but I saw him in the well of the House to-day apologizing for the Democratic majority which has been in control of the House for two years.

Mr. BLANTON. No; you did not.

Mr. SCHAFER. For its failure to reduce appropriations and to pass consolidations.

Mr. BLANTON. No; you did not.

Mr. SCHAFER. I saw and heard the gentleman on the floor of the House.

Mr. BLANTON. You saw me attempting to put back in their boxes some jack-in-the-boxes from across the aisle who had jumped out of their box.

Mr. SCHAFER. I saw the gentleman in the well of the House apologizing for his party's failure to reduce expenditures and for failure to consolidate various bureaus and activities. From his speech I gathered that the gentleman in the near future will offer an amendment to a bill to divest Congress of all its powers under the Constitution, give them to the next President of the United States, dissolve Congress, recall the appropriation for the legislative branch of the Government, and go back to Texas.

[Here the gavel fell.]

Mr. PITTENGER. Mr. Speaker, I rise in opposition to the pro forma amendment, and will not take much of the time of the House.

I wish to call attention to page 3731 of the RECORD for February 9, where appears a report of the consideration of the bill H. R. 8403. Some unfortunate language is used there which might indicate I was trying to mislead the House as to the provisions of that bill. The gentleman from Mississippi [Mr. COLLINS] was smiling when he made his suggestion that I was not stating the facts quite accurately about the bill. Three or four of us were talking at the same time after he had made his statement and the reporter evidently did not get my very vigorous objection to my colleague's statement.

I said that this bill only involved appropriations of $300 or $400, which was substantially correct.

I said the bill was a bookkeeping proposition, and that was correct.

The purpose of the bill was to relieve certain disbursing officers of errors and discrepancies in connection with the accounting work of the War Department. If you do not relieve them, the Government will have to sue them at expense to the Government and then try to collect.

So my statement in connection with the bill was substantially a correct statement. I did not have an opportunity to discuss the bill at any length.

The committee report indicated all the facts, and I know my friend the gentleman from Mississippi [Mr. COLLINS] did not want to leave any impression on the House that I was trying to mislead the House on a bill which I considered was very meritorious.

Just one thing more: This bill is here because there is a dispute on between somebody over in the Comptroller General's office and the War Department as to a matter of policy. I think the gentleman, whoever he is, in the Comptroller General's office is wrong in the attitude he takes.

The Secretary of War recommended the bill. I think it is a proper bill. I think he did the right thing. I think the Comptroller General's office is mistaken in its position.

Mr. Speaker, I make these remarks so that the rather humorous attitude and comment of my friend from Mississippi, as it appears in yesterday's RECORD, will not be taken seriously. He is misled by the Comptroller General's office.

Mr. BACHMANN. What is the number of the bill to which the gentleman refers? There were two bills of a similar nature before the House yesterday.

Mr. PITTENGER. I am referring to the bill H. R. 8403.

Mr. BACHMANN. If the gentleman will look at the second bill, he will find that the last provision provides for an expenditure of over $9,000.

Mr. PITTENGER. No; there is no expenditure at all—just bookkeeping. That relieves a colonel of a liability for which some one else was responsible and for which he is not legally liable. You either relieve him or else you sue him.

Mr. BACHMANN. That is more than a few hundred dollars, as the gentleman stated.

Mr. PITTENGER. But no appropriation is required. My statement had to do with appropriating money. None is appropriated here.

Mr. BACHMANN. But the Government stands to lose $9,000.

Mr. PITTENGER. I will bet the gentleman a nickel the Government will never collect a nickel from the colonel, but may go to a lot of expense on a groundless claim against him. The primary purpose of this bill is to correct records and errors.

The pro forma amendment was withdrawn.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RUFUS HUNTER BLACKWELL, JR.

The Clerk called the next bill, H. R. 6975, for the relief of Rufus Hunter Blackwell, jr.

Mr. HOLLISTER. Mr. Speaker, I object.

CHARLES A. BROWN

The Clerk called the next bill, H. R. 7649, for the relief of Charles A. Brown.

Mr. HOLLISTER and Mr. STAFFORD reserved the right to object.

Mr. BLOOM. May I ask the gentleman from Ohio for what reason he objects?

Mr. HOLLISTER. As far as can be gathered from the report and the whole circumstances of the case, it looks like a typical automobile accident at a corner where there is contributory negligence on the part of the claimant. There is no evidence whatever to the contrary, and it does not seem to be a case where in the ordinary private situation there would be any recovery on the part of the claimant.

Mr. BLOOM. I would like to ask the gentleman if he has read the report.

Mr. HOLLISTER. I have read the report very carefully.

Mr. BLOOM. It is a fact that the United States Government exacted of the truck driver payment for damages on account of the negligence of the driver, and the Government collected this money out of the salary of the driver.

Mr. HOLLISTER. That is perfectly possible but would not necessarily change the situation. The driver might have been negligent as well as the person concerned in the act. Of course, I have only the report before me. Has the gentleman any further report from the Post Office Department?

Mr. BLOOM. The report shows that the Government employee driving the truck on official duty was negligent, because he did not blow his horn.

If the gentleman could understand the situation at Seventy-second Street and Broadway, he would realize that in crossing that street it was necessary for this man to blow the horn, and if the driver of the postal truck were not at fault, the Government certainly would not have asked him to pay the cost of repairing the postal truck.

Mr. STAFFORD. If the gentleman will permit, the difficulty I have in comprehending liability on the part of the Government is that I read between the lines that the claimant was guilty himself of driving recklessly past this point of intersection.

Mr. BLOOM. No; it is just the reverse.

Mr. STAFFORD. Traffic goes very fast on Broadway.

Mr. BLOOM. At this corner, may I say to the gentleman, the traffic of the direction of the private car has the right of way just the same as in the District of Columbia.

Mr. STAFFORD. And the truck was going north and south.

Mr. BLOOM. No; the car was going north and south and the truck was coming across the street and the private automobile was damaged.

Mr. STAFFORD. No; the Government employee driving the truck was traveling to the northward on Broadway.

Mr. HOLLISTER. Yes; the postal truck was going north, according to the report, and the truck had the right of way.

Mr. STAFFORD. Upon the statement of the gentleman from New York, I think we shall have to object.

Mr. BLOOM. Mr. Speaker, as this is a day of compromise and agreement, does not the gentleman think that this party who paid $1,100 for hospital expenses is entitled to something?

Mr. STAFFORD. I read this report very carefully, and the gentleman from Ohio has read it very carefully. I thought the claimant was guilty of negligence in driving very fast, and $1,000 would be more than ample under the circumstances.

Mr. HOLLISTER. Mr. Speaker, I object.

VINCENT J. CONRAD

The Clerk called the next bill, H. R. 7654, for the relief of Vincent J. Conrad.

Mr. HOPE. Mr. Speaker, I reserve the right to object.

Mr. CHRISTGAU. I do not know how familiar the gentleman is with this case. This soldier had been away from the camp on pass and during his absence the camp cot caught fire and destroyed his property. I realize that the general law holds that in order for a man to be reimbursed for his own loss he must have been engaged in saving human life or Government property, but in this case that was utterly impossible. Another soldier who lived in the same barracks happened to be there and took out two trunks and in those trunks were some field glasses and a Government pistol, and because Government property was in these two trunks he was reimbursed, while this soldier was denied the reimbursement which he deserved.

The purpose of this bill is to correct an evil in the existing law and I hope the gentleman will not object.

Mr. HOPE. If there is fault in the existing law, it should be corrected by general legislation. I call attention to the opinion of the War Department, in which it says:

> Many similar claims are on file in the War Department wherein payment has been denied, and it is therefore recommended that favorable consideration be not given the proposed legislation, inasmuch as the granting of this relief would be giving to one individual consideration that has been and must be denied many others.

If it is true, as the gentleman says, there is a defect in the general law, it ought to be corrected, but I do not think it should be corrected in a bill of this character.

Mr. CHRISTGAU. This is a meritorious case, and I do not think we should compel this man to wait for general legislation.

Mr. HOPE. Mr. Speaker, I am compelled to object.

BURTON S. ADAMS

The Clerk read the next bill on the Private Calendar, H. R. 10104, for the relief of the heirs of Burton S. Adams, deceased.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I assume that the author of the bill will not object to an amendment providing that no payment hereunder of any of the allowances authorized by the bill shall accrue prior to the enactment of this act?

Mr. BLACK. No.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That in recognition of the fact that Burton Stearns Adams lost his life while in the performance of his duty as an employee of the Corps of Engineers, United States Army, and in recognition of the fact that his death resulted from overexertion in connection with the performance of official duties, the United States Employees' Compensation Commission is hereby authorized and directed to receive the claim of Emma E. Adams, the widow of Burton Stearns Adams, and to grant compensation to the widow and dependent child in the amounts prescribed by the Federal compensation act of September 7, 1916, and amendatory acts, to be allowed in the case of an employee whose death occurred in line of duty.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment:

The Clerk read as follows:

> At the end of the bill insert: "*Provided*, That no payment hereunder of any of the allowances authorized by said compensation act shall accrue prior to the enactment of this act."

The amendment was agreed to.

Mr. McGUGIN. Mr. Speaker, I move to strike out the last word. I hesitate to take the time of the House at this time, but I wish to speak for a few moments out of order.

Mr. BACHMANN. Mr. Speaker, I shall object to that. This time has been set aside for the Private Calendar. If the gentleman from Kansas is permitted to speak out of order, others should have the same right.

The SPEAKER pro tempore. The gentleman from Kansas moved to strike out the last word, and the Chair has not heard the gentleman yet.

Mr. BACHMANN. He said that he was about to speak out of order.

Mr. BLACK. I do not mind any Republican getting five minutes for a speech. [Laughter.]

Mr. BACHMANN. I do not want to prevent the gentleman from Kansas from speaking, but Members have been here all the afternoon waiting and expecting their bills to come up, and it is not fair to take up this time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GIVE MR. ROOSEVELT THE POWER TO DO WHAT MUST BE DONE FOR THE COUNTRY, AND THAT WHICH CONGRESS CAN NOT OR WILL NOT DO

Mr. McGUGIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD, and I hope that does not offend the gentleman from West Virginia.

The SPEAKER pro tempore. Without objection, it is so ordered.

Mr. McGUGIN. Mr. Speaker, it always pays to recognize truth. It never pays to dodge the truth simply because the truth may be unpleasant. Parliamentary government is failing to meet the emergency which now confronts the American people. It is not surprising that this should be true. Parliamentary government is particularly fitted to protect human liberty under ordinary times and conditions. Parliamentary government is the greatest governmental blessing which has been conferred upon mankind.

Parliamentary government, like every other human institution, has its weakness as well as its strength. The inherent and natural weakness of parliamentary government is that it is full of indecision and can not function during a great emergency. Parliamentary government is as helpless in functioning in an emergency, such as we are now experiencing, as a counsel of 435 men would be unable to function in leading an army in the midst of battle. The indecision of such a counsel would break down the morale of an army.

The United States is to-day confronted with a condition which is equally as much in need of quick and accurate decision as is the army in battle.

We have a Government which has for three years spent more money than it has taken in. For the fourth year, it is going to spend more money than it is taking in. Such a program will mean the ultimate collapse of Government. This condition can not be corrected except that there be drastic reductions in expenses and additional revenue obtained for the Government. Parliamentary government breaks down in this situation. Four hundred and thirty-five men in the House of Representatives can not agree on any measurable reduction in expenses. Likewise they can not agree on any form of substantial new revenue. This inde-

cision leaves Government in a helpless situation, day by day drifting into greater chaos.

Sooner or later, the American people simply can not suffer the indecision of Congress. Before the American people will permit all Government to collapse in this country, they will turn to some form of dictator. There are just two forms of dictators, namely, the constitutional dictator in the form of a President, and the dictator on horseback. The latter form of dictator is intolerable. It is destructive of free government. The constitutional dictator in the form of President is bearable and the people can suffer it until they are through the emergency. At the end of the emergency, we need have no fear of the people's not throwing off the yoke of dictatorship.

I favor giving to the incoming President, Mr. Roosevelt, unlimited power in the financial affairs of government. I do not know whether or not he can save this country. The best that Congress can do is to give him a chance. We should give him the opportunity to do that which Congress can not and will not do. This we should do for the good of the country.

I am going to vote to give him such power. As I view the matter, loyalty to country requires that I do it. Some of my Republican brethren rebel against giving such power to the new Democratic President. My answer to that is, that even if there were nothing involved in this matter except politics, it is still good politics for the Republicans to give this power to Mr. Roosevelt. In the first place, it is the one best chance to save democratic government so that there will be any need for any political party. In the next place, as soon as the emergency is passed the people will rebel against dictatorial power in the hands of the President, and the party out of power will be the beneficiary of that rebellion. There could not be a better illustration of this fact than the situation of Woodrow Wilson in his last term. Congress gave him full power so that the Government could function during the war. As soon as the war was over, what happened? The people rebelled against this extraordinary power in the hands of the President and were eager to return to a democratic form of government. As a result, the people turned this country over to the Republicans in 1920, as if they were being given something on a silver platter.

On the contrary, if the Republican Party, during the next administration, sets itself up as merely a nagging opposition party, it will probably not come back to power for many years. The Democratic Party tried that policy after the Civil War. The result was that it has practically been out of power continuously.

This position does not mean that the Republican membership in Congress should on every occasion bow to every whim or suggestion of the new President. It is perfectly proper for the Republicans to oppose and criticize a program submitted by the new President which their judgment tells them is economically and governmentally unsound. During these trying times, our opposition must be based on the absolute needs of the Government unmindful of partisan advantage. Therein lies the best politics as well as the best statesmanship.

When the new President is willing to try to do that for the country which must be done to preserve the Government and which experience has taught us that Congress can not and will not do, the Republicans can not afford to oppose that program.

I realize that Mr. Hoover asked for power to function and that the Democrats denied him that power. In doing so, they greviously wronged the country. I realize that the present Democratic membership of the House in their hearts resented giving to President Hoover a dog's chance. They resented giving him power to reorganize the Government. In the last session they finally grudgingly voted to give him restricted power to reorganize the Government; then when he did it, they wronged the country by rejecting his program. However, that is no excuse for the Republicans to follow the same policy. There is only one way for the Democrats to atone for the wrong they did the country in hamstringing President Hoover, and that is for them to give the power and greater power to Mr. Roosevelt than that which they denied to Mr. Hoover and then for Mr. Roosevelt, the Democratic President, to function as Mr. Hoover would have functioned had he been given the power.

I appeal to Republicans and Democrats alike to give to Mr. Roosevelt the full power and authority to do that which experience has proved that Congress can not and will not do in restoring the financial stability of this Government.

GUILLERMO MEDINA

The next business on the Private Calendar was the bill (H. R. 10891) to provide for the reimbursement of Guillermo Medina, hydrographic surveyor, for the value of personal effects lost in the capsizing of a Navy whaleboat off Galera Island, Gulf of Panama.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $66.80 to Guillermo Medina in full compensation for the loss of personal property as the result of the capsizing of a United States Navy whaleboat off Galera Island, Gulf of Panama, on September 25, 1928.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ESTATE OF PETER PAUL FRANZEL

The next business on the Private Calendar was the bill (S. 1586) for the relief of the estate of Peter Paul Franzel, deceased.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Peter Paul Franzel, deceased, the sum of $168.36, in full satisfaction of all claims of such estate against the United States arising out of any payment made by the estate of Peter Paul Franzel in pursuance of an offer made by the said Peter Paul Franzel in compromise of liabilities alleged to have been incurred by him through violation of the national prohibition act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PRICE HUFF

The next business on the Private Calendar was the bill (H. R. 11035) for the relief of Price Huff.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. Mr. Speaker, I reserve the right to object. I notice that this provides that this man shall have rights to his adjusted certificate. It is my understanding that now, even though a man may have been honorably discharged, the time for acquiring an adjusted-service certificate has expired.

Mr. MAY. No; that is not correct. The difference is that if he is now awarded an adjusted-service certificate, it is dated as of the date it is issued, and not as of 1924.

Mr. GRISWOLD. But a man to-day who has not made application before this time, even though he be honorably discharged, can not get his adjusted-service certificate.

Mr. MAY. Oh, yes; he can, up to 1935.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman explain whether the beneficiary of this bill will be eligible for disability allowance and compensation and all of the other war benefits?

Mr. MAY. No; this merely affects the right of this soldier to have his adjusted-service certificate.

Mr. HANCOCK of New York. Upon the theory that he served honorably during the duration of the war and actually earned the adjusted compensation?

Mr. MAY. Yes. He is barred from any other pension, back pay, or anything of that kind.

Mr. HANCOCK of New York. Will the gentleman insert an amendment incorporating the usual language, so that it will read that the man was discharged under honorable conditions?

Mr. MAY. I think the phraseology of the bill as it is does that. It is the same thing. It provides that he shall be considered to have been honorably discharged from the mili-

tary service of the United States as a member of that service on the 6th day of February, 1920, and then follows the usual proviso.

Mr. HANCOCK of New York. The practice is quite uniform to use the phrase "may be held to have been discharged under honorable conditions." It means the same, but we are trying to get uniformity in bills of this sort.

Mr. MAY. A representative of the War Department, who is an attorney, passed on the phraseology of this particular bill.

Mr. HANCOCK of New York. Nevertheless, that has been the custom here, and most of the bills drawn in the Military Affairs Committee or in the Naval Affairs Committee use that phraseology. There is a good reason for it, which I am not able to explain myself. Has the gentleman any objection to such an amendment?

Mr. MAY. I do not think it would affect the matter at all. It will not affect his right to a service certificate.

Mr. HANCOCK of New York. It does not affect that at all.

Mr. MAY. Very well. I will accept such an amendment.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Price Huff, who was a member of the Chemical Warfare Service, United States Army, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that service on the 6th day of February, 1920: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 6, strike out the word "hereafter," and on page 2, line 1, after the word "act," insert "*Provided further*, That if the said Huff shall within 12 months from and after the final passage and taking effect of this act file with the Veterans' Administration a claim for adjusted-service compensation under the provisions of the World War veterans' act of 1924, as amended, then and in that event nothing in this act contained shall be construed to prevent said veteran from being allowed his adjusted-service certificate, if he be found otherwise entitled thereto."

Mr. COCHRAN of Missouri. Mr. Speaker, I move to strike out the last word. Yesterday I objected to a bill which sought to give a soldier an honorable discharge. The Member who introduced the bill seemed to feel that that objection was not warranted and complained that other bills were passed granting honorable discharges to men who had deserted. The bill under consideration grants an honorable discharge to a man who is alleged to have deserted, but there is a considerable difference between the two bills. The bill to which I objected yesterday would give an honorable discharge to a man who entered the service on June 28, 1918, and who on August 10, 1918, disappeared. He returned to his command in February, 1919, after the war was over. His desertion occurred during time of war. The veteran affected by this bill served throughout the war and was in major engagements, not one but several. He deserted several years after the war.

The man whose bill was before the House yesterday is alleged to have suffered a throat disability. There is nothing in a medical way that connects a throat disability with a man's legs. He was able to walk. We expended millions and millions of dollars to give the men in the camps hospital service and attention when they became ill. The man had no right to leave his command in August.

There is another thought to be considered in this connection. When he left, the gap that he made by leaving had to be filled, and when that organization went abroad some other mother's boy went with the organization, filling that gap, and we do not know whether that other boy ever returned to this country or not.

I say, whenever a bill is being considered, unless it can be shown that the soldier or sailor who deserted from the Army or the Navy during the period of the war—between April 6, 1917, and November 11, 1918—was of unsound mind, I propose to object to the bill. I think the objection is well taken, and I do not think a Member of Congress should be criticized for stopping such a bill, even though it be reported by a legislative committee of this House.

The man who stayed on the job until the last shot was fired is entitled to consideration, and, unless the offense is most severe, he will have my sympathy and assistance, as will the man who left during the war who was of unsound mind; but the man who deserted while his country was at war should not now be given an honorable discharge. Remember, every time a soldier deserted during the period of the war another boy had to take his place. Unless there is some extraordinary condition that enters the case, we should not by an act of Congress give a man an honorable discharge who left his comrades in an emergency. If my contention is not sound, I would like to have someone assail it. There is nothing personal in my actions; simply a desire to do what I think should be done.

Mr. GOSS. Mr. Speaker, I rise in opposition to the pro forma amendment for the purpose of keeping the RECORD straight on the bill referred to by the gentleman from Missouri. I reported that bill for the gentleman from Georgia [Mr. PARKER]. In fairness to the veteran whose case is in dispute here, I wish to say that he was inducted into service and had one month's service when he was taken sick and went home. He was home for several months, but during that entire period he was in touch with the county sheriff and other officers in charge of his case. Heart trouble developed as the result of that pharyngitis. The sheriff was in touch with him. He was in bed. Just as soon as that veteran was physically able he returned of his own volition to camp and was then thrown into the stockade, and two weeks later he was sent to a base hospital for further treatment.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. COCHRAN of Missouri. Is it not a fact that he left his command without permission?

Mr. GOSS. He was A. W. O. L.

Mr. COCHRAN of Missouri. That means he left without permission.

Mr. GOSS. That is true.

Mr. COCHRAN of Missouri. Is it not a fact that we had the best surgical and medical men in this country in every camp in the country, where this man could have received treatment?

Mr. GOSS. But he got it when he went home on a pass.

Mr. COCHRAN of Missouri. But he left his command without permission, and he deserted. The gentleman may call it "A. W. O. L.", but in this case it is desertion.

Mr. SCHAFER. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. SCHAFER. Did he not return after the war was all over?

Mr. GOSS. Certainly, just as soon as the doctors let him out.

Mr. SCHAFER. And if the war was still going on, he would not have returned until this date.

Mr. McCORMACK. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. McCORMACK. A. W. O. L. is the right of all privates. I went A. W. O. L. many times, but I reported back; and if a man took sick when he was away A. W. O. L., there is nothing serious about that.

Mr. COCHRAN of Missouri. But the gentleman did not report back after the war was over when he went A. W. O. L. The gentleman was a soldier, not a skipper.

Mr. McCORMACK. But if I had taken sick, I would have had to stay at home, would I not?

Mr. COCHRAN of Missouri. Mr. Speaker, I withdraw the pro forma amendment.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment to the committee amendment: Page 2, line 3, strike out the words "from and" and also the words "after

the final passage and taking effect" and insert in lieu of the latter the word "enactment," so that it will read "after the enactment."

Mr. MAY. Instead of "after the final passage"?

Mr. STAFFORD. Yes.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 2, line 3, strike out at the beginning of the line the words "from and," and after the word "the" strike out the words "final passage and taking effect" and insert in lieu thereof the word "enactment."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment in line 7 to strike out the word "honorably," and after the word "discharged" insert "under honorable conditions."

Mr. MAY. I accept the amendment.

The Clerk read as follows:

Amendment by Mr. HANCOCK of New York: Page 1, line 7, strike out the word "honorably," and after the word "discharged" insert the words "under honorable conditions."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM L. JENKINS

The Clerk called the next bill, H. R. 997, for the relief of William L. Jenkins.

Mr. EATON of Colorado. Reserving the right to object, I would ask the author of this bill if he can make an explanation as to why this former consul ought to be relieved of accountability for $2,000 represented by this bill? It appears by the statement that he received the $2,000, but its disbursement does not appear by the report. His excuse is only that there are no vouchers. What are the facts?

Mr. WATSON. I have taken a deep interest in this bill. I have called on the department a great many times—upon Mr. McCarl and upon Mr. Carr.

In no case have I found the money has not been received. The only objections they have, that the vouchers had not been received, and they want the vouchers in order to have the account properly on the books. It was during a period of war.

Mr. EATON of Colorado. Aside from the vouchers, is there no statement showing how the money was expended? Have you no statement of the State Department or the Comptroller General, or anyone, to show how the money was expended?

Mr. WATSON. It is very strange. The department does not assert they have not received the money. It is only a case where they have not received the vouchers. We have a letter from Mr. Carr, in which he states:

In view of the information contained in the attached copies of correspondence and the apparent inability of Mr. Jenkins to furnish vouchers in support of his draft dated December 8, 1916, in the amount of $2,000, the department is of the opinion that he should be allowed credit for that amount as provided for in the proposed bill.

Mr. EATON of Colorado. Whose statement is that?

Mr. WATSON. That is the statement of Mr. Wilbur J. Carr, Acting Secretary of State. In no case has any member of the department claimed that Mr. Jenkins had been dishonest and not returned the money.

Mr. EATON of Colorado. Perhaps I did not make myself clear. Nowhere in this 8-page report is there a statement that the money was ever spent or disbursed for any governmental purpose, or purposes of the office held by Mr. Jenkins.

Mr. WATSON. It is very plainly shown that a great number of people in Trebizond were starving, and this money was required to feed them. An order was sent to Petrograd for the money, and the money was sent to Mr. Jenkins.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. WATSON. I yield.

Mr. STAFFORD. I had occasion only this morning to read the report. I read it very carefully. The letter of the claimant as late as August 22, 1932, explains how the vouchers were lost because of the transfer from Trebizond to Tiflis, and the letter of Mr. Carr shows that the reason why this account was not allowed was because these vouchers got mixed up in the transfer during the height of the war. There is no question in my mind but what it is a meritorious claim.

Mr. PATTERSON. In a way, it is just a matter of bookkeeping.

Mr. STAFFORD. It appears that Vice Consul Montesanto left Trebizond for Russia and it is supposed he took the vouchers with him.

Mr. EATON of Colorado. In other words, this money was expended for the relief of destitute people at that time.

Mr. WATSON. For the relief of destitute people at Trebizond.

Mr. EATON of Colorado. And the vouchers not being obtainable this bill is necessary to clear the record.

Mr. WATSON. The gentleman has stated the case correctly; and also to clear Mr. Jenkins's honor.

Mr. EATON of Colorado. Mr. Speaker, I withdraw my objection.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the General Accounting Office be, and is hereby, authorized and directed to credit the accounts of William L. Jenkins as American consul, formerly at Trebizond, Turkey, with the sum of $2,000, such sum representing the amount for which he is held personally liable on account of official vouchers lost because of warlike conditions in Turkey during 1916 and 1917.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEWIS E. GREEN

The Clerk called the next bill, H. R. 999, for the relief of Lewis E. Green.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, I have here the proper form for the presentation of the claim to the Employees' Compensation Commission where the employee failed to present his claim within the time required by the statute of limitations. If the author of the bill is willing to accept this as an amendment, I have no further objection to the bill.

Mr. WATSON. Will the gentleman explain the effect of the amendment?

Mr. EATON of Colorado. The effect of the amendment is to present the claim of this person to the United States Employees' Compensation Commission as if he had made it within the time required under the statute; and it provides that no benefit shall accrue prior to the enactment of this act.

Mr. WATSON. It does not weaken the bill any, then?

Mr. STAFFORD. Only to this extent: In the last Congress bills were passed in the form of the gentleman's bill where we had the assurance of the chairman of the Committee on Claims that no payment would be made retroactive from the date of the passage of the bill. Through the influence of some powerful person they got an interpretation by the Employees' Compensation Commission that the compensation allowance dated back to the date of the injury, an outrageous interpretation. We are now safeguarding the Government's interest in these cases by providing that no allowances shall be held to have accrued prior to the enactment of the act.

Mr. WATSON. I accept the gentleman's amendment. I may say on behalf of Mr. Green that he worked for three months after the accident. His eyes were affected. He then became blind. He did not attempt to file his claim until several weeks after he had become blind. I want to give this credit to Mr. Green.

Mr. STAFFORD. There is no question but what it is a meritorious claim. It is merely a question of safeguarding the Government's rights.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the United States Employees' Compensation Commission is hereby authorized and instructed to receive and determine the claim of Lewis E. Green, a former employee in the United States Arsenal at Tullytown, Pa., without regard to the limitation of time within which such claims are to be filed under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended.

Mr. EATON of Colorado. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Strike out all after the enacting clause and insert: "That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Lewis E. Green, who purports to have suffered injury on April 15, 1925, while employed at the United States Arsenal at Tullytown, Pa., in the same manner and to the same extent as if said Lewis E. Green had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefit shall accrue prior to the enactment of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

RAPIDES PARISH, LA.

The Clerk called the next bill, H. R. 11242, to relinquish the title of the United States in and to lands in Rapides Parish, State of Louisiana.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That all the right, title, and interest of the United States in and to section 57, township 4 north, range 1 west, Louisiana meridian, Rapides Parish, La., containing 135.44 acres, as shown on a plat of survey made by A. C. Phelps, deputy surveyor, approved March 13, 1839, by H. F. Williams, surveyor general for the district of Louisiana, and segregated thereon as a double concession, be, and the same is hereby, released, relinquished, and confirmed by the United States to J. Taylor Compton, T. Maddox Compton, Ursula Compton Craig, and the legal representatives of J. M. Armstrong, and to their respective heirs and assigns forever: *Provided*, That the said parties shall first submit to the Secretary of the Interior satisfactory evidence of long continuous possession of the said land under claim or color of title, together with payment for the said land at the rate of $1.25 per acre.

SEC. 2. That when the required evidence and payment have been made, a patent shall issue for the said described land to J. Taylor Compton, T. Maddox Compton, Ursula Compton Craig, and the legal representatives of J. M. Armstrong: *Provided*, That such patent shall only amount to a relinquishment of any right, title, and interest of the United States in and to the land.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

B. F. HART

The Clerk called the next bill, S. 222, authorizing adjustment of the claim of B. F. Hart.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of B. F. Hart in the sum of $65 as the bona fide holder of check No. 4957, dated May 15, 1925, issued by C. C. Collins, special disbursing agent, United States Veterans' Bureau, to the order of Theodore John Gustavus in payment under a vocational rehabilitation award, which payment was later determined to be unauthorized, and to allow in full and final settlement of said claim an amount not exceeding $65. There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $65, or so much thereof as may be necessary, for payment of said claim.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WILLIE B. CLEVERLY

The Clerk called the next bill, S. 902, for the relief of Willie B. Cleverly.

The SPEAKER. Is there objection?

Mr. BACHMANN. Mr. Speaker, I object.

ORVILLE E. CLARK

The Clerk called the next bill, H. R. 1579, for the relief of Orville E. Clark.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. ROGERS. Will the gentleman reserve his objection?

Mr. EATON of Colorado. If the gentleman wants to make a statement, I reserve the objection.

Mr. RAMSPECK. Is the gentleman going to object?

Mr. EATON of Colorado. If the gentleman can give a proper reason why a man who is discharged in this way should receive this payment, I shall be pleased to hear what kind of reason he has.

Mr. ROGERS. I will tell the gentleman that the reason this claim made a favorable impression both upon the subcommittee and the entire committee, leading them to believe that this man in all fairness and equity was entitled to this $240, is best expressed in the unquestioned testimony that was brought before the committee that this man was duly commissioned as a captain in the United States National Guard and served as adjutant, and I now read directly from the report, which the evidence showed to be true:

Until January 12, 1918, at which time he was transferred to the depot, corps, and Army troops, Camp Wadsworth, S. C. Some time after, Captain Clark had been a member of the Second Pioneer Infantry and upon being informed that all other officers of the regiment had received their overseas examination, he remarked to the commanding officer of said regiment that he also would like to receive his examination. Nothing more was thought of this remark until about 10 days later he was ordered to appear before an examining board.

On so reporting he was handed a telegram from the War Department informing him he was honorably discharged from the service by reason of physical disability. At that time his attention was called to the fact that under an act of Congress of 1917, May 18, he should make claim for one month's additional pay and allowances when filing his final pay voucher. He made this claim under the law, and it was disallowed by the auditor of the War Department for the sole reason that the board finally appointed by the commanding general at that time was not appointed pursuant to this particular act.

This was the only reason the claim was disallowed. Then upon the suggestion of his regimental commander he came to Washington and made application for a reexamination, which was duly held in the Surgeon General's department, and as a result of this reexamination this man was recommissioned as a captain of the United States National Guard as of May 27, 1918, and served throughout the remainder of the war, being discharged July 17, 1919.

Mr. EATON of Colorado. You mean to say this man was a captain and did not know the difference?

Mr. ROGERS. He did what he was instructed to do, and the only reason the claim was not allowed was because the board of officers which was appointed by the commanding general at that time was not appointed pursuant to this particular act.

Mr. EATON of Colorado. And 15 years afterwards he comes in to get this $240 that he, as a captain, knew just as well then, as he knows now, he had the right to claim.

Mr. ROGERS. Oh, no; he did not.

Mr. EATON of Colorado. I think that is a fair statement from the report.

Mr. GRISWOLD. May I call the gentleman's attention to this particular feature of the claim, because I investigated it pretty thoroughly and was of the same opinion as the gentleman to begin with. This man, after being discharged by this medical board, was recommissioned and went overseas and served out his time, and the thing that they discharged him for in the first place was "flat feet in marked degree." The first board must have been mistaken, because this man was recommissioned and went overseas afterwards and served until July, 1919. He was required to spend a lot of money in being transferred around after being discharged, in order to be recommissioned.

Mr. EATON of Colorado. The very inconsistency pointed out is what impressed me that a man who rose to the rank of captain in the Army should not ask Congress to give him

$240 as back pay that he was entitled to in 1917, if he is entitled to it at all.

Mr. LEWIS. He was obliged to spend more than twice $240 on account of being wrongfully put out of the service and then restored to the service. He is making no money out of the transaction, and, in fact, is still a heavy loser.

Mr. EATON of Colorado. Let this go over, and if there is any opportunity to return to it, we can do so, and in the meantime I will read the report. I had no idea that this man had been reinstated; and even if I had, he knew then the facts and his claim has not been made until this time. Mr. Speaker, I object.

### OFFICE OF THE DISTRICT ATTORNEY FOR THE SOUTHERN DISTRICT OF NEW YORK

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

Mr. BACHMANN. Reserving the right to object, are we through with the Private Calendar?

The SPEAKER. We are through with the Private Calendar for to-day. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I rise here under protest, to call your attention to the fact that I have to-day introduced a resolution to investigate the office of the district attorney for the southern district of New York.

It is distasteful to me to do this, but the matter has gone so far that I think the House ought to know something about the condition of that office.

The Federal district attorney of New York is under the belief that the Republican Party was reelected at the last election, and from the day after election to the present time he has sent out thousands of subpœnas to innocent victims to find out if they saw anything wrong in the polling places.

Mr. SNELL. Is the gentleman referring to anything that took place in the House a few days ago?

Mr. DICKSTEIN. If the gentleman will allow me to proceed. Within three days after election he called the grand jury together and brought innocent people into the Federal court, trying to find out if some money for bribery was given any individual.

I assure you that the district he is aiming at, if you turned the people upside down, there would not be a nickel drop-out of any pocket.

At the same time he believes that money was given for the purpose of preventing votes to be cast for the Republican ticket. As a result of that crusade, for three months he has brought women and men to court, and he got a judge, a distinguished jurist, to my surprise, to issue an order for fingerprints and photographs of these alleged violators or conspirators.

Let me call your attention to the fact that we have several thousand cases for violation of the prohibition law that have been on the calendar for two years. We have at least a couple of hundred cases for violators, dope peddlers, and counterfeiters on the docket, and he has for three months kept his great office busy investigating the late election.

Nothing else was done by him and his assistants. Everybody is on the job to find out the great frauds that defeated the Republican Party. I venture to say that in one district between the tally sheets and the machine there was only a difference of 1 vote, and he indicted the whole board.

Remember gentlemen, I am not complaining about prosecutions in the district attorney's office, where the man is seeking to indict persons guilty of crime and where he is honestly discharging or seeking to discharge his duties.

I object most strenuously to the haling into court of innocent men and women whose only crime consists in being members of an election board seeking to certify that the Democratic and not the Republican ticket carried the last election.

The district attorney uses his office deliberately and maliciously to drag these people to court, make them lose their time from work, just so as to be able to prove that he has discovered frauds which as a matter of fact never existed.

As far as I know, this is the first time in the history of my city that a Federal district attorney took it upon himself to investigate elections.

It has been the unbroken tradition in New York for the local authorities and the State authorities to supervise all of our elections, and I do not know of any instance in the last score of years in which a Federal attorney would take it upon himself to become the chief investigator of alleged election frauds.

That is the sort of indictment the United States district attorney of New York after three months of investigation is getting. He has been indicting people most cruelly and unjustly seeking to take away from them their rights under the Constitution, both State and Federal.

Mr. SCHAFER. Why does not the gentleman have him impeached?

Mr. DICKSTEIN. What I say is enough for impeachment. I do not want to be that cruel. I want to give him and his assistants the opportunity to appear before the Committee on the Judiciary and present their defense, because I am ready to-morrow to prove that he is using that office for his own purpose and feathering his own nest and abusing the privileges of his office and powers vested in him.

I am interested only in the protection of the weak and innocent citizens of my district, who are not treated fairly and who are forced to be made defendants in criminal cases, and retain counsel at great expense so as to prove their innocence where nothing in the wide world justifies this uncalled-for conduct on the part of the Federal attorney.

I believe it is my duty as a Member of Congress to protect the interests of these prosecuted citizens, men and women, so as to prevent injustice to be done to them.

Let George Z. Medalie explain his conduct. If he is innocent, I shall be the first to declare my gratification; but if he is guilty, let justice act accordingly.

The SPEAKER. The time of the gentleman from New York has expired.

### THE LATE REPRESENTATIVE BUTLER

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by the gentleman from Oregon [Mr. HAWLEY] at the memorial exercises held in The Dalles, Oreg., for the late Representative ROBERT R. BUTLER, of Oregon.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Hon. W. C. HAWLEY, of Oregon, at the memorial exercises of the late ROBERT R. BUTLER at The Dalles, Oreg.:

These exercises are held under the auspices of the House of Representatives of the United States in memory of our former colleague, ROBERT REYBURN BUTLER, as an expression of the affection and esteem of the Congress.

Congressman BUTLER was born in Butler, Johnston County, Tenn., on September 24, 1881, and was the son of Dr. William Roderick Butler and his wife, Rebecca Carolin (Grayson) Butler.

He was educated in Holly Springs College and was graduated in 1903 from the department of law, Cumberland University, Lebanon, Tenn.

He engaged in the practice of law in Tennessee and Oregon for some 18 years. He was appointed circuit judge of the eleventh judicial district of Oregon, from which position he resigned after a service of two years. He was a member of the Oregon State Senate from 1912 to 1916 and from 1924 to 1928. He was elected as presidential elector in 1908 and again in 1916. He was elected to Congress in 1928 to fill the unexpired term of Judge Nicholas John Sinnott and reelected to the Seventy-first and Seventy-second Congresses.

He attained eminence as a lawyer, was an able and upright judge, and in the Senate of Oregon a sound and effective legislator. He loved and studied the great literature of the world. His was an earnest and informed patriotism. He diligently studied our history, the policies of its great leaders, and spoke with convincing eloquence of its achievements and ideals. He carefully explored every question with which he had to deal, and from a wealth of information he arrived at his conclusions.

He was by training and experience a sound and learned lawyer; his legislative experience was of great value; his wide and discriminating study of public questions informed him of the coun-

try's needs and enabled him to judge the value and practicability of legislation proposed to serve them.

That is, he came to Congress unusually well prepared and well qualified to serve in that distinguished body. He fully justified his election thereto by the quality of service he rendered.

The Congress of the United States is an exacting body. A Representative may enter its halls with a lifetime of success and achievement to his credit, but the House will ask, "Can he serve well here; is he capable of valuing information; is he careful in his statements, thoroughly advised before he speaks, able to form sound conclusions, and is the public welfare his greatest aim?"

Those in that body who are most often speaking on the floor of the House are not necessarily its leaders. Men of moment in Congress do not attain leadership quickly. Members will study, discuss, and judge them to determine what motives actuate them and whether at all times they are to be trusted.

In the comparatively short time Judge BUTLER was in Congress he steadily made his way, because he demonstrated his possession of the essential qualifications for service in that great body. His ideal was the public good and the welfare of the people he had to serve. From these purposes he could not be swerved.

When he came to Congress I was a member of the Committee on Committees that assigned the Republican representatives to committee appointments. Judge BUTLER did not request places on committees because of their supposed importance. The importance of any committee in any particular session depends upon the character of the legislation demanded to serve the country at the time. However, some committees have a continuing importance as the questions with which they deal are perennial in character. Judge BUTLER, taking into consideration his experience, training, and geographical location, decided he could best serve the country and his constituents if he were given places on the committees on Public Lands, Reclamation and Irrigation, and Claims. The event justified the wisdom of his decision. In four years and under unusual conditions, in adverse national circumstances, he has been unusually successful. What he has done will be his enduring monument and the fitting conclusion of a notable life.

The Congress of the United States expressed its sincere sorrow at his death and directed that a committee be appointed to accompany him to his last resting place in attestation of the honor and esteem in which the Nation held him, represented here by Representatives ROBERT L. DOUGHTON of North Carolina, in all probability the next chairman of the Committee on Ways and Means, ALBERT JOHNSON of Washington, who attained national fame because of his work on immigration, ROBERT M. SIMMONS of Nebraska, an important member of the Committee on Appropriations, and RALPH HORR of Washington, of many useful public services, and myself.

We appear here as the representatives of the greatest legislative body in the world to express its sense of public loss in the death of a strong, able, and useful Member and that the world may know the honor due him.

The Congress of the United States has appointed this ceremony to call to the attention of the people of the United States, and especially to those of this district and State, that there has passed from its Halls a public servant worthy of great honor because of his acts and deeds and high conception of his duties and responsibilities. We have held and will continue to hold him in love, honor, and remembrance, because daily contacts and observation have determined him to be worthy of confidence and esteem.

I have given a brief summary of the life work of this notable man. The first stage of his life has ended. I am a profound believer in the immortality of the human soul and its continued intelligent existence and its capacity of unlimited development.

The memories of mankind generally of the worthy deeds and lives of yesterday and to-day are obscured by interests arising in the floods of the unending to-morrows with their immediate importance.

"So fleet the works of men back to earth again,
Ancient and holy things fade like a dream."

But there is a memory that holds in everlasting remembrance earth's worthy men and their deeds, that accounts them of inestimable value, and preserves them in unfading recollection. Worth in life and character are imperishable. They add to the sum total of the value in human life and ennoble humankind. They are the vesture of immortality.

JOHN PAUL JONES

Mr. STOKES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon John Paul Jones, father of the American Navy.

The SPEAKER. Is there objection?

There was no objection.

Mr. STOKES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

John Hay, when he attended Brown University in his freshman year, was called upon for a speech and the toastmaster said, "Now, Hay, we don't want anything dry from you." "Well," said Hay, "now, really green hay can never be dry."

And I doubt not you may think the same of me to-night, so I shall endeavor to make this story as interesting as possible by giving you as much of the original words of John Paul Jones.

The Continental Congress met in its second session in Philadelphia on May 10, 1775.

It appointed a naval or marine committee, of which Robert Morris was chairman, to consider, inquire, and report on the organization of a naval force.

On June 24 the committee met and authorized its chairman to invite John Paul Jones, of Virginia, to lay before them such information and advice as might seem to him useful to the committee.

In order to understand more clearly the man of whom I am speaking, I shall give you a brief description of him.

First of all, he was a man of action, with energy and will power; he was also a dreamer, for he had a vivid imagination, and from his earliest days loved America and yearned to become like his brother William, an American colonist. He at an early age prepared himself for the future service to which he was called. As Lowell said in speaking of our country—

"They love her best who to themselves are true,
And what they dare to dream of, dare to do."

He carried himself erect, with dignity and with the air of a man completely self-confident, with a firm and supple gait like a panther.

He dressed neatly and carefully in the uniform of an American naval officer, as passed by the marine committee of the Continental Congress September 5, 1776, 3-cornered hat, a blue coat with red facings, starched cuffs, high stock collar, a cascade of delicate white ruffles, flat yellow brass buttons, scarlet waist coat edged with lace, blue breeches, white stockings, and low soft leather shoes; his buttonholes were embroidered with gold thread.

He stood 5 feet 7 inches in height, with slender legs, yet powerful shoulders and chest, small hands and feet, his dark brown hair powdered and tied with a queue at the back. His high cheek bones and grayish black eyes gave him the appearance of a man who was sound in body and mind. The best likeness of him is the bust by Houdon owned by the Academy of Fine Arts of Philadelphia. It was made from actual measurements from his person.

He possessed the "mens sana in corpus sanum."

He was a great reader and a careful student, using his spare time on shipboard toward improving his mind, which he undoubtedly accomplished, as his numerous letters written in beautiful English attest.

It is needless to say that he was absolutely fearless.

At a party at Norfolk, Va., he knocked down a drunken English lieutenant for saying something low about American women. He was small of stature, soft in speech, but under his softness he was bold, very daring, very resourceful, active, and intelligent.

In Longfellow's words: "The velvet scabbard held a sword of steel."

John Paul, for his name was not as yet Jones, was the son of an intelligent fisherman, who lived on a large estate known as Arbigland, on the southern coast of Scotland, along the Solway Firth; his father was in the employ of Robert Craik, a member of Parliament, who had bought or leased the estate from the Earl of Selkirk.

He was the youngest son of five children, was born in the year 1747, was educated at the parish school, and early took to the sea in his native fishing boats. At the age of 12 he made his first voyage in the brig *Friendship* to Virginia.

Here, on the banks of the Rappahannock River, he first met his brother, William Paul, who, having previously gone to Virginia, had married the daughter of a planter named William Jones and assumed his name and also the management of his estate.

William Jones, the owner of the estate at this time, offered to adopt John Paul, but he decided to stick to his ship and returned to Scotland.

He served on board a British man-of-war as acting midshipman and stayed there long enough to find that family influence had more to do with advancement than personal merit; his juniors were promoted while he himself remained unnoticed.

He later became a mate in an African slaver, but soon gave up this business in disgust, for out of every 100 slaves 20 died on the voyage across the Atlantic. And it was reported that large fortunes were made from this traffic on both sides of the Atlantic.

Later on he was appointed captain of a ship to trade with the West Indies. During this cruise the crew mutinied at the island of Tobago. A man named Maxwell was the ringleader. He attacked John Paul with a crowbar; and he, in defending himself with his sword, killed the man. On his return he was tried for murder on the high seas, but acquitted. He was of a sensitive disposition and for some time it weighed on his conscience.

The period of his life in which he took such a prominent part in our struggle for independence is naturally most interesting to Americans.

Now, in 1760 his brother in Viriginia died, leaving the estate consisting of a large plantation with some 200 slaves to John Paul, provided he assumed the name of Jones.

Having gladly agreed to this arrangement, John Paul adopted the name of Jones and became a Virginia colonist, where he hoped to live "in calm contemplation and poetic ease" for the rest of his days.

While he had formerly led a rough life and had been accustomed to all kinds of hardships and had been on all sorts of ships, he had never neglected the improvement of his mind and the refinement of his manners. He was therefore a very acceptable neighbor in the little Virginia colony. It is said he was in love with

Dorothea Spottswood Dandridge, who in 1777 married Patrick Henry, then Governor of Virginia, as his second wife. She was the daughter of a former captain of the British Navy.

Jones settled in Virginia about a year before the first Continental Congress met. Of course it was now necessary for him to take a stand on one side or the other, and as he was a Virginia landowner he most naturally sided with the Colonies.

He determined also to do all in his power to actively aid the Colonies in achieving their independence.

Early in 1775 Philip Livingston, of New York, visited Virginia to discuss with its leaders—Washington, Jefferson, and Madison—the best methods to pursue in order to carry out the stupendous work they had undertaken of building a new nation. Paul Jones attended some of these meetings. He writes:

"I availed myself of these conferences to assure Colonel Washington, Mr. Jefferson, and others that my services would be at their disposal whenever they should require service in my own element."

In 1774 it became clear that the issue between the British Crown and the Colonies could only be decided by force. On April 19, 1775, the Battle of Lexington was fought, and on June 17 the Battle of Bunker Hill. At this time two French frigates under command of Commodore De Kersaint, with the Duc de Chartres as second in command, put into Hampton Roads. Jones cordially entertained these gentlemen, and in this way made friends with them, which lasted through his life.

In accordance with the invitation of the naval committee, Jones set out for Philadelphia to advise with them about forming an American navy, the proper qualifications for naval officers, and the best type of boats for them to buy.

Jones worked for many weeks on the reply that he prepared for the committee; and, in the words of Mr. Thursfield, "This masterly document is still, if I may so call it, the moral and intellectual charter of Annapolis and the sure and everlasting warrant of Jones's title to be called 'the father of the American Navy.'" I will quote a part of it:

"As this is to be the foundation—or, I may say, the first keel timber—of a new Navy, which all patriots must hope shall become amongst the foremost in the world, it should be well begun in the selection of the first list of officers. You will pardon me, I know, if I say that I have enjoyed much opportunity during my sea life to observe the duties and responsibilities that are put upon naval officers.

"It is by no means enough that an officer of the Navy should be a capable mariner. He must be that, of course, but also a great deal more. He should be as well a gentleman of liberal education, refined manners, punctilious courtesy, and the nicest sense of personal honour.

"He should be not only able to express himself clearly and with force in his own language with tongue and pen but he should also be versed in French and Spanish (for an American officer particularly the former), for our relations with France must necessarily soon become exceedingly close in view of the mutual hostility of the two countries toward Great Britain.

"The naval officer should be familiar with the principles of international law and the general practice of admiralty jurisprudence, because such knowledge may often, when cruising at a distance from home, be necessary to protect his flag from insult or his crew from imposition or injury in foreign ports.

"He should also be conversant with the usages of diplomacy and capable of maintaining, if called upon, a dignified and judicious diplomatic correspondence.

"Coming now to view the naval officer aboard ship, and in relation to those under his command, he should be the soul of tact, patience, justice, firmness, and charity. No meritorious act of a subordinate should escape his attention or be left to pass without its reward, if even the reward be only one word of approval.

"Every commander should keep constantly before him the truth, that to be well obeyed he must be perfectly esteemed.

"But it is not alone with subordinate officers that a commander has to deal. Behind them, and the foundation of all, is the crew. To his men the commanding officer should be prophet, priest, and king. His authority when off shore being necessarily absolute, the crew should be as one man impressed that the captain, like the sovereign, 'can do no wrong.'"

The report was at once adopted by the naval committee but not before it had been submitted by Hewes to Washington, who said: "Mr. Jones is clearly not only a master mariner within the scope of the art of navigation, but he also holds a strong and profound sense of the military weight of command on the sea. His powers of usefulness are great and must be constantly kept in view." Hewes was a member of the naval committee and a great friend and supporter of Jones.

Paul Jones wisely opposed constructions of ships of the line. He said, "Such ships are too large both in building and keeping in commission and require too many men for our present resources. Their use is mainly strategic and must operate in fleets and squadrons calculated to fight ranged battles, etc. On the other hand, I would keep a step farther than the English and French have yet gone in frigate designs. I would create a class of 18-pounder frigates to carry 38 or 40 guns. By this means we shall have a frigate type one-half again stronger than any now afloat."

Jones was now made first lieutenant of the *Alfred* under command of Dudley Saltonstall, of Boston. This was one of the ships he had surveyed and recommended for purchase.

He was deeply disappointed at not having command; but, as Saltonstall had not arrived in Philadelphia, he was directed to take command and break the pennant, the "Pine Tree and Rattlesnake" emblem with the motto, "Don't tread on me."

This problem was used for a few months before the Stars and Stripes were adopted, and Jones also had the honor of first hoisting the flag of our country over the *Ranger*.

The first attempt of the new Navy was not very good. In February, 1776, under Commodore Ezekiel Hopkins, four vessels set out for the Bahamas to intercept British commerce. Thanks to Jones, they captured Fort Nassau in New Providence.

They returned early in April, having failed to capture a British sloop, the *Glasgow*. The result was a series of courts-martial, both Hopkins and Saltonstall being retired, which, unfortunately for their own reputations, was only temporary.

Jones incurred no blame for this and thanks to his friend Hewes was given command of the sloop *Providence*. On August 21 he set sail for a six weeks' cruise, which brought him his first triumph. His ship was small but fast and carried only 12 guns. He selected his own crew. He captured three valuable prizes, which he sent home. While cruising in the *Providence* off the island of Bermuda he sighted a fleet of five sail, the largest of which he thought a merchantman. He ran down to cut her off but found she was an English frigate, the *Soleby*, of 28 guns and a fast sailer. With such a ship the little *Providence* had no chance, so he tried to escape, hoisting the Continental colors.

He now gave an example of skill and daring worthy of the best type of seamanship. The frigate began firing and Jones returned it. For four hours he was pursued, finally getting within musket shot.

The situation was now dangerous, but Jones was equal to the emergency. With great calmness he began edging gradually to leeward without arousing suspicion, until he had brought the *Soleby* on his weather quarter, when the helm of the *Providence* was turned sharply; suddenly crowding on all sail, he was off before the wind and escaped.

Jones said, "Our hairbreadth escape and the saucy manner in which we made it must have mortified the enemy not a little. He might have fired several broadsides when we were within musket range, but was a poor marksman and did not hit the *Providence* with any of the many shots he fired."

The news of his success was a great encouragement to the marine committee.

On his return he was promoted to captain, receiving his commission from the hand of Thomas Jefferson.

He now for the first time learned of the loss of his property in Virginia by Lord Dunmore.

Lord Dunmore, the British Governor of the Colony of Virginia, having been driven from the neighborhood, took refuge on a British man-of-war. There were no British soldiers in the Province, but with the aid of a few loyalists and negro slaves, to whom he promised freedom, he had ravaged the Virginia coast. Among other destructions, he completely demolished Jones's plantation—his houses were ruined, his wharf broken, his buildings burned, his livestock killed, and his slaves carried off to Jamaica to be sold. This left Jones penniless. He said at the time, "I have no fortune left but my sword."

In April, 1777, Jones was cut to the heart to find in a new list of commanders he was placed as low as eighteenth on the list; that even Hacker, who had deserted him, was above him. His friend and patron, Hewes, had lost his seat in Congress and was therefore no longer on the marine committee.

On June 14, 1777, Congress voted two resolutions:

That the flag of the United States be 13 alternate red and white stripes and 13 white stars on a blue field, and that Capt. Paul Jones be appointed to command the ship *Ranger*. This appointment restored his hopes and gave him encouragement.

The *Ranger* had been built in Portsmouth, N. H. She was very fast, with 18 guns, of 308 tons.

He was commissioned by Congress to carry the news of Burgoyne's surrender to Franklin and sailed from Philadelphia on October 30, 1777, promising to cross in 30 days. He landed at Brest on December 2, two days beyond his promise.

On the morning of December 5 he placed the dispatches in Franklin's hands in Paris.

Just two months later, February 6, 1778, the treaty of alliance with France and the United Colonies was signed at Versailles, which was of tremendous moral and physical importance to our country as well as assuring American independence. This was followed later by the dispatch of a French army to the United States under Rochambeau and a fleet under De Grasse, to which largely were due the final surrender of Cornwallis at Yorktown.

Jones did not arrive a day too soon. Louis XVI was King of France, and she was already, although a great power, a bankrupt country, having been ruined by the extreme extravagance of Louis XIV and Louis XV. The very year Jones arrived she had a huge national deficit, which was daily increasing.

A few years later the Revolution broke out and it would have been too late to receive any aid from France.

Here on February 14, 1778, in the harbor of Brest, Jones, on the *Ranger*, received the first salute ever offered to the American flag, from the French Grand Fleet under D'Orvilliers.

Jones used the *Ranger* for a descent on Whitehaven on the Scotland coast. Its actual results were insignificant, for he merely destroyed a single vessel, but it taught the English that the security of their ports was in danger and compelled them to take expensive measures of defense. Disraeli said:

"The descent on Whitehaven produced consternation all over the Kingdom. Expresses were immediately dispatched to all the

capital seaports; all strangers in Whitehaven were arrested. Lookout vessels were appointed at every port and all forts were put into condition."

During one of these raids his men carried off some plate belonging to Lady Selkirk, but it was later returned by Jones.

Jones crossed the channel opposite Carrickfergus. There some fishermen told him the British war sloop *Drake* of 20 guns was at anchor. Jones was very glad to hear it, for he had been anxious for a fight with the English in their own waters.

The *Drake* moved out slowly, hoisted her colors, and hailed, "What ship is that?" "The American continental ship *Ranger,*" called Nathan Sargent, as the American flag went up. "Come on; we're waiting for you."

The ships gradually were closing together, and then there burst from each a broadside. The action became furious, and both the captain and first lieutenant of the English ship fell. "I have never before seen men," wrote Jones, "handle guns as they handled the *Ranger's* 9-pounders." Holes began to be seen in the *Drake's* sides, and Jones ordered the guns to be aimed for the sails and rigging in order to save the hull and take her prisoner. Very soon the ship was helpless and soon struck her colors, and Jones boarded her after a fight lasting 1 hour and 40 minutes. She lost 42 men out of 160. Jones lost only two killed and seven wounded. Among the dead was Lieutenant Wallingford.

Jones returned to Paris, and at Franklin's house at Passy he met the Duke and Duchess de Chartres.

At the suggestion of the Duc de Chartres he wrote a letter to the King of France, asking for assistance in getting a ship. The letter was shown to Franklin, who returned it without comment.

The letter was presented to Louis XVI by the Duchess de Chartres early in December and on December 16th Jones was received in audience by the King with the result that he was given command of an old 40-gun ship *LeDuras,* which he renamed *Bonhomme Richard* in honor of Franklin.

Jones was authorized to enlist French sailors, if needed, and the ship was to be armed and equipped at the cost of the French Government. But the money not being available at once, the Duchess de Chartres, whose private fortune was immense, gave Jones an order on her banker for 10,000 louis d'or, almost $50,000. This money Jones insisted upon regarding as a loan and when later he offered to refund it, the Duc replied: "No; not unless you wish her to dismiss you from her friendship. She did not lend it to you, she gave it to the cause." Of the *Bonhomme Richard's* crew not more than 50 were Americans, the rest were French and Portuguese and a few British, with 122 French soldiers; besides Jones had the *Alliance,* the *Pallas,* and the *Vengeance*—three small American vessels.

Spain had announced an alliance with France and declared war against England, June 16, 1779. Admiral d'Orvilliers, commander of the French fleet, had put out from Brest unopposed with a fleet of 28 sail of the line, and before the end of July had joined the Spanish fleet off the Peninsula, making a total combined fleet of 66 sail of the line. By August 16 he was off Plymouth and on September 1 came in sight of the British Channel Fleet of 38 ships. But Admiral Sir Charles Hardy declined to risk an action, and D'Orvilliers did not attempt to force one.

It was just at this time that Jones entered the North Sea with his little squadron, having passed to the westward of both Ireland and Scotland, and on September 17 was off the Firth of Forth.

It was not merely luck that gave him this opportunity, it was partly due to careful arrangement and calculation. He knew that while the French fleet was at sea all the available British ships would be needed to watch it.

The first part of the cruise was devoted mainly to capturing prizes, which were sent back to French, Danish, and Dutch ports, their crews being held as prisoners on the *Bonhomme Richard;* thus it was he had over 200 prisoners on board under hatches during the fight with the *Serapis.*

Jones attempted to make a descent on Leith, hoping to place it under contribution, but was driven out by a high gale. The *Alliance* took no part, as she had now assumed an independent command under Landais, a disloyal French officer, who had been dismissed from the French Navy and having gone to America, induced the naval committee to give him a command.

Jones knew that a British convoy from the Baltic was due here about this season and that it generally made for Flamborough Head after crossing the North Sea.

He got news of the convoy on September 22, 1779; the *Vengeance* told him it had put into Bredlington Bay and was awaiting a favorable wind to carry it to the Downs. The next day it was sighted.

The convoy was attempting to weather Flamborough Head and the escorting men-of-war, the *Serapis* and *Countess of Scarborough,* occupied a covering position between Jones and the merchantman. The morning was spent in maneuvering for a position. The merchantman used this opportunity to escape. Jones ordered the *Pallas* to attack the *Countess of Scarborough*—a small ship of 24 guns—which she did, and later compelled her to surrender after a stiff action. He ordered the *Vengeance* to keep out, saying "You are not big enough to bear a hand in this."

Meanwhile the *Alliance* had reappeared, but not to aid the *Richard.*

About 7 o'clock in the evening the two big ships were within short range of each other, Jones having the weather gage.

They were about 7 miles offshore, the wind being light from the southwest and veering to the westward, the sea smooth, the sky clear, with full moon; both ships were on the same tack heading northwest.

The *Serapis* twice hailed the *Richard,* and the second time was answered by a broadside. Then began a fight lasting somewhat over three hours, probably one of the most desperate in the annals of the sea.

"The *Serapis,* with 40 guns," said Disraeli, "was one of the finest frigates in his Majesty's navy and had been off the stocks only a few months. Her crew were picked men, and she was commanded by Capt. Richard Pearson, an officer celebrated even in the British navy for his undaunted courage and exemplary conduct. The *Bonhomme Richard* was an old ship with decayed timbers and had made four voyages to the East Indies. Many of her guns were useless and all were ancient. The American commander had nothing to trust to but his own undaunted courage and extraordinary skill."

In a very short time the *Richard's* lower gun deck of 18-pounders was disabled and put out of action. The remaining guns on the upper deck were serviceable and were very well served.

Pearson tried to get across the *Richard's* bows so as to rake her, but failed; the two ships fouled, and Jones attempted to grapple, but the grapnels did not hold, and the two ships fell apart again. The firing was again renewed, and it was clear that the *Richard* was getting the worst of it.

"Dick," said Jones to Richard Dale, his first lieutenant, in command of the gun deck, "his metal is too heavy for us at this business. He is hammering us all to pieces; we must close with him; we must get hold of him! Be prepared at any moment to abandon this deck and bring what men you have to the spar deck, and give them small arms for boarding when you come up."

The *Bonhomme Richard* was leaking badly, and although the prisoners were kept at the pumps she had sunk 2 feet below her ordinary trim. He reproved at the time a sailor for swearing, with the admonition that any moment they might be in eternity.

But now the wind commenced to veer to the west and freshened as it veered. Gradually the *Richard* forged ahead and commenced to wear across the bows of the *Serapis;* being on the windward side, she took the wind out of her enemy's sails and stopped her headway.

If she could complete this plan, she would have another chance to grapple.

It was just now that Landais, the captain of the *Alliance,* took a hand in the affair, and after firing a couple of broadsides in such a way as only to hit the *Richard,* she turned and steered off.

Meanwhile Jones continued his plan of attack of crossing the bows of the *Serapis* and, since his guns were mostly silenced, of bringing his musketry into play.

Captain Pearson thus describes the fight at this point:

"I backed our topsails in order to get square with him again, which as soon as he observed, he then filled, put his helm a-weather, and laid us athwart-hawse; his mizzen shrouds took our jib boom, which hung him for some time, till it at last gave way, and we dropt alongside of each other, head and stern, when the fluke of our spare anchor hooking his quarter, we became so close, fore and aft, that the muzzles of our guns touched each other's sides. In this position we engaged from half past 8 to half past 10.

"Now that the anchor of the *Serapis* had caught the *Bonhomme Richard,* Jones had it securely lashed there, passing the lashes with his own hand in order to be sure that they held.

"The main deck of the *Richard* was now abandoned for Jones had determined, as soon as he could grapple, to fight with muskets and hand grenades. But the *Serapis* was still in good shape and now her starboard broadsides were brought into action, and the gun crews shifted from port to starboard. Her port sills had been closed and could not be opened because of the nearness of the ships. They were blown out by the first discharge of the guns. While the timbers of the *Richard* were being torn to pieces, Jones was getting the upper hand on the deck. He kept up a murderous fire with his small arms and muskets, so that scarcely a man could live on the deck of the *Serapis.* And, particularly, he attempted to prevent the effort of the *Serapis* crew from casting loose the fastenings of the anchor, which held her to the *Richard.*"

At this part of the battle it is probable some one on the *Richard* called for quarter. As Captain Pearson said in his court-martial, "Hearing or thinking that I heard a call for quarter from the enemy, I hailed to ask if he had struck his colors. I did not myself hear the reply; but one of my midshipmen, Mr. Hood, did hear it, and reported it to me. It was to the effect that he was just beginning to fight. This, at first, I thought to be mere bravado on his part; but I soon perceived that it was the defiance of a man who, if he could not conquer, would sink with his ship alongside."

But Jones did not propose to sink, but rather to conquer.

He had prompted the Duchess of Chartres a frigate and this was his chance.

The master at arms on the *Richard* now opened the hatches and told the prisoners to come on the deck, believing the ship was sinking. Jones knocked a man down (he seems to have been everywhere during the fight), and Pierre Gerard, his French orderly, drove the others back, and killed one man who refused to go. Gerard was later second in command of the French ship *Neptune* at Trafalgar, and, therefore, took part in two of the most interesting naval battles in history.

Jones was afterward accused of murdering his prisoners at court of inquiry by order of the French Minister of Marine and Gerard stated he had killed the man on his own responsibility. Asked

why he did so, without orders and during the presence of his commander, he replied, "Pour éviter les desagrements, monsieur, aussi pour encourager les autres prissoniers; ainsi pour subvenir au commodore les besoins d'un devoir assez penible."

Jones now sent up a supply of hand grenades into the maintop to be dropped from the yardarm into the enemy's hatch. A midshipman named Fanning succeeded in dropping one of them through the hatch to the main deck, where it ignited a row of cartridges, which did very great damage and rendered most of his guns on this deck unfit for action.

Pearson now tried one last chance. He anchored his ship, hoping that the *Richard* would drift clear of him, but he was disappointed, for the lashings held.

The fighting on the *Serapis* now relaxed and Jones took this opportunity to order John Mayrant, in charge of some American sailors recently exchanged from British jails, to board the enemy.

"Now is your time, John," cried Jones, "go on." Instantly, with a cry of "Remember Portsea jail," Mayrant sprang over the netting, followed by his men, and began fighting their way aft. There was little resistance; though Mayrant himself was slightly wounded, he shot his opponent down, and this was the last casualty of the battle. Pearson now struck his colors.

After the battle, the *Alliance* and *Vengeance*, signaling that they were sailing for the *Texel*, left the *Serapis* and Jones with 700 men aboard, but after two days of storm Jones anchored safely beside them in the afternoon of October 3, 1779, having saved all his wounded and prisoners.

At Amsterdam large crowds gathered to see him. Two disagreeable tasks awaited him. The first was to suspend Captain Landais and place Lieutenant Degge in command of the *Alliance*. The second to prevent Sir Joseph York, the British minister to Holland, from demanding the surrender of Jones and his crew as "rebels and pirates."

Landais angrily challenged Jones to a duel. Jones accepted. He appointed as his seconds Lunt and Mayrant. They told Landais, who was undoubtedly crazy, that Jones had chosen for his weapons pistols at 10 paces. Landais held out for the rapier, but they insisted, and he dropped the subject and left for Paris.

When Jones left the *Ranger* he took the American flag—which had been presented to him by the ladies of Philadelphia—with him to the *Richard*. When he returned to America he apologized to one of the ladies who made the flag for not having brought it back with all its glories. "I could not," he said, "deny to my dead on her decks, who had given their lives to keep it flying, the glory of taking it with them." "You did exactly right, Commodore," the lady said. "That flag is just where we want it to be flying, at the bottom of the sea over the only ship that ever sank in victory. If you had taken it from it and brought it back, we would hate you."

Here ends the active career of John Paul Jones as a naval hero under our flag, and here ends my story. It is true he served in the Russian Navy at the invitation of the Empress Catharine, but he was very badly treated by his associates. He died in Paris in 1792 at 45 years of age.

Jones's last words were: "Give to my good old Dick my sword given me by the King"—meaning, of course, Richard Dale.

Thanks is due to Gen. Horace Porter in his untiring and patriotic effort in finding the hero's remains in Paris and bringing them with all military and naval honors to a permanent resting place at Annapolis, where his spirit, let us hope, still dominates that great naval college. The President of the United States himself pronounced the funeral oration in the presence of a very distinguished company.

## WAR DEPARTMENT APPROPRIATION BILL—EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, when the military appropriations bill was before the House I offered, and there was adopted, an amendment to the bill which does away with the constructive service pay. The effect of this amendment and the reasons for it have not been very well stated to the public by the people who have attempted to criticize it.

It has been said by some that it is going back on a moral obligation owed to certain of our soldiers. That is not the fact.

At the present time officers who were commissioned from the ranks or from the National Guard are allowed to count their guard service and their enlisted service for the purpose of computing their pay, their pay being based, to a certain extent, on their length of service in the Army as commissioned officers. Thus an enlisted man or a former National Guard officer who receives a commission goes into the officer list of the Army and takes a position on the promotion list, is assigned to duty commensurate with that position, is under the officers above him, but by reason of the constructive-service proposition he is paid on the basis of commissioned service which he has not rendered, and he receives pay above those who are over him in command. Oftentimes one who is three or four ranks above an officer who has come into commissioned service from the ranks or from the National Guard, as a result of this discriminatory legislation, will receive pay below his inferior officers. Thus a lieutenant colonel who is a graduate of the Academy may receive less pay than a first lieutenant. Thus a major who became a major a long time ahead of one who is a junior in rank and under him by 500 or 1,000 numbers on the promotion list, and who may actually be in command of his junior, may receive from $1,000 to $1,500 less pay.

My amendment wipes out this false basis of pay and places them all on the same basis. It does away with the discrimination which permits those in lower rank and performing less important functions and less responsible work receiving higher pay than those ranking above them and carrying more responsibility.

Another condition has existed that those who were commissioned prior to July 1, 1922, from the Military Academy have been permitted to count their years at the academy toward their longevity pay, while those who were commissioned after July 1, 1922, were not permitted to do so. My amendment wipes out this discrimination.

It has always seemed to me that before we cut pay we should wipe out abuses and do away with those things which because of the inequalities they create and because of the fact that they permit in so many instances those with lower ranks and those performing less responsible functions to receive greater emoluments than their superiors. It seems to me that we should tend to those things first.

I have been criticized by many people who have not stated the facts, both on the floor of the House and before the Senate committee, over the radio, and in the newspapers.

My amendment does not touch the pay of second lieutenants to any extent except in perhaps a few rare instances. It does not touch the pay to any appreciable extent of most of the officers. Frankly, I believe two-thirds of the officers of the Army are in favor of my amendment. I quote from a letter received from one of them yesterday:

> As a former constituent of yours I am writing to let you know that your amendment will meet with the approval of the overwhelming majority of Army officers who for 10 years have had to watch a preferred group among their number receive a bonus of three and a half million dollars a year.
>
> The great bulk of the total sum went to about 1,500 officers, while about 3,000 more received enough of a crumb to induce them to support such a pay arrangement. The other 8,000, doing the same work as the favored group, had to take less than a decent living wage and make the best of it.

Just to show that this is no new matter and that it has been given very marked attention on the part of Congress, I quote from the report of the joint committee of Congress headed by Senator REED, of Pennsylvania, the chairman of the Senate Committee on Military Affairs:

> As noted above, under the present system it is possible not only for officers within one grade of a single service to be drawing more pay and allowances than their seniors in that grade, but also more than many of their seniors in one, two, three, and even four grades above. A striking case in point is the recent fact that a lieutenant of the Navy was receiving $6,357 a year, $138 more than the rear admiral, four grades above him, in command of a force composed of 38 destroyers, 1 cruiser, and 2 repair ships, on one of which the lieutenant was serving in, necessarily because of his rank, a subordinate capacity.
>
> This situation, though unusual in so marked a degree, is in lesser degree, with a disparity of but one or two grades involved, a frequent condition of affairs in many of the services, and countless examples could be cited. It is in the violation of this cardinal principle that the joint service pay act is most at fault and that its effect is injurious to the efficiency and morale of the services. As stated above (par. 46), this condition is difficult to eliminate in a pay schedule applicable to several services, but it can be ameliorated by having only base pay for each grade, by strictly limiting the types of prior service not counted for rank that may be counted for pay purposes, and by the elimination of allowances.

This report was signed by Senator REED and all of the other members of the joint committee who were on it. (Five members were from the Senate and the other five were from the House.)

It will be seen that this committee recommended practically what I have done and their report was presented to Congress by Senator REED on the 24th of January, 1931, and appears in Senate Document No. 259, Seventy-first Congress, third session, page 21.

This amendment is not a blow at national defense. It is an effort not only to protect the taxpayers of the United States from an abuse against the Public Treasury by paying

one type of officer who performs less important functions and does less important work more money than those who are carrying the responsibility. It will restore to the vast majority of officers in the Army the morale which this long-standing discrimination against them in the matter of pay has destroyed.

Those who have opposed the amendment have cited individual cases of beneficiaries of the abuse which has crept up under the present legislation, but they have studiously avoided discussing the discrimination that this abuse has leveled against officers who are carrying more responsibility and are of far more importance to the Army.

My hope is that the people will pay attention to the facts and will understand this situation and where they are called upon to express an opinion will express it honestly and fairly in the interest of national defense and in favor of wiping out this abuse.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MALONEY, indefinitely, on account of illness in family.

To Mr. SMITH of Idaho, for several days, on account of illness.

SENATE BILL REFERRED

Bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 5431. An act to extend the time for the construction of a bridge across the Potomac River at or near Dahlgren, Va.; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles which were thereupon signed by the Speaker:

H. R. 14228. An act to change the name of "Roosevelt Island" to "Theodore Roosevelt Island"; and

H. J. Res. 565. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 914. An act for the relief of Katherine R. Theberge;

S. 1858. An act for the relief of Harriette Olsen;

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton;

S. 2395. An act authorizing the conveyance of certain land to school district No. 15, Lincoln County, Mont.;

S. 3504. An act for the relief of Lyman L. Miller; and

S. 4166. An act for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes.

ADJOURNMENT

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 3 minutes p. m.) the House adjourned until to-morrow, Saturday, February 11, 1933, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

923. A communication from the President of the United States, transmitting schedules of claims amounting to $28,441.44 allowed by the General Accounting Office, as covered by certificates of settlement (H. Doc. No. 543); to the Committee on Appropriations and ordered to be printed.

924. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury (H. Doc. No. 544); to the Committee on Appropriations and ordered to be printed.

925. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the fiscal year 1933 and prior years for the Veterans' Administration, the Department of Labor, and the Navy Department, amounting in all to $451,487.99, together with a draft of a proposed provision pertaining to an appropriation for the fiscal year 1932 for the Interstate Commerce Commission (H. Doc. No. 545); to the Committee on Appropriations and ordered to be printed.

926. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury and require an appropriation for their payment (H. Doc. No. 546); to the Committee on Appropriations and ordered to be printed.

927. A letter from the Comptroller General of the United States, transmitting, pursuant to the acts of March 2, 1927 (44 Stat., pt. 3, 1800), and February 2, 1929 (45 Stat., pt. 2, 2047), a report with my recommendation thereon of claim of Ellen T. Buckley, executrix of the estate of Julia Buckley, which was transmitted to this office by the Secretary of the Navy, covering property damage as required by the provisions of said acts; to the Committee on Claims.

928. A letter from the Comptroller General of the United States, transmitting, pursuant to the act of April 10, 1928 (45 Stat. 413), a report and recommendation to the Congress concerning the claim of White Bros. & Co. against the United States, with request that you lay the same before the House of Representatives; to the Committee on Claims.

929. A communication from the President of the United States, transmitting a letter for the consideration of Congress, estimates of appropriations, submitted by the Post Office Department to pay claims for damages to privately owned property, in the sum of $33.50, which have been considered and adjusted under the provisions of the act of December 28, 1922, United States Code, title 31, section 215 (H. Doc. 547); to the Committee on Appropriations and ordered to be printed.

930. A communication from the President of the United States, transmitting a letter for the consideration of Congress, deficiency and supplemental estimates of appropriations for the Bureau of Indian Affairs, Department of the Interior, for the fiscal year 1932 and prior years, $209,374.97, and for the fiscal year 1933, $104,600, amounting in all to $313,974.97, together with a proposed authorization for expenditure from Indian tribal funds amounting to $6,000 (H. Doc. 548); to the Committee on Appropriations and ordered to be printed.

931. A communication from the President of the United States, transmitting a letter for the consideration of Congress deficiency and supplemental estimates of appropriations for the Department of State for the fiscal years 1929, 1931, and 1933, amounting to $5,871.25 (H. Doc. 549); to the Committee on Appropriations and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SCHNEIDER: Committee on Immigration and Naturalization. H. R. 12173. A bill to provide for the deportation of certain alien seamen, and for other purposes, with amendment (Rept. No. 1994). Referred to the Committee of the Whole House on the state of the Union.

Mr. COX: Committee on Rules. H. J. Res. 518. A joint resolution establishing the United States Georgia Bicentennial Commission, and for other purposes; with amendment (Rept. 1995). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. S. 4065. An act authorizing the packing of oleomargarine and adulterated butter in tin and other suitable packages; without

amendment (Rept. No. 1996). Referred to the House Calendar.

Mr. PALMISANO: Committee on the District of Columbia. S. 4694. An act to amend section 812 of the Code of Law for the District of Columbia; without amendment (Rept. No. 1997). Referred to the House Calendar.

Mr. BEEDY: Committee on Insular Affairs. S. 417. An act to provide a government for American Samoa; with an amendment (Rept. No. 1998). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Labor. H. R. 14518. A bill to prevent interstate commerce in certain commodities and articles produced or manufactured in industrial activities in which persons are employed more than five days per week or six hours per day; without amendment (Rept. No. 1999). Referred to the House Calendar.

## CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14580) granting an increase of pension to Rachel N. Martin; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 14594) to place Jesse C. Harmon on the retired list of the United States Marine Corps; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLLIAM E. HULL: A bill (H. R. 14627) to provide for the use in motor fuels of alcohol manufactured from agricultural products grown in the United States; to the Committee on Ways and Means.

By Mr. HALL of Illinois: A bill (H. R. 14628) to provide for the use in motor fuels of alcohol manufactured from agricultural products grown in the United States; to the Committee on Ways and Means.

By Mr. HOWARD: A bill (H. R. 14629) to amend the act of June 23, 1926, reserving Rice Lake and contiguous lands for the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

By Mr. RANKIN: A bill (H. R. 14630) to amend section 19 of the World War veterans' act, 1924, to provide for reference of suits on Government life-insurance claims to commissioners, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. PRALL: A bill (H. R. 14631) authorizing the Interboro Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across New York Bay between Brooklyn and Staten Island; to the Committee on Interstate and Foreign Commerce.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 14632) relating to public works within the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. COLLINS: A bill (H. R. 14633) to amend section 5 of the act of January 22, 1932; to the Committee on Banking and Currency.

By Mr. MILLARD: A bill (H. R. 14634) to amend the law relating to the naturalization of children of naturalized citizens; to the Committee on Immigration and Naturalization.

By Mr. CHRISTOPHERSON: Resolution (H. J. Res. 598) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. DICKSTEIN: Resolution (H. Res. 375) to investigate the conduct of George Z. Medalie, United States attorney for the southern district of New York; to the Committee on Rules.

By Mr. SHANNON: Resolution (H. Res. 376) authorizing the printing of additional copies of the report (H. Rept. 1985) on Government competition with private enterprise; to the Committee on Printing.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. HARE: Memorial from the Legislature of the State of South Carolina, memorializing Congress to amend the Reconstruction Finance Corporation act so as to permit the States and political subdivision thereof to borrow money for the purpose of refunding loans to be retired by taxation; to the Committee on Banking and Currency.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CULKIN: A bill (H. R. 14635) granting an increase of pension to Eliza Pickard; to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 14636) for the relief of John Larison; to the Committee on Military Affairs.

Also, a bill (H. R. 14637) granting an increase of pension to Pearl Plummer; to the Committee on Pensions.

By Mr. KADING: A bill (H. R. 14638) granting a pension to Anna Lehner; to the Committee on Invalid Pensions.

By Mr. PARKER of Georgia: A bill (H. R. 14639) to authorize and direct the Secretary of the Navy to convey by gift to the city of Savannah, Ga., the naval radio station, the buildings and apparatus, located upon land owned by said city; to the Committee on Naval Affairs.

By Mr. REED of New York: A bill (H. R. 14640) granting an increase of pension to Miriam E. Crampton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14641) granting an increase of pension to Ella G. Millspaugh; to the Committee on Invalid Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 14642) granting a pension to Mrs. Mary J. Cooley; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10309. By Mr. ALDRICH: Petition of Alice L. Platt, Annie Ross, and 11 other citizens of Rhode Island favoring passage of Senate Joint Resolution 229; to the Committee on Foreign Affairs.

10310. By Mr. AMLIE: Memorial of the League of Wisconsin Municipalities, at Madison, Wis., urging a $5,000,000,000 prosperity loan to municipalities to stimulate industry and for unemployment relief; to the Committee on Banking and Currency.

10311. By Mr. CARTER of Wyoming: Memorial urging the necessary action by Secretary of the Interior of the United States and the State board of land commissions to establish an equitable basis and fair market value and price for the crude oil produced from Federal and State owned lands in the Salt Creek field, Natrona County, Wyo.; to the Committee on Interstate and Foreign Commerce.

10312. By Mr. CLARKE of New York: Petition of Rev. Albert B. Judson, of Oneonta and vicinity, urging the adoption of the Sparks-Capper resolution concerning stop-alien representation; to the Committee on the Judiciary.

10313. By Mr. DELANEY: Petition of the temporary committee opposing tariff on wood pulp, urging an amendment to the Crowther bill (H. R. 8557) retaining wood pulp on the free tariff list; to the Committee on Ways and Means.

10314. Also, petition of the R. H. Comey Brooklyn Co., dyers and bleachers, urging a higher tariff on hat materials from Japan; to the Committee on Ways and Means.

10315. Also, petition of the Wood Chemical Institute (Inc.), urging an excise tax on wood chemicals; to the Committee on Ways and Means.

10316. By Mr. ENGLEBRIGHT: Memorial passed January 28, 1933, by the California State Legislature, being a resolution memorializing Congress to pass Senate bill 1197, known as the farmers' farm relief act; to the Committee on Agriculture.

10317. By Mr. EVANS of California: Petition of members of the First Russian Baptist Church of San Francisco, for the relief of Russian nationals unable to return to their nation; to the Committee on Immigration and Naturalization.

10318. Also, petition of approximately 185 persons who are opposed to the return of the liquor traffic in any form in Washington, D. C.; to the Committee on the District of Columbia.

10319. By Mr. GARBER: Petition of Substitute Post Office Employees' Association, New York City, urging enactment of House Joint Resolution 576, to limit the reductions in compensation applicable to certain employees whose compensation for any month is less than the monthly rate of compensation to which the economy act applies; to the Committee on Expenditures in the Executive Departments.

10320. Also, petition of E. N. Puckett, manager Union Equity Cooperative Exchange, Enid, Okla., discussing the domestic allotment agricultural bill (H. R. 13991) and making certain suggestions in regard thereto; to the Committee on Agriculture.

10321. Also, petition of the Asheboro Hosiery Mills, Asheboro, N. C., submitting plan for economic relief; to the Committee on Ways and Means.

10322. By Mr. KVALE: Petition of 21 residents of Alexandria, Minn., urging enforcement of the eighteenth amendment and protesting against any change in the prohibition act; to the Committee on the Judiciary.

10323. Also, petition of Minnesota Cooperative Wool Growers' Association urging retention of Farm Board; to Committee on Agriculture.

10324. Also, petition of Post No. 1173, Veterans of Foreign Wars, Moose Lake, Minn., urging payment of the adjusted-service certificates; to the Committee on Ways and Means.

10325. Also, petition of Parent-Teacher Association, Benson, Minn., urging regulation of motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10326. Also, petition of Local No. 1, Bricklayers, Masons, and Master Mechanics Benevolent Union, St. Paul, Minn., urging enactment of Senate bill 5125; to the Committee on Ways and Means.

10327. Also, petition of Cooperative Creamery, Sleepy Eye, Minn., urging enactment of Frazier bill; to the Committee on Banking and Currency.

10328. Also, petition of Woman's Christian Temperance Union, Browns Valley, Minn., urging enforcement of the eighteenth amendment; to the Committee on the Judiciary.

10329. Also, petition of State legislature, State of Minnesota, urging remedial legislation to protect domestic producers against unfair competition, due to depreciated foreign currencies; to the Committee on Ways and Means.

10330. Also, petition of fourth and fifth districts, American Legion of Minnesota, urging adequate provision for the maintenance and equipment of our National Reserve Marine Aviation Corps; to the Committee on Appropriations.

10331. Also, petition of Minnesota Implement Dealers' Association, Owatonna, Minn., indorsing the Quamme plan of refinancing farm mortgages; to the Committee on Banking and Currency.

10332. By Mr. LAMNECK: Petition of Missionary Society of Wilson Avenue Church of Christ, of the city of Columbus, Ohio, petitioning Congress to establish a Federal motion-picture commission and to act favorably on Senate bill 1079 and Senate Resolution 170 before the Interstate Commerce Committee; to the Committee on Interstate and Foreign Commerce.

10333. By Mr. LEAVITT: Petition of Rev. Lester H. Norton and others against the weakening or changing of the eighteenth amendment; to the Committee on the Judiciary.

10334. By Mr. LINDSAY: Petition of R. H. Comey Brooklyn Co., dyers and bleachers, Brooklyn, N. Y., concerning certain tariff legislation; to the Committee on Ways and Means.

10335. By Mr. ROBINSON: Resolution of the Toledo Commercial Club, Toledo, Iowa, signed by W. P. Crossman, president, and Will A. Pye, secretary, urging that great economy be exercised in administering the Federal Government, that unessential commissions, bureaus, and departments be abandoned, and that there may be systematization of all Government activities; to the Committee on Expenditures in the Executive Departments.

10336. By Mr. RUDD: Petition of R. H. Comey Brooklyn Co., Brooklyn, N. Y., with reference to the present tariff rates on hat braids coming from Japan; to the Committee on Ways and Means.

10337. Also, petition of Substitute Post Office Employees Association, New York City, favoring the Fitzpatrick House Joint Resolution 576; to the Committee on Expenditures in the Executive Departments.

10338. By Mr. SWING: Petition of the State of California, memorializing the Congress of the United States to pass Senate bill 1197, known as the farmers' farm relief act; to the Committee on Agriculture.

10339. By Mr. TREADWAY: Petition of Miss Gladys M. Jones and other residents of Ashfield, Mass., urging an embargo on shipments of arms to other countries; to the Committee on Interstate and Foreign Commerce.

10340. By the SPEAKER: Petition of the Council of the City of Pittsburgh, Pa., urging that the Postmaster General be authorized and directed to issue a special series of postage stamps commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment of Thaddeus Kosciusko as brevet brigadier general of the Continental Army on October 13, 1783; to the Committee on the Post Office and Post Roads.

# SENATE

## SATURDAY, FEBRUARY 11, 1933

*(Legislative day of Friday, February 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 222. An act authorizing adjustment of the claim of B. F. Hart; and

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.); and

S. 3438. An act authorizing adjustment of the claim of Lindley Nurseries (Inc.).

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 188. An act for the relief of Tampico Marine Iron Works; and

S. 2148. An act for the relief of Clarence R. Killion.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 811. An act for the relief of Martha Edwards, Norfolk Protestant Hospital, and Dr. Julian L. Rawls;

H. R. 997. An act for the relief of William L. Jenkins;

H. R. 999. An act for the relief of Lewis E. Green;

H. R. 1825. An act for the relief of William M. Stoddard;

H. R. 1938. An act for the relief of Katherine G. Taylor;

H. R. 2188. An act for the relief of Arthur K. Finney;

H. R. 2810. An act for the relief of William Sheldon;

H. R. 3036. An act for the relief of Florence Mahoney;

H. R. 3607. An act for the relief of Dr. M. M. Brayshaw;

H. R. 3694. An act for the relief of Ada B. (Gould) Gollan;

H. R. 3727. An act for the relief of Mary Elizabeth Fox;

H. R. 3848. An act for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas;

H. R. 5801. An act for the relief of Clyde W. Edwards;

H. R. 5947. An act for the relief of John Moore;

H. R. 6381. An act for the relief of Escha Whittington Casey;

H. R. 6461. An act for the relief of Frank D. Whitfield;

H. R. 6618. An act for the relief of Lissie Maud Green;

H. R. 6774. An act to authorize amendment of the act of February 25, 1927, for the payment of damages caused by reason of the overflow of the Rio Grande on August 17, 1921;

H. R. 6785. An act for the relief of Jose Ramon Cordova;

H. R. 7040. An act for the relief of Sadie Bermi;

H. R. 7655. An act for the relief of Dr. Charles T. Granger;

H. R. 7761. An act for the relief of Mary Josephine Lobert;

H. R. 8619. An act for the relief of Nellie Oliver;

H. R. 9053. An act for the relief of Carl C. Baxter;

H. R. 9606. An act for the relief of the estate of Clarendon Davis;

H. R. 9915. An act to confer jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of William W. McElrath against the United States for compensation for the manufacture of an invention of William W. McElrath covered by reissue letters patent issued by the Patent Office of the United States on the 19th day of February, 1924;

H. R. 10104. An act for the relief of the heirs of Burton S. Adams, deceased;

H. R. 10124. An act for the relief of A. Zappone, disbursing clerk, United States Department of Agriculture;

H. R. 10170. An act authorizing adjustment of the claim of Joseph T. Ryerson & Son (Inc.);

H. R. 10756. An act for the relief of Clive Sprouse and Robert F. Moore;

H. R. 10891. An act to provide for the reimbursement of Guillermo Medina, hydrographic surveyor, for the value of personal effects lost in the capsizing of a Navy whaleboat off Galera Island, Gulf of Panama;

H. R. 11035. An act for the relief of Price Huff;

H. R. 11242. An act to relinquish the title of the United States in and to lands in Rapides Parish, State of Louisiana;

H. R. 11461. An act for the relief of C. N. Hildreth, jr., and

H. R. 11477. An act for the relief of George Charles Walthers.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following bills, and they were signed by the Vice President:

S. 914. An act for the relief of Katherine R. Theberge;

S. 1858. An act for the relief of Harriette Olsen;

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton;

S. 2395. An act authorizing the conveyance of certain land to school district No. 15, Lincoln County, Mont.;

S. 3504. An act for the relief of Lyman L. Miller; and

S. 4166. An act for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes.

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal of the proceedings of the calendar day of Friday, February 10, 1933.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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|---|---|---|---|
| Ashurst | Cutting | Kendrick | Schuyler |
| Austin | Dale | Keyes | Sheppard |
| Bailey | Davis | King | Shipstead |
| Bankhead | Dill | La Follette | Shortridge |
| Barkley | Fess | Lewis | Smith |
| Bingham | Fletcher | Logan | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Moses | Swanson |
| Bratton | Glenn | Neely | Thomas, Idaho |
| Brookhart | Gore | Norbeck | Thomas, Okla. |
| Bulkley | Grammer | Norris | Trammell |
| Bulow | Hale | Nye | Tydings |
| Byrnes | Harrison | Oddie | Vandenberg |
| Capper | Hastings | Pittman | Wagner |
| Caraway | Hatfield | Reed | Walsh, Mass. |
| Clark | Hayden | Reynolds | Walsh, Mont. |
| Connally | Hebert | Robinson, Ark. | Watson |
| Coolidge | Hull | Robinson, Ind. | White |
| Costigan | Johnson | Russell | |
| Couzens | Kean | Schall | |

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is unavoidably absent from the Senate on account of illness.

Mr. NORRIS. I wish to announce that my colleague [Mr. HOWELL] is absent on official business of the Senate.

Mr. FESS. The junior Senator from Wyoming [Mr. CAREY] is also absent on official business of the Senate.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

CLAIM OF THE WHITE BROS. & CO.

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of the White Bros. & Co. against the United States, which, with the accompanying papers, was referred to the Committee on Claims.

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Labor, transmitting, pursuant to law, a list of miscellaneous papers on the files of the Children's Bureau which are not needed in the conduct of business and are lacking in historical interest, and asking for action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. METCALF and Mr. COPELAND members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the House of Representatives of the State of Nebraska, which were ordered to lie on the table:

Resolution memorializing the Congress of the United States in opposition to continuance of Federal gasoline tax

Whereas the Federal gasoline sales tax is the premium which the American people pay against the speedy return of prosperity; and

Whereas although the revenue which this tax has brought into the Federal Treasury totals millions of dollars, it is most unprofitable as a measure of economy and of sound business judgment because of the burden which it imposes upon the American motorists; and

Whereas gasoline is the only commodity in the Nation on which taxes are paid in excess of the value of the cost of the product; and

Whereas the Federal gasoline tax makes the tax total practically confiscatory, the same being levied at a rate of 130 per cent of the selling price of the product; and

Whereas from July 1, 1932, to December 31, 1932, the collections of the 1-cent Federal tax on gasoline totaled $52,839,826.70; and

Whereas the Federal gasoline tax is inequitable, onerous, uneven, costly, and productive of evasion, being not merely double taxation but multiple taxation, unwittingly imposed by the Congress when they were seeking the general good; and

Whereas, based on 1932 collections, the total 1933 State and Federal gasoline taxes in Nebraska, assuming that the present tax of 4 cents per gallon upon the use and distribution of motor-vehicle fuel continues and that the 1-cent gasoline tax for the United States still remains in force and effect, will amount to the fabulous sum of $9,893,105, which the citizens and residents of the State of Nebraska will be compelled to pay; and

Whereas a continuance of the 1-cent Federal tax, together with the present 4-cent State of Nebraska gasoline tax, will constitute a tax burden which is so confiscatory that, in history, is without parallel: Now, therefore, be it

*Resolved by the House of Representatives of the State of Nebraska in forty-ninth regular session assembled:*

1. That this house goes on record as unalterably opposed to the continuance of the 1-cent Federal gasoline tax law and urges that the Congress of the United States repeal the same without delay.

2. That the chief clerk of this house be forthwith directed to forward copies of this resolution, properly authenticated, to the President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Congressman representing the State of Nebraska in the National Congress, to the end that our Congressmen and Senators from Nebraska will vigorously oppose the continuance of the Federal gasoline tax and thereby hasten trade recovery in petroleum and other industries.

HENRY BOCK.

LINCOLN, NEBR., *February 7, 1933.*

I hereby certify that the above and foregoing is a true and correct copy of a resolution adopted by the house of representatives of the forty-ninth session of the Legislature of Nebraska on February 6, 1933.

MAX ADAMS, *Chief Clerk.*

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Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve if passed, a bill to repeal the packers and stockyards act (act of Congress, August 15, 1921), in so far as it authorizes or permits Federal authorities to fix charges for stockyard services at public stockyards as defined in said packers and stockyards act

Whereas the growing and feeding of livestock is Nebraska's chief industry; and

Whereas the major part of our livestock is necessarily handled through public markets and must bear the charges for yardage, feeding, weighing, commissions, and other stockyard services at such markets; and

Whereas the charges for stockyard services are a direct burden on the farmers and livestock producers of this State; and

Whereas the charges at all public markets serving Nebraska farmers and producers of livestock, such as those at Omaha, Sioux City, Kansas City, St. Joseph, St. Louis, and Chicago, as well as those at other places, are unreasonable and extortionate. For example, at the Union Stock Yards at Omaha the charge for prairie hay is now $22.50 per ton, the charge for oats is 65 cents per bushel, and the charge for corn is 75 cents per bushel, the charges at the other stockyards being also unreasonable and extortionate; and

Whereas the charges for stockyard services are under the control of the Secretary of Agriculture of the United States and it is impossible for the farmer or shipper to go to Washington to seek redress because of the distance and the expense involved: Now, therefore, be it

*Resolved by the House of Representativs of the State of Nebraska in forty-ninth regular session assembled:*

SECTION 1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, a bill to repeal the packers and stockyards act (act of Congress, August 15, 1921), in so far as such act authorizes or permits the control and fixing by the Federal authorities of charges for stockyard services, although the livestock receiving such services at public markets may be part of the current of interstate commerce and although it may be, at the time of receiving such services, actually in interstate commerce.

SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, Senators, and Representatives from Nebraska.

HENRY BOCK.

LINCOLN, NEBR., *February 7, 1933.*

I hereby certify that the above and foregoing is a true and correct copy of a resolution adopted by the house of representatives of the forty-ninth session of the Legislature of Nebraska on February 7, 1933.

MAX ADAMS, *Chief Clerk.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was ordered to lie on the table:

Joint resolution memorializing Federal authorities to confine all contracts to be let for work to be done on or in connection with the Hoover Dam and other Federal construction projects to American firms and corporations

Whereas the Hoover Dam is a great national project being built at the expense of the American taxpayers; and

Whereas economic conditions at the present time are such that any public money spent for construction projects should be utilized to give employment to the maximum number of American citizens: Therefore be it

*Resolved by the senate (the assembly concurring),* That the Legislature of Wisconsin hereby respectfully memorializes the Federal officials who have charge of the letting of contracts for any Federal construction project, including contracts for the purchase of equipment and materials, to exclude from consideration any foreign corporation or other bidders, and to let such contracts only to American citizens and American firms and corporations, and to require that all material used in such projects shall be manufactured in the United States of America; be it further

*Resolved,* That properly attested copies of this resolution be sent to the President of the United States, to the Secretary of the Interior, and to the presiding officers of both Houses of the Congress of the United States.

CORNELIUS YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*
THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the passage of legislation to guarantee to farmers a price for their products which will give them the minimum cost of production, which was referred to the Committee on Agriculture and Forestry.

(See joint resolution printed in full when presented to-day by Mr. LA FOLLETTE.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the passage of legislation to aid farmers and home owners to retain their farms and homes, which was referred to the Committee on Banking and Currency.

(See joint resolution printed in full when presented to-day by Mr. LA FOLLETTE.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of the State of Delaware, favoring the passage of legislation to commemorate the one hundred and fiftieth anniversary of the naturalization as an American citizen in 1783 of Brig. Gen. Thaddeus Kosciusko, a hero of the Revolutionary War, by the issuance of a special series of postage stamps in his honor, which was referred to the Committee on Post Offices and Post Roads.

(See resolution printed in full when presented to-day by Mr. HASTINGS.)

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of the State of New Mexico, favoring the passage of the so-called Cutting bill, being the bill (S. 5121) to amend Title I of the emergency relief and construction act of 1932, approved July 21, 1932 (47 Stat. L. 709), by authorizing cooperation by the Federal Government with the several States and Territories in relieving distress among unemployed needy transients, which was referred to the Committee on Manufactures.

(See joint memorial printed in full when presented to-day by Mr. BRATTON.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Southern Oregon Law Enforcement Officers' Association, in convention assembled at Roseburg, Oreg., indorsing the work of the United States Bureau of Investigation under the leadership of its director, Mr. John Edgar Hoover, and especially the cooperation rendered by the identification division of that bureau, which was referred to the Committee on the Judiciary.

Mr. BYRNES presented a concurrent resolution of the Legislature of the State of South Carolina, memorializing Congress to amend the Reconstruction Finance Corporation act so as to permit the States and political subdivisions thereof to borrow money for the purpose of refunding loans to be retired by taxation, which was referred to the Committee on Banking and Currency.

(See resolution printed in full when laid before the Senate by the Vice President on the 9th instant, p. 3798, CONGRESSIONAL RECORD.)

Mr. HASTINGS presented the following concurrent resolution of the Legislature of the State of Delaware, which was referred to the Committee on Post Offices and Post Roads:

STATE OF DELAWARE,
ONE HUNDRED AND FOURTH GENERAL ASSEMBLY.

Senate Concurrent Resolution 13

We hereby certify that the inclosed is the same act as was passed by both houses of the one hundred and fourth general assembly.

W. A. SIMONTON,
*President pro tempore of the Senate.*
J. THOMAS ROBINSON,
*Speaker of the House.*

We hereby certify that the inclosed act is properly backed, stamped, and sealed and is the same act as above certified to.

KARLENE H. CARPENTER,
*Bill Clerk of the Senate.*
OWEN K. MOORE,
*Bill Clerk of the House.*

Certified with—

WILLIAM P. SHORT,
*Secretary of the Senate.*
EDWIN E. SHALLCROSS,
*Clerk of the House.*

Senate Concurrent Resolution No. 13, memorializing the Congress of the United States to enact House Joint Resolution 191 to commemorate the one hundred and fiftieth anniversary of the naturalization as an American citizen in 1783 of Brig. Gen. Thaddeus Kosciusko, a hero of the Revolutionary War, by issuing special series of postage stamps in honor of Brig. Gen. Thaddeus Kosciusko

Whereas on October 13, 1933, will occur the one hundred and fiftieth anniversary of the naturalization as an American citizen of Brig. Gen. Thaddeus Kosciusko, a hero of the Revolutionary War; and

Whereas the service rendered by him was of great value and assistance to the cause of American independence and of such high importance that on October 13, 1783, he was appointed brevet brigadier general of the Continental Army and was granted his naturalization as an American citizen; and

Whereas it is but fitting that proper recognition should be given to the memory of Brig. Gen. Thaddeus Kosciusko, whose illustrious service in the War for American Independence is well known to all who are familiar with our history: Therefore be it

*Resolved by the Senate of the State of Delaware (the House of Representatives concurring therein)*, That the General Assembly of the State of Delaware hereby respectfully requests and urges His Excellency, Hon. Herbert Hoover, President of the United States. the Senators and Representative in Congress from the State of Delaware to respectfully memorialize the Congress of the United States to enact legislation which will provide for the effective carrying out of the provisions of the said resolution, whereby the Postmaster General would be authorized and directed to issue a special series of postage stamps of the denomination of 3 cents, of such design and for such period as he may determine, commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment of Thaddeus Kosciusko as brevet brigadier general of the Continental Army on October 13, 1783.

That a copy of this resolution be sent to President of the United States, Vice President of the United States, Speaker of the House of Representatives, and to each United States Senator and the Representative in Congress from Delaware.

Mr. LA FOLLETTE presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Joint resolution regarding legislation to secure the farmers their cost of production

Whereas the present position of agriculture is the worst it has been in the entire history of the country; farm prices are at the lowest in generations and are still tending downward; dairy products were in December, 1932, 23 points below December, 1931; at least one-fourth of all farmers are delinquent in the payment of interest or taxes; and most serious discontent is developing in rural districts, which threatens the safety of government and society itself; and

Whereas the crux of the entire problem lies in the price realized for dairy and other farm products, since manifestly the farmers can not meet interest and taxes and continue to support their families unless they are paid a price for their products which gives them their cost of production; and

Whereas no single State can cope with this problem alone, since competition in the sale of farm products is nation-wide and to some extent world-wide, while the Federal Government, through its control of interstate commerce, foreign affairs, and customs duties, can affect the entire country and at least materially influence world conditions: Therefore be it

*Resolved by the senate (the assembly concurring)*, That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to enact legislation to guarantee to farmers a price for their products which will give them their minimum cost of production, and expresses its opinion that no other measures of farm relief will prove adequate. While it is no doubt necessary also to refinance the farmers at a low rate of interest, such a measure will not alone solve the problem, since it will still leave the farmers with a great burden of debt which they must ultimately repay through the proceeds from the sale of their products. Still other measures may be helpful, but a solution of the farm problem can be attained only through securing farmers their minimum cost of production; be it further

*Resolved*, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof. A copy of this resolution shall also be transmitted to the Hon. Franklin D. Roosevelt, President elect of the United States, to whom the farmers of this State and the entire country are hopefully looking for leadership in solving the farm problem.

THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*
CORNELIUS YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*

Mr. LA FOLLETTE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Banking and Currency:

Joint resolution relating to Federal aid for owners of mortgaged farms and homesteads

Whereas there is now pending in Congress a bill appropriating and setting apart a special fund with the Reconstruction Finance Corporation for the purpose of aiding farmers and home owners who are in financial distress and unable to repay the mortgages on such farms and homesteads: Therefore, be it

*Resolved by the senate (the assembly concurring)*, That the Legislature of the State of Wisconsin respectfully memorializes and urges the Congress of the United States to pass such bill, or some other bill, which will aid farmers and home owners to retain their farms and homes; and be it further

*Resolved*, That a copy of this resolution, properly attested, be sent to the Presiding Officers of each House of the Congress of the United States and to each Wisconsin Member thereof.

CORNELIUS YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*
THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*

Mr. JOHNSON. Mr. President, I present certain resolutions and memorials of various cities in California, the cities of Pasadena, Oakland, and others, protesting against the enactment of any Federal tax legislation which imposes, or may be interpreted as imposing, a burden of taxation upon States, State agencies, or publicly owned utilities.

The VICE PRESIDENT. The memorials and resolutions will be received and referred to the Committee on Finance.

(The resolutions and memorials presented by Mr. JOHNSON are from the board of directors of the city of Pasadena, and city councils of numerous cities, utility districts, and associations, all in the State of California.)

Mr. BULKLEY presented resolutions adopted by the City Council of Martins Ferry, Ohio, protesting against the imposition of any Federal tax which imposes, or may be interpreted as imposing, a burden upon the States, State agencies, and/or publicly owned utilities, which was referred to the Committee on Finance.

Mr. SHORTRIDGE. Mr. President, I am in receipt of a letter addressed to me by Mr. C. R. Reid, chairman of the Taxation Committee Public Ownership League of America and secretary of the California Tax Committee, California Municipal Utility Association, accompanied by resolutions from numerous cities, utility districts, and associations in California, protesting against Federal taxation which imposes—or may be interpreted to impose—a burden upon States, State agencies, or publicly owned utilities.

I present these resolutions and memorials and request that they be referred to the Committee on Finance.

The VICE PRESIDENT. The memorials and resolutions will be received and referred to the Committee on Finance.

COOPERATION BY FEDERAL GOVERNMENT WITH THE STATES FOR RELIEF PURPOSES

Mr. BRATTON. I send forward a joint memorial passed by the Legislature of the State of New Mexico, memorializing Congress to pass the bill (S. 5121) to amend Title I of the emergency relief and construction act of 1932, approved July

21, 1932 (47 Stat. L. 709), by authorizing cooperation by the Federal Government with the several States and Territories in relieving distress among unemployed needy transients, introduced by my colleague [Mr. CUTTING]. I ask that the joint resolution may be printed in the RECORD and appropriately referred.

The joint memorial was referred to the Committee on Manufactures, and it is as follows:

Senate Joint Memorial No. 2 (introduced by Senator J. W. Tackett)

A joint memorial to the Congress of the United States requesting the passage of Senate bill 5121, introduced December 8, 1932, by Hon. BRONSON CUTTING, United States Senator of New Mexico

Whereas upon December 8, 1932, the Hon. BRONSON CUTTING, United States Senator of New Mexico, introduced S. 5121, being "A bill to amend Title I of the emergency relief and construction act of 1932, approved July 21, 1932 (47 Stat. L. 709), by authorizing cooperation by the Federal Government with the several States and Territories in relieving distress among needy transients"; and

Whereas New Mexico, by reason of its geographical location and climate, is daily in receipt of many hundreds of transients, and by reason of present conditions of unemployment and distress many of these transients become stranded and subjects of charity; and

Whereas the passage of said bill will aid greatly in meeting these problems, which are growing too great for local charity to properly handle: Therefore be it

*Resolved by the Legislature of the State of New Mexico*, That the Congress of the United States be memorialized to act at once so as to assure the speedy passage of said bill; and be it further

*Resolved*, That copies of this memorial be sent to the Presiding Officers of the Congress of the United States and to our Senators and Representatives in Congress.

A. W. HOCHENHULL,
*President of the Senate.*

Attest:

F. E. MCCULLOCH,
*Chief Clerk of the Senate.*

ALVAN N. WHITE,
*Speaker of the House of Representatives.*

Attest:

GENARO ARMIJO,
*Chief Clerk of the House of Representatives.*

Approved by me this 1st day of February, 1933.

ARTHUR SELIGMAN,
*Governor of New Mexico.*

FEDERAL AID IN HIGHWAY CONSTRUCTION

Mr. KENDRICK. Mr. President, I present a memorial passed by the Wyoming Legislature in the form of an appeal to Congress to enact legislation providing funds for Federal aid in highway construction, which I ask may be appropriately referred.

The joint memorial was referred to the Committee on Post Offices and Post Roads, and, under the rule, ordered to be printed in the RECORD, as follows:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of enrolled joint memorial No. 2, senate, of the Twenty-second Legislature of the State of Wyoming, being original senate joint memorial No. 2, approved by the governor on February 7, 1933, at 8.40 a. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 8th day of February, A. D. 1933.

A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

Memorializing Congress to take favorable action on S. 36, or a similar bill, authorizing an appropriation for Federal aid in highway construction

Whereas the so-called public-land States are denied sovereignty over a great portion of their domain and are thus deprived of the income and revenues which would otherwise be derived from taxation of such areas, by reason where the Federal Government to a very great extent owes to such States the duty of building highways across such nonproductive areas; and

Whereas it has been customary in the past for the Congress of the United States to authorize an appropriation for Federal aid in highway construction for two years in advance and no such Federal aid has been authorized by Congress beyond the fiscal year 1933; and

Whereas the moneys appropriated by the Federal Government and used on highways reaches down directly to the workingman and is of direct benefit to a large number of laborers and others, thereby greatly relieving distress and suffering among the otherwise unemployed; and

Whereas the State of Wyoming has utilized all Federal aid heretofore authorized and the completion of the work now under construction will throw out of employment a large number of Wyoming citizens, thus adversely affecting several thousand residents of the State, unless additional funds for construction work are provided for the purpose of completing the Federal-aid system in this State; and

Whereas an authorization bill designated as S. 36 has already passed the United States Senate and has already been favorably reported to the House of Representatives by the House Committee on Roads: Now, therefore, be it

*Resolved by the senate of the twenty-second legislature (the house of representatives concurring)*, That the Congress of the United States of America be and is hereby memorialized to take favorable and prompt action upon and to pass said S. 36, or a similar bill, authorizing a Federal-aid appropriation for highway construction in an amount consistent with other governmental expenditures at this time; and be it further

*Resolved*, That the President of the United States be respectfully urged and requested to approve such bill upon its passage in order that the provisions thereof may become effective at an early date; and be it further

*Resolved*, That a certified copy of this joint memorial be sent to the President of the United States and the President of the United States Senate, the Speaker of the House of Representatives, and to each of the members of the congressional delegation of this State in Congress.

WM. M. JACK,
*Speaker of the House.*
ROY H. CAMERON,
*President of the Senate.*

Approved 8.40 a. m., February 7, 1933.

LESLIE A. MILLER, *Governor.*

REPORTS OF COMMITTEES

Mr. SMOOT, from the Committee on Appropriations, to which was referred the bill (H. R. 14458) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes, reported it with amendments and submitted a report (No. 1201) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 5122) to provide for the purchase and sale of cotton under the supervision of the Secretary of Agriculture, reported it with an amendment in the nature of a substitute and submitted a report (No. 1208) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 5427) authorizing the Secretary of the Interior to purchase certain lands in Ottawa County, Okla., reported it with amendments and submitted a report (No. 1202) thereon.

He also, from the same committee, to which was referred the bill (S. 5483) authorizing the Secretary of the Interior in behalf of Indians to purchase the allotments of deceased Indians, and for other purposes, reported it without amendment and submitted a report (No. 1203) thereon.

Mr. STEIWER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 10086) to amend the act of February 14, 1920, authorizing and directing the collection of fees for work done for the benefit of Indians, reported it without amendment and submitted a report (No. 1204) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which was referred the bill (H. R. 9877) to repeal obsolete sections of the Revised Statutes omitted from the United States Code, reported it with an amendment and submitted a report (No. 1205) thereon.

He also, from the same committee, to which was referred the bill (H. R. 7121) to repeal obsolete statutes and to improve the United States Code, reported it without amendment and submitted a report (No. 1206) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 3257) for the protection of holders of industrial insurance policies in the District of Columbia, reported it with amendments and submitted a report (No. 1207) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (S. 5532) to extend the time for the construction of a bridge across the Rio Grande at Boca Chica, Tex., reported it without amendment and submitted a report (No. 1209) thereon.

He also, from the same committee, to which was referred the bill (S. 5564) to extend the times for commencing and completing the construction of a bridge across Hudson River at or near Catskill, Greene County, N. Y., and for other purposes, reported it with amendments and submitted a report (No. 1210) thereon.

ENROLLED BILLS PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on to-day, February 11, 1933, that committee presented to the President of the United States the following enrolled bills:

S. 914. An act for the relief of Katherine R. Theberge;

S. 1858. An act for the relief of Harriette Olsen;

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton;

S. 2395. An act authorizing the conveyance of certain land to school district No. 15, Lincoln County, Mont.;

S. 3504. An act for the relief of Lyman L. Miller; and

S. 4166. An act for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes.

GENEVIEVE M. COLWELL

Mr. KENDRICK, in behalf of the Senator from Delaware [Mr. TOWNSEND], from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably the resolution (S. Res. 348) submitted by himself on the 6th instant, which was considered by unanimous consent and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, fiscal year 1932, contingent fund of the Senate, to Genevieve M. Colwell, widow of Eugene Colwell, late the assistant financial clerk of the Senate, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

WATER RESOURCES OF THE SAN PEDRO RIVER, ARIZ.

Mr. KENDRICK, from the same committee, reported back favorably without amendment the resolution (S. Res. 292) submitted by Mr. ASHURST on December 7, 1932, which was considered by unanimous consent and agreed to, as follows:

*Resolved*, That the Committee on Irrigation and Reclamation, or a duly authorized subcommittee thereof, is authorized and directed to make a complete investigation respecting proposed legislation providing for the ultimate utilization of the water resources of the San Pedro River, in the State of Arizona, including irrigation, reclamation, flood control, and power development. For the purposes of this resolution such committee or subcommittee is authorized to hold hearings, to sit and act at such times and places within the United States, and to employ such clerical and stenographic assistance as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The committee or subcommittee is further authorized to send for persons and papers, to administer oaths, and to take testimony, and the expense attendant upon the work of the committee or subcommittee shall be paid from the contingent fund of the Senate, but shall not exceed $2,000. Such committee or subcommittee shall make a report of the results of such investigation with recommendations to the Seventy-third Congress, first session.

ENLARGEMENT OF YELLOWSTONE AND GRAND TETON NATIONAL PARKS

Mr. KENDRICK. Also, on behalf of the chairman [Mr. TOWNSEND], from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably Senate Resolution 226, submitted by my colleague [Mr. CAREY] and myself, which was referred to that committee with amendments by the Committee on Public Lands and Surveys, and I ask for its present consideration.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendments were, on page 1, line 5, after the name "Department of the Interior," to strike out "and"; in line 6, after the word "company," to insert "the Teton Investment Co., the Teton Hotel Co., the Teton Transportation Co., and the Jackson Lake Lodge Co."; in line 12, before the word "methods," to strike out "The" and insert "What"; in the same line, before the word "employed," to insert "if any, have been"; on page 2, line 9, before the word "methods," to strike out "The" and insert "What"; in the same line, before the word "employed," to insert "if any, have been"; in line 11, before the words "residents," to strike out "to harass" and insert "affecting"; in line 12, after the word "in," to strike out "order to bring about their removal from said lands" and insert "connection with its activities in acquiring land or otherwise promoting the project of enlarging the boundaries of the Yellowstone National Park and/or the Grand Teton National Park"; in line 17, after the word "Senate," to strike out "not later than December 1, 1932," and insert "as soon as practicable"; in line 24, after the word "Senate," to strike out "in the Seventy-second Congress"; and, in line 25, after the word "submitted," to insert "during the Seventy-third Congress," so as to make the resolution read:

*Resolved*, That the Committee on Public Lands and Surveys or any duly authorized subcommittee thereof, is authorized and directed to investigate the activities in the Jackson Hole region, Teton County, Wyo., of the National Park Service, Department of the Interior, the Snake River Land Co., the Teton Investment Co., the Teton Hotel Co., the Teton Transportation Co., and the Jackson Lake Lodge Co., in connection with the proposed enlargement of the Yellowstone National Park and/or the Grand Teton National Park of Wyoming, particularly with a view to determining:

(a) What methods, if any, have been employed by the National Park Service to discourage persons from making entry and settlement on public land and forest reserves in said region so that the boundaries of said Yellowstone and Grand Teton National Parks might be conveniently extended, and the efforts made by the National Park Service to secure the cooperation of other bureaus and departments of the Government in discouraging, directly or indirectly, entry or residence on such public lands and in national forests; and

(b) What methods, if any, have been employed by the Snake River Land Co., or any of its agents, affecting residents and settlers on public lands and national forests in said region in connection with its activities in acquiring land or otherwise promoting the project of enlarging the boundaries of the Yellowstone National Park and/or the Grand Teton National Park.

The committee shall report to the Senate as soon as practicable the result of its investigation, together with its recommendations, if any, for legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate until the final report is submitted during the Seventy-third Congress, to employ such clerical and other assistants, to require by subpœna or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendments were agreed to.

The resolution as amended was agreed to.

EMPLOYMENT OF A MESSENGER

Mr. FESS (for Mr. TOWNSEND), from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably without amendment the resolution (S. Res. 337) submitted by himself on January 19, 1933, which was considered by unanimous consent and agreed to, as follows:

*Resolved*, That Senate Resolution 421, agreed to January 28, 1931, and previous resolutions authorizing Hon. THOMAS D. SCHALL, a Senator from the State of Minnesota, to appoint a messenger for service as his personal attendant, to be paid out of the contingent fund of the Senate, hereby are continued in full force and effect until otherwise ordered.

DAISYE L. TRAMMELL

Mr. FESS, from the same committee, reported back favorably without amendment the resolution (S. Res. 347) submitted by Mr. FLETCHER on the 6th instant, which was considered by unanimous consent and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, fiscal year 1932, contingent fund of the Senate, to Daisye L. Trammell, widow of Lee R. Trammell, late clerk in the office of Senator PARK TRAMMELL, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE COMMITTEE ON INTEROCEANIC CANALS

Mr. FESS, from the same committee, reported back favorably without amendment the resolution (S. Res. 344) sub-

mitted by Mr. SCHALL on January 31, 1933, which was read, as follows:

*Resolved*, That the Committee on Interoceanic Canals, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

The VICE PRESIDENT. The Chair suggests that there must be a mistake in the resolution. The Seventy-second Congress will expire on the 4th of March.

Mr. ROBINSON of Arkansas. What is the request?

The VICE PRESIDENT. The request is for unanimous consent for the consideration of the resolution to authorize the Committee on Interoceanic Canals to hold hearings during the Seventy-second Congress. The Chair suggests that it probably should be the Seventy-third Congress.

Mr. ROBINSON of Arkansas. What is the resolution?

Mr. FESS. It is a resolution to authorize the Committee on Interoceanic Canals to hold hearings.

The VICE PRESIDENT. The Chair is informed that the committee have had no authority during this Congress to hold hearings, and the resolution is probably to cover the present session. The resolution will be again read for the information of the Senate.

The Chief Clerk again read the resolution.

Mr. ROBINSON of Arkansas. May I inquire what investigations or inquiries are in contemplation under the resolution?

Mr. FESS. The Senator from Ohio merely heard the statement of the Senator from Minnesota [Mr. SCHALL], who asked to have the resolution adopted. He does not know what the purpose of the Senator from Minnesota is.

Mr. ROBINSON of Arkansas. I think the resolution had better go over.

The VICE PRESIDENT. The resolution will be passed over.

### SURVEY OF INDIAN CONDITIONS

Mr. FESS. From the Committee to Audit and Control the Contingent Expenses of the Senate I also report with an amendment Senate Resolution 323 and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 323) submitted by Mr. FRAZIER on January 12, 1933. The amendment was on page 1, line 8, to strike out "$10,000" and insert "$1,500," so as to make the resolution read:

*Resolved*, That Senate Resolution No. 79, agreed to February 2, 1928, and continued by subsequent resolutions, authorizing the Committee on Indian Affairs, or any subcommittee thereof, to make a general survey of the condition of the Indians in the United States, hereby is continued in full force and effect throughout the duration of the Seventy-third Congress, and hereby is authorized to expend in furtherance of above-mentioned purposes $1,500 in addition to the amounts heretofore authorized for such purposes, to be paid out of the contingent fund of the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 5624) relating to the payment of benefits under the World War veterans' act, 1924, as amended, for disability not incurred in line of duty; to the Committee on Finance.

By Mr. WATSON:

A bill (S. 5625) authorizing an appropriation to provide for the completion of the George Rogers Clark memorial at Vincennes, Ind.; to the Committee on the Library.

By Mr. FRAZIER (by departmental request):

A bill (S. 5626) to amend the act of June 23, 1926, reserving Rice Lake and contiguous lands for the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated below:

H. R. 811. An act for the relief of Martha Edwards, Norfolk Protestant Hospital, and Dr. Julian L. Rawls;

H. R. 997. An act for the relief of William L. Jenkins;

H. R. 999. An act for the relief of Lewis E. Green;

H. R. 1938. An act for the relief of Katherine G. Taylor;

H. R. 2188. An act for the relief of Arthur K. Finney;

H. R. 2810. An act for the relief of William Sheldon;

H. R. 3036. An act for the relief of Florence Mahoney;

H. R. 3607. An act for the relief of Dr. M. M. Brayshaw;

H. R. 3694. An act for the relief of Ada B. (Gould) Gollan;

H. R. 3727. An act for the relief of Mary Elizabeth Fox;

H. R. 3848. An act for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas;

H. R. 5801. An act for the relief of Clyde W. Edwards;

H. R. 5947. An act for the relief of John Moore;

H. R. 6381. An act for the relief of Escha Whittington Casey;

H. R. 6618. An act for the relief of Lissie Maud Green;

H. R. 6774. An act to authorize amendment of the act of February 25, 1927, for the payment of damages caused by reason of the overflow of the Rio Grande on August 17, 1921;

H. R. 6785. An act for the relief of Jose Ramon Cordova;

H. R. 7040. An act for the relief of Sadie Bermi;

H. R. 7655. An act for the relief of Dr. Charles T. Granger;

H. R. 7761. An act for the relief of Mary Josephine Lobert;

H. R. 9606. An act for the relief of the estate of Clarendon Davis;

H. R. 9915. An act to confer jurisdiction upon the Court of Claims of the United States to hear, adjudicate, and enter judgment on the claim of William W. McElrath against the United States for compensation for the manufacture of an invention of William W. McElrath covered by reissue letters patent issued by the Patent Office of the United States on the 19th day of February, 1924;

H. R. 10104. An act for the relief of the heirs of Burton S. Adams, deceased;

H. R. 10170. An act authorizing adjustment of the claim of Joseph T. Ryerson & Son (Inc.);

H. R. 10891. An act to provide for the reimbursement of Guillermo Medina, hydrographic surveyor, for the value of personal effects lost in the capsizing of a Navy whaleboat off Galera Island, Gulf of Panama; and

H. R. 11477. An act for the relief of George Charles Walthers; to the Committee on Claims.

H. R. 1825. An act for the relief of William M. Stoddard;

H. R. 6461. An act for the relief of Frank D. Whitfield;

H. R. 8619. An act for the relief of Nellie Oliver;

H. R. 9053. An act for the relief of Carl C. Baxter; and

H. R. 11035. An act for the relief of Price Huff; to the Committee on Military Affairs.

H. R. 10124. An act for the relief of A. Zappone, disbursing clerk, United States Department of Agriculture; to the Committee on Agriculture and Forestry.

H. R. 10756. An act for the relief of Clive Sprouse and Robert F. Moore; and

H. R. 11242. An act to relinquish the title of the United States in and to lands in Rapides Parish, State of Louisiana; to the Committee on Public Lands and Surveys.

### TAMPICO MARINE IRON WORKS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 188) for the relief of Tampico Marine Iron Works, which were, on page 1, line 7, to strike out "$2,573" and insert "$1,500"; on page 2, line 4, to strike out "being" and insert "to be"; and on page 2, line 6, after "to," to insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or

received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. SHEPPARD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

THE LIBRARY OF CONGRESS (S. DOC. NO. 185)

Mr. JOHNSON. Mr. President, yesterday the Senator from Ohio [Mr. FESS] made a most informative speech concerning the Library of Congress. It is of public interest because it states in detail just exactly how the Library may be utilized by all our people. I am asking, therefore, unanimous consent that his speech may be printed as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

THE FEDERAL TRADE COMMISSION

Mr. SCHALL. Mr. President, I have just read a memorandum of the history and activities of the Federal Trade Commission, which I believe should be printed, and ask the consent of the Senate so to do.

The only legal machinery which has been constructed that has proven it is equipped to meet the industrial problems of to-day in the interest of the public is the Federal Trade Commission, and we should not throttle it now by lack of appropriations when in all the history of our Nation it is most needed. Without that machinery combination power would have by this time through its intricacies of combinations, had it not been for the Federal Trade Commission, strangled fair competition, honest business, the law of supply and demand.

The Federal Trade Commission was the first institution ever formed to really accomplish anything in the thwarting of combination power and unfair trade, and its enactment was only had after years of bitter controversial struggle. It is the result of years of investigation and study by commercial, industrial, and governmental committees and organizations. Its accumulated efficiency should not be thrown away.

This commission is to-day the only instrument we have in the field of public utilities outside the railroads to guard the people's interest.

We have appropriated for the Interstate Commerce Commission seven times the amount that the Bureau of the Budget has recommended for the necessary expenses of the Federal Trade Commission, which is $1,100,000. The Interstate Commerce Commission has only the railroads to look after while the Federal Trade Commission's jurisdiction includes everything else in the country excepting the banks. The railroad investment is only $26,000,000,000 while the public utilities alone, outside of the railroads' investment, is $20,000,000,000.

Now, Mr. President, the House proposed to cut this recommendation, which is already pared to the quick, to $500,000. I protest that we should not cut off our noses to spite our faces or rather allow the public utilities and unfair combinations outside the railroads to deprive honest business wherever it is found throughout the country of a fair deal.

We have the Clayton Act, the Sherman Act, and the Webb-Pomerene Export Trade Act, and others; but, while there have been suspicions and rumors, never before had the facts been made certain and usable. Never before had there been competent evidence legal to go before a court. The Federal Trade Commission was organized September 26, 1914, with power, by one means or another under the law, to go into records, to get evidence, wherever that evidence could be found, to prove the things the country knew were going on, but had no means of legal proof. The men appointed went fearlessly ahead and did their duty and secured evidence sufficient to convict criminally of violation of law and thereby have, to a large degree, put the fear of justice into the hearts of corrupt combinations that in no other way could have been deterred in their unlawful procedures and have thereby saved to the people a thousandfold their investment. Might as well recommend the discharge of the police force, the fire department, the cancellation of insurance policies.

Everybody knew there was collusion and combination in restraint of trade, and everybody still knows it, but heretofore there was no machinery to collect competent evidence. With the Federal Trade Commission in action, there is always the possibility of securing that evidence which is a deterrent to unscrupulous business.

While I congratulate the Senate Appropriations Committee upon its action raising the amount of appropriation for the Federal Trade Commission to $780,000, as a move in the right direction, yet I can not help but feel that the Senate should take the Budget committee's advice and make the appropriation a million dollars. The Senate alone is saved more than that amount every session by being able to refer investigations to the Federal Trade Commission that would otherwise have to be undertaken by the Senate or the House, or both. This Federal Trade Commission was created in part to take off the shoulders of the House and the Senate these numerous investigations that were imperative from time to time; and, instead of having them investigated by special committees in a slipshod way by untrained investigators, we have within the Federal Trade Commission a body of trained economists, accountants, and statisticians who can in a fraction of the time make the same investigation that the Senate or the House would make at a small percentage of the cost.

Had not the war intervened, with its general blight on human progress, and through its dictatorial influence persuaded Congress to amend the original Federal Trade Commission act, which greatly limited its power, I believe that its service to the people would have reached a scope that would have made it entirely effective for the purpose for which it was created. Even in its limited scope it has served as a deterrent, and without it combination power would immediately suck the remaining independent vitality of the country. I hope that the Senate will not be penny-wise and dollar-foolish in this appropriation and subject, through its shortsightedness, independent farm and business to the Frankenstein of corporate combinations.

The Federal Trade Commission has proved its right to our confidence in spite of the attacks upon it by its enemies in their efforts to abolish, or at least curtail, its powers. Its members are able and fearless and honest and, if left undisturbed in their function, will prove an effective check to the all-absorbing power of the great financial trusts, who do not like the light which the Federal Trade Commission cause to shine into their darkmost corners.

I ask also to have printed in the RECORD a statement in support of Federal Trade Commission appropriations made before the Senate Committee on Appropriations by Mrs. Harris T. Baldwin, chairman department of living costs, National League of Women Voters, and also the accompanying memorandum.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[Press department, National League of Women Voters, 532 Seventeenth Street NW., Washington, D. C.]

STATEMENT IN SUPPORT OF FEDERAL TRADE COMMISSION APPROPRIATIONS MADE BEFORE THE SENATE APPROPRIATIONS COMMITTEE BY MRS. HARRIS T. BALDWIN, CHAIRMAN DEPARTMENT OF LIVING COSTS, NATIONAL LEAGUE OF WOMEN VOTERS

Within its first year the attention of the National League of Women Voters was focused on the value of the work of the Federal Trade Commission because of its investigation of the packers which led to the consent decree of 1920 and the passage of the packers' and stockyards act in 1921. The members of the league in facing their problems as purchasers discovered that the most valuable source of light on business conditions affecting prices and the cost of living came from the investigations of the Federal Trade Commission. League members also found that they as individuals and even the States are practically helpless in dealing with the factors in the conduct of business which affect price and value, and that the only hope of reducing unfair trade practices

inimical to consumers was through the agency of the Federal Trade Commission.

Women, who are estimated to comprise 85 per cent of the country's buyers, are the victims of misbranding of products, false and misleading advertisements, price discriminations, imitation of brands and trade-marks, and substitution of products. We, therefore, feel personally grateful to the commission for its prosecution of cases involving fraudulent practices as to the quality, content, or merit of such commodities as silk, bread, aluminum, hosiery, soap, coal, cotton, cereal, milk, and many others of great importance to the public.

Utilization of electric resources from the standpoint of the public welfare and the regulation of public utilities have been among our major subjects of study. The electric-power investigation of the Federal Trade Commission ordered by Congress has been our most valuable source of impartial information in this field.

At the present time, under chaotic business conditions when the temptation is great to disregard normal fair-trade practices, consumers need more than ever a Government agency competent and available to guard the public interest which by its very presence services as a deterrent to the infringement of the rights of competitors and purchasers.

The action of the House by which it cut the appropriation by approximately $1,000,000 on the score that the House committee "does not approve the initiation of new economic investigations at this time," reveals either a startling ignorance of the public need or a deliberate intent to lessen the control of the public over business practices. The theory that the Congress will provide special funds for the investigation it orders permits the disintegration of the trained force of investigators, increases the danger that investigations will be charged with being proposed from partisan political motives and entirely disregards the right of the public to ask for investigations and to maintain an agency with power to initiate its own investigation whenever the public interest appears to be endangered.

FEDERAL TRADE COMMISSION

*Origin and composition*

The Federal Trade Commission was established by an act approved September 26, 1914. President Wilson shortly before had delivered a special message to the Congress upon the subject. The commission was the result of years of investigation and study by commercial, industrial, and governmental committees and organizations. A pledge to create such a commission was contained in the platforms of 1912 of the Republican, Democratic, and Progressive Parties. In addition to the duties and powers given by the act creating it, the commission was directed to enforce sections 2, 3, 7, and 8 of the Clayton Act approved October 15, 1914. It was also directed to administer and enforce the Webb-Pomerene export trade act, approved April 10, 1918.

The commission consists of five members, no more than three of whom shall be members of the same political party. There are at present only three commissioners, two Republicans and one Democrat. The term of one of the commissioners expired last September, and another died in January of this year.

*Business practices and the public*

The Federal Trade Commission is practically the only governmental agency to protect the public from exploitation by dishonest business. It is practically the only governmental agency protecting the honest business men from their dishonest rivals and the small business men from their more powerful and unscrupulous competitors. It is the only agency empowered and equipped to make thorough investigations of the conduct and practices of business generally as such affect the public welfare. It is the agency that through its investigation of public utilities has done most to expose the evils of high finance and those in powerful financial positions.

*Results of power and gas inquiry*

In the utility investigation, made at the direction of the Senate (S. Res. 83, 70th Cong., 1st sess.), the commission has exposed the vicious propaganda of the utility corporations through colleges, schools, governmental agencies, and the press. It has disclosed the use by many utility concerns of the most unreliable and inaccurate forms of accounting. It has shown an extensive padding of costs to operating companies through exorbitant fees charged for alleged services by holding companies, such fees amounting in some instances to 12 per cent of the cost of all additions, improvements, and replacements, and giving to the holding companies profits of over 100 per cent at a cost to the operating companies of millions of dollars. It has exposed capitalization of the earnings of subsidiary companies. It has shown an inflation of capitalization by deliberate appreciation or write-up of assets of more than $1,000,000,000 in the concerns that to date have been put in the record, upon nearly all of which securities of some kind have been issued and sold to the investing public. These elements enter into and constitute a part of the base upon which the rates which the consumers pay are established. It has disclosed retention of control of a large number of operating companies by a small group through control of the common stock of holding companies and the issuance of nonvoting or preferred stock to the public.

As a direct result of the commission's investigation most of the utility information bureaus in the States for the preparation and dissemination of propaganda have been abolished. The joint committee here in Washington, a national propaganda agency, has been whittled down to nearly nothing. The dissolution of the National Electric Light Association has been announced, as has also the intended abandonment of all propaganda activities. The Edison Electric Institute, newly organized, has announced a program of financial reform which, according to the statement of the director, is the direct result of the commission's inquiry, and if carried out will save the country hundreds of millions of dollars. Many of the utility companies have already reversed numerous improper entries and practices and have largely reduced or abolished so-called management and service fees. Many concerns have reduced substantially the amounts of appreciation or write-ups (watered stock). One concern upon which public hearings were recently held had at the time the commission analyzed its records in preparation for the public hearings $102,000,000 of write-ups or appreciation. When the public hearing was held this appreciation had been reduced to $30,000,000. In a large number of instances rates to consumers have been reduced following the commission's investigation and exposure of the elements that had been incorporated into the base upon which the previous rates had been established. These changes have resulted in direct savings to the public of millions of dollars. One company has stated that $2,600,000 had been saved in two years by residential customers as a result of a reduction by it in rates after the commission's investigation. Detailed information as to these things can be furnished if it is desired.

*Final report on utility investigation*

While public hearings in the utility investigation will end this fiscal year, many utility concerns will not have been investigated and put in the record. Some of these are Commonwealth & Southern Corporation, Gas Service Co., Stone & Webster (Inc.), Duke Power Co., the United Light & Power Co., United Gas Corporation, Natural Gas Co. of America, and others. Very few gas concerns will have been covered by the investigation. These concerns are daily becoming of more importance and are covering the United States with pipe lines from Texas and Kansas to the Canadian border and the Atlantic Ocean.

This investigation is one of the largest ever undertaken by any governmental department or agency. It involves an investigation and study of the practices, organization, relationship, conduct, and management of utility corporations throughout the United States. The organization, management, and relationship of many of these corporations are very complicated and complex. Some of the holding companies have as many as 250 to 400 subsidiaries and affiliates. In order to trace the growth, development, and relationship of these corporations it is necessary to review their records for periods of from 10 to 20 years. There are involved an investigation and study of much the same character for utilities as are required of the Interstate Commerce Commission in its efforts to value the railroads. The Interstate Commerce Commission has been working for 20 years upon this valuation, and there has been appropriated for such work approximately $45,000,000. The electric and gas utility companies constitute an industry comparable in size to the national railway system. The public utilities represent an investment of about $20,000,000,000, as compared with about $26,000,000,000 invested in the railroads.

The commission has made, considering the magnitude of the task, an efficient and speedy investigation with the forces available. It never has been given the appropriation requested for this investigation. The final report upon this investigation can not be completed by the end of this fiscal year. It is necessary, in order to prepare efficiently such report, that those familiar with the investigation have charge of its preparation. With the appropriation provided by the House of Representatives it will be impossible to expeditiously and efficiently prepare the final report for the Congress. The action of the House almost completely wipes out the division of the commission which largely conducted this investigation and makes it impossible for the commission to efficiently continue the investigation should the President or Congress later direct.

*Value of the commission's work to the public*

It has been testified that the commission action in the so-called Pittsburgh plus case against the United States Steel Corporation saved the farmers of the Middle West alone $30,000,000 a year. By preventing false and misleading advertising and misbranding, following the decision of the Supreme Court in Federal Trade Commission *v.* Winsted Hosiery Co., 258 U. S. 483, in which the commission ordered the Winsted Hosiery Co. to cease and desist selling cotton goods as and for wool, the commission has saved the public generally millions of dollars annually.

One of the earliest cases the commission had in court was against a chain mail-order house directing it to cease and desist misrepresenting its products and falsely disparaging and defaming competitors. This action of the commission was upheld by the court. (Sears, Roebuck & Co. *v.* Federal Trade Commission, 258 Fed. 307.)

In another case the commission protected the cooperative method of marketing grain and established the right of farmer organizations, grain growers, and shippers to admission to the trading places, preventing a monopoly in the grain trade. (Federal Trade Commission *v.* Chamber of Commerce of Minneapolis.)

The commission also prevents such unlawful practices as price-fixing agreements, unlawful price discrimination, inducing breach of competitors' contracts, false defamation of competitors, and false disparagement of competitors' products, commercial bribery, unlawful secret rebates, the use of fictitious mark-up prices, espionage, selling goods below cost to injure competitors and to destroy competition, substitution of products, conspiracies in restraint of trade, bogus independents, trade boycotts, etc.

*Cooperation with other departments*

In performing its work the commission has not duplicated or trespassed upon the work of any other department or agency. It handles and reaches matters that can not be reached by other agencies or departments of the Government, as is evidenced by the fact that many other departments and agencies send to it matters coming to their attention which they can not handle. The office of the Solicitor of the Post Office Department has sent cases of alleged false and misleading advertising and misbranding which that office could not handle to the commission for action and the commission has stopped the practices. The same is true of the food and drug division of the Department of Agriculture and the Bureau of Foreign and Domestic Commerce of the Department of Commerce.

Some of the most important cases of the Department of Justice under the Sherman Act to protect the public from monopolies and restraints of trade have been as a result of investigations conducted by the Federal Trade Commission, which were referred to the Department of Justice. Among these were the cases against the Cement Manufacturers Protective Association, General Outdoor Advertising Co., Maine Cooperative Sardine Co., Southern Hardware Jobbers Association, Maple Flooring Manufacturers Association, Radio Corporation, and Bolt and Nut Association. In practically all of these cases decrees were obtained by the department. The case now being conducted by the Department of Justice against the Sugar Institute in the United States District Court for the Southern District of New York resulted from an investigation by the Federal Trade Commission which was referred to the department.

*Duties imposed by statutes and present status of work*

Congress, by statute, has imposed upon this commission the duty of preventing unfair methods of competition, unlawful tying and exclusive dealing contracts, unlawful price discrimination, unlawful acquisition of stock of competitors, interlocking directorates, and the administration of the export trade act. In these matters the commission has no discretion. The Supreme Court, in Federal Trade Commission *v.* Gratz (253 U. S. 421), held that unfair methods of competition include practices which are opposed to good morals because characterized by deception, bad faith, fraud or oppression, and practices against public policy because of their dangerous tendency unduly to hinder competition or create monopoly. In compliance with these duties the commission had pending on December 31, 1932, 411 preliminary inquiries, 425 applications for complaint, 183 complaints charging violations of law, 9 court cases, and 8 export trade investigations. Within the last 10 days the commission has obtained favorable decisions in 3 of these court cases, 1 from the Supreme Court and 2 from lower Federal courts.

Fifty-one export law associations, representing about 1,000 producers, manufacturers, and distributors located in all parts of the United States, have taken advantage of the provisions of the export trade act under the supervision of the commission. The purpose of that law is to promote exports from the United States to foreign countries and to enable American exporters to operate on equal terms with their competitors abroad. Associations are required to file with the commission documents and reports covering their organization and operation. If the commission has reason to believe that an association is in violation of the law, it conducts an investigation and makes recommendations for the adjustment of the association's business. This involves continuing supervision of these associations and this work by the Federal Trade Commission.

*The fact-finding functions of the commission*

The commission is the economic fact-finding body of the Government designed to protect the public from unfair and wrongful business practices. Section 6 of the Federal Trade Commission act contemplates special investigations upon the initiative of the commission, such as were planned for next year, and at the direction of the President or either House of the Congress, and the maintenance of a staff to make such investigations. Many of these have saved the consumer millions of dollars. The investigation now being conducted upon the initiative of the commission into price bases has resulted in substantially lower prices on cement because of the elimination of the so-called plus fictitious freight rate from fixed basing points rather than from point of manufacture and shipment.

To perform its duties under section 6 of the Federal Trade Commission act and in connection with the prevention of the practices condemned by the acts which the commission enforces, the commission must keep a limited number of trained investigating economists, accountants, and statisticians. Many of these now with the commission have been continuously engaged in investigations of the organization, conduct, and business practices of corporations and business concerns for a period of nearly 30 years. They constitute an important economic, accounting, and research organization. The personnel of the old Bureau of Corporations of the Department of Commerce, created about 1903 upon the recommendation of President Theodore Roosevelt, was transferred to the Federal Trade Commission upon its organization in 1915. There came from that bureau a staff of 93. The commission's estimates for 1934 provide for a staff of only 102 for such work.

*Special investigations*

The commission has conducted 73 special broad investigations under section 6 of its act. The commission has power to make such investigations upon its own initiative (par. (a), (b), and (c)), at the direction of the President or either House of Congress (par. (d)), and upon application of the Attorney General (par. (e)). Five of these 73 have been at the direction of the President, 44 at the direction of the Senate, 8 at the direction of the House of Representatives, 2 upon application of the Attorney General, and 14 upon the commission's own initiative. Many of these have resulted in court action to prevent unlawful practices or in remedial legislation. Some of these investigations so resulting are: Cooperation in American export trade, farm implements, food inquiry, Lumber Trade Association, radio, and newsprint paper. For a brief description of each of these 73 investigations see annual report of the commission for 1932, pages 261–269.

*Proposed investigations*

The broad investigations the commission proposed to undertake next year are most important and of widespread public interest. They are:

1. Financial practices of corporations:

*Resolved*, That the commission undertake, as soon as present work and appropriations available permit, an inquiry into (1) the facts regarding the form, adequacy, and accuracy of published financial reports made to stockholders and others by corporations engaged in interstate commerce, excluding banks, common carriers, and public utilities; (2) the effects of the financial practices of corporations prior to and since the stock-market collapse of 1929, including the volume and extent of corporation call loans; issuance of bonds and preferred stocks, accompanied by stock-purchase warrants or rights to subscribe; profits and losses of corporations from operations in the stock and bond markets; stock and script dividend issues of corporations; overexpansion through reinvestment of earnings; officers' salaries and bonuses; participation of officers and directors in underwriting and syndicate operations in securities of their corporations; and purchases from and sales to their corporations of securities or other property; (3) the facts regarding concentration of the voting control of corporations through nonvoting and management stock and the effects thereof on the financial practices and methods of corporations; (4) all other financial practices or methods affecting the public, all with a view to determining whether the commission shall recommend to the Congress any changes in or additions to existing laws.

2. Effect of antitrust laws on industries exploiting natural resources:

*Resolved*, That the commission undertake as soon as present work and appropriations available permit an inquiry into the effects of the antitrust acts with relation to the industries engaged in the exploitation of petroleum, natural gas, coal, and lumber and the advantages or disadvantages to business and to the general public of agreements of competing concerns in such industries with regard to prices, margins, production, profits, markets, territory, and any other similar agreement or arrangement affecting competition, and the like advantages or disadvantages in such industries of concentration of financial control and of combinations of plants, including the costs and profits of single and multiple plant operation, with a view to determining whether the commission shall recommend to the Congress any changes in or additions to existing law.

3. Effects of certain competitive practices widely engaged in:

*Resolved*, That the commission undertake as soon as the present work and appropriations available permit an inquiry into the facts regarding quantity discounts, selling below cost, reciprocity in dealing, brand advertising, guarantee against decline, wholesale and retail price stabilization and the effects of each on business and the general public with a view to determining whether the commission shall recommend to the Congress any changes in existing law.

They concern matters often discussed in the last presidential campaign, referred to in the platforms of both political parties, and are the subjects of discussion among business men, lawyers, and economists throughout the country, as is shown by the memoranda inserted in the record of the hearing before the subcommittee of the House of Representatives at pages 257 and 263.

*Summary of work done*

Since its organization and to June 30, 1932, the commission has instituted 20,206 preliminary inquiries, of which 6,124 have resulted in the docketing of applications for complaint and 13,659 have been dismissed after investigation. During the same period the commission has docketed 6,933 applications for complaints. Of these, 1,270 were disposed of by the proposed respondent stipulating to abandon the practice complained of, 3,564 were dismissed after full investigation, and in 1,717 of them complaints were issued. During the same period the commission has issued 2,054 complaints, of which 37 were disposed of by the respondent stipulating to abandon the practice complained of, 671 were dismissed after hearing, and in 1,143 of which orders to cease and desist were issued. During the same period the commission has instituted and disposed of 375 investigations under the export trade act. To June 30, 1932, the commission has been involved in 209 cases in the Federal courts. It has been successful in 112 of these and 97 of them have resulted in decisions against the position taken by the commission. It must be remembered that the vast majority of the cases in which the commission issues orders to cease and desist are never taken to court, the respondents complying with the orders. It is only the closest and most doubtful action of the commission that is taken to court. This commission is breaking new ground and preventing practices that could not before be reached under the law.

The entire work of the commission to the end of the present fiscal year will have been done with a maximum annual appropriation of $1,864,800, a minimum annual appropriation of $430,-

964, and an average annual appropriation of $1,196,393.99; a maximum annual number of employees of 663, for the year 1918, a minimum annual number of employees of 214, and an average annual number of employees of 352.

*Appropriation cut 65 per cent by the House of Representatives*

The commission voluntarily cut its estimates for the next fiscal year from $1,466,500, the appropriation for this fiscal year, which is more than 20 per cent below the appropriation for the previous fiscal year, to $1,300,000, a reduction of over 11 per cent. The Bureau of the Budget reduced the amount to $1,109,550, excluding the legislative furlough, a reduction of over 24 per cent from the appropriation for the present fiscal year. The House of Representatives authorizes $510,000, a reduction of over 65 per cent from the appropriation for this fiscal year and of over 54 per cent from the Budget estimate.

The total reduction in the independent offices appropriation bill by the House of Representatives for the next fiscal year is but a little over 2 per cent from the appropriation for the present fiscal year. The total reduction from the estimates of the Bureau of the Budget is but one-sixth of 1 per cent.

Out of a total decrease in this bill below the Budget estimate of $1,657,522, $1,000,000 is from the sum for the Supreme Court Building upon the assurance that that $1,000,000 is not needed now, and $599,550 is from this one agency, the Federal Trade Commission, leaving a reduction of only $57,972 for all other agencies included in the bill. The reduction for this commission with a Budget estimate of only $1,109,550, amounts to more than 36 per cent of the total reduction from the Budget estimates in a bill proposing an appropriation of $1,002,890,779 for 32 separate offices and agencies.

The President-elect advocated a cut of 25 per cent in Government expenses. The amount allowed by the Bureau of the Budget amounts to a 24⅓ per cent cut for this commission.

*Effect of the cut*

The cut means and is in effect a scrapping of the commission. The commission could in no way effectively discharge the duties imposed upon it by the statutes. Out of this sum of $500,000 must come the salaries of the commissioners and the expenses of their offices, the expenses of the Secretary's office, the expenses for the sections of accounts and personnel, docket, mail, and files, etc., which must be maintained. There would remain only between $300,000 and $350,000 for all other purposes of the commission, including supplies, travel, witness fees, salaries, reporting service, etc. This would mean almost a complete elimination of law-enforcement work and almost a total abolition of the economic division. With only $10,000 for printing it will be impossible for the commission to enforce its orders to cease and desist. The commission's orders to cease and desist can only be enforced through the Circuit Courts of Appeals. In these courts the commission must file a printed copy of the record in addition to briefs and petitions. The printed records and briefs and petitions through the Government Printing Office cost on an average of from $3,500 to $5,000 a case. The commission, in addition to such expense, has the printing expense involved in the release of its decisions, reports, etc.

*Reduction of personnel*

The commission's appropriation for the fiscal year 1933 provided for 427 employees. The commission's estimates for the fiscal year 1934 covered 376 employees, the permanent staff only. All contingent and temporary employees that had been engaged upon the various investigations being conducted by the commission were to be released at the end of the present fiscal year. This was a reduction of 51 employees. As a result of the reduction of the commission's estimates by the Bureau of the Budget there remained provision for 336 employees, a further reduction of 40, which would have to be made from the permanent staff. The bill as passed by the House would leave the commission with only 131 employees, a reduction of 205 from the figure covered by the estimates of the Bureau of the Budget and 296 less than the staff for the present fiscal year. This would practically wipe out the economic division and completely destroy the branch investigatory offices of the commission located at New York, Chicago, San Francisco, and Seattle.

*Loss of trained personnel*

The action of the House means a cessation at the end of the present fiscal year of practically all of the commission's work and the scattering and loss of its especially trained personnel. And if the commission were to be given adequate funds for the following fiscal year it would be impossible to reassemble the present highly trained personnel consisting of lawyers trained in this particular phase of work, investigating statisticians, accountants, and economists, all of whom are necessary to the proper discharge of the duties imposed upon the commission by law. This would mean a much less efficient administration of the law during the years, it would require to again train adequate efficient personnel. The commission in its estimates for 1934 requested only enough to maintain its permanent personnel, asking nothing for contingent or temporary personnel. Without this highly trained, permanent personnel upon which expansion can be made for the particular needs of the particular moment, it would be impossible for the commission to properly perform its functions under the acts. By this action of the House of Representatives the commission would be so crippled as to make it wholly inefficient and useless for any purposes that the incoming administration may have with respect to it.

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| Elimination by House of Bureau of the Budget estimates for special investigations | $288,134 |
| House reduction from Bureau of the Budget estimates for law enforcement activities of the commission | 311,416 |
| Total reduction for the commission by House from Bureau of Budget estimates | 599,550 |

COMMENTS ON THE EXISTING DEPRESSION BY HON. ELMER THOMAS, SENATOR FROM OKLAHOMA

Mr. NEELY. Mr. President, I ask leave to have published in the RECORD an address delivered by the senior Senator from Oklahoma [Mr. THOMAS] at the Waldorf-Astoria Hotel, New York City, on the 6th instant, being comments on the existing depression.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

Mr. Toastmaster, ladies and gentlemen of New York, I call upon you to-night to face the facts.

We are now in the forty-first month of the worst depression in history.

While all know of the effects, yet practically no two agree as to either the cause of or the remedy for the economic and personal distress now existing among our people.

For over two years the responsible head and the policy-making branch of the Government refused to acknowledge the existence of a depression. The third year was given over to the enactment and administration of measures for relief, and as the result we now have 10 Federal agencies loaning Federal credit to the States, cities, counties, and to industry, large and small, throughout the country. Dozens of bills are now pending in the Congress proposing to extend the provisions of the Reconstruction Finance Corporation act so that practically all may share in the Federal doles.

During the past 12 months, the Government, acting through its loaning agencies, distributed over $3,000,000,000 in credit to industry and to the public. During the same time the Federal reserve system placed in circulation over eleven hundred million dollars through the purchase of Government bonds and obligations. Simultaneously the national banks, acting under the Borah amendment to the home loan bank act, added some $150,000,000 to the circulation.

The credit distributed by the Reconstruction Finance Corporation was used by borrowers to pay bank loans, taxes, interest, and expenses, hence has had but a single result—keeping the wolves from their doors for a few months, or for perhaps another year.

The money the Federal reserve system paid the banks for their bonds was returned immediately to liquidate indebtedness due the Federal reserve banks.

The money placed in circulation by the national banks, acting under the Borah amendment, was withdrawn immediately by the Federal reserve system through the resale of a portion of its bond purchases.

While the relief measures distributed over four and one-half billions of credit and currency, yet on January 26, 1933, we had $35,000,000 less in circulation than on January 1, 1932, one year ago, when the relief measures were inaugurated.

On January 26 we had $115,000,000 less in circulation than on August 1, only six months ago. During the past three years almost twenty billions of credit, termed deposit money, have been withdrawn, canceled, and destroyed.

Because of these continued policies of deflation of credit and currency economic conditions and personal distress are more acute to-day than when the present policies of relief were begun.

As a member of the policy-making branch of the Government, and one who has been in many parts of the United States during the past few months, I come to New York, the Nation's metropolis, to present the facts and to reason with you—you, and you alone, who can give the order and set in motion the machinery which will check the downward trend and start the greatest, strongest, and richest nation of the earth upward toward economic and human recovery.

What are the conditions to-day?

Millions are unemployed, trade is stagnated, business is paralyzed, taxes are in arrears, interest is in default, law is ignored, and individuals, corporations, cities, counties, States, and the Federal Government are using the Nation's credit with which to pay taxes, interest, and to meet the overhead and running expenses of our several organizations.

Why are conditions thus?

Why are our people, corporations, cities, counties, and States forced to borrow from the Government?

The answer: Because there are no other institutions or agencies able or willing to extend such credit.

Why are the regular institutions and agencies unable or unwilling to take care of such demands?

The answer: Because our people, our institutions, our municipalities and our States are without income and ability to meet their existing obligations, and therefore are not good risks for further credit.

When will conditions improve?

The answer: When the people regain buying power, when the unemployed have jobs, and when farmers have cost of production—then will trade be revived, taxes and interest will be paid,

value will reenter commodities, farms, and factories, and the prosperity we once knew will again return.

Standing here in the center of New York, the richest and most influential city of the earth, let me digress to say that New York, your city and our city, does not live and exist off Manhattan Island.

If immediately surrounded by an impregnable wall your people would be starving maniacs and your institutions would suffer destruction within the course of days.

The greatness, prosperity, and happiness of New York are the greatness, prosperity, and happiness of the prairies of the West, the plantations of the South, and of the hundreds of millions of peoples of not only America but of the world.

When the masses prosper, all who live off the masses enjoy prosperity; but when the masses are impoverished, all others borrow from the Government and ask quick and easy bankruptcy as a possible means of relief.

What is the cause of existing and growing distress?

It would seem that we have everything necessary to make a people prosperous, contented, and happy.

We have the richest, strongest, and most influential Nation of the earth.

We have almost one-half the monetary gold of the world.

We have a magnificently developed country.

We have food, clothing, and merchandise in abundance; and we have an industrious, ambitious, and a patient people—but something is wrong, something is missing, a cog in our economic machinery is worn, damaged, or destroyed.

What is this something wrong, this something missing, and this something destroyed?

For what do wage earners work, toil, and sweat?

For what do farmers work throughout the long hot days and into the nighttime?

For what do merchants buy and sell?

For what does industry hazard programs of activity?

The answer: Without exception, each and all plan, work, and slave, if need be, to secure that which buys bread, clothing, and shelter; that which pays taxes, interest, and debts; and that thing which all want and which all must have—money—and money for many is neither possessed, found, nor even seen.

Gentlemen of New York, face the facts. Sound business and prosperity increase in proportion as sound money and credit expand.

At the risk of boredom permit me for a moment to indulge in figures.

In 1912 the amount of money in circulation was three and one-third billion dollars. From 1912 to 1921 the money in circulation increased from three and one-third to six and one-half billion dollars.

In 1920, with the greatest amount of money ever in circulation, we had the highest prices and the best times in history.

In 1920 influential powers decided that prices were too high and such powers, sometimes wise, decided to bring down or cheapen prices by increasing the value of the dollar.

This was done by withdrawing money from circulation, thereby making money scarce, and at the same time increasing its purchasing power.

The program was inaugurated. One-third of the money of the people was withdrawn from circulation. Deflation was in progress. The value of the dollar went up, and the prices of commodities, farm lands, real estate, and property generally tumbled down.

The plan from the viewpoint of its powerful sponsors worked. It was a complete success, and to-day we have the highest valued dollar and the consequent lowest prices in history.

Wheat is the lowest priced in 400 years; hogs and livestock the lowest in a century; and other commodity prices and property values generally low in proportion; and yet these powerful influences responsible for this economic crime and tragedy seem to wonder why our economic structure is near collapse.

If increasing the volume of money in circulation from 1912 to 1920 was responsible for the general increase in commodity prices and values; and if from 1921 to 1933 the decrease of the currency and the destruction of credit were responsible for the general fall in prices, then why are we not justified in concluding that a reversal of the present policy of deflation would bring an end to the present depression and start the Nation on the upturn toward economic recovery and prosperity?

With conditions as they are to-day, it is not a question of whether we want to check deflation—not whether such check is desirable—but the demand is mandatory that an end to deflation be brought about and at once.

Even an end to deflation will not suffice.

The dollar has value and buying power which it can not retain if the poise, peace, and equilibrium of our people are to be maintained.

In support of this conclusion, I direct your attention to the following facts:

From the most reliable estimates we must concede that the total massed debts of the people amount to at least $200,000,000,000. Most of this indebtedness was contracted immediately prior to, during, and immediately after 1920, and at a time when the value of the dollar ranged from 40 to 60 cents.

To-day we can not liquidate this indebtedness with 50-cent dollars, not even with 100-cent dollars, but to get rid of these bonds, notes, mortgages, and installments, we must pay with 160-cent dollars.

Hence it must be plain that instead of the people owing massed debts in the sum of $200,000,000,000, they must earn, save, and pay value to the extent of $320,000,000,000 to liquidate such indebtedness.

To further illustrate—of the bonds issued by the Government during and immediately following the World War, some $20,000,000,000 remain unpaid.

For such bonds, when issued, the people obtained value on the basis of a dollar's worth from 40 to 60 cents; but to-day to liquidate such bonds the people must pay on the basis of a 160-cent dollar. Hence, instead of the people owing $20,000,000,000 in Government bonds they owe $32,000,000,000 of value as represented by such bonds.

I next call your attention to the tax burden of the Nation. It costs the people annually some $5,000,000,000 to run the Federal Government.

It costs the people of the States, cities, counties, and districts annually some $7,000,000,000 more to pay their local expenses; hence, the people must earn and pay each year some $12,000,000,000 to meet their tax obligations.

But can they pay with $12,000,000,000 of value?

Most certainly they can not.

Instead of being able to pay with $12,000,000,000 of value they must pay in 160-cent dollars, which, when computed, forces the people to part with wealth in the total sum of $19,200,000,000 to meet their annual tax bills.

If this analysis and interpretation are correct, do you still wonder why taxes are not being paid?

Let me recapitulate briefly.

The people to-day owe value covered by bonds, notes, and installments in a total sum of over three hundred and twenty billions. The people owe interest on this gigantic debt, and such interest must be paid with 160-cent dollars.

The people owe annual taxes, Federal, State, county, city, and district, in the total sum of over $12,000,000,000, but in order to meet such assessments, obligations, and demands they must part with almost twenty billions of value and wealth; therefore, in order for the people to pay their taxes and interest they must part with value and wealth caused by the present 160-cent dollar in a total sum approximating the present annual income of the people.

Yet some wonder why taxes are not being paid, why interest, notes, and bonds are in default, and why millions of our people are walking the streets looking for shelter and begging for bread.

The people are not paying their taxes, and they are not paying their interest and their debts, because they are unable to secure these high-priced dollars with which to meet their obligations.

To demand and insist that they meet a 50-cent obligation with a dollar and a half payment is nothing short of oppression, rapacity, and extortion.

The people understand fully the predicament in which they find themselves.

But congressional leaders do not appear to understand, and as fast as time and occasion permit, such misrepresentatives of the people are being exiled to private life.

The new administration is to have its opportunity. If it fails or hesitates, the isle of exile will be crowded because the "forgotten man" still lives.

Is there no relief, help, and aid possible for the people of the country?

Relief, to be worthy the name, must go further than Federal loans and doles to industry, the States, counties, cities, and even to the people of the Nation. Relief in the form of loans and doles only postpones the day of economic death.

Relief, to be of benefit, must mean employment, must mean cost of production, and must mean expanding and growing purchasing power in the hands and pockets of the masses of the people of the country.

Can such relief be provided?

Reason with me for an additional moment.

If the expansion of the currency and credit from 1912 to 1920 caused a general increase in commodity and property prices, and if the deflation of the currency and credit from 1920 to 1930 caused a general decline in commodity and property prices, then who can deny that a reversal of the present policy of deflation and the inauguration of reasonable and controlled expansion of currency and credit would bring an up-turn in business and resultant hope to countless millions now on the verge of despair?

To-day the powerful influences controlling the economic and political policies of America are making the bond market the barometer of prosperity.

Do not understand me to say, or even to intimate, that I am not ever mindful and always jealous of the credit of our Government, but I remind you that all bond interest and principal are paid by sweat, by toil, and by products created by the labor and the genius of our people.

Hence, instead of relying wholly upon the bond market as the barometer of business, I would create a prosperity barometer resting not alone upon the bond market, but also upon the commodity markets, the property markets and the general welfare of our people.

If conditions are as represented, and if such conditions have been brought about in whole or in part by a manipulation of money and credit, then who is responsible for what President Hoover concedes to be the "worst depression in history"?

Under the Constitution the Congress, and only the Congress, can coin money and regulate its value. This responsibility is fixed. The power abides inherently and exclusively in the policy-making branch of the Government; but from a practical standpoint the Congress is either unable or unwilling to assert and exercise usch specially conferred and expressed constitutional power.

Notwithstanding the plain mandate of the Constitution, as a rule financial policies do not originate with the Congress.

As a rule, they do not even originate in Washington.

When I stated a few moments ago that "you, and you alone, can give the order and set in motion the machinery" which will pull us out of the mire, I meant that the financial policies of America originate right here in this great city.

The New York Federal Reserve Bank is the head and heart dominating and controlling the fiscal policies of our Government. Working and cooperating with this financial institution are the great banks of New York City.

The policies of these banks are controlled by the wisest financial brains of the Nation, and such control, as might be expected, is exercised always in the interests of the stockholders of such institutions.

The heads of these powerful banks, together with their economic and financial advisors, have, as a practical proposition, Washington and the Congress as their agents.

To-day the Government at Washington is only one of the clients of this unified and powerful financial aggregation.

A nod and a whisper by the powers mentioned can turn the tide and reverse the processes of deflation and depression. The longer the signal is delayed the more terrible the penalty now certain to be inflicted.

The people forming the cities, counties, States, and even the Federal Government are bankrupt and prostrate. Because of their condition moratoriums are being declared and enforced. Judges are silent, the law is impotent, and the tide of resentment and condemnation is sweeping eastward across the continent.

In conclusion, if the present financial policies are not altered; if deflation is not checked; if the people are not to be permitted to even have a chance to retain their property—a chance to pay their taxes—a chance to meet their interest, and a chance to pay their honest debts, then a new issue will arise—the form, extent, and result of which can not now be foretold.

Bankers of New York, I plead with you to face the facts, meet the issue, and permit the people and the Nation to live.

ECONOMIC CONDITIONS

Mr. SHEPPARD. Mr. President, I present for publication in the RECORD an address by the senior Senator from South Carolina [Mr. SMITH] in an open forum in New York City on February 6, 1933, on the subject "The Way Out."

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

Mr. Chairman, ladies and gentlemen: It is a common saying that the depression or the panic or whatever name may be used to characterize the condition in which America finds itself is unprecedented. I wonder how many who are studying this problem realize that modern conditions, the elements that enter in, the luxuries and necessities of our everyday life are unprecedented. The last 50 years as compared to all previous conditions surrounding civilized people is as different as though we were in a new world. In every department of human life from the lowest to the highest there has been a miraculous change in the conditions surrounding every department.

The discoveries of science, the practical application of these discoveries, has forever made obsolete the condition heretofore obtaining. It is needless for me to recite these. On the farm modern implements have revolutionized the processes incident to production. Mechanical devices have largely supplanted man and animal power. In the home, the farm home, electric lights, refrigerators, have taken the place of and become necessary for the proper comfort of the farm home. The radio has brought to these isolated places both matters of interest and amusement from the world at large. The hard-surface road, the automobile, have made possible the personal contact of the far-distant places and erstwhile isolated homes with the great centers of population.

In manufacturing, labor-saving devices have revolutionized industry and made possible a mass production superior in quantity and quality to meet the need of the millions now constituting the population of the earth. Never before in the history of civilization have the necessities and luxuries of life been so easily, abundantly, and perfectly produced. The production of the raw material and the finished article have reached the stage of the miraculous. All this change has been brought about by the urge of humanity for better living conditions, conveniences in the home, the elimination of isolation, the suppression of disease, the gratification of the desire for relaxation, pleasure, and amusement.

The marvelous discoveries of genius and their practical application have made all these possible and yet these modern conveniences, all these revelations of modern progress, are being converted into a withering curse to the masses of mankind. The arguments heard upon the floor of Congress is that the present horrible depression has been brought about by extravagance. Just how far is this true; just to what extent do the actual necessities of modern life exceed in cost the necessities of the old tallow candle, and the horse and buggy, or in other words the old conditions. The argument is heard that in order to relieve this condition we must revert to the old order.

Does anyone believe that the amount of money either in the form of credit or currency per capita that sufficed heretofore can meet the requirements of normal modern life?

In 1913 there was enacted into law the Federal reserve act. The passage of this act was clearly in response to a demand for a more flexible currency, one that would meet more adequately the demand for an expanded currency and credit and which would domestically at least expand and contract approximately according to the amount of wealth available for distribution. Almost from the beginning of the operation of this law the conditions throughout the world insofar as they affected America were such as to test the practical use and efficiency of this new law.

From 1913, after this law became operative, bank failures in America began to decline and steadily declined until 1919, when there was not a single bank failure in all America. Credits were easily obtained and in the main wisely used. Commodities both raw and finished were freely used as the basis for a temporary currency and a consequent satisfactory credit. From 1915 to 1920, despite the destructive influence of a world's war, America never saw such an era of prosperity. Farm products had risen for the first time in my knowledge of farming to a profitable price. Old debts that had been incurred under the old rigid and restrictive currency laws were liquidated. Farm implements were purchased, farm mortgages were lifted, outbuildings were repaired and freshly painted. Everything produced on the farm found an eager and adequate market. Labor was amply paid for service. Factories were running at full time. All methods of transportation were carrying capacity tonnage.

The authors of the Federal reserve act, viewing with pride the manner in which it met a world's crisis and during this period saw the splendid prosperity of America, boasted that never again could there be a money panic. Cotton rose to 35 and 40 cents a pound, wheat to $2 and $3 a bushel. Labor was receiving ample and adequate wages.

The cost of living during this period was high, but the means of meeting that cost were adequate and satisfactory. Happiness, contentment, characterized the people. Enterprise was stimulated throughout the country. The masses were buoyant with satisfaction and hope. Our schools were packed with pupils; our colleges and higher institutions of learning were filled to capacity. In a word, credit and capital were abundant to move profitably the wealth produced by the teeming masses of America.

And then there came a frost, a chilling, deadly frost, without rhyme or reason. A crime was perpetrated that blasted the hopes of millions of Americans and changed overnight the sunshine of prosperity into the deadly darkness of despair. On May 20, 1920, the governors of the Federal Reserve Board, their officers and advisory council, met in executive session and decreed that America was too prosperous; that money was too abundant, credit too easy, the people too happy, and therefore it must cease. They decreed that the circulating medium must be restricted, credits must be drastically curtailed, that all temporary currency must be withdrawn. There was established by them for the banks of the country a maximum or what they termed a base line of credit, beyond which a progressive and graduated discount rate should be applied. The normal rate had been greatly increased below this base line. So mercilessly determined were they that deflation should be immediately accomplished that in one Federal reserve district, through the application of their graduated and progressive rate of interest, one bank in this Federal reserve district was charged 87½ per cent. The result was immediate and horrible. This action did not alone destroy the credit of the people but it did infinitely worse than that. It destroyed their confidence in the financial institutions of this country. They lost faith in the laws upon which they had fondly believed their prosperity was firmly based. Obligations incurred which could have been easily met had the conditions been left alone were now made an intolerable obligation. To visualize the startling effect of this action on the part of our banks and bankers it is sufficient to cite the fact that in less than 24 months cotton dropped from 40 cents a pound to around 8 and 10, wheat in like proportions, all farm products in practically the same degree.

It is to be noted that when deflation was determined upon our bank officials did not call an international conference to determine that there should be deflation. They met in America, the conference composed wholly of American bankers met in the city of Washington, and they there and then began effectively to deflate. And now that we have reached the horrid condition that deflation has brought, the slogan is that in order to relieve the condition that is the inevitable result of deflation we must call—America must call—an international conference to restore prosperity to America. We are told that there is as much or perhaps more money in existence in America to-day than there was during the time of prosperity. And therefore there should be no attempt to increase the currency supply and expand the credit possibilities of this country. This condition then proves the falsity of the statement that our Federal reserve act made the conditions in which we now are impossible. If the volume of money in America is as great to-day as it was from 1915 to 1920, where is it and why is it not available to relieve this unprecedented panic? Our laws certainly permit this retirement and hoarding of money in the hands of the few. And the result is that destitution and want, bankruptcy and despair, is universal in spite of an abundance, a superabundance

of foodstuffs, clothing, building material, in fact, every commodity needed for human comfort and luxury. Is Congress and the people of America impotent in the premises? Are our currency laws such that our national-bank officials can decree a contraction of the currency to the stagnation and ruin of business, enabling a few, a favored few, to get possession of the money of the country and to hoard it in banks and private places?

The Constitution provides that Congress shall have the power to coin money and regulate its value. The present situation coming as it has over a period of years, growing worse each day, involving thousands of bank failures, the ruin of the credit of sovereign States, impoverishing millions, is an indictment of the courage and patriotism of Congress and the financiers of America. The answer to this condition domestically is inflation, a radical inflation, until the terrible distress and debts are relieved.

Deflation was fatal enough to the masses of the people, but as though this were not enough to condemn America to certain ruin and bankruptcy, there was erected an iniquitous tariff wall that made impossible any slight amelioration or improvement in the distressing conditions. Therefore, in conclusion, let the incoming Congress address itself to see to it that the currency and credit shall be made abundantly available for the American people and that our tariff shall be so modified that easy and profitable trade in our abundant surplus may be had with the nations of the earth. The condition of this country is epitomized in that homely verse which says:

"The toad beneath the harrow knows
Exactly where the tooth point goes;
The butterfly upon the road
Preaches contentment to the toad."

The suffering people have grown weary and resentful of the butterfly preachment.

## WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. COUZENS. Mr. President, there is lying on the desks of Senators my proposed amendment to the pending Army appropriation bill, being House bill 14199. Day before yesterday I filed written notice of a motion to suspend the rules so that this amendment might be considered on the Army appropriation bill.

Early in January there came to my attention exceedingly great distress being suffered by young boys and young men, all the way from 14 to 25 years of age. They were tramping the country widely, without any resources or any place to go. As a result of that information, I introduced a bill which was referred to the Committee on Military Affairs.

The Senator from Pennsylvania [Mr. REED], the chairman of that committee, referred the bill to a subcommittee of which the junior Senator from Iowa [Mr. DICKINSON] was chairman. I spoke to the Senator from Iowa about hearings on the bill because there was certain information that I thought the committee ought to have with respect to the distressing conditions. The subcommittee, however, did not hold any hearings, and I understand reported the bill to the full committee on Military Affairs, and the full committee in turn reported it to the Senate unfavorably. I am quite convinced that the members of the Committee on Military Affairs did not have adequate information to pass upon the bill; and I further desire to point out that there is a public impression that the War Department has disapproved of this plan. That is not accurate.

First, I want to invite the attention of the Senate to just what this amendment provides. It is not long; it is very simple. It provides:

SEC. —. That the Secretary of War is authorized and directed to provide for the admission to any military post of the United States, without enlistment in the Army, of any unmarried male person between the ages of 17 and 24, both inclusive, who is without means of support and who shall apply at any such post within one year after the date of enactment of this act and give satisfactory evidence to the commanding officer thereof that he is unemployed at the time of application and that he has been continuously unemployed for at least six months prior to such time.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield for a question there?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Arkansas?

Mr. COUZENS. I yield.

Mr. ROBINSON of Arkansas. May I ask the Senator whether he has made an effort to ascertain the number of persons who might thus become eligible to admission to military posts under his amendment?

Mr. COUZENS. Yes; I intend to cover that a little later and to refer to the evidence submitted to the Committee on Manufactures.

Mr. ROBINSON of Arkansas. Very well; I will wait without further question.

Mr. COUZENS. Continuing the reading of the amendment in line 2, on page 2:

The Secretary of War shall further provide for housing, feeding, and clothing any such person upon his admission to any such post for a period of not to exceed one year from the date of enactment of this act.

Any person admitted to any military post pursuant to the provisions of paragraph 1 of this section shall, so far as practicable, be subject to the customary discipline maintained at such post and shall participate in all forms of beneficial and healthful exercise.

Any person admitted to any military post pursuant to the provisions of paragraph 1 of this section who shall withdraw permanently from such post, or who shall absent himself temporarily therefrom without the authority of the commanding officer thereof, shall no longer be entitled to the benefits of this section at such post.

The Secretary of War is authorized to make such rules and regulations as he may deem necessary to carry out the provisions of this section.

There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Idaho?

Mr. COUZENS. I yield.

Mr. BORAH. Is it intended that these boys shall have the training and the opportunity for study such as are afforded boys admitted to the Military Academy?

Mr. COUZENS. No; there is no provision to that effect; but they will have to conform to the customary discipline of the military post.

In that connection I want to say that the senior Senator from Iowa [Mr. BROOKHART] has an amendment to propose to come in after line 10, on page 2, which I think will improve the bill very much, but I am not going to comment on that now, because the Senator from Iowa will do that. However, I want to emphasize, Mr. President, the War Department has not disapproved of this bill. In response to an inquiry sent to the War Department by the chairman of the Military Affairs Committee [Mr. REED] the department replied in a communication addressed to him on January 27, as follows:

MY DEAR SENATOR REED: Careful consideration has been given to the bill S. 5363, "A bill to provide for the housing, feeding, and clothing of certain unemployed persons at military posts of the United States," which you transmitted at the War Department under date of January 23, 1933, with a request for the views of the War Department relative thereto.

While the bill does not give the total number to be cared for, it is understood that Senator COUZENS has mentioned a figure—300,000.

If the Army were assigned this task, it would adopt the general principles of the citizens' military training camp idea as the basis of its solution. This would conform to the bill, which recognizes no enlisted status and no obligation on the part of the United States which might later serve as the basis of claims against the Government. The men would be sheltered, fed, clothed, would pursue active course of basic infantry drill and recreation, would be disciplined on the basis of section 2 and section 3 of the bill, and would be discharged upon application. Unlike the citizens' military training camp student, a greater measure of self-sustaining work would be required of him, his ration allowance would be less, and his clothing would be only that absolutely necessary to meet the requirements of each individual case. Where military outer garments were used, they would be uniformly dyed.

Difficulties in the solution of this problem arise when we reach the question of shelter, unless it is proposed to assemble a large proportion of the applicants in southern climates, where tentage could be used throughout all periods of the year. Our records show that approximately 25,000 could be accommodated throughout the nine corps areas in permanent barracks, and approximately 43,000 in temporary barracks. This gives us a total of 68,000. Any increment above 68,000 would have to be sheltered in tents.

However, all-year encampment would be practicable only in the Fourth, Eighth, and Ninth Corps Areas.

Without much change in Regular Army personnel, excepting medical, another 20,000 beds could be provided in tents at southern stations. Any increase over 88,000 beds, however, requires expensive construction and increased officer and enlisted personnel from the Reserve Corps.

The Army could draw from its current stocks and from war reserve the supplies and equipment necessary for this undertaking, but all current stocks would have to be immediately replaced, as current budgetary allowances are now at the very minimum. In addition, certain reserve stocks, especially tentage, would also have to be replaced, as such items as tentage are critical in our plans to meet emergencies and our supply of tentage is now low. It must be pointed out also that it is very expensive to house troops under canvas. Each tent costs approximately $40, and tentage soon wears out when constantly used.

While the War Department is fully sympathetic with the purposes of this bill and is anxious to contribute in the present emergency, a careful study of this whole plan shows that the aims of the bill could be better and more economically accomplished by localizing the problem in our cities, where a large majority of these young men are now found, by using for their shelter buildings which could be made available by the local communities. If such buildings were made available for this purpose, the Army could install in each the necessary equipment and a small Regular Army group to supervise messing, housing, sanitation, and the control of the unemployed assigned to the particular unit. Such a plan would involve much less in the way of public funds and Army equipment. The unemployed taking advantage of this shelter could be required to conform to certain rules and regulations, including prescribed exercises, and the governing personnel from the Regular Army, as they circulated among the unemployed and dealt with them, would have many opportunities to make a right impression upon the unemployed group and do much good work of this kind, which would go far in molding a better morale throughout the men so housed, to the end that criminal tendencies might be lessened and respect for Government augmented.

With the passing of the emergency these men would be better located for absorption in the normal life of the Nation than they would be if concentrated in large camps or cantonments.

Sincerely yours,

PATRICK J. HURLEY,
*Secretary of War.*

Mr. TYDINGS. Mr. President, will the Senator yield for a few questions in order that I may better understand just what is involved.

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Maryland?

Mr. COUZENS. Certainly.

Mr. TYDINGS. First of all, the age limit is between 17 and 24. In time of war, with the consent of their parents, boys as young as 16 may enlist, and I am just wondering if the Senator felt it unwise to reduce the age limit to 16?

Mr. COUZENS. I wish to say to the Senator I did not. I drew this bill merely tentatively, and it is subject to amendment according to the judgment of the Senate. I have been advised by a number of Senators that they think the age limit is too high in one place and not low enough in the other.

Mr. TYDINGS. That is my thought.

Mr. COUZENS. And if it is the sense of the Senate that the age limits should be changed, I am entirely agreeable to it.

Mr. TYDINGS. May I ask the Senator another question?

Mr. COUZENS. Certainly.

Mr. TYDINGS. Has the Senator any estimate of the number of men between the ages of, say, 16 and 21 who are out of employment?

Mr. COUZENS. I am coming to that, Mr. President. I am going to discuss the evidence that was submitted to the Committee on Manufactures that deals with that problem.

Mr. TYDINGS. I will not anticipate the Senator. May I ask him another question? As I listened to the number of men that would be cared for in permanent buildings and tents, roughly, it seemed to me that perhaps 75,000 or 80,000 might be taken care of.

Mr. REED. Eighty-eight thousand?

Mr. TYDINGS. Eighty-eight thousand. I did not make the exact calculation. Does the Senator intend to limit the number to 88,000?

Mr. COUZENS. My intention would be, Mr. President, to limit it to the capacity estimated by the War Department. I have no intention of asking for the increase of any permanent facility. I want to come to that question a little later, too.

Mr. TYDINGS. One other question: I note in the report of the War Department that they say that perhaps these young men could be better cared for in the buildings in their cities. That is a natural inference; but I think the Senator knows that the buildings that could be utilized for that purpose are already pretty well crowded.

Mr. COUZENS. I desire to say in that connection that I think the War Department have confused the issue, because, as the amendment points out, it is not my intention to include the older men; and in most of these cities, particularly in Detroit, the buildings to which the War Department refers are occupied by older men who are machinists and mechanics and laborers who are out of work.

That is not the group I am trying to reach. That group will have to be taken care of by other ways and means. I am trying to look after the youth who probably never has had a job and has been driven away from home because of economic conditions that his family have encountered through no responsibility of their own.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. COUZENS. I yield to the Senator from Illinois.

Mr. GLENN. Does the Senator contemplate any training or education or drills?

Mr. COUZENS. The amendment provides for any exercise or drilling or training that the commanding officer may prescribe. In other words, the amendment provides that the rules and regulations shall be prescribed by the Secretary of War.

Mr. TYDINGS. Mr. President, will the Senator yield for one more question?

Mr. COUZENS. I yield.

Mr. TYDINGS. Assuming that the full capacity of 88,000 young men is taken into account, has the Senator any approximate figure as to what the 88,000 would cost the Government over a period of a year?

Mr. COUZENS. I have no estimate of that, because I did not attempt it, for the very reason that I have no knowledge whatever as to how many boys would avail themselves of this opportunity. There may be a large number or there may be a few. What I provided in the amendment was that when the Army ascertained its needs in that connection it would have to ask for appropriations from Congress; but the Senator from Maryland, perhaps, knows more about the cost and the care of those youths in the camps than I do.

Mr. TYDINGS. I was wondering, if the Senator will permit, whether the Senator from Pennsylvania would give us the maintenance cost of a soldier outside of his pay.

Mr. REED. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. REED. There has not been much time to make a comprehensive study of this matter; but I asked the War Department to give me the best figures they could get on it, based on the estimate of the Senator from Michigan of 300,000.

Mr. COUZENS. Just a minute, Mr. President. I do not want the Senate misled by estimating 300,000, because I am not asking to take care of more than 88,000.

Mr. TYDINGS. If we get the figure of 300,000, we can reduce it to 88,000 ourselves.

Mr. COUZENS. I do not want the impression to go over the Senate that that figure that is presented is going to be the cost to the Government, so I prefer to have it reduced to the cost of the number I propose rather than the cost of the whole unemployed youth of the Nation.

Mr. REED. Very good. Then I have it also broken down to so much per man for each item. The estimate, I suppose, would be no greater per man if the load were limited to 88,000, though, obviously, the more men there are the cheaper it is to take care of them on the average.

Based on the number of 300,000, the estimate for buildings and quarters per man per year is $68.

Subsistence per man per year, $73.

Clothing and equipage, $116.

Medical attention, $18.

Transportation; that is, to these tent camps in the South, $6.

Reserve personnel, because there is nobody else to command them, $84 per man per year.

It totals about $365 or $366 per man per year.

Mr. TYDINGS. Again making a very hasty calculation, it looks as though perhaps twenty-five or thirty million dollars would be required for 88,000.

Mr. REED. For 300,000 men, the estimated additional appropriation needed would be $109,674,800.

Mr. COUZENS. Mr. President, I decline to yield to confuse the issue.

Mr. REED. I do not want to confuse the issue.

Mr. COUZENS. The issue is entirely confused, because no such number is in contemplation; and I object to the injection of problematical numbers that are not contemplated under the amendment which I have.

Mr. TYDINGS. Mr. President, if the Senator will permit an observation, even taking the figures of the Senator from Pennsylvania it would cost only about $25,000,000 to take care of the 88,000 boys he has in mind, assuming that the proportionate cost was the same.

Mr. COUZENS. I have not all of the items; but, if the Senator will hand them to me, I want to point out the absurdity of some of these items as applied to each one of the probable 88,000.

Mr. REED. It amounts to about a dollar per day per man. I had not heard of the Senator's intention of limiting the number to 88,000. If I had, I would not have had these figures prepared on the 300,000 basis.

Mr. COUZENS. Mr. President, the information I get from the War Department is that the actual food costs, which is the primary cost, is 30 cents a day—30 cents a day for feeding a young man who is in distress because of economic conditions.

I want to point out in that connection that much of the work that is estimated here in this memorandum prepared by the Senator from Pennsylvania, or which has been prepared for the Senator from Pennsylvania can be done by the boys themselves. There is no contemplation of any transportation cost.

Mr. REED. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. REED. How are we going to get these boys down to these southern tent camps?

Mr. COUZENS. They will apply wherever they are, the same as they are doing now. They are tramping the highways. They will apply to any camp where they choose, and the amendment makes no provision for transporting them. They will have to apply themselves. There is no provision or thought of furnishing transportation.

Mr. REED. Certainly there is no room on Governors Island for all that would apply at New York City.

Mr. COUZENS. They could not take any more than there are facilities for. I am not asking that the Army facilities be increased.

The Senator has pointed out in these figures that the reserve personnel amounts to $84 per year per man, when the War Department in their reply said there would be no such charge. The War Department in their letter to the Senator from Pennsylvania said specifically, with respect to the 20,000 in the South:

> Without much change in Regular Army personnel excepting medical service another 20,000 beds could be provided in tents in the southern stations.

There is no occasion whatever for augmenting the Regular Army appropriations to the extent of $84 per year for each individual cared for.

Mr. President, it is inconceivable that to supervise these boys would cost $84 for the supervision of each and every boy. It is just a deliberate attempt to misrepresent the cost to the Government.

In any event, however, I am not going to rest this proposal simply on the question of cost. There is much more at issue than the matter of cost. Assuming, for instance, that all of these figures submitted by the Senator from Pennsylvania were correct——

Mr. REED. Mr. President, if the Senator will yield, I do not know whether they are correct or not. They are the answer that I get from the War Department in reply to my inquiry. I do not vouch for them.

Mr. COUZENS. I said to the Senator, assuming that the figures he presents are correct, it would take less than a third of the estimated amount with all of their estimates for each activity per man. The amount would be reduced by more than two-thirds if we accepted all of these figures under the provision of the amendment, because there is no provision in the amendment for extending permanent Government facilities.

Mr. SHORTRIDGE. Mr. President, will the Senator yield for one question?

Mr. COUZENS. Certainly.

Mr. SHORTRIDGE. Assuming that 80,000—possibly a less number, but assuming 80,000—should apply to be given relief, has the Senator estimated about how much it would cost?

Mr. COUZENS. No; I have not estimated how much it is going to cost, because I do not care what it is going to cost.

Mr. SHORTRIDGE. I am entirely in sympathy with the Senator. I merely wanted that information if he has made an estimate.

Mr. COUZENS. I want at this point to say that I am not disposed to waste Government money; and I am in full sympathy with the bill presented by the Senator from New Mexico [Mr. CUTTING] and made an addition to or a part of the so-called Costigan-La Follette bill, which is now on the Senate Calendar. I say that because their proposal is not confined to boys. Their proposal is for transient unemployed boys and men. My proposal is confined to youths.

If the Congress wants to provide for the facilities contemplated in the so-called Cutting bill, I am in favor of it, because I realize that the provision I am proposing to the Congress in no way conflicts with that proposal. In other words, there are probably a million men outside of the category to which I am referring who are transient and in need of assistance and who could be provided for under the so-called Cutting bill. It does not seem that I should have to stress the need of taking care of boys from 15 or 16 to 21 years of age who are tramping the country, with no economic resources, coming in contact with all kinds of dissolute men and women, or that I should have to emphasize the fact that it is a Federal responsibility to do something with those 300,000 boys.

I submit that this proposal will take care of only 88,000, and at the most extravagant estimate the cost would be a dollar a day. That is $88,000 a day. Are we justified in spending $88,000 a day to preserve this group of youngsters who have the future conduct of the country in hand? Is it necessary that I emphasize the fact that we have a great army set-up, for which we spend from $300,000,000 to $500,000,000 a year, that is already equipped with facilities, with personnel and opportunities for caring for these youths, all of which is admitted by the War Department?

They do not deny their ability to care for the 88,000 young men. The War Department has not even opposed the idea of their being required to look after the youth. Certainly, Mr. President, if we could go out and drive these men to war, if we could pick them out of the cities, out of their homes, and send them to France, we can, when the cost would be much less and when the purpose would be far better, use the same facilities for their care that we used for driving them into war.

Mr. President, I am no pacifist. I never voted against adequate defense. I have voted for every proposal to maintain an adequate Army and Navy. I am unwilling, however, to deny the use of these facilities in times of peace to a large group of our citizens, our boys and youth, who need them. I am unable to understand anyone standing up in this body and opposing a proposal to take care of 88,000 of the best young men of the country, who have never had an oppor-

tunity, never an opportunity for a job; who, in the last three years, during the most terrific economic depression, have tramped the country without any opportunity of getting a job.

Mr. President, most of these young men have never had a job. What are we going to do about them? Are we to let them keep on tramping and going around in circles, being killed on railroads and encountering disease and crime while we stand idly by, with an Army and Navy fully equipped with facilities and personnel for their care?

Mr. CLARK. Mr. President——

The PRESIDING OFFICER (Mr. HASTINGS in the chair). Does the Senator from Michigan yield to the Senator from Missouri?

Mr. COUZENS. I yield.

Mr. CLARK. Does the Senator contemplate that the boys to whom he refers, if sent to these camps, will receive military training?

Mr. COUZENS. No; I had not thought of that. The bill provides that the Secretary of War shall prescribe rules and regulations for their care.

Mr. CLARK. Does not the Senator think that some provision ought to be made for giving them some sort of training? Nothing could be more demoralizing in a military organization than to have a lot of fellows loafing around an army post doing nothing.

Mr. COUZENS. There is a provision in the bill, which the Senator will find if he reads it, that rules and regulations are to be provided by the Secretary of War. I have not attempted to deal with the details. I know nothing about military training; I have never participated in it; and I am perfectly willing to leave that, if the Senate agrees, to the rules and regulations provided by the Secretary of War.

Mr. CLARK. Does the bill provide that the Secretary of War shall have the right and duty of providing training?

Mr. COUZENS. "Rules and regulations," it says, and I can not contemplate what rules and regulations will be prescribed, but I still insist that the proposal is open to amendment or modification or change. The fundamental principle back of the proposal, however, is that the facilities of the War and Navy Departments, of the War Department in particular, shall not remain idle while thousands and thousands of our boys tramp the highways, with no place to live.

Mr. BROOKHART. Mr. President, will the Senator yield to me?

Mr. COUZENS. I yield.

Mr. BROOKHART. In reference to the question asked by the Senator from Missouri, I desire to offer an amendment to the Senator's amendment, on page 2, line 10, to strike out the period and to add the following words: "and vocational training, as far as practicable with available facilities."

Mr. COUZENS. I think that would greatly improve the bill, because if there are facilities in the camps for teaching the boys anything along the lines of agriculture or anything else, I would want them to have that opportunity.

Mr. REED. Mr. President, I must make a point of order against any amendment's being offered by the Senator from Iowa, because the amendment of the Senator from Michigan is not before the Senate.

Mr. BROOKHART. Mr. President, I was not offering it at this time. I said I had an intention to offer it at the proper time.

Mr. REED. Of course, the Senator from Michigan could accept any modification he wished to accept to the amendment he has sent to the desk.

Mr. COUZENS. When the matter is reached, I will accept the amendment. But I had hoped there would be a disposition in the Senate to waive suspension of the rules and permit this matter to be voted on on its merits. I appreciate that in order to get a suspension of the rules I must have a two-thirds vote. I hope that not only will I get a two-thirds vote but that I will get a nine-tenths vote. However, I would prefer to have the matter passed on its merits rather than under a suspension of the rules.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. COUZENS. I yield.

Mr. TYDINGS. Mr. President, I think this proposal has real merit in it, and I certainly am inclined, from what little study I have made of it, to support it. I hope the Senator from Michigan will not mind if I make what might be called a controversial observation, but I make it out of pure good faith, and in great seriousness.

May I point out that we are appropriating $9,440,000 a year for prohibition enforcement? I am not questioning those who favor that appropriation, but I point out that 94,400 men at a hundred dollars a year could be taken care of out of that one appropriation, and it seems to me that in a time such as that in which we find ourselves it would be wiser, in the interest of humanity, to transfer that sum to a work that has behind it so many fine impulses as has the proposition offered by the Senator from Michigan.

Mr. COUZENS. Mr. President, the Senator knows I have always been a wet, and have never changed my mind about the unwisdom of the eighteenth amendment, so he and I will not differ so far as his attitude on the wet question is concerned.

Mr. TYDINGS. Mr. President, if we are short of money, if we have not the money necessary, it would be much better to use the money appropriated for prohibition enforcement for the purpose the Senator has in mind, than to spend it on a lot of prohibition agents seeking to enforce an impossible proposition.

Mr. COUZENS. This talk about insufficient money is getting terribly disgusting. We appropriate millions for the protection of migratory birds, and, though it is hard to believe, there is complaint because some of us want to appropriate money for the care of migratory boys. What kind of sense is there in such action of Congress? Mr. President, is it any wonder that the country, editorially and otherwise, is condemning the futility of maintaining a Congress and proposing the setting up of a Mussolini, or autocrat, or dictator, or whatever he may be called?

Not only that, but if we go through the appropriations of possibly $2,000,000,000, other than those for fixed charges, which I shall not discuss, we will find that there are millions and millions of dollars used for purposes much less admirable than providing for these boys. Just reflect on the millions of dollars that are spent for looking after insects and birds and pigs; yet there is objection to such a proposal as I have made, and the suggestion that I be required to get the assent of two-thirds before a vote may be had on the matter on its merits.

Mr. President, we are spending millions of dollars for reforestation, the benefits from which we will not get for from 30 to 50 years. I propose that the Government spend a few million dollars for benefits we can get beginning to-day, and yet there is resistance to it.

Mr. President, a subcommittee of the Committee on Manufactures of the Senate held hearings on Senate bill 5121, introduced by the junior Senator from New Mexico [Mr. CUTTING], with which, as I have heretofore said, I am in entire sympathy. But I submit that the proposals provided in the Cutting bill could not be operative for some time. It would not take care of all the conditions. My bill provides for taking care of the younger men, but there is a provision in the Cutting bill for taking care of the older men.

I am not attempting to confuse the issue. I do not want any one of these 88,000 boys who might be taken care of under my proposal roaming the country and saying, "My country does not care a damn where I go or what I do. They did care a lot when they wanted me to go to save their hides in France."

Mr. REED. Mr. President, if they are 16 years old, they were not born then.

Mr. COUZENS. Well, the Senator from Pennsylvania can be as sarcastic as he likes. They are the same group of

boys and the same classification of boys who, the Senator knows, went to war in 1917. Some of the boys who would be provided for under this measure, if the age stays at 24, were cognizant of the conditions during the war.

Does the Senator mean to imply that because the boys were not born at that time they do not know anything about the conditions and the suffering and the sacrifices made by their brothers and parents? Certainly they did. The Senator may shrug his shoulders and throw his glasses down in disgust as he always does when it comes to considering human affairs.

Going back to the hearings before a subcommittee of the Committee on Manufactures on the bill of Senator CUTTING——

Mr. BLAINE. Mr. President, before the Senator goes to that question, I trust he will permit one or two questions. I appreciate that the personal service in connection with these cantonments, or camps, will cost the Government hardly a penny, nothing outside of the supervisory expense. That is, all of the sanitation, patrolling, building, mess, and all other personal service, in all probability would be required to be performed by the boys and men in the respective camps. So that the only cost for personal services would be the supervisory cost of expert mechanics, expert carpenters, and a few others who would be necessary to supervise and direct the construction and all the other activities of the camp. Therefore the cost would be very greatly reduced when the personal service is to come from the men in the camps themselves.

Mr. COUZENS. Mr. President, it seems to me that is perfectly obvious. If the Senate wants to make more sure about that, it can amend the proposal to accomplish that purpose. I do not contemplate that these boys will be waited on hand and foot by butlers or uniformed Army officials. I expect that they will be required to do everything that is humanly possible for them to do within the camp, and the Senator from Wisconsin hits the nail on the head when he says that all that will be needed, practically, will be food and supervision and such clothes as may be necessary. We do not know what clothes the boys already have. It may not be necessary to spend any money for clothes for a year. Yet it is provided in the estimates furnished by the War Department that the clothing alone would take $116 per year per man. Mr. President, just think of estimating the clothing of these young men at $116 a year per man.

Mr. DAVIS. Mr. President, would they have to have a medical examination before going into the camps?

Mr. COUZENS. No. Of course, anybody who wants to defeat this proposal can present all kinds of facts in the way of expenditures and other things which they think will help defeat it. But this is not a question of dealing with details. This is a national, fundamental question, which must be dealt with on a broad scale and not be hobbled with a lot of restrictions which will discourage somebody from undertaking a big project.

Mr. President, I want to refer again to the estimates and some of the conditions which exist. Some question has been raised as to my estimate of the number of young men who are tramping the Nation without any facilities and who are able to say, "I have nowhere to go." Whether the boys will accept this proposal of mine or not I do not know, but at least they will be forever estopped from saying that their Nation took no interest in them and left them or put them in a position to say, "I have no place to go." I want the youth of the country to know that the country at least does provide some place to go.

In the hearings before the Subcommittee on Manufactures on page 9 appears the following:

> Of the 3,257 men from whom age information was secured, 2,393 or 73.5 per cent of the total were under 41 years of age. The number under 22 years of age was 655 or 20.1 per cent of the total.

A little later I shall give some further evidence, but this is the basis of my contention that there are about 300,000 of these boys, because the testimony further shows that there are from 1,250,000 to 1,500,000 of unemployed transient men and boys and 20 per cent of that number would be about 300,000.

There was testimony before the Committee on Manufactures with respect to the activities of unemployment camps in California. The testimony clearly indicates it was a very worth-while undertaking. My plan would not interfere with any such work. But I want to point out that in the testimony submitted to the Committee on Manufactures, as shown on page 13, the 3,950 young men and boys counted came from practically every State in the Union, so it is quite clear that it is a national problem.

In other words, there were from the State of Michigan 127 men being cared for in California. There were 122 men from the State of Pennsylvania being cared for in California, 180 from the State of New York, 182 from the State of Illinois, 48 from Massachusetts, 89 from Missouri, 29 from New Jersey, 6 from New Hampshire, 3 from Rhode Island, 29 from South Carolina, 71 from Colorado, 16 from Connecticut, 20 from Georgia, and 31 from Idaho. I mention these to indicate that it is a national problem. There is no reason why the State of California or any other State should be burdened with a problem which is purely national and especially when the National Government has the facilities to care for at least 80,000 of these men with little or no expense.

Mr. SHORTRIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from California?

Mr. COUZENS. I yield.

Mr. SHORTRIDGE. Does the record show where the camp is in California to which the Senator referred, and the number we are caring for there?

Mr. COUZENS. On page 13 of the hearings the Senator will find the names of the camps. There are some 13 camps in all in California. In that list of age groups it shows that under 21 years of age there were 20.1 per cent; from 22 to 30 years of age, 31.7 per cent; from 31 to 40 years of age, 21.7 per cent; from 41 to 50 years of age, 14.8 per cent; and over 50 years of age, 11.7 per cent.

Mr. SHORTRIDGE. In all, as the record shows, in the different camps our people in California are taking care of about how many?

Mr. COUZENS. There are 3,951 recapitulated in this report.

In the hearings, beginning on page 23, there is testimony from Miss Grace Abbott, Chief of the Children's Bureau in Washington. As I understand her testimony, the evidence she had from the special agent of the Southern Pacific Railway was that in 1927 more than 50 per cent of the trespassers on railway property and trains were men of middle age and older. In later years the older men have largely disappeared, and it would be their estimate that 75 per cent of the 1932 trespassers range in age from 16 to 25 years. That is largely the basis of the ages which I have provided in my amendment. If 25 is too old in the judgment of the Senate and 17 is not young enough, I am perfectly willing to modify it so as to have the facilities of the Government used for the protection of the youth of the land of younger ages.

I want to refer again to page 26 of the hearings, which indicates the number of injuries among the youth and the older men who have been compelled to travel the country because of lack of work. It shows that there were trespassers killed and injured on trains and in train-service accidents—this information coming from the Interstate Commerce Commission—403 boys under the age of 14 in 1928; 372 in 1929; 278 in 1930; 278 in 1931; and 324 in 1932. There were youths between the ages of 14 and 21 killed to the number of 655 from 1914 to 1922, while in 1932 the number had increased to 1,184. Young boys from 14 to 21 years of age are being killed in accidents on the railroads in their efforts to go from place to place seeking jobs. Most of these boys, it is perfectly obvious, have never had a job, and the testimony is complete that most of them were driven from home because of economic conditions in their families. They would not stay home and see the food

taken out of the mouths of their younger brothers and sisters while they perforce sat idly by and could do nothing to care for themselves.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. COUZENS. Certainly.

Mr. GLASS. Some of us would be interested to have the Senator's views as to the difference in principle between the plan he is now proposing and the things that have already been done by the Congress and are now proposed to be done. In other words, several hundred million dollars have been taken out of the Treasury and loaned to States to defray the cost of taking care of the destitute, and there is a proposition pending to appropriate $500,000,000 more to be given to the States for the same purpose. Aside from the feasibility of what the Senator from Michigan is proposing, I should like to be told what is the difference in principle between what we have already done and what he is proposing to do.

Mr. COUZENS. Mr. President, I think the principle is much more in favor of my proposal, because my proposal provides for using facilities which the Government already has on hand. With a complacency almost impossible to realize, the Government has sat by while $1,500,000,000 of the Government's credit at least, and possibly the taxpayer's money before we get through, has been used for the purpose of keeping going those who are already well off and well to do.

(At this point a message was received from the House of Representatives, and other business intervened, which appears after the speech of Mr. COUZENS.)

Mr. COUZENS. Mr. President, in the testimony before the Committee on Manufactures there appears testimony given by the chief of police of the New York Central Railway under date of January 13, 1933. I quote from page 24:

> It is generally known, however, that in recent years the number of young men between the ages of 16 and 20 riding trains has increased alarmingly. This is due in part to the difficulty experienced by boys on leaving school to obtain employment and who then use the trains as transportation to other places where they believe work may be found. One thing we have noted, that is, that persons apprehended for illegally riding trains represent every possible trade and profession.

In the testimony submitted by the chief special agent of the Missouri Pacific Railroad, he said (p. 35):

> We took official notice, in 1928, of 13,745 transients, trespassers that we found on our trains and property.
> In 1929 that figure was 13,875.
> In 1930 we took a record of 23,892.
> In 1931 that volume jumped to 186,028.

So, Mr. President, it is quite evident in what condition the unemployed transient is to-day.

On page 42 of the hearings there appears testimony to the effect that of the unemployed boys appearing at Phoenix, Ariz., 15 per cent were under 21 years of age.

On page 45 Professor McMillen, who did some work for the Department of Labor, testified:

> I think it is undoubtedly true that fully 60 per cent are under 30 years of age, and about 25 per cent are under 21 years of age.

On page 50 of the testimony I again quote Professor McMillen, where he says:

> I talked with an 18-year old boy in the camp at Big Basin. His attitude was touching. He told me he came from Mississippi and that he had been living around there amongst various married brothers and sisters and he had gotten to the point where he was definitely a dependent wherever he was living because there was no employment for him; so he had struck out, hoping to make his own way. He found it very tough going and when California opened up her arms and let him go to a camp where he knew he could eat and have a place to sleep, his gratitude was very great indeed.

That is just an example of the gratitude that at least 80,000 boys would have if they had an opportunity to get an adequate place to sleep and some food.

On page 61 of the same hearings, testimony appears as follows:

> The boys, for instance, are gradually growing harder and more difficult to adjust. They are joining the professional group of homeless men; they are becoming diseased, crippled, are growing accustomed to the road, and if employment were offered many of them would not accept it.

A prolongation of this condition is only making the condition worse; and here we have facilities all ready to undertake the solution of this problem in part.

I recognize that these uniformed West Point officials do not like the task of looking after these boys, but it is not a question in these days of what we like or do not like; it is a question of using every facility and every chance we have for relieving the present conditions.

I again make reference to the total number of boys who, it is estimated, are tramping the country.

On page 63 of the hearings Mr. Nels Anderson, instructor in sociology, Columbia University, testified:

> The cities that we have heard from report a total of 256,124 persons, which seems to be about one-fifth or one-sixth of the homeless and transients in the United States.

If that is the proper percentage, it would be about 1,300,000 altogether, of which 20 per cent would be 260,000.

Again, there appears on page 67 of the testimony this statement:

> This would bring my estimate of homeless in the United States up to nearly 2,000,000. I have, at other times, estimated 3,000,000, which is probably too high. The estimates run from 2,000,000 to 5,000,000, so I am giving you a very conservative figure here.

I again refer to the fact that all the testimony indicates that about 20 per cent of the transient unemployed are boys within the ages I have discussed.

On page 68 reference is made to the type of boy that usually starts out on his own:

> The road draws out a younger, more able-bodied type of person. Older men stay in the large cities.

On page 69 of the hearings testimony appears from the same Professor Anderson with respect to the fact that this is an intercity problem. I will not go to the extent of reading it all; but if anyone is interested in determining whether this is an intercity problem, he may find the evidence to that effect.

On page 72 of the record there appears testimony from a Los Angeles witness to the effect that out of 3,000 there were 1,000 boys under 21 years of age who passed through the police station in a short period of time. On page 73 of the testimony there appears the following:

> Last summer a study of police statistics of Los Angeles indicated that in the period of six months 10,000 boys had passed through the hands of the vagabond squad. That meant those 10,000 boys had spent a night in jail, appeared in the night court, had been given 30 days with 29 days suspended, and told by the police that the following day they would have to leave the city.

Mr. President, these boys are kicked around from place to place, with the opportunity of saying that no thought is given for their welfare or no facilities provided for them.

On page 74 of the testimony there appears the following statement:

> To review the present policy, it is "move on" for the men, except for a relatively small number which are absorbed by our camps. It is "move on" for the boys, except a fortunate small number which are taken by a private agency, the community boys' lodge, and for whom personal plans and adjustments are worked out.

Mr. President, even the girls and the women are suffering to some extent in accordance with our principle "Women first and girls first"; they do not suffer the same conditions the boys suffer.

On page 78 there is testimony given by Mr. William R. Lovejoy, secretary of the New York Children's Aid Society. He testified to this effect:

> There is also a serious effect on health. These boys, wandering from place to place, hitch-hiking, and bumming their way across the country, or riding the rods on the trains, living in jungles and camps, are exposed to a very direct danger to their health. The spread of venereal and other communicable diseases is becoming marked in many sections of the country, and we have noticed that in New York.
>
> As to the effect on morals, it is impossible to make any generalization that would be of any value, although I believe our judgment would indicate that if a boy had gone clear across the country hunting for a job and has simply been moved on from

place to place and finding that there was no job, and continue several months or years in his search, he will end the search by hoping that he will not find one.

Mr. President, that typifies the possibilities from letting this matter go unconsidered.

Mr. Lovejoy again testified, as appears on page 81 of the hearings, referring to the proposal for the treatment of these boys in military camps:

Only this, that unless the optional treatment meant the option to stay or go, to stay inside, or go outside, I should be very much opposed to it.

He says he would not object if they were privileged to move on if they wanted to, and that is taken care of in the measure I have proposed. He says he would be opposed to putting them under duress in a camp, and I would equally be opposed to that.

General Glassford, who formerly was superintendent of police in the District of Columbia, testified before the committee, and his testimony appears on page 126. He said:

The more venturesome and the more ambitious take to the road. Those without ambition, content to remain in their communities unemployed, idle, and hanging around street corners and pool rooms, and picking up a little food here and there, with occasionally a few hours of employment, are not in any way comparable with the young men who are traveling the road to-day.

Mr. President, that is another bit of evidence that the cream of these boys are the ones who are tramping the highways and not the ones who are remaining about the cities in pool rooms and making themselves generally loafers. General Glassford testified further:

It is because of the pressure of harsh economic conditions. Many of them come from families that are destitute; they are existing on charity. They have brothers and sisters younger than themselves who are underfed, and they believe by going out they could find employment somewhere in order to relieve the situation at home.

Mr. President, there is no plan that can be adopted, in my judgment, that will drive these boys back home to continue under the present economic conditions. It has been testified before the same subcommittee of the Committee on Manufactures that what we ought to do is to send these boys back home. To send them back home would mean further to humiliate them by requiring them to live in homes that are already supported by charity, to see the food taken out of the mouths of their younger brothers and sisters so as to maintain them. No decent, self-respecting boy would stay at home under those conditions.

Mr. President, we have facilities all ready, the personnel, and clothing to the extent of millions of pairs of shoes, millions of pairs of socks, and all other facilities ready to provide for the needs of these boys, but we sit indifferently by and store these facilities in warehouses while the boys tramp the highways.

General Glassford further testified:

The communities that I visited are doing very little. The various cities, those of 25,000 inhabitants and over, have missions or municipal lodging houses where the transients are given a night's lodging and one or two meals, and then required to move on. The most constructive measures that I have observed were in Florida.

He went on then to describe a camp at Jacksonville, where they take care of 302 transients; and, from the testimony, it seems that that is a very worth-while thing. But the appropriation for which I am pleading would in no way interfere with such projects.

General Glassford further testified, as appears on page 129, that if funds were appropriated they could be utilized to send boys home. The very contention I make is that these boys will not go back home, and properly should not go back home, and help to augment the difficulties their families are already encountering because of the economic conditions.

The Department of Labor issued a memorandum entitled "The Transient Boy." I do not want to encumber the RECORD with an unnecessary repetition of the reasons why these boys should be taken care of, but I am going to quote from a few of the comments in this memorandum. I doubt whether it is worth while having it all printed in the RECORD.

These facts were assembled in the spring of 1932, and the information the Children's Bureau asks for was:

1. How many boys are leaving their homes, wandering into the communities and other States and becoming stranded there?
2. To what parts of the country are these boys going in largest numbers?
3. What are local communities doing, or planning to do, where the migration is of such proportions as to constitute a genuine problem?
4. Are local resources adequate to take care of this nonresident boy problem?
5. What is actually happening to these boys on their wanderings?

In the same report there is a paragraph headed, "Boys under 21 years of age on the road." Under a subheading there is the statement:

Numbers riding the freight trains.

In autumn, winter, and spring the migratory army of men and boys flows toward Florida, the Gulf States, the Southwest, and California. From first-hand observers, from local police, and from special agents and other employees of the railroads come estimates that seem to indicate a problem entirely beyond the knowledge of most of the country's social workers.

Mr. President, if it was beyond the knowledge of the country in the spring of 1932, it certainly should not be beyond the knowledge of the country in the rigid winter of 1933.

Under another subparagraph, the same memorandum states:

The men in charge of plant-quarantine stations on the principal highways entering California made some actual sample counts of hitch-hiking boys under 21 entering that State during April and May. The number averaged about 150 per week at each of three points.

To indicate the fact that it is a national problem, under a subheading in the same memorandum this is stated:

From practically every State in the Union boys fare forth to join the aimless army. The Community Boys' Lodge in Los Angeles reported the place of residence of 623 boys who applied for shelter there in the five months ended March 31. Forty-five States and the District of Columbia had contributed to this group.

New York stood first in a community 3,000 miles away from New York. Illinois stood next; Pennsylvania third; Texas fourth, with 38; then Oklahoma, with 35; Michigan, with 34; Ohio, with 28; Missouri, with 26.

And so on down the list. Of the 1,529 boys served by the Volunteers of America in Phoenix more than 50 apiece came from Texas, California, Oklahoma, Illinois, Missouri, Ohio, New York, Pennsylvania, Colorado, and Michigan. Twelve additional States have contributed from 25 to 50 boys each.

Under a subhead entitled "Types," referring to the types that had been discovered as tramping the country in search of work, there appears this statement:

There is much testimony to the effect that these boys came from substantial American families. A study of 5,438 young men and boys served by the Salvation Army in Atlanta, Ga., during four winter months shows that 194 had been in college and 1,641 had attended high school.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Schuyler |
| Austin | Dale | Keyes | Sheppard |
| Bailey | Davis | King | Shipstead |
| Bankhead | Dill | La Follette | Shortridge |
| Barkley | Fess | Lewis | Smith |
| Bingham | Fletcher | Logan | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Moses | Swanson |
| Bratton | Glenn | Neely | Thomas, Idaho |
| Brookhart | Gore | Norbeck | Thomas, Okla. |
| Bulkley | Grammer | Norris | Trammell |
| Bulow | Hale | Nye | Tydings |
| Byrnes | Harrison | Oddie | Vandenberg |
| Capper | Hastings | Pittman | Wagner |
| Caraway | Hatfield | Reed | Walsh, Mass. |
| Clark | Hayden | Reynolds | Walsh, Mont. |
| Connally | Hebert | Robinson, Ark. | Watson |
| Coolidge | Hull | Robinson, Ind. | White |
| Costigan | Johnson | Russell | |
| Couzens | Kean | Schall | |

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 597) to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 698. An act authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the grade of assistant paymaster with the rank of lieutenant (junior grade) in the Supply Corps, United States Navy;

H. R. 1225. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta*;

H. R. 2065. An act for the relief of the Great Western Coal Mines Co.;

H. R. 5786. An act for the relief of Essie Finger;

H. R. 6637. An act authorizing the President to present a medal of honor to Richmond Pearson Hobson;

H. R. 7385. An act for the relief of Sidney Joseph Kent;

H. R. 9636. An act to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train;

H. R. 9714. An act for the relief of Marion F. Blackwell;

H. R. 11930. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H. R. 12329. An act to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota;

H. R. 13372. An act to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C.;

H. R. 13523. An act in reference to land in the Bonnet Carre floodway area;

H. R. 13535. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 13743. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Tiskilwa, Ill.;

H. R. 13744. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Langley, Ill.;

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484); and

H. R. 13852. An act to extend the times for commencing and completing the construction of a bridge across the Rock River, south of Moline, Ill.

DISTRIBUTION OF GOVERNMENT-OWNED COTTON

Mr. McKELLAR. Mr. President, may I make an explanation in reference to the joint resolution that has just come from the House appropriating money for carrying into effect the Red Cross cotton legislation which we passed several days ago? A few days ago we passed substantially the same provision or exactly the same provision in the Agriculture Department appropriation bill, but it is not known when that bill will be finally approved. The Red Cross is very anxious to start this work immediately. I am wondering if I may not ask unanimous consent for the immediate consideration of the joint resolution to carry that provision into effect?

The VICE PRESIDENT. Let the joint resolution be read for the information of the Senate.

The joint resolution (H. J. Res. 597) to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, was read the first time by its title, and the second time at length, as follows:

*Resolved, etc.*, That to enable the Federal Farm Board to carry into effect the provisions of the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $4,100,000: *Provided*, That in addition to the purposes for which an appropriation was made by Public Resolution 43 of the Seventy-second Congress, approved July 22, 1932, for carrying out the provisions of the joint resolution entitled "Joint resolution authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress," approved July 5, 1932, any balance, or so much thereof as may be necessary, now or hereafter existing in such appropriation is hereby made available to enable the Federal Farm Board to carry into effect the provisions of such act of February 8, 1933: *Provided further*, That the unexpended balance, or so much thereof as may be necessary, of the appropriation under Public Resolution 43 of the Seventy-second Congress, approved July 22, 1932, shall be transferred in such amounts from time to time as may be requested by the Federal Farm Board to the appropriation herein made for the purposes of such act of February 8, 1933.

Mr. McKELLAR. Mr. President, I have submitted the matter to the Parliamentarian who prepared the provision contained in the Agricultural Department appropriation bill, and I am informed by him that it is precisely the same. I hope it may be passed to expedite the matter.

Mr. KING. Mr. President, I should like an explanation of the character of the measure before us.

Mr. McKELLAR. It is the same provision that was adopted as an amendment to the Agricultural Department appropriation bill on last Friday.

The VICE PRESIDENT. Is there objection to the request of the Senator from Tennessee?

Mr. KING. Mr. President, I should like a little further explanation of the matter.

Mr. SMITH. When the conferees met it was ascertained that there was an amount approximating $11,000,000 that had to be provided to meet the obligations incurred in connection with the cotton in question. The market price amounted to about $8,000,000 and the overhead to about $2,000,000. It was ascertained that there was about $4,000,000 still unexpended of the previous appropriation made in the allotment of the cotton to the Red Cross. That had not been carried into or reported as a part of the revolving capital of the Farm Board. An agreement was reached that the $4,000,000 which they had left over from the previous transaction should be used by the Farm Board in liquidating this expenditure. The Farm Board then agreed that they would take $2,500,000, which was the overhead, and assume that out of their revolving fund. That made $6,500,000 that was taken out of the fund of the Farm Board directly and indirectly, leaving a balance of $4,000,000 required to liquidate the transaction. That is the situation. Instead of the Government making an appropriation of $11,000,000 to liquidate—the total amount was $11,500,000—the Farm Board assumed $6,500,000 and the Government $4,000,000.

Mr. KING. Mr. President, I am not sure that I follow the Senator and understand all the implications of the pending measure. When the bill came from the House providing that 350,000 bales of cotton should be turned over to the Red Cross for proper distribution to the aid of the needy, it called for the Federal Government to assume all the obligations incident to the discharge of the existing liens against the cotton and the future charges against it. The Senate refused to accept that view and adopted an amendment, under the terms of which the Farm Board was to pay the entire charges against the cotton. That went to conference, but the conferees struck out the Senate amendment and

accepted the position of the House. When the report was submitted it was adopted. A motion was subsequently entered, in due time, for a reconsideration; and when the motion for reconsideration was brought to the floor, it was agreed that the bill should go to conference again and conferees were appointed by the House and by the Senate.

The conferees reported the second time, and I understood—I was not present when the matter was brought up in the Senate—that under the terms of the amended bill agreed to by the conferees, approximately $4,000,000 only were to be paid by the Government of the United States, and the residue, amounting to about $7,000,000, was to be paid out of the $28,000,000 to the credit of the Farm Board in the Treasury of the United States, which $28,000,000 constituted a part of the $500,000,000 revolving fund.

Mr. SMITH. Mr. President, will the Senator allow me?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from South Carolina?

Mr. KING. I yield.

Mr. SMITH. The Senator has stated exactly what I said—that there was unaccounted for of the $28,000,000 the sum of $4,000,000, left over unexpended in the previous transaction in connection with the 500,000 bales of cotton which, in 1931 or 1932, had been allocated to the Red Cross. There was an unexpended balance of $4,000,000 which ultimately would have been at the disposal of the Farm Board. Now, they take that $4,000,000 and assume the overhead, which is $2,500,000, making $6,500,000 that comes out of the funds of the Farm Board, the Government only to appropriate $4,000,000. That is all.

Mr. McKELLAR. The amount is $4,100,000, and that authorization has already——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. That authorization has already been agreed to, and this measure provides for carrying it out.

Mr. SMITH. That is all.

Mr. McKELLAR. And the appropriation was provided day before yesterday on the agricultural bill, but the House has passed this separate joint resolution.

Mr. BINGHAM. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. KING. I yield.

Mr. BINGHAM. If this joint resolution shall be passed by the Senate, then, of course, the conferees will strike the provision out of the agricultural appropriation bill.

Mr. SMITH. Certainly.

Mr. McKELLAR. Of course, that will be done. I really think the joint resolution ought to be passed, and I hope the Senator from Utah may see his way clear to let it pass.

Mr. SMITH. It was the best we could do.

Mr. McKELLAR. Yes; it was the best we could do.

Mr. KING. In view of the rather labyrinthine, not to say serpentine, course which this matter has pursued and the obligations which have arisen and the misinformation which has been sent out from Washington all over the country as to the effect of this measure, I am not disposed to hold up the matter; but I do feel, Mr. President, that it is very unfair and very unjust to take $4,100,000 out of, to use an Irishism, the empty Treasury of the United States in order to pay debts—for that is what it amounts to—of the Farm Board. The Farm Board has incurred obligations in connection with this cotton—that is, the Farm Board and its subsidiary, the Stabilization Cotton Corporation—of approximately $11,000,000, as stated by the able Senator from South Carolina. Now the Treasury of the United States is asked to appropriate $4,100,000 to help liquidate those charges which have been incurred in the purchase of the cotton, its storage, insurance, and so on. But, as stated, Mr. President, I am inclined to think the Senate conferees have done the best they could, and without complimenting them too highly upon the job which they have done, I shall not object.

The VICE PRESIDENT. Without objection, the joint resolution will be considered as having——

Mr. SMOOT. Mr. President, just a moment. I ask that the joint resolution be laid aside temporarily.

Mr. ROBINSON of Arkansas. What is the suggestion of the Senator from Utah?

The VICE PRESIDENT. The Senator from Utah asks that the joint resolution be passed over temporarily. The Chair understands he wants to inquire into it further.

Mr. ROBINSON of Arkansas. Mr. President, I hope we may dispose of it right away.

Mr. McKELLAR. I think we should do that.

Mr. SMOOT. Mr. President, I ask that the joint resolution go over temporarily. I am not in any mood to make any objection, but I want to ascertain if an amendment may not be offered here that will not interfere with the measure at all. I should like to have an opportunity to look into it, and all I ask is that it be laid aside temporarily.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. The Senator from Utah has the floor. Does he yield?

Mr. SMOOT. I yield.

Mr. McNARY. I was just going to observe, as chairman of the conference committee, that a few days ago we brought in the measure providing for the distribution of cotton the second time in the form in which it was finally passed, with the idea that we would provide the necessary appropriation at the first opportunity. I sincerely hope the Senator from Utah may collect himself and decide what he wants to do with it right away or very shortly.

Mr. SMOOT. I am going to send for the papers which the Senator from New York [Mr. COPELAND] said he wanted me to look over. I have no desire to interfere with the passage of the joint resolution, but I do want at least to see whether the suggestion made by the Senator from New York can be added to the joint resolution without interfering with its passage in any way, shape, or form. I am as much interested in this relief legislation as is the Senator from Tennessee or the Senator from South Carolina or the Senator from Arkansas; all I am asking is that it go over temporarily.

Mr. McNARY. May I suggest to the Senator from Utah that day before yesterday, when the agricultural appropriation bill passed, an amendment carrying this particular appropriation was offered by the Senator from Tennessee and adopted and is now in conference, the conferees having been appointed yesterday.

Mr. SMOOT. I am perfectly aware of that, and in the meantime it is to pass the pending joint resolution.

Mr. ROBINSON of Arkansas. The joint resolution merely provides an appropriation to carry out an existing authorization.

Mr. McNARY. That is all.

Mr. McKELLAR. That is all it does.

Mr. ROBINSON of Arkansas. Any modification of the authorization would be subject to a point of order and cause delay, and I respectfully suggest that we ought to pass this joint resolution providing the appropriation to carry out the authorization. Then, if the Senator wants to offer a new resolution, let him do so, but we have had already enough delay, it seems to me, in regard to this matter.

Mr. McKELLAR. Mr. President, I want to say to the Senator from Utah, if he will permit me, that I shall be glad to join him in his purpose. I know what it is; I think it is very wise, and I have no objection to it; but I do not think the amendment he has in mind ought to go on this joint resolution, and I do not believe it can be attached to it, as I think it would be subject to a point of order.

Mr. SMOOT. That may be; I do not know as to that; but all I want is that the joint resolution go over temporarily. I repeat, I have no desire to defeat it; it can be passed to-day, but I do feel that I should have an opportunity to comply with the request of the Senator from New York to look into it. That is what I ask, and I have no intention whatever to prevent the passage of the joint resolution.

The VICE PRESIDENT. The Senator from Utah objects to the present consideration of the joint resolution.

Mr. HALE. I hope the Senator from Utah will decide as soon as possible whether he is going to ask to have the joint resolution referred to the committee.

Mr. SMOOT. I have already stated my purpose to the Senator.

Mr. HALE. Haste is imperatively necessary in getting this joint resolution through; otherwise the House would have waited for action on the agricultural appropriation bill. If the Senator can make up his mind on this matter, and we can get the resolution agreed to within an hour or so, it will do a great deal of immediate good.

Mr. SMOOT. Mr. President, I want to say to the Senator——

Mr. COUZENS. Mr. President, this debate can not continue in my time. I feel I have been yielding now for 20 minutes.

The VICE PRESIDENT. Does the Senator from Michigan decline to yield further?

Mr. COUZENS. I do not see why the discussion on the matter should be continued indefinitely.

The VICE PRESIDENT. The Senator from Michigan declines to yield further.

Mr. SMOOT subsequently said: Mr. President, I find that the amendment suggested by the Senator from New York [Mr. COPELAND] is not included in this joint resolution, and therefore I have no objection to its passage.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was ordered to a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from California?

Mr. COUZENS. I yield.

Mr. SHORTRIDGE. I raise the question of a quorum.

The VICE PRESIDENT. Does the Senator from Michigan yield for that purpose?

Mr. COUZENS. I do.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Schuyler |
| Austin | Dale | Keyes | Sheppard |
| Bailey | Davis | King | Shipstead |
| Bankhead | Dill | La Follette | Shortridge |
| Barkley | Fess | Lewis | Smith |
| Bingham | Fletcher | Logan | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Moses | Swanson |
| Bratton | Glenn | Neely | Thomas, Idaho |
| Brookhart | Gore | Norbeck | Thomas, Okla. |
| Bulkley | Grammer | Norris | Trammell |
| Bulow | Hale | Nye | Tydings |
| Byrnes | Harrison | Oddie | Vandenberg |
| Capper | Hastings | Pittman | Wagner |
| Caraway | Hatfield | Reed | Walsh, Mass. |
| Clark | Hayden | Reynolds | Walsh, Mont. |
| Connally | Hebert | Robinson, Ark. | Watson |
| Coolidge | Hull | Robinson, Ind. | White |
| Costigan | Johnson | Russell | |
| Couzens | Kean | Schall | |

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

(After the conclusion of the speech of Mr. COUZENS.)

C. N. HILDRETH, JR.

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives and calls it to the attention of the Senator from Florida. The title of the bill will be stated.

The bill (H. R. 11461) for the relief of C. N. Hildreth, jr., was read twice by its title.

Mr. FLETCHER. Mr. President, the Senate day before yesterday passed practically an identical bill, and I ask unanimous consent to consider and act on the House bill at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (H. R. 11461) for the relief of C. N. Hildreth, jr., was read, considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of C. N. Hildreth, jr., former collector of customs for collection district No. 18, with the sum of $89.10, representing the amount of a payment made to the A. A. A. Garage of Miami, Fla., on voucher 851 in his August, 1928, accounts, and heretofore disallowed by the Comptroller General.

ORDER FOR RECESS

Mr. REED. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it shall take a recess until 12 o'clock noon Monday.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection? The Chair hears none, and it is so ordered.

WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. TYDINGS. Mr. President, I think this session has brought to light one serious matter in relation to the Congress making appropriations. We have 12 appropriation bills, and we consider each subject matter unto itself without taking into consideration the relationship between the total amount appropriated for a particular activity and the total appropriations for all activities. When we are considering the War Department or the Navy Department appropriations or the Veterans' Bureau, or what not, we talk of the sum of money which is to be appropriated for the single purpose and consider that sum of money without considering its relationship to the total appropriations. We do not consider what part of our money goes for the Army or the Navy or for any other particular purpose. We simply put down what ought to be used to regulate or run or operate a particular department or bureau without regard to the national picture as a whole.

Nothing could more clearly illustrate this than the amendment which the Senator from Michigan [Mr. COUZENS] proposes to offer to the pending War Department appropriation bill. In that amendment he proposes to take care of about 80,000 or 90,000 boys from 14 years to 21 years of age. To take care of those boys would require, roughly, about $85 apiece per annum. In other words, it would require $8,500,000 to provide for facilities to take care of 100,000 boys in an Army camp for a year. We do not feel that we have the money to do that. We say we can not afford such an expenditure, but that economy should be effected in the conduct of the National Government. But, Mr. President, in another bill entirely we have appropriated just that sum of money for another purpose. The sum of $8,440,000 has been appropriated for prohibition enforcement.

I know there are many here who feel that that appropriation is necessary. I know there are conscientious men who will support the $8,440,000 for prohibition enforcement. But if we must decide between the two propositions, whether we are going to take care of these 100,000 boys on the one hand, or have the prohibition agents on the other hand, by the elimination of which of these will the national moral fabric be done the greater harm? I submit that the national moral fabric of America will be improved if we take the $8,500,000 now proposed to be appropriated for prohibition enforcement and give it for the use of the 100,000 youths of the Nation, who now are roaming the roads and highways of the United States.

If there is anything in relativity, if we are looking after the morals of the young men of the country, is it not better to take the man with no home, who is sleeping in a box car, consorting on occasion with criminals as the testimony shows, while he is in his tender years, and place him under some wholesome influences, than it is to take that money and employ 3,000 or 4,000 prohibition agents to police a country of 120,000,000 people, a country 3,000 miles from east to west and practically 2,000 miles from north to south?

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Utah?

Mr. TYDINGS. I yield.

Mr. KING. Does not the Senator underestimate the cost of taking care of the 80,000 young men or boys to whom he refers? I recall that in the appropriation for the Indian

Bureau a few days ago it was disclosed that it costs $425 to take care of each little Indian child in boarding schools where the buildings have already been constructed. That is merely for the food and clothing.

Mr. TYDINGS. While the Senator from Utah was absent the Senator from Pennsylvania [Mr. REED] and the Senator from Michigan [Mr. COUZENS] together produced figures, one from the War Department and the other from investigators, as to what it would cost to take care of 100,000 men in this manner. Those figures were purely an estimate, but they ran to a little less than $100 a year.

Mr. REED. Oh, Mr. President, will the Senator yield?

Mr. TYDINGS. Certainly.

Mr. REED. For food alone it would run to $73 a year, and for clothing more than that, counting nothing for housing, nothing for medicine, nothing for transportation, nothing for the service of the officers who will be required. We could not possibly do it.

Mr. TYDINGS. The Senator, of course, wants the amendment defeated, and I do not blame him for taking a pessimistic view; but, by his own statement, made a few moments ago, he said that nothing would be needed for housing. He read the number who could be taken care of without any additional facilities. Why does he want to put that item in the equation now, when the figure I am using is the figure which he, himself, used but an hour ago?

Mr. REED. If these young men were put into tent camps, using all the tents the Army has, the Senator would surely expect those tents to be replaced? They will not last more than about a year.

Mr. TYDINGS. I am not so much worried about the tents being worn out in a year, and I do not think the Senator is. I lived in a tent for a considerable period during my own life—for almost three years—and I think the life of a tent is considerably more than one year, and I believe the Senator thinks so, too. So that when the housing and other costs are dragged into this picture, I do not think they are fair items to be charged up in the cost of operating this service. But whether they are or not, I want to go back to the original proposition that it is more in the interest of humanity, more in the interest of morals, more in the interest of patriotism, more in the interest of economy, more in the interest of the future of this Nation to take that sum of money—$8,440,000 which is now appropriated to pay prohibition agents—and to spend it upon these 80,000 or 100,000 boys than it is not to spend it on those boys and to apply it to prohibition agents with salaries of $2,000, $3,000, and even $4,000 a year. I do not think any man in his right mind, be he "wet" or "dry," prohibitionist or antiprohibitionist, if he had the choice to make between those two purposes, namely, the use of this money for prohibition agents, on the one hand, or its use to take care of a hundred thousand boys from the ages of 14 to 21, on the other, would hesitate a moment to appropriate that sum of money for the care of the youth of this country. I say it is little short of a legislative crime to take nearly $9,000,000 and hand it out for prohibition enforcement and not to spend it for the care of these youngsters who have no homes, who have no food, and who are frequently subjected to conditions and circumstances which can do nothing but hinder or prevent that wholesome development which more kindly events and circumstances would permit.

How can we get at this matter? As I said in the beginning, under our system there is no relativity in the consideration of appropriations. We have before us one appropriation bill at a time; now it is the Army bill; we can not transfer an appropriation from the independent offices bill to the Army bill, because it must come up separately; so that the question of merit as between these two items, as a parliamentary proposition, is not susceptible of solution in the way ordinarily to be taken to accomplish the desired result. But, Mr. President, I am hoping that we can accomplish the result I have in mind by adding just that sum of money to this amendment if it shall be adopted, namely, that we appropriate $8,440,000 to take care of these boys who are without any homes and that we take that sum of money from the prohibition enforcement appropriation. When the bill carrying that item shall come before the Senate——

Mr. BROOKHART. Mr. President——

Mr. TYDINGS. In just a moment I shall yield to the Senator from Iowa—I shall offer an amendment to strike out the prohibition-enforcement appropriation, if we shall adopt the amendment of the Senator from Michigan, so that in the end the appropriation necessary to take care of these boys will not have cost the Government a single solitary red cent. We shall simply take it from something where it is now, in my judgment, being wasted, anyway, and apply it to where it will yield golden dividends in the rehabilitation of 100,000 boys who are without homes and without support in this emergency.

Now I yield to the Senator from Iowa.

Mr. BROOKHART. Some time ago the Senator pointed out that there were a good many million bootleggers in this country. Will not his scheme turn those bootleggers out among the unemployed?

Mr. TYDINGS. If it would turn them out into Iowa, I think, in some respects, it would help the general level in logic. [Laughter.]

Mr. President, suppose all the American people could be assembled in this Chamber; suppose the proposition could be debated, and suppose finally it could be put to a yea-and-nay vote, namely, shall we spend this $8,440,000 to pay three or four thousand prohibition agents or shall we spend it to provide care and training and food and housing for 100,000 boys from the ages of 15 to 21? What would the answer be? I may be perhaps over enthusiastic, but I believe that the response would come back, "Spend it on humanity; spend it to take these boys off the road, out of the stockyards, off the railroad trains; spend it to house them and feed them and train them; they are in their impressionistic years; they are in the years when they are laying the foundation for all their manhood; give to them the chance to be good citizens and let the men who are enforcing prohibition do without that sum of money." If that would be the attitude of the American people, let me inquire in whose interest are we here if not in the interest of our country, looked at as a whole? I would not be afraid to go to Kansas or to Iowa or to any other State in the Union, if it were physically possible, and submit that question to the men and women of the various States. In my judgment, the answer would be like a tidal wave in its magnitude; the answer would be, "We doubt very much, anyway, that any good comes from the so-called enforcement of prohibition, on the one hand; but, even conceding that there does come good, let us take care of these boys from 15 to 21, if it costs no more money than is now being expended on prohibition-enforcement agents? I dislike to inject the wet-and-dry question into this very meritorious matter.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from North Carolina.

Mr. REYNOLDS. I should like to ask the Senator from Maryland what amount of money would the Treasury have to appropriate for the maintenance and upkeep of the hundreds of thousands of people who would annually find their respective ways into these camps?

Mr. TYDINGS. May I say to the Senator from North Carolina it was roughly estimated—and, of course, it was only an estimate; there could be no accurate figures—that, with the housing now available at the Army posts, with the tents we have now available, about 88,000 persons could be cared for by the Government. It was also estimated that the cost of keeping them for a year, without equipment, such as rifles, and so on, would be somewhere around a hundred dollars a year.

Mr. REED. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes; I yield.

Mr. REED. We might as well be accurate.

Mr. TYDINGS. Yes; let us be accurate.

Mr. REED. The estimate for subsistence alone is $73 a year; the estimate for clothing is $116 a year more——

Mr. TYDINGS. Oh, Mr. President, does the Senator mean to say that one of these boys during a single year would require $116 worth of clothing, bought at wholesale?

Mr. REED. That is what the estimate says, if the boy is to be clothed. The estimate for medical attention is $18 a year; the estimate for transportation is $6 a year; the estimate of the cost of the officers necessary to take care of them is $84 a year; and the estimate, which the Senator disputes, for barracks and quarters, which includes the operating cost of the barracks—the heating of them, and that sort of thing, for, presumably, those in the North would have to be heated—averages $68 per man per year, representing a total of about a dollar per day per man. It was brought out by the Senator from Utah that we are spending about one-third more than that in taking care of the Indian children who are our wards out in the West, but, presumably, these young men would not be cared for at so much expense as we are under in taking care of the Indian children.

Mr. TYDINGS. Mr. President, first of all the Senator says "clothing and equipment." He did not stress the word "equipment" very heavily, because the Senator knows that the soldier's equipment costs more than the soldier's clothing. First of all, he has to have a rifle; he has to have a cartridge belt——

Mr. REED. Will the Senator yield?

Mr. TYDINGS. I will yield in a moment—he has to have a first-aid case; he has to have a canteen; he has to have a mess kit; he has to have a knapsack.

Mr. REED. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes; I yield.

Mr. REED. The Senator himself has been a soldier and he knows that rifles are not included in the quartermaster's item of clothing and equipage. The Senator knows that rifles come from the Ordnance Department, which is a totally different branch, and in the estimate there is no allowance whatsoever for such equipment.

Mr. TYDINGS. The Senator is drawing a distinction which his own memorandum does not show. It does not show that part of the estimated cost is from the Ordnance Department and a part from the Quartermaster's Department.

Mr. REED. There is not anything included from the Ordnance Department.

Mr. TYDINGS. How does the Senator know that?

Mr. REED. Because the item of clothing and equipage has been carried in the Army appropriation for probably a hundred years, and includes only quartermaster stores.

Mr. TYDINGS. I think I can draw the difference between the opinion of the Senator from Pennsylvania and that of myself to a head by this observation, that, speaking from a commercial standpoint, I myself would love to have the contract to furnish boys from 15 to 21 years old clothing at $116 apiece a year, and I doubt if there is any man in this Chamber who would not like to have such a contract.

Mr. President, it is easy to furnish these young men clothing at a figure away below the amount estimated in this memorandum, which is $116 a year, when suits of clothes may be purchased by the Army at from $8 to $10 and shoes at $2.60 a pair. How many suits will a boy want at that figure?

Mr. REED. Mr. President, will the Senator yield again?

Mr. TYDINGS. Yes; I will yield.

Mr. REED. I did not prepare these figures, and the Senator need not "shake his glory locks" at me, because I am not to blame for them. This is the estimate of the Army, and includes not only outer clothing but under clothing; it includes mess kits and knives and forks and blankets and pillows, and heaven knows what all. When the Senator takes the contract of which he is speaking he will be astonished to find how many things, such as blankets and pillows and cots and articles of that sort, that he had not counted on will be included, and he will not make so much money.

Mr. TYDINGS. We have already on hand a year's supply of blankets for a million men, and certainly we could use those without buying any new ones. We have also a year's supply of shoes for a million men, and we certainly could use those to the extent of a hundred thousand.

Mr. REED. Will the Senator yield again?

Mr. TYDINGS. Yes; I yield.

Mr. REED. The Senator would be the last Senator in this Chamber to advocate doing away with our reserve stock which we are keeping for the Army, and which we will have to have in the next war.

Mr. TYDINGS. That is right.

Mr. REED. Certainly, if we devote that reserve stock to this asylum performance, as suggested by the amendment, we will have to replace it, and it will cost just as much as if we bought it for these young men originally.

Mr. TYDINGS. Well, Mr. President, I am of the opinion that it would be better to impair to a slight degree the reserve stock of a million men in times like these than it would be to keep that reserve intact and leave 12,000,000 people unprovided for for months and months and months. After all, the greatest element of national defense is confidence in and love for one's country.

Unless people have some regard for their Government and their country, all the reserve uniforms and rifles will not be worth a continental. With 12,000,000 people out of work, with 5,000 bank failures, with over a million farms sold under mortgage foreclosure and for delinquent taxes, this appropriation bill comes before us and Senators insist on making practically a uniform year's appropriation for prohibition enforcement when we could use the same sum of money to take care of 100,000 youths or even 50,000 youths. I say that we are showing neither morality nor heart nor intelligence nor logic if we continue to appropriate this vast sum for prohibition enforcement while these hundreds of thousands of young men roam about this country.

I lay that down as a basic proposition, and I should be glad to make it in any church in this land, because I have the belief that the most sincere lover of national prohibition as a theory and a principle would recognize that were he or she forced to make a decision between the two, the decision would lie on the side of these young men. Most of these church people are mothers. It might be their boys that are concerned. It might be that this would represent the difference between making a good citizen and a bad one.

Mr. President, I should be reluctant to stand here and draw this parallel if these agents could go and stamp out all the liquor in America. If it could all be wiped off the face of the earth, I should be glad to see the hundreds of millions of dollars appropriated; but we have had 13 years of this effort. We have had national prohibition with us ever since 1920. It is now going in its fourteenth year, I believe; and we know that while there may be some small gain, there are big losses connected with the eighteenth amendment.

Therefore, when I seek by this motion to transfer that sum from prohibition enforcement so that it may be used to take care of these young men, I do it with absolute confidence that on the whole there will be just as good enforcement without this appropriation as there will be with it. On the other hand, the 100,000 young men or the 50,000 or 60,000 young men that that sum of money would care for will be better off by far if it is appropriated for that purpose.

Mr. President, at the appropriate time I shall move to recommit the bill, with instructions to report it at once with an appropriation of $8,440,000 in line with the purposes of the Couzens amendment; and on a subsequent date, when the independent offices bill is before us, I shall make a motion to strike out the $8,440,000 appropriated for prohibition enforcement; so that what we will have accomplished will be the transfer of an appropriation from one bill to the other, the canceling of the enforcement appropriation, and the making of an appropriation for the care of the young men referred to in the Couzens amendment.

Now, I want to revert just shortly, before yielding the floor, to the figures adduced by my friend from Pennsylvania [Mr. REED].

Barracks and quarters, $68 a man.

Mr. President, I do not follow that logic. I believe that the men who made this estimate allowed lots of safety; that a factor of safety was used, because they would not want to be caught in the position of having underestimated the cost; and I think even the Senator from Pennsylvania will concede that perhaps that was done in this matter.

Mr. REED. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes; I yield.

Mr. REED. It is quite obvious, is it not, that in the North these barracks are going to have to be heated?

Mr. TYDINGS. Yes.

Mr. REED. It is quite obvious that all over the country they are going to have to be cleaned.

Mr. TYDINGS. That is right.

Mr. REED. It is quite obvious that there is some expense involved in keeping house for these young men, just as there is in keeping house for anybody else.

Mr. TYDINGS. The Senator from Pennsylvania says the barracks will have to be cleaned. I am assuming that there will be enough discipline in these camps that the men who occupy them will be compelled to keep them clean. As for heating the camps, it strikes me that on many of our reservations, like Camp Meade, over in Maryland, the Edgewood Arsenal, or Fort Hoyle, over in Maryland, there are lots of pine woods owned by the Government and a great deal of brush growing up in those woods where these young men could be taken out and could cut, for the most part, all of their firewood.

Mr. REED. I should like to suggest to the Senator that the bill before us provides that the only thing that can be done with these young men is to give them healthful exercise, and I do not think scrubbing floors or peeling potatoes would be called healthful exercise. We would have to hire somebody to do that for them.

Mr. TYDINGS. Yes; but the Senator also recollects that there is a general provision in the bill that the Secretary of War shall prescribe what those healthful exercises happen to be; and I think both the Senator and myself remember what some of those prescriptions were in years gone by. I have no fear that these young men will not get the healthy exercise which we all want them to have. They will have to peel potatoes, of course. I do not see why they could not garden on a part of these reservations, why they could not raise a part of their food, at least their fresh vegetables. There is plenty of ground there. It strikes me that a great many of these boys have some knowledge of raising agricultural products, and certainly that would lower the cost of subsistence. It would not be $116 a year for one man.

Mr. REED. Seriously, can the Senator imagine a lot of East Side boys on Governors Island running a successful garden?

Mr. TYDINGS. Yes; I can, with a little training.

The Senator figures that clothing and equipment will cost $116 a year. I am sure the Senator must concede that that is a tremendous outlay to clothe a boy 15 or 16 years old, particularly where he is dressed in a uniform that is made on the same pattern at wholesale. I have not the exact figures, but my recollection is that an Army coat and an Army blouse cost about $6 for the two. A pair of shoes costs $2.50. That is $8.50. After providing underclothes and shirts you have practically given the boy clothing for normal days like spring, summer, and fall; and if you can do that for $15 you would still have $101 left over to take care of him in three months of the wintertime.

I do not concede for a minute that these men are going to wear dress uniforms. They will have no shakoes in their hats. This is plain, substantial clothing, which we hope will be sufficient. Ordinarily, I would not be so much inclined to support a proposition of this kind, and I may be wrong about it, but I simply want to renew this thought: If $8,440,000 will permit 75,000 or 100,000 of these boys to be housed and trained when they are 15 to 21 years of age, it is a lot better to spend the money there than it is to pay three or four thousand prohibition agents this $8,440,000.

If anybody cares to take issue there, I can understand that he is more in favor of national prohibition, it seems to me, than of humanity in its broader aspects, because prohibition is not responding to national control.

Therefore I want to leave just this additional thought: Out of the first 3,000 prohibition agents who were hired by this Government, 872 of them—over 25 per cent—were discharged for discovered corruption. I think Colonel Woodcock has greatly improved that service. I think he is a fine, conscientious man, who has done his best as he sees it to enforce this law; but the result as far as drinking is concerned, as far as bootlegging and hijacking are concerned, as far as stills are concerned, still remains with us.

Senators, in a period of great national emergency I think it better to spend this money to take care of 100,000 boys of tender age than to spend it on the futile experiment of trying to force morality upon the people with the bayonet and the bullet in a disguised form.

## ON THE PUBLISHED TERMS OF DEBTORS TO BE PROPOSED TO THE FOREIGN DEBTS

Mr. LEWIS. Mr. President, I beseech the Senate to let me occupy a moment of its time upon a subject not expressed in this bill, but which has to-day become timely and appropriate in view of the public statements given us in the cables of this morning sent from the foreign countries who are included in the general definition of international debtors to the United States.

Mr. President, I have listened with a commanding interest to the discussion we have just heard upon the amendment of the Senator from Michigan [Mr. COUZENS], and I have heard our distinguished friend the chairman of the Military Affairs Committee [Mr. REED], and my honorable comrade in arms from Maryland [Mr. TYDINGS] descant upon the relative figures touching the subject they are presenting.

Mr. President, may I be pardoned parenthetically here to offer a definition? These gentlemen, eminent as they are, indulge in the pastime, so often resorted to, of quoting statistics. I think I can define statistics when presented to the Senate. Statistics is something that to the Senate seldom stays and never sticks. [Laughter.] Therefore, I must depart from any allusion to it. I return to another form of statistics, that of an international character and relating to a subject which, as I feel, greatly impends upon us in this hour.

Mr. President, I see upon the floor the distinguished chairman of the Foreign Relations Committee [Mr. BORAH], one who has done a service entitling him to the credit he receives from his Nation; and I delight if I can have his attention while I present my thought for a moment.

We are told in the public press, and in a general form of public information, that there is to be held in the city of Washington at an early day an international conference. It is designated one, called as an economic conference. On this floor some time past I dared venture the prophesy to the Senate that it would discover that under the guise of an economic conference the true object was to force the adjustment of the international debts, either through some form of cancellation or some other form of reduction and concession.

Mr. President, while these views are before the country as generally expressed, and while it is understood that the delegates of the debtor countries are being selected to make one of those annual hegiras known as international conferences, and to do us the compliment of presenting their personalities for our admiration, and voicing expressions of their sublime philosophy for our inspiration and guidance, we read that it is cabled for four consecutive days—I mention the time merely that it may be seen that that to which I refer was not an accident or an error, but so oft repeated as indicating a conviction and a fixed purpose—it is published that two of the debtor nations announce that there will be, so far as they are concerned, no trading nor any concessions touching any trade privileges.

They come to this conference with a proposition complete, and, as the public-print cables this morning announce, they have instructed the distinguished ambassador of Britain to return to the United States and present for that country, eminent as it stands in international relations, the specific proposition they bring to their creditor. The other land announces that what they have previously presented is what they will continue to repeat.

These two eminent debtors, eminent in international affairs and in historic conference, practically tell the United States, "We say to you, Mr. Creditor, we come to this conference with our proposition shaped and molded. It is one to our advantage. We have, after much consideration and deliberation amidst our own officials, reduced our proposition to an exactness, and we are to present it to you to take it or to leave it." While one of these debtors insists—on what, through four different sources of its official officers it has repeated—that that which they have previously presented will be repeated and they will accept no qualification.

Mr. President, these eminent debtors of ours, however much we may feel kindly toward them in all senses of a friendly Nation, seem to discard the fact that we did not ask for the conference. It is they who imposed upon the present sitting distinguished President of the United States their wish, and, out of the accommodating spirit of our Nation, executed their will.

They now confront us with the audacious proposition, rarely paralleled in the relations of a debtor to his creditor, that, "We come to you with a proposition framed and shaped, to our advantage, and to let you know in the beginning, before we assemble, that there is to be neither concession nor qualification, and further to inform you that the conference, so far as it is called to be such, is to be on our part the presentation of that which we have already decided, concluded, fixed, and established. Whatever may be its effect upon you or your commerce is not in our consideration, Mr. United States. Whatever result it may have upon your people, and the way they will react to their representatives, we do not know, nor pause we to consider. We merely announce to the world that we are moving toward you with the assumption that we, as debtors, will dictate to the creditor, and are confident that in our dictation we bear the means by which we can enforce our will by visiting upon the United States some commercial aspect of disadvantage, or visit punishment on your people if our offer is declined."

Mr. President, I rise to say that if these constant reports, quotations from officials of the Governments, as reported by the reliable news agencies of our land and of their exchanges in Europe, be true, why should there be this conference? What justification can the United States now have for holding a conference, ostensibly economic in name, but now guided by the spirit of dealing with the debts of the debtors, if we are to be confronted with the statement that they who are the debtors and who come to the conference are prepared neither for concession by proposition from us nor offering one which they themselves could appropriately tender? If we are already prejudged, and the debtors have prepared to come to the United States with a flaming defiance, asserting to us that the propositions they have shaped and framed among their delegates shall be tendered as their ultimate, final, and sovereign ones, and that any attempt by us to qualify them is to be a transgression, sir—if that is the attitude, and we are to assemble those who prejudge us and, in their prejudices of the past, are to renew all their hostilities of mind and heart for the future—it is an error for us to go one step farther in the convoking of this conference.

Mr. President, it should be ascertained now whether these declarations on the part of these eminent representatives have been made as represented; and if it is their object to adhere to them, sirs; if such is true, let us not multiply these prejudices by another assemblage which may break out in some further flame of hatred. Better our foreign debtors remain in their homes, while we carry the presumption of kindness in their behalf, than to proceed to an unhappy error in their international statesmanship as recorded in their expressions. We proclaim that if they come here with the purpose solely of hippodroming by number, or, sir, intimidating the United States by design of finance and force of tariffs into adopting whatever they propose, and do not give us the quarter of courtesy to hear our proposition where we have one, and withal announce their unwillingness to concede anything in any manner of a conference of friendship, better that we now declare the call, by whomsoever made, as void and at an end. Better, indeed, is it, not to repeat these farces which have been enacted in seven different places since the World War, but which have, when we, the United States, are involved, left us where we have either been made ridiculous before the world or the object of pity in the eyes of our own Nation and its people.

Rather than that such again be duplicated in its offensive attitude and its harsh reenactment it is far better that we remain as we stand, presenting, as we have before, our righteousness, based upon the law both of justice of the world and of humanity of mankind. It is here that we inform these debtors that if they can not come to us in the spirit of Holy Scripture, transcribing in its expression, "Come, let us reason one with another," then it is better that they not come at all.

Mr. President, I do not want to see another repetition of proceedings that awaken more hatred in the bosoms of European nationalities against the United States. I want to see no further drama which invite the citizens of the United States to carry with them a continuous suspicion and a judgment of enmity against those of foreign lands. I want to see no more or never again the constant conduct that has produced no result other than to incite fears on the part of our own Nation, that is being juggled with, to the object of a trickery that cheats a people of its debt and humiliates it of its honor.

I wish to see no more where the nationalities of Europe, long practiced in the art of delusion and deception in matters of statecraft and diplomacy, shall again try their ancient craft with success upon a trusting and indulgent people such as we have ever shown ourselves to be in every gathering that has ever been summoned looking to the reestablishment of a friendship or the fixity of a friendly commercial rivalry in trade and finance.

Therefore, Mr. President, I impose upon the time of the eminent chairman of the Military Affairs Committee and that of the Senators in charge of this pending bill, all advocating one aspect or the other of right and justice in our national defense. I beseech their attention to the fact that it is timely that we again consider the international threat boldly made as to the United States, and that before it reaches the point where it can be executed that from some place of authority in this Government the voice may go out that if such threat as expressed is to be the policy of those who shall attend the conference—that is, to yield nothing, to concede nothing, demand everything, and have it or to retire with what they feel a wound for having been refused, while they flaunt us before the world as again either being defeated in combat of intellect or made ridiculous in diplomacy—that we will have nothing to do with it.

Therefore, I rose, Mr. President, to call attention of my honorable colleagues to the position in which we were being placed at the hour by these publications being circulated in every court in Europe and in every civilized part of the world, all of which inditing upon the hearts of Americans and flashing upon the minds of statesmen that which already puts us before the conference to be assembled as having been discredited before we began and dishonored at the finish.

If these honorable nations which are invited shall assemble in the spirit of some mutual concession, they are welcome here, both in the courtesy that comes from an American heart and in the generosity of the American nature.

We seek only justice. We hope that the conference will do nothing more nor less. If it shall do the justice that is

sought by mankind, that we approve, for we delight to express here that we accept the expression of the great Cardinal Richelieu: "For justice all places a temple, all seasons summer."

I thank the Senate.

WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. SMITH. Mr. President, as the amendment proposed by the Senator from Michigan [Mr. COUZENS] is before us I want to enter my protest against the consideration and adoption of it. I know that the principle involved may be one that is humanitarian, but I want to ask my colleagues, particularly those who come from the section of the country which I in part represent, what they would visualize if this should become the law? Every post would be flooded with young men between the ages specified. All sorts of affidavits and asseverations will be made that they are unemployed. Even those who are employed or who could find employment, as a matter of course, would select and elect to go to where the Government was furnishing them food and clothing and delightful training and recreation for a year.

Just visualize what effect that would have, not only in the South, where we have a very improvident race, but in every section of the country. It is an invitation to young men to accept by every conceivable device this proposal of the Government. There is no limit to the number that may go. Therefore none of us can say what would be the limit of the appropriations necessary under the provisions of the amendment in order to meet the condition which we ourselves create and which would practically bankrupt the Treasury if we persisted in it. The calculations which have been made here as to what it would cost per capita are interesting, but the principal consideration is, What would be the number that we would have to feed and clothe?

So far as the available labor supply in nearly every section of the country is concerned, it would be exhausted between the ages specified in the amendment. It is bad enough for us to have unemployment and to be making appropriations for those who have earnestly sought employment and could not find it. It is bad enough for us to have to meet that condition. We should meet it. But deliberately to introduce a measure that invites unemployment is beyond my comprehension. That is what the Senator's amendment proposes to do. The young men or boys must make affidavit that they have been unemployed for six months and we give them a year in which to do so, six months of which time they may idle around and then make application and the necessary affidavit.

Aside from that, the principle involved is disastrous to the youth of the country, no matter to what race they belong. In the very formative period of their character for us to invite them to take advantage of this proposal would be extremely disastrous.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Iowa?

Mr. SMITH. Certainly.

Mr. BROOKHART. I would like to ask the Senator if the way things are going now is not disastrous to the youth of the country?

Mr. SMITH. Yes; I recognize that, and I want to beseech the Congress to address itself to remedying the principles which have brought about this condition rather than to indulge in certain legislation which intensifies the destruction of self-respect and a respect for the Government.

Mr. BROOKHART. I quite agree with that principle, but I want to ask the Senator another question. It will take some time for anybody's plan of relief to employ these boys and get them jobs. In the meantime should not something like this be done to take care of them?

Mr. SMITH. No, Mr. President. I really think that in the main we are prone to exaggerate the condition. But suppose we do not. This plan would not relieve the condition that has brought about the present distressing situation, but would intensify it. If we are to invite the unemployed between the ages specified in the amendment of the Senator from Michigan to become the wards of the Government, we have instilled into them the idea and started the habit in their very youth of depending upon the Government for their support, for their food, clothing, and training. They and we ought to recognize that the Government is not instituted for the purpose of providing these things, but for the purpose of providing a means by which every man, woman, and child in the country shall have an opportunity to make a decent and comfortable living.

We all know what has brought about this condition and yet we have not the courage to meet it and solve it. We know why this financial restriction. We know why this deflation. Every man understands what the conditions were when we had an abundance of currency and easy credit, when everybody had a job, when from 1914 to 1919 the bank failures in the country decreased until 1919 there was not a bank failure in the United States. On May 20, 1920, by the exercise of the arbitrary power of our bankers and their allied interests, deflation was set about which gradually grew from bad to worse until to-day we are the victims of the crime of May, 1920.

We did not call an international conference to deflate. We did it with American bankers in the city of Washington. Then why should we be here asking for an international conference to rectify that wrong which American bankers did? Why do we stand here day after day and treat or attempt to treat the symptoms of a fundamental disease of a lack of adequate circulating medium? Here we are actually attempting to jeopardize the character of the youth of our country, causing them to look to a dole from their Government rather than creating a condition where they can look to their own efforts for an honorable living and setting aside enough for an honorable old age.

No, Mr. President; I am not going to vote for any more of these treatments of symptoms.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Michigan?

Mr. SMITH. Certainly.

Mr. COUZENS. The Senator from South Carolina very eloquently said a moment ago that the Government is not organized for the purpose of looking after these youths. I wonder under what conception the Senator believes the country is organized to relieve the cotton farmers?

Mr. SMITH. I am not asking the Government to relieve the cotton farmer. I am asking the Government to take the barriers away and let the cotton farmer relieve himself. That is what I am asking be done.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Arkansas?

Mr. SMITH. Certainly.

Mr. ROBINSON of Arkansas. Considering the amendment of the Senator from Michigan as a military measure—that is, as a provision designed for the improvement and strengthening of the national defense—it seems to me to be almost wholly ineffective. It makes a boarding house, so to speak, of every Army post in the country, requires no service, provides no training for the young men who are presumed to be the beneficiaries of the provision. Therefore as a military measure it is ineffective.

Considered as a measure of destitution relief, it limits the alleged benefits to certain classes on the basis of arbitrary distinctions. First, there is an age limit between 17 and 24. Next, in order to get admission to an Army post under the provisions of the amendment the applicant must prove not only that he is unemployed but that he has been unemployed for at least six months.

I have a full appreciation of the motives and purposes of the very able Senator from Michigan, who offers the amendment, but I do not think it is to be approved either as a military measure or as a destitution relief measure.

Mr. SMITH. May I ask the Senator a question right there in my own time.

Mr. ROBINSON of Arkansas. Certainly.

Mr. SMITH. For what character of young men are we providing their board and keep at the expense of the Government?

Mr. ROBINSON of Arkansas. There is no limit except as to age and period of unemployment.

Mr. SMITH. Does not the Senator know that these young men, and their name is legion, who would not accept a job if it was offered, who are idle and hitch-hiking on the public highways, infesting our cities, overrunning every highway and byway on the ground that the Government owes them a living, would constitute a part of this group?

Mr. ROBINSON of Arkansas. Mr. President, I am assuming that there are many young men in the country who would like to have employment, but are unable to secure it, and that there is a considerable number who would actually be benefited by the operation of the amendment of the Senator from Michigan should the same be enacted into law. But I make the point, and reaffirm it, that to admit into the military posts any young man who happens to be between the ages of 17 and 21 and who has been out of employment for a period of six months, without any requirement or provision for training, with only the general arrangement that the Secretary of War shall be authorized to make such rules and regulations as he may deem necessary to carry out the provisions of the amendment, makes the provision ineffective for any military advantage.

Then, passing to the second phase of the matter, the limitations as to the beneficiaries are arbitrary, and perhaps necessarily so, because manifestly all of the idle can not be provided for at Army posts. Manifestly it is essential to make some limitations. It seems to me that the limitations made by the Senator from Michigan are not unreasonable. Nevertheless it is an inadequate arrangement for destitution relief. It will work harm rather than benefit to the military service, because, as suggested by the junior Senator from Missouri [Mr. CLARK] in a question that he asked during the early period of the debate this morning, it is impossible to take a hundred thousand idle men in military posts with only a general requirement that they shall be subject to discipline and with no definite plan for the utilization of their services without threatening, if not breaking down, the morale of the men who are actually in the service and with whom they must come in contact.

I think the Congress must in the early future proceed to the consideration of a destitution relief measure. We passed one last session, and I think we must pass another in the very early future. In all probability it will be brought forward within a day or two. However good its intention is—and I concede it to be good, and I recognize that the Senator from Michigan has an active, quick mind and that he is always able to give logical and forceful reasons for any proposal he advances—I feel it my duty to say that I do not believe the arrangement proposed will prove a very effective destitution relief measure.

Mr. BROOKHART. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Iowa?

Mr. SMITH. Yes.

Mr. BROOKHART. Mr. President, I desire to call the attention of the Senator from Arkansas [Mr. ROBINSON] to the fact that I gave notice of my intention to offer an amendment including vocational training so far as there may be practicable or available facilities, and the Senator from Michigan [Mr. COUZENS] said that he would accept the amendment.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from South Carolina yield to me further?

Mr. SMITH. Yes.

Mr. ROBINSON of Arkansas. I understood the Senator from Michigan to say this morning in answer—at least indirect answer—to a question I asked him, that, according to his estimate, about 88,000 young men should be provided for under this arrangement. A mere amendment to the amendment of the Senator from Michigan providing for vocational training will not accomplish very much. Military posts have no facilities for that sort of training.

Mr. BROOKHART. The Senator is mistaken as to that.

Mr. ROBINSON of Arkansas. I am not mistaken in the sense in which I am speaking. I recognize the fact that my statement may not be taken literally but certainly the Senator from Iowa will not contend that the facilities now provided by law at military posts are adequate for the vocational training of 88,000 additional men, that is, 88,000 men in addition to the number that are now at such military posts. If he makes that contention, I should like to hear him discuss the facts upon which he bases it.

Mr. SMITH. Mr. President, I think I still have the floor.

Mr. ROBINSON of Arkansas. Yes; and I thank the Senator from South Carolina for yielding to me.

Mr. BROOKHART. Mr. President, will the Senator permit me, just for a moment, to reply to the Senator from Arkansas?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Iowa for that purpose?

Mr. SMITH. I yield.

Mr. BROOKHART. I wish to call attention to the situation at Rock Island, Ill. Right now there is equipment there for the vocational training of fifteen or twenty thousand men, and it is standing idle.

Mr. SMITH. Mr. President, I have expressed myself in reference to this amendment. Just a word in indorsing what the Senator from Arkansas [Mr. ROBINSON] has said.

What will be the effect upon every Army post of having precipitated upon it this flood of young men who are not there for the purpose of military training, and who, if they were, entirely lack previous training and previous equipment along the lines of discipline? It would mean the total demoralization of discipline at every Army post; it would be converting our military posts into temporary boarding houses for all the idle youth from the age of 17 to 24. Who can determine what number would be there? Beside that, Mr. President, the principle involved is a wrong one.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New York?

Mr. SMITH. I yield for a question.

Mr. WAGNER. I wish, if I can, merely to correct what I think, from a statement made by him, is a wrong impression on the part of the Senator from South Carolina as to the type of young men who are now wandering through the country and who are called "transients."

I understood the Senator to say that they are young people who do not care to work. As a matter of fact, they are not of the type which we used to designate as "hoboes" or "tramps." They are young men and young women, a very large number of them—it is said there are more than 50,000 young women in this category—who are wandering through the country, having left their own homes because during these depression days there is no opportunity for them to secure employment at home, and they are going out into the country in search of an opportunity for employment. As they arrive in other localities they are denied unemployment relief because of the restrictive measures which nearly all municipalities have now adopted, providing that one must be an actual resident of the community for a year or so before any employment will be given to him by relief agencies. So these young people, striving for an opportunity for employment, many of whom are educated, some of them being college graduates, are denied that opportunity, and their case becomes absolutely hopeless, unless, with the cooperation of the Federal Government, the State is able to deal with the particular problem.

Mr. SMITH. This amendment does not propose to provide employment.

Mr. WAGNER. I was not speaking in behalf of the proposed legislation. I simply heard the Senator from South Carolina say that these were young men who do not want to work. I wanted to assert, after having had the benefit of

listening to the testimony of witnesses who have made a thorough investigation of this whole subject, that these are young people who do want employment, and they are out in search of it but can not get it.

Mr. SMITH. I recognize, perhaps equally as well as does any Member of this body, the distressing condition of unemployment, but this amendment does not propose to provide employment. It does not seek to bring about a condition under which one may maintain his self-respect and, at least, make an effort, under provisions made by the Government, to sustain himself in some kind of employment. He is simply to be the guest of the Government at an Army post for a year without any cost, with food and clothing furnished him.

The Senator from New York indicates that there are an equal number of young ladies wandering over the country. If we should follow the modern fashion we would have coeducational institutions at the Army posts and let the boys and girls be there together. I think we might augment the number of unemployed if we would incorporate such a provision in this measure.

But, Mr. President, it seems to me we have selected the wrong place for housing and caring for the unemployed. The adoption of the proposal would demoralize our training camps and inject a flood of irresponsible individuals who in a manner would be put under the discipline of those who have charge of the camps without being required to do anything but to take a certain amount of exercise each day and to receive food and clothing.

Mr. President, there is not a Senator here but who can visualize what would be the result if this provision were enacted into law, particularly in the South. I am not so well acquainted with conditions that exist elsewhere as to the character of those who would take advantage of this opportunity, but I know what would happen in my section.

I am against the principle involved in this bill. I think if we would resolutely set our faces toward curing the disease that has brought these manifestations of distress we would not need to take care of the unemployed. There is plenty in America, and there should be the opportunity for every able-bodied man and woman to be employed and to enjoy its vast wealth. The difficulty is that the wealth is in the hands of a few, so that at a time when we have the greatest amount of wealth the Nation ever had, even our Government is failing to meet its expenses; States are defaulting on their bonds; municipalities and other political subdivisions are going bankrupt, banks are failing all over the country, fear and distress exist everywhere. Why? Because Congress has not the courage to do its duty under the Constitution, and we are subject to the sweet will of those who take advantage of our laws, hoard our money, and permit the country to become bankrupt and ruined.

Mr. GORE. Mr. President, I should like to call the Senator's attention to the fact that a few days ago I received a letter from a business man living in a little town in my State. In the letter he referred to the Government supplying food and clothing to the unemployed. He happens to live in a cotton-growing section of my State, where usually the farmers depend on colored labor for picking the cotton crop. He said that since the distribution of free food and clothing began last September it had been impossible for the farmers to prevail upon the colored laborers to engage in their customary pursuit of picking cotton, that they preferred to rely on Uncle Sam's bounty and favor.

Mr. CLARK. Mr. President, out of order I ask unanimous consent to offer and have considered an amendment which I understand the committee is willing to accept.

The PRESIDING OFFICER. The amendment offered by the Senator from Missouri will be stated.

The LEGISLATIVE CLERK. On page 48, line 18, after the word "States," it is proposed to insert the following:

*Provided*, That nothing in this provision shall be so construed as to prevent the application of funds herein contained to the pay and allowances or travel expenses of any officer or enlisted man of the National Guard who may surrender said pension, disability allowance, disability compensation, or retired pay for the period of his service in the National Guard.

Mr. REED. Mr. President, I understand that this amendment is being considered by unanimous consent and does not interfere with the motion of the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan has not as yet made his motion.

Mr. COUZENS. I wish to point out that I have not made the motion as yet.

Mr. REED. Very well; I am glad to be informed as to the situation.

The PRESIDING OFFICER. The amendment is in order, and the question is on agreeing to it.

Mr. CLARK. Mr. President, the only purpose of this amendment is to guard against a construction which might be given to the provision which was adopted by the House and retained by the Senate committee. It is simply designed to make it clear that that provision is not intended to apply to a National Guard officer or enlisted man, drawing disability pay or pension, who surrenders such disability pay or pension during the period of his service in the National Guard.

Mr. REED. My understanding is, Mr. President, that this amendment is in entire accord with the thought of the committee. We had supposed that it affected only those who are actually drawing compensation from the Government. If the amendment of the Senator will make it more clear, as I think it does, I interpose no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment was agreed to.

Mr. GEORGE. Mr. President, I do not rise to discuss the amendment but merely to make a brief statement. I should not like to vote against the amendment without making the statement, because I think everyone must sympathize with the general purpose which the distinguished Senator from Michigan [Mr. COUZENS] has in mind—to wit, some sort of care and relief for the very large number of young men who are traveling about the country at this time without employment.

It seems to me, however, that in the bill introduced by the distinguished Senator from New York [Mr. WAGNER], and in the Costigan-La Follette bill, a much wiser and better provision is made for the same general purpose. Moreover, it is much broader, because, as I read both of those bills, provision is made for the transient unemployed wherever they may be found.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. GEORGE. Yes.

Mr. WAGNER. There is another advantage in that dealing with the subject is delegated entirely to the States where the individuals are located.

Mr. GEORGE. I was going to come to that. It seems to me, also, to be a very distinct advantage over the amendment offered by the Senator from Michigan to leave to the States, as both the Costigan-La Follette bill and the Wagner bill do, the relief of the transient unemployed of all ages.

It seems to me to be rather dangerous to bring about unusual concentrations of young men between 17 and 24 years of age in the various military posts of the country, wholly aside from all of the other objections that have been pointed out. These unusual concentrations must make against the public health. They can not promote sanitary conditions, because these young men can not be placed under military restrictions in any proper sense. I therefore believe that the true principle would be the care of the unemployed transients not by concentration but by decentralization, leaving the problems to each of the States, and by making the necessary appropriation to meet the necessities of the present time.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Iowa?

Mr. GEORGE. I yield to the Senator.

Mr. BROOKHART. I should like to ask the Senator if there is not much more danger to the public health in the way they are concentrating now, without medical attention or anything else, than there would be if they were brought together in orderly fashion and under medical care in these military posts?

Mr. GEORGE. I should unhesitatingly say "No," because I think the Senator must realize what we may expect to find when an unusually large number of young men are brought together without very strict military discipline in the several military posts scattered throughout the country. It is bad enough as it is; and the purpose to relieve this situation is altogether laudable and commendable. If there were no other way of doing it, or, as I think, no better way, I think I should vote for the amendment offered by the distinguished Senator from Michigan; but I think a better way is pointed out in both the Wagner and the Costigan-La Follette bills.

Mr. President, I merely wanted to make that statement before voting upon this amendment, because I should be unwilling to vote against it without a word of explanation.

Mr. BLACK. Mr. President, a few moments ago, when I was out of the Chamber, I understand that the junior Senator from Missouri [Mr. CLARK] offered an amendment to this bill which was accepted. I had an amendment to the same provision which takes care of a condition which the committee desires to take care of; and I should like to send that amendment to the desk and have it stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from Alabama offers the following amendment:

On page 48, line 18, after the word "States," insert:

*Provided further,* That present adjutant generals who may be drawing such emoluments may be continued in a federally recognized status without pay under this act.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Pennsylvania?

Mr. BLACK. I yield.

Mr. REED. There are now four adjutant generals in the United States who were partially disabled through wounds received in action with the enemy. They are apparently entirely capable of performing their duties as adjutant generals. In case of war they would not be called upon for field service, but would remain in their home States. For that reason their cases are different from those of the officers of the National Guard generally, who would be called upon for field service.

The committee was asked to make an exception for these adjutant generals from this provision that is found on page 48, and our inclination was to do it; but we refrained from doing it because of the feeling that if we did it for the adjutant generals it would be unfair to the officers on their staffs and to the other members of their staffs, and that is the only reason they were not excepted entirely.

The amendment offered by the Senator from Alabama changes the picture quite a little because of its provision that these adjutant generals may be federally recognized, but will cease to draw any pay from the Federal Government under this Army appropriation bill. For that reason, Mr. President, I know that I speak the sense of the committee when I say that I shall not interpose any objection.

Mr. COUZENS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Byrnes | Fletcher | Hull |
| Austin | Capper | Frazier | Johnson |
| Bailey | Caraway | George | Kean |
| Bankhead | Clark | Glass | Kendrick |
| Barkley | Connally | Glenn | Keyes |
| Bingham | Coolidge | Gore | King |
| Black | Costigan | Grammer | La Follette |
| Blaine | Couzens | Hale | Lewis |
| Borah | Cutting | Harrison | Logan |
| Bratton | Dale | Hastings | McKellar |
| Brookhart | Davis | Hatfield | McNary |
| Bulkley | Dill | Hayden | Moses |
| Bulow | Fess | Hebert | Neely |
| Norbeck | Robinson, Ind. | Smoot | Vandenberg |
| Norris | Russell | Steiwer | Wagner |
| Nye | Schall | Stephens | Walsh, Mass. |
| Oddie | Schuyler | Swanson | Walsh, Mont. |
| Pittman | Sheppard | Thomas, Idaho | Watson |
| Reed | Shipstead | Thomas, Okla. | White |
| Reynolds | Shortridge | Trammell | |
| Robinson, Ark. | Smith | Tydings | |

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Alabama [Mr. BLACK].

The amendment was agreed to.

### ASSESSMENT WORK ON MINING CLAIMS

Mr. NORBECK. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NORBECK. Would it be in order for me to make a motion at this time to reconsider the vote by which a joint resolution passed the Senate day before yesterday? I would like to make the motion to reconsider.

The PRESIDENT pro tempore. The Senator should enter a motion to reconsider and at the same time make a motion to request the House to return the joint resolution.

Mr. NORBECK. I enter that motion, and I move that the House be requested to return to the Senate joint resolution (H. J. Res. 533) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska. If the motion is agreed to, I shall take no further action on the joint resolution in the absence of the Senator from Idaho [Mr. BORAH], with whom I have an agreement that we might reconsider it. I merely want it restored to the calendar.

The PRESIDENT pro tempore. The Senator from South Dakota moves to reconsider the action whereby the Senate passed House Joint Resolution 533 and requests the House to return the joint resolution to the Senate and restore it to the calendar. The question is on agreeing to the motion proposed by the Senator from South Dakota.

Mr. BRATTON. Mr. President, does the Senator object to the bill, or what is his object?

Mr. NORBECK. No; I do not object to the measure. I am heartily in favor of it. I had an amendment that I wanted to offer to it simply making it possible to keep better track of these mining claims and have them available for mining purposes.

The PRESIDENT pro tempore. The question is upon agreeing to the motion submitted by the Senator from South Dakota that the House of Representatives be requested to return the joint resolution.

The motion was agreed to.

### WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. REED. Mr. President, a number of Senators have asked me my intention about continuing with the bill. I hope very much that we shall be able to pass it this afternoon. I believe that we can pass it before 5 o'clock. I should like to run along for a while in the effort to do that.

Mr. SHORTRIDGE. Mr. President, there are a number of Senators who desire to be heard more or less briefly, some of whom are not here. I am here, but I should prefer that the matter should go over until Monday.

Mr. REED. Those Senators knew that the Senate would be in session to-day. I do not think they are entitled to go away and hold up the business of the Senate. The Senator from Michigan tells me that he has not quite finished his remarks; and therefore I will withhold my own brief remarks until he finishes.

Mr. COUZENS. Mr. President, the Senator from South Carolina made a statement which I challenge, that is, that these boys are not willing to work.

Mr. SMITH. Mr. President, may I correct the Senator in that statement? I said a percentage of them were not willing to work; not all.

Mr. COUZENS. I venture to say that the Senator from South Carolina can not present any authentic information showing that a percentage are not willing to work.

Mr. SMITH. I may not be able to present information as to any great percentage, but the Senator from South Caroline is pretty thoroughly convinced that there is a percentage of the individuals to whom the Senator refers who are not willing to work. So far as that is concerned, even were there not, I think I gave satisfactory reasons why I thought this amendment should not be agreed to.

Mr. COUZENS. The Senator also referred to doles. I would welcome his analysis of the doles, which have amounted to nearly $2,000,000,000, which have been passed out of the Treasury through the Reconstruction Finance Corporation, and doles which have gone to the cotton States by the hundreds of millions, which will never be repaid. If those are not doles, then I do not understand the meaning of the word.

Mr. SMITH. Mr. President, will the Senator indicate just what appropriations that have gone to the South he considers doles, outside of the emergency fund which has just in the last few months been made available for the relief of unemployment?

Mr. COUZENS. The Senator admits that the one we just let go through by unanimous consent was a dole?

Mr. SMITH. I think the one we provided some time ago, amounting, I think, to $300,000,000, to be allocated among the States at the request of the governors of the States, looking toward helping out unemployment, had at least an element in it, so far as it applied to my State, that was infinitely better than a straight dole, in that the people are employed in different kinds of work, sweeping up leaves on the lawns or cleaning out drains—at least making a gesture to earn the amount that is donated.

Mr. COUZENS. The Senator very properly calls it a gesture, but I want to submit that during my service here the Senator from South Carolina has made the most earnest pleas on this floor—most of which have been listened to and complied with—for relief of Southern States suffering from drought, floods, and one thing or another. If the appropriations we have made were not doles in the emergencies when they were made, then the appropriation I ask would not be a dole, because the present emergency is equal to those of the past.

Mr. SMITH. Mr. President, I want to call the attention of my colleagues to the fact that if they will refer to the history of the loans made to the drought and storm-stricken regions and to the sections where, on account of very low prices, the banks have failed, it will be found that in excess of 87 per cent of the money borrowed has been paid back by those who received it.

Mr. President, there is not a man in this body for whom I have a higher regard than I have for the Senator from Michigan.

Mr. COUZENS. I thank the Senator.

Mr. SMITH. I have had no colleague here who has more earnestly cooperated with me in the efforts I have made to relieve the distress to which he has referred. But we must differentiate between such relief as is requested here and the furnishing of credit to those who can not otherwise get it, and who, employing that credit, have sustained their self-respect and paid back to the Government in excess of 87½ per cent of the actual amount borrowed plus the interest on it.

Mr. COUZENS. Of course, if the Senator reduces this whole problem to a question of gold, then he probably is accurate. If the Senator is unable to visualize any return under Government activity except gold, then he is undoubtedly right. But I have submitted evidence this morning, and I am going to submit some more, to the effect that there will be returns to this country which will be much greater and better than gold. Therefore I refuse to reduce this discussion to a mere balance sheet, to a mere calculation of the percentage of gold that will be returned to the country as a result of the Government's activities.

Mr. SMITH. Mr. President, if the Senator will allow me, I heartily concur with him in that, but I do object to the manner in which he proposes, in this measure, to bring about what I think could be brought about in another way, a way which would enable the individuals to retain their self-respect, and also would not interfere with our Military Establishment.

Mr. COUZENS. Mr. President, does the Senator recall the comments made by the Senator from Georgia with respect to the Wagner bill and the Cutting bill, both of which I favor? Does he recall that the money is to be used for feeding and housing, and for exactly the same purpose in my amendment? Does the Senator favor those measures?

Mr. SMITH. I think they would be an improvement over this suggestion, because it would leave the matter to the States. They would not concentrate the boys in our Military Establishment, and would leave some manner of discretion to those who administer the funds to take care of that precious element known as the self-respect of the individual.

Mr. COUZENS. I ask the Senator whether he contends that the proposal of the Senator from New Mexico to set up camps such as there are in California, and one in Georgia and one in Florida, with an appropriation of $15,000,000, would tend to maintain the self-respect of the young men more than putting them in the Army?

Mr. SMITH. No, Mr. President; nor have I spoken in favor of it.

Mr. COUZENS. I ask the Senator whether he would be in favor of that.

Mr. SMITH. I think not.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me?

Mr. COUZENS. I yield.

Mr. LA FOLLETTE. The Senator from Michigan has indicated a great familiarity with the testimony taken by the subcommittee of the Committee on Manufactures, and he knows that it is replete with information from the persons who are most familiar with the types of men and boys, transients, who are now on the road. He knows, further, that almost without exception the witnesses testified to the fact that the largest percentage of these young men and boys, and the older men, too, for that matter, are traveling because they are seeking work. Many of the witnesses pointed out that it was the more enterprising, the more self-respecting, the more ambitious, who were on the road.

Mr. COUZENS. The Senator must have overlooked that I read all of that.

Mr. LA FOLLETTE. I wanted to direct the Senator's attention, in refutation of the statement made by the Senator from South Carolina, to the statement of Mr. Black, who is in charge of the California camps for transients in the forests, as it appears on page 4 of the hearings. I could not be present during all the time the Senator was speaking, and I do not know whether he read what Mr. Black said in response to the question of Senator CUTTING, "What do you find out about the character and general type of transients?" Did the Senator read the answer to that?

Mr. COUZENS. I did not.

Mr. LA FOLLETTE. It seems to me it would come in very appropriately following the remarks of the Senator from South Carolina.

Mr. COUZENS. At the suggestion of the Senator from Wisconsin, I will read the reply of Mr. Black to Senator CUTTING'S question, as follows:

> We found them just as good as you find a man in the daily walks of life. The men in camp were, for the most part, of the highest types in the ranks of the unemployed. They were recruited through various charitable relief agencies in the cities. Only volunteers were accepted in the camps, but after reaching camp each man was required to work or leave. As a matter of fact, I would say that it is a boys' paradise. Many of them were laborers, but there were also business men and tradesmen. There were many professional men and many high-school and college graduates. In one camp we had 18 college graduates and 33 high-school graduates, which is a very high percentage. We have graduates of some of the largest colleges in the United States. As I say, we have quite a number of small tradesmen and business men who have gone broke. We have had men who held fairly

responsible jobs as engineers, occasionally a doctor and a dentist. The occupations of the men are listed in this pamphlet which I shall be glad to leave with the committee. We have men who had been bankers and brokers. They listed themselves as clerks and after that they came in to get a job, many of them giving a false name, as a matter of pride.

From the standpoint of the men the program was most successful.

I think that covers the part relating to the character and type of men.

Mr. President, I submit that, whatever program is carried out, as provided in the proposal made by the Senator from New Mexico [Mr. CUTTING] it will take some considerable time. In other words, they will have to organize to set up these camps, which, I submit, will take some time, and whether I am quite correct about that I do not know, because I have not studied the bill of the Senator from New Mexico.

I am unable to see what there is so sacred about the Army. Just why would taking care of these 88,000 boys disrupt the Army? Certainly when we went to war, and the boys were wanted for the protection of our country, these camps and these facilities were readily available.

Mr. President, we are now at war with depression, we are now at war with need, and the facilities are in the same condition in which they were when we went to war in 1917. There was no complaint then about disorganizing the Army. There was no complaint about taking the youngsters in from 16 to 21. There was no complaint that they would disorganize the Army. But now, when we are in a fight against depression, in an effort to protect the flower of the country, we are confronted with the contention that it would disrupt the Army.

Mr. President, not even the War Department, in the reply to the Senator from Pennsylvania, indicated that it would disrupt the Army. The letter of the Secretary of War was, in my judgment, a fair statement of the facts. He did not say one word about disrupting the Army.

Not only that but I am advised that only to-day one of the admirals of the Navy, being called on the telephone in an effort to get his influence against this proposal, said that the Navy would be glad to take care of 15,000 of these boys.

Mr. President, if it should eventuate that I can not succeed in having this proposal put on the Army appropriation bill I will revise it to include both the Army and the Navy and present it as an amendment to the Navy appropriation bill, and I will continue to offer it to every appropriation bill for the remainder of the session, because it is not my intention, from false pride about the Army, to stand by and neglect 88,000 boys who could be taken care of under the provisions of my proposed amendment.

Mr. President, before I was interrupted to permit the taking up of some other matters, I was in the midst of continuing a brief recital contained in a memorandum issued by the Department of Labor, the Children's Bureau, last year. I started to read the discussion of the types of boys, and this is particularly apropos in view of the statement of the Senator from South Carolina that these boys were made up of a large percentage of loafers, boys unwilling to work. I read from the pamphlet:

> There is much testimony to the effect that these boys come from substantial American families. A study of 5,438 transient men and boys served by the Salvation Army in Atlanta during four winter months showed that 194 had been in college and 1,641 had attended high school. The Salvation Army in Washington, D. C., registered 7,512 transients during the first quarter of this year. Among them were 258 who were college trained, 2,060 who had been in high school, and 1,866 who had an eighth-grade education.
>
> Social workers, police, and railroad men, who are in constant touch with these boys, assert their belief that the overwhelming majority of them are young men and boys who would normally be in school or at work, but that they are on the road because there is nothing else to do, sometimes because sheer pride will not permit them to sit idly at home, sometimes because the whole support of the family came from relief agencies, wholly inadequate properly to feed the younger children; that they are on the whole not the habitual hobo criminal type.

I think that effectually refutes the charges that these young boys are a lot of hoboes and unwilling to work.

Now, I want to draw the attention of the Senate to some of the hazards and hardships with which these boys have to contend. The point I make is that these things are unnecessary. There is no necessity for these boys having to stand the hardships and take the hazardous risks that they do when the Federal Government has facilities to prevent it. I have no sympathy with keeping boys and men in idleness. I have no sympathy with laziness. I have no sympathy with indolence. But I refuse to be diverted from this plan simply because some Senators say that these boys do not want to work or that it is approaching the project from the wrong direction.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Texas?

Mr. COUZENS. I yield.

Mr. CONNALLY. I think we ought to have a quorum to hear the Senator from Michigan. I make the point of no quorum.

The PRESIDING OFFICER. Does the Senator from Michigan yield for that purpose?

Mr. COUZENS. I do.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Austin | Couzens | Kendrick | Robinson, Ark. |
| Bailey | Cutting | Keyes | Robinson, Ind. |
| Bankhead | Davis | King | Russell |
| Barkley | Fess | La Follette | Schall |
| Bingham | Fletcher | Lewis | Schuyler |
| Black | Frazier | McKellar | Sheppard |
| Blaine | George | McNary | Shortridge |
| Borah | Gore | Moses | Smith |
| Bratton | Grammer | Neely | Smoot |
| Brookhart | Hale | Norbeck | Steiwer |
| Bulow | Harrison | Norris | Tydings |
| Byrnes | Hastings | Nye | Vandenberg |
| Capper | Hatfield | Oddie | Wagner |
| Caraway | Hebert | Pittman | Walsh, Mass. |
| Connally | Johnson | Reed | White |
| Coolidge | Kean | Reynolds | |

The PRESIDENT pro tempore. Sixty-three Senators having answered to their names, a quorum is present.

(At this point Mr. NORBECK submitted a motion relative to H. J. Res. 533, which appears on page 3855.)

Mr. COUZENS. Mr. President, before the quorum call I was about to discuss some of the hazards and hardships with which these young men have to contend. I hardly think it is necessary to emphasize the fact that the value of the youth to the country is recognized by all, and I do not think I shall take the time of the Senate to read from numerous documents I have here concerning the value of the youth of the country, notwithstanding the disparagement placed upon them by the Senator from South Carolina [Mr. SMITH]. I do wish, however, to quote from a memorandum prepared by the Childrens' Bureau of the Department of Labor, as follows:

> Boys accustomed to decent standards of living find themselves going for days at a time without taking off their clothes to sleep at night, becoming dirty, unkempt, a host of vermin. They may go for days with nothing to eat but coffee, bread, and beans. In winter they suffer from exposure. Last winter in one western city 35 young men and boys were removed from box cars seriously ill, some in advanced stages of pneumonia.

Yet, Mr. President, for the maintenance of the aristocracy of the Army these boys must not annoy them.

Continuing to quote:

> Freight yards are policed. Hence trains must be boarded outside the yard limits while the train is in motion. One railroad alone reported more than 50 young men and boys killed and more than 100 crippled in this way last winter. It is no longer possible to pick up odd jobs here and there.

And yet, Mr. President, the Senator from South Carolina and the Senator from Arkansas say that we are not reaching the ills of the situation. Why this constant opposition to doing something that will relieve distress while we are attempting to find a mythical way of expanding currency and doing other things to get at the fundamentals? Every time some one approaches a problem of this kind the protestants get up and talk about not attacking "fundamentals." Well, Mr. President, I have heard the words "fundamentals" and "sound policies" and "economy," and so on, until I am sick and tired, and the whole United States

ought to be sick and tired of the constant repetition of the words "fundamentals," "economy," "sound money," and all that sort of crazy talk while millions and millions of our people are in distress.

We must not, Mr. President, do anything that will disturb "rugged individualism"! We must not do anything that in any manner, shape, or form will affect the dignity of the youth of the land. We must enable them to retain their self-respect; we must not offer them something for nothing; we must stand here and see them traveling in the slough of despond, in misery, in distress, and sickness, afflicted with venereal and other diseases, and at the same time stand by and preach "fundamentals" and "economy," and we must do this in spite of the fact that on one railroad alone 50 young men were killed and 100 crippled while traveling across the country in search of jobs, which the Senator from South Carolina says they should have, instead of receiving some assistance from their Government. Thousands more are being killed and crippled while the Senator from South Carolina says we are not dealing with "fundamentals." We must hold up measures of this kind and see these youths demoralized, while the Senator from South Carolina deals with "fundamentals," while he talks hazily about some method for providing new currency and some kind of credit expansion. We must first get all those questions settled while in the meantime the youths of the Nation are going through an experience to which no human being should be subjected.

Continuing to read from the memorandum of the Department of Labor:

It is no longer possible to pick up odd jobs here and there. Communities jealously reserve even the occasional short-time job for local residents. Therefore the unwelcome nonresident boys—

I emphasize the word "unwelcome." Can Senators who have sons and grandsons sit here and realize with complacency that there are 300,000 boys traveling over this country who are "unwelcome"? The nonresident boy is told everywhere he goes "Move on; move on; we will give you some coffee and beans to-night and a shack to live in, but to-morrow move on, move on." And yet we stand here and appropriate millions of dollars to maintain credit. To none of the measures making such appropriations have I expressed any opposition, and all I ask is that the same consideration and cooperation be given to these homeless boys by the beneficiaries under previous acts of Congress.

Therefore the unwelcome nonresident boy must either depend on the bread line or soup kitchen, or he must beg or steal. In the box cars, in the "jungles," as the camping sites adjacent to the railroad yards are called, or even in the municipal shelters, he will meet men whose entire influence is destructive—criminals, fugitives from justice planning new "jobs"—

Referring to criminal "jobs"—

and looking for clever new recruits—degenerates and perverts eager to initiate new boys into evil habits and teach them how they can pick up a few odd dollars in any big city. Such men are in the great minority, but one or two can do an incalculable amount of damage. Worst of all, perhaps, because it is so contagious, is the workless philosophy, the "getting by" attitude everywhere encountered and very easily acquired on the open road. To this species of demoralization the "keep them moving" policy universally in vogue not only offers no opposition but in fact contributes.

Mr. President, the Senator from Arkansas and the Senator from South Carolina say we must not have the sacred Army of the United States demoralized by requesting them to take care of 88,000 destitute, vigorous, energetic boys who are unable to get work. What method of reasoning do these gentlemen employ? What is the philosophy of those who take this position?

Mr. President, not one-tenth of the energy has been devoted by Congress to the care of the human side as has been devoted to taking care of the financial side. Call that demagoguery, if you desire; but if it be demagoguery, I am willing to accept the challenge.

I recognize the desirability and the advantages of keeping commerce as free as possible through the maintenance of the ordinary channels of business; I recognize that we must do everything that is proper to permit depositors in banks to withdraw their money so as to enable them to pay their help, to pay their bills, and to live. I am and have been willing to do that up to date, but I am now in doubt how much further we can go. I have been willing that the taxpayers' credit should be used to maintain the railroads' inordinate capitalization, because there are some 60,000,000 life policyholders in the United States whose equity in their policies I was unwilling to destroy. I have stood by and seen hundreds of millions of dollars appropriated for the aid and maintenance of the farmers, and have cheerfully contributed to support such measures, but now, Mr. President, the Senator from South Carolina and the Senator from Arkansas and some others from the South—a section which has been the greatest beneficiary under the appropriations of Congress to ameliorate flood and drought conditions, and to provide seed for farmers—stand up here and say that was perfectly all right because we got back 87 per cent in gold. Mr. President, I submit that what we will get back if we shall adequately take care of these youths will be worth more than 87 per cent in gold.

During the nearly 11 years that I have been a Member of the Senate I have seen almost every kind of legislation go through in the interest of business. I have not opposed those measures; I am not against the railroads or other business; I want to see their integrity maintained; but, Mr. President, I also want to see maintained the integrity of the youth of the land and I want to see them preserved. I am unable to understand men with sons and with grandchildren standing here and saying, "This scheme is impracticable because it will disturb the Army." What is there sacred about the Army or the Navy that they can not contribute their assistance to relieve a condition which everyone admits is intolerable and should not be permitted to continue?

The Senator from Pennsylvania was kind enough to have his clerk submit to me a memorandum of the reasons for the adverse report made on this bill by the Committee on Military Affairs. The first is—

While the Army has neither barracks nor tentage which could house as many as 100,000 men, Senator COUZENS estimates the number of applicants at about 300,000. Many members of the committee felt that the number would be far greater than this.

I do not criticize the committee for making that statement, for there was admittedly nothing in the bill which limited the number, but I had no information as to the capacity of the Army facilities. I did expect, however, that the Committee on Military Affairs would be sympathetic enough with the principle involved to go into the matter and rewrite the bill or insert amendments which would have shown some interest on their part and have taken care of the number of youths who could have been taken care of by the War Department without extending its facilities beyond their existing capacity.

Their second reason is:

The Army has no supply of clothing which could be issued to these young men.

The War Department in their letter to the Senator from Pennsylvania did not make any such statement as that. They said that whatever equipment or clothing was used for this purpose would have to be replenished. Of course I understand that and I understand appropriations will have to be made for replenishing the clothing which the Army will have to use in order to clothe these young boys.

3. The Army appropriation for subsistence is barely sufficient to feed the present Regular Army of 118,750 enlisted men. To feed 300,000 additional men would require a further appropriation of two and a half times as much as our present appropriation for this purpose.

I expected that the Military Affairs Committee, to which this bill was referred and which later referred it to a subcommittee, would amend the bill introduced to take care of the situation. But they never changed a word in the bill, Mr. President. They made no recommendations. The chairman of the subcommittee was the junior Senator from Iowa [Mr. DICKINSON], with whom I spoke about holding hearings. They not only did not hold any hearings, they not only did not ask me to come before the committee and

discuss the matter with them, but they just cold-bloodedly referred the matter to the Committee on Military Affairs without a hearing, without any consideration from persons who had familiarity with the subject, and referred it to the full Committee on Military Affairs, who, in turn, cold-bloodedly kicked it out on the calendar with an adverse report.

4. Discipline of this group of young men would be next to impossible, since they would not be enlisted and would be beyond the Army's authority to punish for infractions of rules. They could not even be required to keep their own quarters clean, and the Army has no funds with which it could employ civilian labor for this purpose.

Mr. President, I submit that with the intelligence of the chairman of the Military Affairs Committee, with his familiarity with War Department affairs, with the attention of the whole committee devoted to military affairs, the committee could have amended the bill so that these boys would have been required to keep their own quarters clean. They could have inserted in the bill a provision giving absolute authority to the commanders to discipline or dismiss boys who were taken in under their jurisdiction; but not one word did they change, Mr. President. Not one thing did they do. In other words, the whole proposal was received in a most unsympathetic manner and referred back with an adverse report.

Mr. President, days and days, weeks, and months have been given at this session of Congress by the Committee on Banking and Currency, the Committee on Agriculture and Forestry, and other committees to devising ways and means to protect the credit structure of the country, to protect the railroads, to protect industry. Hours have been devoted to amending bills that were submitted. The Senator from Delaware [Mr. HASTINGS] has spent hours of his brilliant, intellectual mind on laws to devise ways and means for taking people out of bankruptcy; but, Mr. President, the Military Affairs Committee never spent one minute to take out of moral bankruptcy these boys who are in it.

Why this great distinction between taking care of human beings and taking care of dollars? Why are dollars so much more precious than 100,000 boys tramping the country, looking for jobs? Why is that more important?

Oh, Mr. President, this is "demagoguery." This, perhaps, is what Sergeant at Arms Barry meant when he said there was demagoguery in the Senate. That is what is always alleged when anyone gets up here to defend the underprivileged boys, girls, and men of this country. To fight for them, to do anything to save them from the ills of the economic depression, is demagoguery. To get up here and plead for billions to maintain the credit structure, and the income from bonds, is statesmanship.

Mr. President, I have no desire to be called a statesman. I am glad to be called a demagogue if standing up here for hours in defense of these 300,000 boys is demagoguery.

The fifth objection submitted is as follows:

The presence of a body of unenlisted boarders of indefinite number at each military post would greatly impede the performance of the regular duties of the Army.

Mr. President, that is the weakest of them all! There was some foundation for the other excuses offered by the committee, but that is the weakest of all. "Unenlisted boarders"! One hundred thousand or 88,000 of the best of the youth of the Nation designated as "unenlisted "boarders." "Unenlisted boarders"! Taken in because of economic conditions which they played no part in bringing about, they are called "unenlisted boarders"; and they, forsooth, Mr. President, would "greatly impede the performance of the regular duties of the Army"!

Pray, Mr. President, what are those "regular duties" which are so much more important than looking after 88,000 of the best flower of the country?

Oh, it is true that they are not the sons of any Members of this body. They do not belong to any fathers here, nor do they belong to the fathers who are Members of the House of Representatives. They belong to other fathers, who are just as fond of them as we in this body are fond of our children; and they are only "unenlisted boarders"!

Mr. VANDENBERG. Mr. President, my able colleague, the senior Senator from Michigan [Mr. COUZENS], has referred to the possibility that he may have earned classification as a demagogue because of his implacable insistence upon this humane legislation. He spoke sarcastically. But I want to address a preliminary word to this suggestion submitted by my colleague.

I presume he would be the last man who would sanction the thing I am now about to say. Nevertheless, I intend to say it, Mr. President. I intend to say that the interest which he displays in underprivileged boys is no new conception responding to the fleeting fancy of a vagrant moment. On the contrary, we of Michigan have grateful reason to know that not only his efforts and his sympathies, but his resources, with an amazing and almost unparalleled generosity, have been dedicated to underprivileged children for many fruitful years. Therefore, in the attitude which he takes to-day in this Chamber he is but pursuing the noble dedications of a lifetime; and the proposition that he lays upon the bar of the Senate this afternoon is but the lengthened shadow of a practical philosophy to which he has subscribed his own effort and resource for many blessed years. Uncounted children of Michigan are the beneficiaries of his sympathies in these respects. He is a veteran of many wars in their behalf.

No, Mr. President; there is no demagogy in the attitude of my colleague upon this proposition. There is simply consistency in dedication to underprivileged children and to their fair chance in life.

Mr. President, I support the plea which my colleague has so eloquently and so earnestly submitted. I support the plea for many different reasons. May I say that among other reasons is the fact that I am a firm believer in the theory and philosophy of citizens' military training camps and reserve officers' training camps, and the inevitable advantage in terms of citizenship that comes from any contact with well-directed and intelligent military supervision.

It is true that under the terms of the pending amendment it is not proposed to induct these boys into active military commitments. Nevertheless, it is equally true, under the literal language of the amendment, that any of these boys admitted to these posts under these circumstances shall, so far as practicable—and I read from the amendment—"be subject to the customary discipline maintained at such posts, and shall participate in all forms of beneficial and healthful exercise." Furthermore, the Secretary of War is authorized to make such rules and regulations as he may deem necessary to carry out the provisions of this section.

Very well. Even though there be no enlistment, even though there be no military commitment, Mr. President, it seems to me that if these otherwise itinerant boys are gathered together under these military auspices, and if the direction of the adventure proceeds with any imagination at all, the net result must be to produce better citizens, and to produce them in very much the same sort of a patriotic reaction for which we appropriate many millions of dollars to create citizens' military training camps.

Mr. REED. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Pennsylvania?

Mr. VANDENBERG. I yield.

Mr. REED. Let us take a practical case for illustration. Suppose that at Fort Myer we had a thousand or 2,000 of these young men, half white, half colored—doubtless they would be that—on a day like to-day. Just what would the Senator's own imagination provide for them to do? Military training is out of the question. That is not contemplated.

Mr. VANDENBERG. Why is it out of the question?

Mr. REED. The Senator from Michigan has stated that.

Mr. VANDENBERG. The Senator from Michigan has stated that there is no commitment, no enlistment; but he has not stated, nor do I believe that he contemplates, that there is to be a complete divorcement from the many activities that enter into the creation of sound bodies and sound minds under military auspices in these training camps.

Mr. REED. I understand that gymnasium work would be permitted, if there is a gymnasium, but that military training, drill, instruction in military subjects, is not contemplated. That is what I gathered as a result of the argument this morning. If military training is expected, certainly that ought to be stated; but if military training is not resorted to, just what type of healthful and beneficial exercise does the imagination of the Senator suggest for a day like to-day?

Mr. COUZENS. Mr. President, what would the Regular Army do?

Mr. REED. The Regular Army goes through with its drills. It has a lot of work to do.

Mr. VANDENBERG. Mr. President, if I were in charge of the experiment involving these thousand young men at Fort Myer to whom the Senator refers, I would contemplate, on a day like this, a type of drill which would in no sense necessarily be a commitment to the regulations, and yet which could well involve the discipline and the character-building which is contemplated within the latitude of this amendment.

Mr. COUZENS. Mr. President, will my colleague yield?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to his colleague?

Mr. VANDENBERG. I do.

Mr. COUZENS. I am unable to know what the Senator from Pennsylvania refers to, because I see nothing in the amendment which prohibits military training.

Mr. REED. I understood the Senator this morning to say that military training was not contemplated, and the bill says nothing about it.

Mr. COUZENS. I say I did not contemplate it, because I am not a military man; but the chairman of the Military Affairs Committee is a military man. Why did not he put that in when the bill was before him, if he thought that was a good thing?

Mr. VANDENBERG. Mr. President, this colloquy between the senior Senator from Michigan and the Senator from Pennsylvania illustrates the point I am trying to make. There is no prohibition whatever in this bill against the use of the military brains with which the Army is commanded to create a ritual which will be of service not only to these temporary wards of the Government but to the Government itself in the reactions which, as I see the situation, can be built.

I am not a military man myself. I would not undertake to say what the specific possibilities are.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. VANDENBERG. In just a moment. I would undertake to say, however, that if the Senator from Pennsylvania with his military experience were in charge of those thousand boys at Fort Myer, or if the Senator from Maryland, who now rises to his feet and who also is a splendid soldier, were in charge of those thousand boys at Fort Myer, they would have a busy, useful, healthful day.

I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I do not want to interrupt the Senator, but I think we ought to have a larger attendance here while arguments for and against this proposition are being made. Would the Senator object to yielding for the purpose of a quorum call?

Mr. VANDENBERG. I yield.

Mr. TYDINGS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. Inasmuch as the Senator from South Dakota [Mr. NORBECK] has entered a motion to reconsider, which may be counted as business, the call for a quorum is in order, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Austin | Caraway | Grammer | Keyes |
| Bailey | Connally | Hale | King |
| Bankhead | Coolidge | Harrison | La Follette |
| Bingham | Couzens | Hastings | Lewis |
| Black | Dale | Hayden | McKellar |
| Blaine | Fess | Hebert | McNary |
| Borah | Fletcher | Hull | Moses |
| Brookhart | Frazier | Johnson | Neely |
| Bulow | George | Kean | Norris |
| Capper | Gore | Kendrick | Nye |
| Reed | Schall | Smith | Wagner |
| Reynolds | Schuyler | Smoot | Walsh, Mass. |
| Robinson, Ark. | Sheppard | Tydings | Walsh, Mont. |
| Russell | Shortridge | Vandenberg | |

Mr. FESS. I desire to announce that the junior Senator from Indiana [Mr. ROBINSON] is detained on official business.

The PRESIDENT pro tempore. Fifty-five Senators having answered to their names, there is a quorum present.

Mr. McNARY. Mr. President, I desire to propose a unanimous-consent agreement, that beginning on Monday at 12 o'clock no Senator shall speak longer than 15 minutes or more than once on the pending bill or amendments that are pending thereto and which may be offered to the bill.

The PRESIDENT pro tempore. May the Chair state in connection with that that there is already a unanimous-consent agreement to take a recess whenever the day's work may be finished?

Mr. McNARY. I appreciate that.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request?

Mr. REED. Mr. President, would not the Senator from Oregon broaden the request so as to provide that no Senator should speak more than once or longer than 15 minutes on any motion connected with the bill?

Mr. McNARY. Yes; I suppose that is contemplated. I certainly would include it. It is quite proper.

The PRESIDENT pro tempore. The Senator from Oregon asks unanimous consent that, beginning at 12 o'clock on Monday, no Senator shall speak more than once or longer than 15 minutes in connection with the pending bill, or any amendment thereto, or any motion in connection therewith. Is there objection?

Mr. COUZENS. Mr. President, reserving the right to object, I understand that if this is agreed to, we will go no farther to-night.

Mr. McNARY. That is the understanding.

Mr. FRAZIER. Mr. President, I have an amendment I wish to offer, and I want to talk on the bill. While I could divide my remarks up, I would not like to be limited to 15 minutes.

The PRESIDENT pro tempore. The Senator would have 15 minutes on the bill, 15 minutes on any amendment he desired to offer, and 15 minutes on any motion in connection with the bill. Therefore, the Senator might have 45 minutes, if he chose to demand his rights.

Is there objection to the unanimous-consent agreement proposed by the Senator from Oregon? The Chair hears none, and the unanimous-consent agreement is entered into.

### THE GRAIN FUTURES ACT

Mr. CAPPER. Mr. President, although the price of wheat in the United States is to-day and for some time past has been ridiculously low, it is and has been substantially above an export parity. It is by far the highest priced wheat of any exporting nation in the world. Moreover, the speculative element of the grain trade apparently feel that the price of wheat is entirely too high; that to "help" the distressed farmer the below-the-cost-of-production price he is now receiving should be driven to still lower levels. In support of that statement I will quote from an editorial appearing in the Grain and Live Stock Herald (successor to the LaSalle Street Herald) of December 22, 1932, a financial and commercial journal published in Chicago. I quote:

> The Grain Futures Administration, in its annual report to the Secretary of Agriculture, confirms the belief that we have long held, namely, that it was fear of Government interference with the trade and of drawing down the wrath of the bureaucrats on their heads that kept the short-sellers from driving and driving hard toward an export basis during the past four years at a time when they might have had some chance of success.
>
> It was our belief, and has been, that one prime reason why we have not gotten on an export basis and did not fight to that level when prices were at a decent level was because the big speculators were afraid to act. They were afraid that if they sold heavily in Chicago against purchases in Winnipeg the Grain Futures Administration would see the report of their heavy volume of sales, call them on the carpet, and either force them to close their contracts or would force the exchange to close. This is borne out in large part by the fact that the instant the Secretary of Agriculture withdrew the requirement that trades of 500,000 bushels or more must be reported, the market here at Chicago immediately broke sharply * * *.

Mr. President, the statement that the large professional speculators, the self-styled "friends of the farmer," have been overwhelmingly on the short side of the wheat market during the past two crop years—July 1, 1930, to June 30, 1932, is amply supported by the records of the Grain Futures Administration. These official records disclose that during these two years the large speculators in the Chicago wheat market were net short on 521 days out of 598—87 per cent of the time—or nearly 9 days out of every 10. Moreover, the records further show that the largest net long position ever attained by the large speculators during the very brief time that they were net long was but 3,660,000 bushels contrasted with their maximum net short position of 13,700,000 bushels. It is a well-recognized fact that after these large speculators have entered the market on the short side their sole interest is in seeing prices decline to lower levels.

I can not subscribe to the doctrine of the "philanthropic speculators" who hope to "aid" the farmer by operating on the short side of the wheat market, and thus drive down the price of his product to still lower levels. On the other hand, I am convinced of the need of additional legislation to strengthen and reenforce the present grain futures act along the lines of the bill which I introduced at the beginning of the present Congress (S. 96).

Doctor Duvel, Chief of the Grain Futures Administration, has recently issued a statement explaining briefly just what the grain futures act is and what it is not, and I ask unanimous consent to incorporate his statement in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

THE GRAIN FUTURES ACT—WHAT IS IT?

(Statement by Dr. J. W. T. Duvel, Chief of Grain Futures Administration, United States Department of Agriculture)

In view of what appears to be a deliberate and rather well-planned campaign to create a false impression among farmers and others concerning the purpose and effect of the grain futures act and to confuse it with the tariff act of 1922, the agricultural marketing act of 1929, and the revenue act of 1932, it seems desirable at this time to restate in simple terms what the grain futures act is, how it came to be enacted, and what it does and does not do.

The grain futures act was passed in 1922. It was the result of 40 years of legislative effort to obtain some measure of control over the type of business known as dealings in grain futures on boards of trade. Constantly recurring corners and market manipulations had made Federal regulation necessary.

It was recognized that the boards of trade themselves had the power to prevent manipulation and to prevent the spreading of false rumors by members to influence prices. The problem was to force them to exercise their power and control over such matters against the selfish desires of the powerful speculative interests who by well-distributed patronage were able to dominate board-of-trade affairs. It is only fair to say that the majority of board-of-trade members were more or less disgusted with the conditions that existed, but fear of reprisals and ruin of their own business rendered them helpless to do anything.

The grain futures act is not to be regarded as farm-relief legislation, although it was passed in response to a widespread demand among farmers for market supervision. It does not fix prices or affect prices, except by freeing them from manipulative control. It aims merely to safeguard the price-making machinery. It does not prohibit short selling. It imposes no taxes of any kind. It places no limitation upon the amount of grain that may be bought or sold for future delivery by any person or interest. There is no limit upon the amount that a person may be either long or short, although amendments have been proposed from time to time to authorize such limitations.

Contrary to representations which have been made recently by those who know better, the Grain Futures Administration has never required any person, either speculator or grain dealer, to sell out any part of his holdings. The act contains no authority for such action. The Chicago Board of Trade, through its business conduct committee, some years ago established the principle that individual speculative lines in excess of 5,000,000 bushels were a dangerous market hazard. The Grain Futures Administration, while believing that a 5,000,000-bushel limit is too large for the safety of a stable market, has cooperated with the business conduct committee to the extent of informing the committee of situations where single accounts approached or were above 5,000,000 bushels. The business conduct committee has warned individual speculators against increasing dangerous speculative lines, but has not, to the knowledge of the Grain Futures Administration, ever ordered them to close their trades or even to reduce their lines.

So much for the "restrictions" which the big speculator so vigorously opposes. In this connection, it is interesting to note that his opposition is heard always in the plea that except for the supervision imposed by the grain futures act which he chooses to call "restrictions," he would be in the market as a buyer supporting prices to help the farmer. During the past two and one-half years, however, when the Government itself for a time was undertaking to support prices for the benefit of farmers, the large speculators in Chicago wheat futures—those having accounts long or short at any one time in excess of 500,000 bushels in one future—were in the market practically all of the time, but, as a group, were pursuing the selling side. The group as a whole was net short most of this period. To be exact, from April 1, 1930, to June 30, 1932, out of a total of 675 trading days the group was short on 593 days, long on 81 days, and even 1 day.

The load of this short selling, as well as the hedging load occasioned by the large stocks of wheat in store during this period, was carried by the thousands of small speculators throughout the country, aided by the support given the futures market for a time by the Government through the Grain Stabilization Corporation. The small speculators, composing the so-called general trading public and the hedgers, are the ones who make maintenance of the futures market possible. Without them there would be no futures market.

The grain futures act since its inception has been strenuously opposed by the speculative element on the exchanges. At the outset it was carried to the United States Supreme Court in an attack upon its constitutionality. In spite of the fact that it was fully sustained in a sweeping decision announced by Chief Justice Taft, it is still being contested in the courts from every possible new angle of attack. At this moment a case is pending in the circuit court of appeals for the seventh circuit to enjoin the Secretary of Agriculture from exercising his power to require reports and to inspect the records of board of trade members.

What is there in the grain futures act so objectionable to the grain exchanges and the large speculators in the futures market?

Briefly stated, the principal provisions of the grain futures act are as follows:

1. Any board of trade desiring to maintain a market for dealing in grain for future delivery must be designated a "contract market" by the Secretary of Agriculture.

2. In order to be designated a contract market, a board of trade must meet the following requirements: (a) It must undertake to prevent manipulation of prices and the cornering of grain by members. (b) It must prevent its members from disseminating false and misleading crop and market information to influence prices. (c) It must not discriminate against cooperative associations in the matter of membership rights and trading privileges. (d) It must make certain reports to the Secretary of Agriculture and must require members to keep certain records open to inspection by properly authorized agents of the Government.

Has the Government been unreasonable or exercised unnecessary power by way of requiring reports or in the matter of inspecting books and records of board of trade members? In the suit brought to enjoin the Secretary from exercising his powers in this respect, which suit is pending on appeal to the Seventh Circuit Court of Appeals, Judge Wilkerson of the United States district court at Chicago on February 12, 1932, expressed the opinion of the court as follows:

"The court finds that the Secretary has not transcended the limits of what is essential to the intelligent performance of the broad duties imposed upon him by the statute. To limit his right to inspect books to cases in which he has already obtained information justifying a formal complaint against somebody defeats the purpose of the act. Regulation of boards of trade as contract markets necessarily requires, as the basis for the exercise of the regulatory authority, information concerning the business, in the transaction of which the board is used as an instrument."

WASHINGTON, D. C., *January 26, 1933.*

MUSCLE SHOALS

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial on Muscle Shoals written by the Hon. Josephus Daniels.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONSTRUCTIVE CONSERVATION—A BACKWARD GLANCE

The suggested development of the Tennessee Basin by President-elect Roosevelt is the most constructive and far-reaching conservation project in our history. It recalls the early conservation fight made by Theodore Roosevelt and Gifford Pinchot against the dissipation of our natural resources. The difference is this: Franklin Roosevelt's plan for the development of Muscle Shoals and the Tennessee Basin is proposed as a means of decentralization of industry and greater reforestation. Frank P. Walsh, chairman of the Power Authority of the State of New York, a high authority on power and kindred questions, says that President-elect Roosevelt's Muscle Shoals project will have "even more profound results throughout the Nation than did the building of the Panama Canal." Mr. Walsh adds that Mr. Roosevelt "has worked out a plan under which the project when completed will be self-sustaining. We now have high assurance that one of the greatest natural resources of our country will be fully developed, to endure for all time as a monument to those who have had the vision and the courage to preserve it and statesmanship to devote it to the service of the American people."

President-elect Roosevelt's plan of development recalls an editorial on conservation which appeared in the News and Observer

in its issue of February 10, 1910. It is furnished to this paper by J. S. Holmes, State forester, who writes that "in going over some old papers which I brought from Chapel Hill eight years ago" he found the copy of the paper which, he says, "emphasizes the fact to which I have often referred of your continued and unswerving support of conservation." He adds: "I can not help seeing a close connection between your attitude and the forward-looking policy which has so frequently been initiated by the President elect since you and he worked together for the protection of the oil supply of the United States."

The editorial in the News and Observer of February 10, 1910, is applicable this February, for present conditions emphasize the need of conservation at this time. It is as follows:

"CONSERVATION NEEDED SOUTH

"Aside from the direct issue of graft and public rights handed out for private exploitation raised by Gifford Pinchot in his manly fight for the Alaskan coal fields, in which the Ballinger handling of affairs has been vigorously attacked, there is even a more important reflex effect upon the entire country, which has been given a sharp notice to be on guard to protect other of its natural resources.

"In this problem of the conservation of natural resources the South has perhaps more at stake than has any other section of the country, and in the opening of the eyes of the Nation to its immense economic needs the South will be benefited if it will be taught the lessons that are plainly brought out in the sensational developments of the Pinchot-Ballinger controversy. The vast coal fields of Alaska are of great importance, and these ought not to be permitted to be gobbled up by private corporations working for greed, to the injury of the entire people, the few to reap at the expense of the many. In a still greater degree the South must look to the conservation of its water powers and of its forests.

"There are by a rough estimate some 200,000,000 acres of forest lands in the South, and these acres form about two-fifths of the entire timber acreage of the United States. In these forests of the South there are to be found the most valuable species of trees, all the longleaf pine, and all the cypress, in these broad acres being the source of naval stores and a great part of the supply of the hardwoods that are so valuable. These forests are not alone of immense value as to the money worth of the gift of nature in them, but there is an enormous added value in their relation to soil betterment and to water supply, agriculture and health, both being great debtors to the trees of this section.

"A matter that presses for quick attention is the conservation of these natural timber resources, for the indiscriminate inroads into the forests of the South means that in from 15 to 25 years cutting, at the present rate, the timber area will be desolate, a fact which is so patent that intelligent care for the forest area is a matter which presses upon the South in a far greater manner than the Alaskan coal fields upon the Nation.

"Fourteen thousand sawmills in the South are busily at work making inroads into the forests, these being about 45 per cent of all the sawmills in the United States, and with the evident fact that as the timber decreases the more vigorous will be the assaults upon the forests to secure what is left, the prospect is not an encouraging one. In this exploitation of southern forest area there is much capital from the North and East at work, these foreign interests caring nothing for the future, being only concerned in the profit taking of to-day.

"That the South should conserve its foreign interests is a matter of great importance and this can be done without placing any obstacles in the way of legitimate business enterprises. It is recognized that the lumber industry of the South is among its most important assets and there should be no legislation that would harass it. Yet despite everything that can be said there should be regulation of some kind that would tend to perpetuate our forests, to so arrange that as these are cut away new forests would arise, and that the vast areas be made to again provide for the call for timber.

"The South has need of the conservation spirit in not allowing its vast timber wealth to be treasure of to-day only, and it should take steps to regulate matters to the end that its forests be protected, each of the Southern States to have forestry commissions that would give intelligent study to conditions as they exist and plan on large scale to see that these vast natural resources are not foolishly wasted, but are cared for and nourished so that we may not rob the future for the mere gain of the present, that we conserve these great interests in a manner that will be of lasting value, giving to the generations yet to come that which is their due."

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 597) to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, and it was signed by the Vice President.

RECESS

Mr. REED. Mr. President, I move that the Senate carry out the unanimous-consent agreement heretofore entered into, and take a recess until 12 o'clock Monday.

The motion was agreed to; and the Senate (at 5 o'clock p. m.), under the order previously entered, took a recess until Monday, February 13, 1933, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

SATURDAY, FEBRUARY 11, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, strong to save, incline Thine heart and hear our prayer. Allow no unworthy thought or desire to come with us into the presence of the Most High. Thou hast said the servant is not above his master, or the disciple above his Lord. Let the light of the first century be the light for the twentieth century. We beseech Thee to let Thy word be most thought compelling, most zeal inspiring, and country-wide transforming. We pray that it may bear the world onward to the goal of God's benevolent purposes. The Lord give us the power of might to respond with sweeping conviction to the appeals of our neighbors, our comrades, our fellow citizens, and even the stranger within our gates. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9166. An act for the relief of William E. B. Grant.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 4368. An act for the relief of the widow of George W. McDonald;

H. R. 7518. An act to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916;

H. R. 7519. An act to amend the Penal Code of the Canal Zone;

H. R. 7520. An act to amend the Code of Criminal Procedure for the Canal Zone;

H. R. 7521. An act to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure;

H. R. 7522. An act to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code;

H. R. 7716. An act to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes;

H. R. 9272. An act to correct the rating of John Huntz Roloff, Fleet Naval Reserve; and

H. R. 9473. An act for the relief of Olen H. Parker.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1730. An act for the relief of Robert J. Smith;

S. 2508. An act for the relief of Maj. O. S. McCleary, United States Army, retired;

S. 2582. An act for the relief of Leo James McCoy;

S. 2583. An act for the relief of Albert Lawrence Sliney;

S. 2862. An act for the relief of W. H. Hendrickson;

S. 4589. An act to authorize the Secretary of the Interior to make payment of part of the expenses incurred in securing improvements in drainage project of drainage district No. 1, Richardson County, Nebr., and for other purposes;

S. 4590. An act for the relief of Juan Apodaca;

S. 5052. An act to empower the health officer of the District of Columbia to authorize the opening of graves, and

the disinterment and reinterment of dead bodies, in cases where death has been caused by certain contagious diseases;

S. 5214. An act for the relief of Michael J. Budzinski;

S. 5382. An act providing for an exchange of lands between the Colonial Realty Co. and the United States, and for other purposes;

S. 5433. An act for the relief of certain settlers on the Fort Peck Indian Reservation in the State of Montana;

S. 5469. An act to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes;

S. 5503. An act authorizing the Chesapeake Bay Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County in the State of Maryland;

S. 5504. An act authorizing the Bushkill Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Delaware River at or near Bushkill, Pa.;

S. 5537. An act to convey certain land in the county of Los Angeles, State of California;

S. 5539. An act authorizing the Secretary of the Navy to grant a perpetual easement to Pacific Gas & Electric Co., a California utility corporation, over, across, in, and upon the site of the lighter-than-air base near Sunnyvale, in the county of Santa Clara, in the State of California, for an existing 20-inch gas main;

S. 5555. An act to authorize an exchange of lands between the city of San Diego and the United States;

S. 5581. An act authorizing the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes;

S. 5588. An act authorizing the acceptance of title to sites for public-building projects subject to the reservation of ore and mineral rights;

S. J. Res. 235. Joint resolution amending provisions in river and harbor laws relating to local cooperation in the prosecution of waterway improvements; and

S. J. Res. 237. Joint resolution authorizing the erection in the Department of State Building of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 13520) entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ODDIE, Mr. SMOOT, Mr. BINGHAM, Mr. DICKINSON, Mr. KEYES, Mr. MOSES, Mr. GLASS, Mr. MCKELLAR, Mr. BRATTON, Mr. BYRNES, and Mr. THOMAS of Oklahoma to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 13710) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SMOOT, Mr. ODDIE, Mr. NYE, Mr. MCKELLAR, and Mr. KENDRICK to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 13872) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1934, and for other purposes," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCNARY, Mr. KEYES, Mr. CAPPER, Mr. KENDRICK, and Mr. SMITH to be the conferees on the part of the Senate.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on February 10, 1933, present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 14228. An act to change the name of "Roosevelt Island" to "Theodore Roosevelt Island"; and

H. J. Res. 565. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

APPROPRIATION FOR DISTRIBUTION OF GOVERNMENT-OWNED COTTON TO THE AMERICAN NATIONAL RED CROSS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 597) to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, and I ask unanimous consent that the same may be considered in the House as in the Committee of the Whole House on the state of the Union.

The Clerk read the title of the House joint resolution.

The SPEAKER. Without objection, the Clerk will report the resolution for the information of the House.

There was no objection.

The Clerk read as follows:

*Resolved, etc.*, That to enable the Federal Farm Board to carry into effect the provisions of the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $4,100,000: *Provided*, That in addition to the purposes for which an appropriation was made by Public Resolution No. 43 of the Seventy-second Congress, approved July 22, 1932, for carrying out the provisions of the joint resolution entitled "Joint resolution authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress," approved July 5, 1932, any balance, or so much thereof as may be necessary, now or hereafter existing in such appropriation is hereby made available to enable the Federal Farm Board to carry into effect the provisions of such act of February 8, 1933: *Provided further*, That the unexpended balance, or so much thereof as may be necessary, of the appropriation under Public Resolution No. 43 of the Seventy-second Congress, approved July 22, 1932, shall be transferred in such amounts from time to time as may be requested by the Federal Farm Board to the appropriation herein made for the purposes of such act of February 8, 1933.

The SPEAKER. Is there objection?

Mr. SNELL. Reserving the right to object, does the gentleman from Texas prefer to answer some questions now or later? I do not intend to object to consideration of the resolution.

Mr. BUCHANAN. It does not matter to me.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNELL. We wish to have an opportunity to discuss this matter, Mr. Speaker. I want to ask the gentleman from Texas one or two questions. I thought perhaps the gentleman wanted to explain the proposition.

The SPEAKER. The gentleman from Texas [Mr. BUCHANAN] is recognized for five minutes.

Mr. BUCHANAN. Mr. Speaker, this is a resolution making appropriations to carry into effect a resolution heretofore passed by the Congress authorizing the Farm Board to turn over to the Red Cross not exceeding 350,000 bales of cotton. As a matter of fact, there are only 344,000 bales on hand. Therefore it is 344,000 bales. This is cotton that now belongs to the Government, in the hands of the Stabilization Corporation, and is mortgaged, as security, to intermediate credit banks and other private enterprises, and is burdened to the extent of $10,400,000 plus. This resolution will make available to pay upon that secured debt $4,100,000 from the Treasury and $4,590,000 of the unexpended balance remaining in the appropriation of $40,000,000 made last July to pay for like securities in wheat and cotton, given in that time to the National Red Cross for charitable purposes.

Mr. SNELL. Will the gentleman yield for a question?

Mr. BUCHANAN. Yes; I yield.

Mr. SNELL. When this matter was originally presented to the House I gave it a little attention, and I was under

the impression at that time that this cotton belonged to the Federal Farm Board and that it was not necessary to make any appropriation from the Treasury in order to carry out this gift to the Red Cross. I consulted with some members of the Committee on Agriculture, although I do not remember exactly who they were, but I understood from the committee at that time that this would not entail any new appropriation from the Treasury, but that we owned the cotton and were simply turning it over to the Red Cross.

Mr. BUCHANAN. At the time of the first gift of wheat to the Red Cross, no provision was made to pay off the outstanding mortgages against the wheat. Therefore the Farm Board had to pay off those outstanding mortgages from its revolving fund, which amounted to about $21,000,000 or $22,000,000. Then last July the question came up again and you gave another forty or fifty million bushels of wheat and 500,000 bales of cotton, and the Congress made an appropriation of $40,000,000 from the Treasury to pay off the outstanding loans. It would take $35,000,000 plus, of that money to pay off the outstanding loans in order that that cotton may be turned over to the Red Cross, free of any liens.

Mr. JONES. That involved cotton and wheat, too.

Mr. BUCHANAN. That involved cotton and wheat.

Mr. SNELL. As I understood, I asked the chairman of the Committee on Agriculture the question when we were considering this matter before, and I may not have understood him at the time, but I understood that this was cotton that we owned, and it did not entail any new appropriation from the Treasury.

Mr. JONES. It was made very clear that it followed the line of the old appropriation. Upon a question by the gentleman from Wisconsin it was clearly stated there were commercial liens against this cotton which would have to be paid off by an appropriation. If the gentleman will read the discussion at that time he will see that was clearly stated.

Mr. SNELL. I may not have had it clearly in my mind, but I know many others had the same impression that I had.

Mr. JONES. The very resolution itself provided for that, and that is what precipitated the discussion here. It was very clearly stated, and if the gentleman will refer to the RECORD he will find that. It was clearly stated in the bill. It was clearly stated in the report. It was brought out fully in the discussion in the House. It was again stated in the conference report. It is difficult to understand how the gentleman overlooked it.

Mr. SNELL. I did not understand from the testimony adduced before the Committee on Agriculture that it was going to take money to buy this cotton that we owned. I understood that we had a surplus and were simply turning over to the Red Cross the surplus cotton.

Mr. JONES. It was surplus, but there were outstanding commercial liens against it.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. CLARKE of New York. Was not assurance given to our committee, and was not the testimony such as to indicate, that it was a question of getting the cotton into the hands of those who were to manufacture the commodity, and that it was not going to involve any expense as far as the Government itself was concerned?

Mr. JONES. That was for the disposition of the cotton after it was turned over to the Red Cross. It was made very clear. If the gentleman will permit, it was stated in the resolution that an appropriation was necessary to take care of the commercial liens against the cotton. Of course, the Red Cross had nothing to do with that. The cotton is turned over to that organization free of all liens and obligations.

Mr. CLARKE of New York. I am not talking about the resolution; I am talking about the testimony before our committee and the assurances given our committee that there was going to be practically no additional appropriation or expense involved on the part of the Government.

Mr. JONES. Oh, no, no; that applied to the disposition of the cotton after it was turned over to the Red Cross. That, of course, has to do with the actual disposition of the cotton after it is turned over to the Red Cross, and as handled by them takes care of unemployment and relieves distress.

Mr. CLARKE of New York. How has it been handled without expense if we are faced here with the necessity of making an appropriation of $4,000,000.

Mr. JONES. That is an entirely different matter. As the gentleman knows, if he reads the resolution, it states in its terms that an appropriation is authorized to pay these commercial liens on the cotton.

Mr. CLARKE of New York. I am not talking about the resolution; I am talking about the testimony upon which we based the resolution. That assurance was given by the Red Cross itself.

Mr. JONES. The gentleman from New York [Mr. SNELL] was asking about the resolution itself, the terms of which are manifest. The Red Cross representative dealt only with the question of the distribution of the cotton.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. CHINDBLOM. Does the gentleman know how much money the Farm Board now has in its revolving fund?

Mr. BUCHANAN. I do not.

Mr. JONES. I can tell the gentleman. There is some $33,000,000, of which commitments have been made as to $31,000,000 plus. So they have about $1,900,000 of unallocated funds.

Mr. CHINDBLOM. Does the gentleman know how the $31,000,000 is committed?

Mr. JONES. It is committed in different ways to various local organizations and cooperative groups in commitments for loans and the handling of commodities. I have been furnished this information but do not have the figures before me.

Mr. CHINDBLOM. But they are not paying anything further in the way of expense for the holding of either wheat or cotton.

Mr. JONES. No. There is no wheat held; we have given that away. Of course, the carrying charges on this cotton will have to be paid up until the time of actual delivery or transfer to the Red Cross.

Mr. CHINDBLOM. Is all the wheat gone?

Mr. JONES. Yes; all the stabilization wheat is gone.

Mr. CHINDBLOM. And we are disposing of the balance of the stabilization cotton right now.

Mr. JONES. Yes. Of course, the board has outstanding loans on considerable cooperative cotton, but this cotton was never taken over by the Stabilization Corporation, and the legal title is still in the cooperative groups.

Mr. SUMMERS of Washington. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. SUMMERS of Washington. I may say to the gentleman from Illinois that the chairman of the Farm Board stated before our subcommittee a few weeks ago that they had about $200,000,000 of assets. I am wondering if the repayments that are coming in from the loans they have made would take care of this without an outright appropriation?

Mr. BUCHANAN. No. No repayments are being made during this period.

Mr. JONES. That is true of a lot of other institutions besides this one.

Mr. SUMMERS of Washington. Is the gentleman in a position to say that of the amount appropriated to pay off commercial liens a certain percentage will not be held back to pay the salaries of employees receiving $30,000 and $35,000 a year?

Mr. BUCHANAN. Not one cent will be paid for any purpose except to discharge the liens on the cotton and carrying charges.

Mr. SUMMERS of Washington. If the gentleman will further yield, would it not have been cheaper for us to have gone out and bought this cotton on the open market? Could we not have bought it at a cheaper price than that represented by the appropriation called for in this resolution?

Mr. BUCHANAN. If we did that we would still have this cotton on hand.

Mr. JONES. Besides, it would cost us more, and in addition we would still be paying carrying charges on this cotton.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. McFADDEN. Was this wheat and cotton taken over at the cost price to the Stabilization Corporation or the Farm Board? Was it taken over for the amount of the liens against it?

Mr. BUCHANAN. Liens amounting to $10,490,000 against this cotton, which were due to private interprise, or intermediate banks, and the purpose of this appropriation is to pay off those liens and carrying charges so the Red Cross can get possession of the cotton.

Mr. McFADDEN. What did it cost the Stabilization Corporation to acquire it?

Mr. BUCHANAN. I do not know.

Mr. McFADDEN. In other words, are they taking a loss?

Mr. BUCHANAN. They are taking a loss on everything they had—cotton, wheat, and everything else.

Mr. McFADDEN. What fund does that come out of?

Mr. BUCHANAN. It comes out of the revolving fund of the Federal Farm Board.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SNELL. Mr. Speaker, as I understand, on a resolution of this kind the gentleman has one hour.

The SPEAKER. No; the resolution is being considered under the 5-minute rule in the House as in Committee of the Whole House on the state of the Union.

Mr. BUCHANAN. Then, Mr. Speaker, I ask unanimous consent to proceed for five minutes more.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHENER. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. MICHENER. What is the difference in whether we buy these commodities to-day and pay for them in the open market or advance this money to take this Farm Board material?

Mr. BUCHANAN. The cotton will be a little cheaper by paying off these liens and we will also get rid of the cotton.

Mr. MICHENER. But when we get right down to it, this bill really refinances some of these institutions, does it not?

Mr. BUCHANAN. It is paying off some liens, if we may call that refinancing.

Mr. MICHENER. It has the double purpose of refinancing institutions and at the same time using the material.

Mr. BUCHANAN. Yes.

Mr. MICHENER. If it were not for the refinancing of certain institutions, as a matter of fact, we could go on the open market and buy the material and be money ahead without all this fussing about it.

Mr. BUCHANAN. No; I think not.

Mr. SNELL. If the gentleman will permit, I can not see anything else for the gentleman to do but present this resolution at this time and we have to appropriate the money, because it has been authorized; but I do feel we ought to be a little more careful before we distribute any more goods that the average person thinks belong to a board or some department of government. We ought to go into such matters more carefully at the time of passing the original legislation.

Mr. SUMMERS of Washington. The lien amounts to how much per pound?

Mr. BUCHANAN. The gentleman can figure it out. There are 344,000 bales of cotton and the amount is $10,490,000.

Mr. JONES. The amount covered by the resolution is less than that, because we are only paying the commercial liens. The accumulated carrying charges, interest, and storage are to be paid by the Farm Board out of the revolving fund.

Mr. BUCHANAN. Yes.

Mr. CHINDBLOM. What is the price of cotton now per bale?

Mr. BUCHANAN. Cotton is a little over 6 cents per pound.

Mr. THOMASON. Thirty dollars a bale.

Mr. BUCHANAN. Yes.

Mr. Speaker, in the time I have remaining let me say to those who say Congress has not been charitably inclined that the appropriations to the Red Cross involving cotton and wheat amount, in round numbers, to $89,000,000, representing 844,000 bales of cotton and 85,000,000 bushels of wheat; and I may say now, after hearing the Red Cross testimony, that never in my life have I seen or heard of a charitable appropriation where the beneficiaries have received more benefit from any appropriation than they have from these appropriations.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. CLARKE of New York. Is it not true we could go out in the open market to-day and buy more cotton for $4,000,000 than we can secure in this way?

Mr. BUCHANAN. No; it is not.

Mr. HASTINGS. This cotton would be worth about $10,500,000.

Mr. BUCHANAN. The Red Cross distributed over 59,000,000 yards of cloth through its 375 chapters. This cloth was taken by these chapters and made into garments. The chapter furnished the thread and the buttons and made the garments, without a cent of cost and distributed to the needy.

There were other garments that they had to have manufactured and they got them manufactured by 365 cotton manufacturers at actual cost and without any profit whatever to the manufacturers.

So, as a result, the Red Cross distributed food and clothing to over 4,000,000 families in this country, and I hope the House will pass this resolution to-day, because with the country locked fast in the coldest and most inclement weather we have had in recent years, there was never a more fitting or more appropriate time to put such a resolution through the House and through the Senate.

If you pass this resolution they can start immediate distribution, because they can go to the manufacturers who have on hand not only clothing but blankets and comforters and trade this cotton for the manufactured articles and immediately distribute them to the suffering people who have not sufficient clothing to shield them from the weather.

Mrs. ROGERS. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mrs. ROGERS. Is it not true that some mills which have been idle will be started to work at once and give much employment and this will mean money in the pockets of all classes of the people and money in the banks and money in the stores and help every community?

Mr. BUCHANAN. I have been informed that mills would immediately go to work, and some of their representatives were here asking that the resolution be passed as soon as possible so they could start their mills at work.

I hope the House will pass the resolution promptly.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

### REVALUATING GOLD

Mr. LUCE. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a speech recently delivered by myself.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LUCE. Mr. Speaker, as I had occasion to say Monday night in New York City, inflation is the chief topic in Washington, as, indeed, it is throughout the country. It bids fair to be the big political issue in the next four years, to determine the next congressional election, and to decide the Presidency in 1936, as it did in 1896.

At the outset the discussion is badly muddled by the vague use of the word "currency." We shall have no clear thinking if it is not understood that two kinds of money are involved, assuming that "money" is what does the work of money. First, there is cash, with which about one-tenth of the money work of the country is done. Secondly, there is credit, in the form of checks and drafts, which does nine-tenths of the money work.

There is now no general dispute about the desirability of expanding credit, as, for example, the Federal Reserve Board has been trying to do. The only real quarrel, certainly the only one to which the mass of the people will give any attention, is that over expanding the volume of cash.

The proposal that to-day most interests the public at large is made by Father Coughlin, a Detroit priest, who by use of the radio has reached with it a vast number of the people. The radio can do great good. Unfortunately, it can also work great mischief. What it has already done in this matter may be gathered from an averment I find in a newspaper letter:

> Father Coughlin is advocating a plan so simple that every citizen understands it completely. His convincing words have by now reached every home in the United States; his plans for the immediate return to a sane and durable prosperity are discussed and approved by millions of persons.

All of this is exaggerated, but there is foundation for what it says about the extent to which the argument has been carried by the radio. To this the printing press has added. Eight of the discourses have been put in pamphlet form, and their circulation bids fair to rival that of Coin Harvey's Financial School, a book said to have been read by more persons than any other since Uncle Tom's Cabin and to have been the most powerful factor in the Bryan free-silver campaign.

Father Coughlin opened his third discourse by saying that he had received more than 100,000 letters. There pass over my desk nearly 100 letters a week from constituents urging me to support the Coughlin proposal.

What is it?

The good father proposes that we take our gold coins, say, for example, the $20 pieces, remint them, and stamp them $40 instead of $20. Such a coin to-day weighs a little more than an ounce. Thereafter a $20 coin would weigh about half an ounce. The bullion value of gold is pretty nearly the same the world over, is kept nearly level by shipments to and fro, and that level will not be appreciably changed by whatever we do. So the gold as gold will buy no more and no less than before. But by putting a new stamp on it we can make it in this country pay more debts, twice as many if the scheme works as planned.

So this is a proposal to cut in two the debts of the country, somewhere between $150,000,000,000 and $200,000,000,000 in amount. That means also cutting in two the buying power of all life-insurance policies, of which there are about 120,000,000 in the United States, nearly three-quarters of them industrial policies, carried mostly by wage earners. It means reducing by one-half the buying power of all the thrift deposits in the banks, with their 50,000,000 passbooks, of all pensions, of all allowances to veterans, of every fixed income. All along the line it means hitting everybody who has saved a dollar or to whom a dollar is owed.

Money is worth what money will buy. Halving its value, its buying power, means halving every dollar in your purse, your pocketbook, your cash drawer, your safe. At the beginning of this year the cash in circulation in this country amounted to $5,674,941,484, being $45.33 for every inhabitant (which, by the way, was almost a third more apiece than in the middle of 1914, just before the outbreak of the World War). Each family has now, on the average, about $200 in cash with which to do its trade or hold in reserve for later use. Could the Coughlin plan have instant and full effect it would cut the worth of that $200 by a half. Also, to the same extent it would cut the buying power of your salary or wage. Months, years later there might be readjustment, but the immediate effect of the Coughlin plan would be to your serious loss.

It would be the equivalent of our going off the gold standard. In England since September of 1931 that has resulted in cutting the pound sterling by about a third. Father Coughlin would go farther with cutting the dollar by a half. In England in these 15 months and more the result has been that prices have been raised but a trifle, foreign trade both export and import has fallen off, wages have been reduced, unemployment has increased. Last year the aggregate full-time wages of 2,275,000 working people whose rates of pay were listed fell about $1,200,000 a week. The number of idle workers registered in Great Britain and North Ireland was 220,000 more at the end of December than at the beginning of the year.

One reason for this result is that there has been in England no such inflation of cash as Father Coughlin's plan would bring about here.

Suppose his scheme to inflate cash should, as he hopes, raise prices to the benefit of the farmers who produce and the employers who manufacture. That might happen if after we had changed the inscription on a gold disk it proved necessary in order to do the cash work of the country for us to have 40 $1 bills instead of 20 as now to do the work of an ounce or so of gold. This would mean doubling the paper money of the country. We did that sort of thing in the Civil War period. It lifted the price level from 100 to 216.8 in five years, but it lifted money wages only from 100 to 143.1. Just as every time cash inflation has been tried, the wage earner suffered most.

This tinkering with the gold content of coins is an old device to transfer value from some persons to other persons. The ancients began it by covering cheap metal with a gold or silver veneer. "Core money" it is called. Herodotus tells us that when Polycrates, Tyrant of Samos, had to make a big payment to the Lacedæmonians, he cheated them by giving them coins of lead covered with gold. A Macedonian king stuck coins of copper covered with silver when he was short of funds with which to pay his army in the war with the Chalcidians. At Athens in the very crisis of the Peloponnesian War the coinage was debased by core money, not a mere change of alloy.

In Rome the first use of this kind of depreciated currency—and, mind you, the effect is just the same however it is done—was the result of military disaster at the time of the war with Hannibal, after the Battle of Lake Trasimene. The Roman generals followed the example in the war against Hannibal in southern Italy. Under the Republic the Senate resorted to the swindle from time to time, issuing veneered coins. As a result of the great confusion this worked, one Gratidianus stopped the forced circulation of the core money and obliged the treasury to redeem the bad with good coins. This so delighted the public that they erected statues to him. Then along came Sulla, who said this was a dangerous act of democracy against the right of the State to alter money. So he caused the statues to be pulled down and Gratidianus to be put to death.

The situation became so bad that Cicero said no person could know what he actually possessed. Under the emperors it grew worse. The most extensive frauds were perpetrated. They continued until what was supposed to be good money had been so debased by alloys that the costly handiwork of veneering became not worth while. In our day Lenin is said to have declared that the best way to destroy the capitalist system is to debauch the currency. He may have recalled that debauching the currency went along with the decline and fall of the Roman Empire, and if not one of the causes was surely one of the symptoms.

Lowering the actual while keeping the nominal value by increasing the alloys was a recourse of European monarchs in the Middle Ages, when they were hard pressed for funds. In England a notable instance was the fraud of the last years of Henry VIII and the first of his successors.

Changing the content in the vain hope of balancing gold and silver coinage was a common practice. It is said that in France there were 150 such changes in one century. That sort of thing, however, was not necessarily such a cheat as is the debasing of coin, whether by veneers or by alloys.

Now we find deliberately proposed and strongly urged what is virtually the same idea, for stamping different numerals on a coin accomplishes the same result, if not in the same way. The purpose of the thing is to get cheap money, not worth what it purports to be worth, in order that some men may gain at the expense of others.

I am as anxious as anybody else that the terrible burden of debt brought about in three years by the rise in the buying power of gold, that is to say, by low prices, shall be lessened, indeed removed if it can be honorably done. But this is not the right way to do it, not the wise way, to say nothing of its being a dishonest way. It would throw the work of the country, its production, its distribution, in short, the business of the whole land, into confusion worse confounded. It would delay recovery by years. It would work harm in countless ways. All would suffer. None would make righteous gain.

To this, as to every other form of cash inflation, the voice of the people should give a stern "No." If there is to be any lawmaking at all, it should be with increasing not the volume of cash, but the volume and particularly the use of credit. If that can be done, it will be without swelling the tide of fear that now almost drowns us. Loss of confidence by all of us is the real source of our troubles. Let nothing be done to increase our fears, to make a bad matter worse. Let us not jump out of the frying pan into the fire.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CANNON, from the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 14643, Rept. No. 2001) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes.

Mr. HOLADAY reserved all points of order.

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 14643, the District of Columbia appropriation bill, and, pending that, I should like to ask the gentleman from Illinois if we can not agree upon time for general debate?

Mr. HOLADAY. I suggest that the debate continue throughout the afternoon, the time to be equally divided between the two sides.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate continue through the afternoon, the time to be equally divided between the gentleman from Illinois and myself.

Mr. SNELL. I do not object, but I thought the understanding yesterday was that we would run along this afternoon, finish general debate, then read the first section of the bill, and adjourn.

The SPEAKER. The gentleman from Missouri asks unanimous consent that general debate run through the day, to be equally divided between himself and the gentleman from Illinois. Is there objection?

There was no objection.

The motion of Mr. CANNON was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. PRALL in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. HOLADAY. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, it is not my purpose at this time to enter into a discussion of the details of this bill. I want to discuss some general phases of District affairs and insert in the RECORD some statements that I may not take the time of the House to read.

The terms of the present Commissioners of the District are drawing to a close. They will have served the District at the close of their terms for four years. I take this opportunity to express my appreciation of their services and my belief that the District of Columbia has profited by their services.

They have not been hampered by any outside influences, they have devoted their entire time to their official duties, and I believe that there has been progressively year by year during their terms improvement in the conduct of business affairs in the District.

I think it is also proper that I should mention Colonel Donovan, the auditor of the District, who has served the District for 42 years. He is intimately acquainted with the financial affairs of the District and has conducted them with the best methods of accounting, a model that might profitably be followed by a great many cities of the United States.

About a year ago there was a general reorganization of certain divisions of District affairs, and four new departments were created, the first of which was the division of highways under the control of Captain Whitehurst. He has been connected with the District for several years. Improvements that he has effected have resulted in the District's receiving, I believe, lower bids than any other city in the United States has been able to receive for the same class of work.

At the head of the division of sanitary engineering is Major Gordon, who has served in that capacity for some years and who has been carrying on the work of that division satisfactorily, and in addition has been planning for the future of Washington, I may say that one improvement of major importance, and one that will be of considerable expense and yet necessary, is the improvement and remodeling of the sewer system of the city. We have mains that were installed before the Civil War, and with the great increase in the size of the city the time is rapidly approaching when there must be an entire revamping of the sewer system of Washington, which necessarily will be an expensive proposition.

The third division created under this reorganization plan was that of inspection. All phases of inspection work are grouped in one department under Captain Oram and as a result of that regrouping and the efficient service of Captain Oram there has been an improvement in that service.

The fourth division of the reorganization was the division of construction. A new man, Harold Baker, was brought in from an outside city about a year ago. He was confronted with a very difficult situation. As long as I have been a member of the District subcommittee, the office of the municipal architect has not functioned satisfactorily. It has been the purpose of Mr. Baker to bring about an improvement in this office. I believe that he is improving the service, but there yet remains improvement which should be made.

About $10,000,000 is annually going into the public schools of the District of Columbia. I think there has also been an improvement in the school situation. A great many useless teachers, in the opinion of the committee at least, who were performing certain special duties have been assigned to the general teaching force, and while the number of teachers has increased and will continue to increase with the increasing population, I believe that we are having a more economical administration of school affairs. The building program has been going along satisfactorily, but we will need in the years to come not only additional buildings to take care of the natural increase in pupils but to replace buildings that should have been replaced some years ago.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. McCLINTIC of Oklahoma. The gentleman mentions the building program. Does not the gentleman think that until the condition of the Treasury would warrant, it would be advisable to stop the building program in the District, provided we would not be penalizing some contract?

Mr. HOLADAY. That is a question of general policy, but I can not agree with the gentleman.

Mr. McCLINTIC of Oklahoma. I introduced such a bill yesterday, which would give to the President the authority to stop all building programs until this billion-dollar deficit in the Treasury could be wiped out; that is, leaving it to his discretion, so that the Government would not be penalized in any way.

Mr. HOLADAY. In this bill the reconstruction building items were cut $1,000,000, and at the same time we are proposing a half million dollars to feed the needy. It seems to me it would be a better business proposition to spend $1,000,000 for construction and give these men work than to spend half of that amount in the relief of the unemployed.

Mr. McCLINTIC of Oklahoma. If the gentleman will permit, I notice an item in this bill that calls for an appropriation of a million dollars for the Planning Commission, if I remember correctly. If we have more public buildings under construction than we are able to pay for, and we do not have in mind the laying out of any additional plans, why could you not take this million dollars as provided in this legislation——

Mr. HOLADAY. If the gentleman will permit the interruption, I think the gentleman is wrong about that. I know of no such item. What the gentleman probably refers to is the million dollars which under the Cramton law is being paid back by the District as an annual payment on the $10,000,000 loan made by the United States Government to the District some three years ago.

Mr. McCLINTIC of Oklahoma. What I had in mind is found on page 72, for reimbursing the United States, and so forth, under the title of the Planning Commission, $1,000,000.

Mr. HOLADAY. That represents the third annual installment that the District is repaying to the Government on the $10,000,000 which it received from the Government under the Cramton law passed three years ago.

Mr. McCLINTIC of Oklahoma. In other words, we appropriated the money to the District, and then the District turns it back into the Treasury?

Mr. HOLADAY. We appropriated $10,000,000. That money has been spent, and under the terms of the Cramton Act the District pays it back at the rate of $1,000,000 a year. That is the payment of a debt.

Mr. Chairman, the police force of Washington, as well as the police force of every other city, is always a more or less troublesome item. When General Crosby became a member of this Board of Commissioners, he found a very unsatisfactory condition existing. He is gradually improving that condition, and in my opinion there is no city in the United States that has a police force that is more free of cliques or dishonesty than the Metropolitan police force of the city of Washington. I believe it is in better shape than it has been for a great many years.

In my opinion the future usefulness of the police force will not depend so much upon an increase of personnel, as it will upon the better training and the better equipment of about the same force that we have at the present time. Those remarks may also be applied to the fire department.

I now come to a subject I want to discuss in a little more detail, and that is the welfare department of the District and the emergency relief proposition. Last year for the first time in the history of District affairs we appropriated $350,000 for emergency relief. This year we were confronted with a request for a million and a quarter dollars, one-half of which has already been appropriated in the deficiency appropriation bill and the balance is carried in this bill. To develop this subject I want to go back a little bit into the general situation in Washington.

For some years we have had in this city a community chest, which operates along the same lines as community chests of other cities. In 1932 the Washington community chest collected $2,207,265.11. The community chest is the organization which collects this money. They then divide the money among 65 organizations in the city. The community chest of itself does not do any relief work. It simply collects the money and turns it over to the various relief organizations. It cost the community chest in 1932, in overhead expenses and administration, $124,879.39, or 5½ per cent of all the money that was collected in 1932. The community chest has 36 annual, year-round employees. One of these men draws $9,000 a year, another draws $5,400 a year, another $3,420, another $2,808, and the balance of the 32 draw lower salaries.

This money is collected by the community chest at a cost of 5½ per cent. Then it is turned over to the 65 agencies. The community chest divides those agencies into six different classifications. Those classified under "A" are those organizations that are, in large part, administering direct and material relief; that is, handing out food, clothing, providing housing, fuel, and so forth. The organization that receives a larger donation than any other of those "A" institutions from the community chest is the Associated Charities. In 1932 the Associated Charities dispensed $476,104 at a salary cost of $85,284. Their total operating expense was $101,060, or 21 per cent of the amount they received from the community chest. So that of the one-half million dollars spent by the Associated Charities, 21 per cent, plus 5½ per cent taken out by the community chest, went for overhead expenses. The Associated Charities has 61 employees with a top salary of $5,670.

Another organization classed as "A" is the Bureau of Rehabilitation. It cost them to operate 69 per cent of all the money they received from the community chest. They have three employees with a top salary of $3,600.

The Travelers Aid Society is another in "A" classification. They have 14 employees with a top salary of $4,000. They spent for salaries and administration 51 per cent of all the money they received from the community chest.

Another class "A" organization is the American Legion. They spent 16 per cent of their funds for salaries. That is, for salaries, and as near as I could ascertain, about 3 per cent additional should be charged up for administration purposes, outside of salaries.

The Catholic Charities operated at a 20 per cent salary cost.

The Disabled American Veterans operated at a 55 per cent salary cost.

The committee on unemployment at a 12½ per cent salary cost.

Then we come to some other organizations. The reason I am taking your time to call these facts to your attention is because the people operating these various private agencies say that their salaries are not equal to the salaries paid for like services in other cities. In other words, they are not using as much of the money for salaries and administration as is used in other cities. If their statements are correct, then it is a matter of general interest.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. HOLADAY] has expired.

Mr. HOLADAY. Mr. Chairman, I yield myself 15 additional minutes.

There is an organization known as the Washington Institute for Mental Hygiene. They are paying out 90 per cent of all the money they receive for salaries. It has one employee at $9,000 a year, one at $3,300, two at $2,700.

From the literature of this society its main work seems to be a study of the problems of childhood, such as eating, thumb sucking, temper tantrums, bed wetting, pulling ears, night terrors, overactivity, lack of confidence, running away from home, an unhealthy attitude toward school, and other undesirable childhood traits.

This organization reports that for a salary expenditure of $23,520 they studied, in 1932, 381 children. Whatever number of those 381 children studied in 1932 may have been afflicted with the thumb-sucking habit, it is probable most of that number will have outgrown the habit by the end of the present calendar year. If the $9,000 man can invent a preventive for the age-old habit of babies sucking their thumbs, he will have contributed in no small degree to the peace of mind of the future American motherhood.

Mr. PARSONS. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. PARSONS. I wonder if the gentleman has given any consideration to the expenditure made in the Interior De-

partment with reference to finding out which can jump the farthest and the highest, the flea or the bullfrog? I notice there has been considerable in the press recently with reference to that investigation.

Mr. HOLADAY. There are very many important investigations going on, not only in the District of Columbia but throughout all the Government organizations, and it may be the one the gentleman refers to is an important one.

Mr. PARSONS. The gentleman will remember noting in the press a few days ago that the Secretary of the Interior had a letter from a constituent in California who desired this information, and after several days' investigation by experts, they finally decided that the bullfrog could jump 3 feet on marshy land, but if he had good solid backing he could jump 6 feet.

Mr. HOLADAY. Well, that is interesting, whether it is profitable or not, or whether it is true.

Now, there are some more of these organizations that are classified as character building.

For all I know they may be the best organizations of the kind in the country; I do not know anything about that. The thing I am pointing out is the amount of money paid out for salaries. Following this I want to develop the effect it has on the pending bill.

There is a neighborhood house that expends 62 per cent of its appropriations for salaries, and the following organizations spend for salaries the amounts indicated:

The Girl Scouts, 50 per cent.

Northeast Boys' Club, 100 per cent.

Boy Scouts, 56 per cent.

Boys' Club, 63 per cent.

All through these we find top salaries of $2,700; $4,950; $3,217, and so forth.

Here is the Social Hygiene Society: They spend 100 per cent of their funds for salaries. While I do not have the exact information, as near as I can ascertain the facts, the secretary of this organization is drawing $6,000 a year.

The Washington Animal Rescue League: With an appropriation from the community chest of $4,599.89 they are spending $4,549 for salaries. Their purpose is to locate the owners of lost dogs and try to provide good homes which are carefully investigated for animals that are suitable for placing in homes.

Here is the Washington Council of Social Research, doing no material aid, but aiding by research, spend 78 per cent of its funds for salaries, and in addition to that has to pay for office rent and general overhead. This is what they say in their literature:

> The function of the council is to study the social needs of the community and to provide for the fulfillment of those needs through intelligent social planning. Our total budget, therefore, is 78 per cent salaries, as we give no relief and our work is only of an administrative character.

Now I come to the last one I shall mention, the Social Service Division. They are expending 76 per cent of their appropriation for salaries.

Remember, all these percentages are in addition to the 5½ per cent taken out by the community chest proper.

Here is the statement of the Social Service Division, the statement of their own secretary in reporting to the organization what it had been doing:

> It was this committee that initiated the request last summer for the sum of $600,000 for public relief and worked for its enactment; also worked for the more recent appropriation of $1,250,000. The secretary organizes groups to appear before Congress in favor of social legislation.

For that they are spending 76 per cent of all the money they collect.

What is the future to be?

Up until last year there was no particular trouble here in the city of Washington. Government business was running along. There had been no reductions in pay and but few people had been cut off the pay roll, so the community chest was able to collect enough funds to spread out to these bodies and enable them to maintain their organizations. When times became harder and there was a demand and need for more funds, these people who were drawing salaries of $9,000, $6,000, $5,000, $4,000, and on down were the ones who came before the committee and demanded that public funds be expended to take care of the needy and hungry.

If this condition exists throughout the United States, as these high-priced professional charity workers claim it does, then it is a matter to which the Members should give serious thought. One of two things must happen: Either public funds must be appropriated or these high-priced workers must have their salaries reduced. Naturally they say, "We must have public funds."

I think the people of the District of Columbia who donate to these organizations are entitled to know just how the money is being spent. It is private funds. If it is satisfactory to them, it is satisfactory to me; and, again, I say that so far as I know all these organizations are spending the money for the general purposes for which it is supposed to be expended except a large percentage is being expended for high-priced salaries.

I have a statement with reference to the Municipal Center.

Mr. Chairman, I ask unanimous consent to extend my remarks by inserting this statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The matter referred to follows:

THE MUNICIPAL CENTER

It is a matter of knowledge, of course, that the District government is being required to vacate the present District Building because of the Federal building program in the so-called Triangle. The commissioners were notified a few years ago that this development would take in the District Building, and they thereupon started to take such action as they deemed necessary for the purpose of protecting the municipal government's interests, particularly with respect to the finding of some other site on which buildings could be erected to house the municipal organizations.

Originally, the commissioners asked that they be permitted to continue in the present District Building and to acquire the square immediately to the south to provide additional office space. Such an arrangement was in conflict with the Federal building program, and the commissioners, therefore, had to drop it. The commissioners then endeavored to obtain authority to acquire the property owned by the Southern Railway, immediately east of the District Building. That arrangement was also found to be in conflict with the Federal building program, so that the commissioners were compelled to find some other site in some other part of the city where new buildings for the municipal government could be erected.

The commissioners finally decided that the two blocks, squares 490 and 533, bounded by Third Street on the east, Sixth Street on the west, C Street on the north, would provide sufficient ground on which to erect the new buildings. The commissioners thereupon prepared a bill and submitted it to the Budget Bureau proposing the acquisition of these two blocks. It was provided by this legislative bill that the two squares should be acquired and that the cost of acquiring the land and the cost of constructing the buildings should be paid 50 per cent by the government of the District of Columbia and 50 per cent by the United States. The Director of the Bureau of the Budget notified the commissioners that the proposed legislation would not be in conflict with the financial program of the President if section 2 of the bill were amended so as to eliminate the provision of the 50 per cent payment by the United States and the District, and a new section 2 substituted therefor under which the cost of acquiring the land and erecting the buildings would be paid by the District of Columbia in like manner as other appropriations, without any direct participation by the United States other than that represented by the lump-sum contribution of $9,000,000.

The commissioners, in submitting their report to the Budget Bureau on the bill referred to, and later in reporting on the bill (which had been introduced in Congress) to the House and Senate legislative committees on the District of Columbia, stated that the assessed value of the property was $1,603,363, and that the estimated cost of acquiring the land, on the basis of 50 per cent over the assessed valuation, was $2,405,045.

The commissioners further stated that when these two squares should be acquired they proposed to erect a building on square 490, west of John Marshall Place and fronting on Louisiana Avenue, to house the recorder of deeds, the police court, the juvenile court, and the municipal court, the building for this purpose to contain approximately 460,000 square feet and to cost $4,700,000. On square 533, east of John Marshall Place and fronting on Indiana Avenue, the commissioners proposed to construct a general administration building for the District Government to contain approximately 485,000 square feet at an estimated cost of $5,000,000.

Therefore under the plan and according to the draft of the bill prepared by the commissioners and approved by the Budget Bureau, and transmitted to and introduced in Congress, it was

contemplated that only the two squares in question should be acquired as a site for the municipal center, and that the total cost on this basis would have been slightly over $12,000,000. The District could very easily have financed a new municipal center on this plan practically without using any of the current revenues. In other words, the District's accumulation of surplus revenues, amounting to $6,500,000 plus approximately $5,000,000 as the purchase price to be paid by the United States for the present District Building, making a total of $11,500,000, would be applied toward the cost of the municipal center as proposed by the commissioners, namely, $12,105,000, leaving only about $600,000 to be taken from current revenues.

The arrangement proposed by the commissioners, however, was not satisfactory to Congress, and Congress assumed the responsibility of modifying the bill submitted by the commissioners so as to require the District to purchase the four blocks between Third and Sixth Streets and Pennsylvania Avenue and the courthouse as a site for the municipal center, the commissioners to erect thereon buildings of a monumental character that would conform architecturally with the Federal development on the south side of Pennsylvania Avenue. The scheme required to be followed by the commissioners, as the result of congressional action imposed upon the District, a far more expensive project than the one the commissioners had recommended. As against the commissioners' project, estimated to cost $12,000,000, the project required as the result of legislation by Congress will cost about $22,000,000.

By joint resolution approved June 15, 1929, $3,000,000 was appropriated toward the purchase of this site. The 1931 District of Columbia appropriation act appropriated a further sum of $3,000,000 for the similar purpose. The additional amount required to complete the purchase of the site was carried in the 1933 District appropriation bill. The entire site has been purchased with the exception of some small parcels costing less than $100,000. The money to complete the purchase of the entire site has been appropriated and is now available.

The construction of the first unit of the municipal center contemplated the use by the District of Columbia of approximately $5,000,000 to be paid to the District by the United States for the present District Building at Fourteenth Street and Pennsylvania Avenue NW. It was believed that the Secretary of the Treasury, under existing law, had ample authority and that funds were available to effectuate the transfer of title to the United States for the District Building. It develops, however, as a result of conferences of the commissioners with Treasury officials, that certain matters relating to the purchase by the United States of the District Building must be settled by Congress before the transfer of the property can take place. One of these matters has to do with the question of whether the District of Columbia shall be entitled to receive and use for its own purposes the entire value of the District Building. The view of the Treasury officials is that the United States, by reason of participation in appropriations for the purchase of the site and the erection of the present District Building to the extent of 50 per cent of the cost, might be entitled to an equity of that amount in the purchase of the District Building, leaving only about $2,500,000 that the District would actually receive from the United States. In addition to this, there also arises the question as to whether the District would be permitted, should the United States purchase the District Building, to continue in occupancy thereof until such time as quarters were available in the municipal center without the payment of rental.

It must be clear that the District is unable, without grave injury to other District needs, to carry on the municipal center project out of current revenues. The first unit could be completed without difficulty, provided the District could obtain the purchase price of about $5,000,000 for the present District Building. As the matter now stands, the second unit and the several other items would have to be financed entirely out of current revenues. It has been stated that the Secretary of the Treasury will not purchase the present District Building and place the money to the credit of the District until further legislation is obtained from Congress, which would authorize the District to have the benefit of the entire purchase price of the building and to continue to use the present District Building without rental until such time as the new building in the municipal center would be available for occupation. There appears to be no question as to the legal right of the Secretary of the Treasury to purchase the District Building, but there is doubt as to whether the District should receive any greater amount than one-half of the purchase price of the building, and also doubt as to the right of the Secretary of the Treasury to permit the District to occupy the District Building without payment of rent.

In order to carry out the general beautification plan of the Capital, Congress has, by authorizing the purchase of additional land and the expansion of the building plans, made necessary total appropriations for the municipal center, that are approximately double the amount necessary to provide a municipal center entirely adequate to supply the needs of the municipal government. This additional expenditure is entirely the creature of Congress and was authorized by Congress in spite of the recommendation of the District Commissioners to the contrary.

I believe necessary legislation should be promptly enacted to authorize the purchase by the Government of the present District Building, at a price of approximately $5,000,000, and that the District government should be permitted to occupy this building rent free until the new municipal building is ready for occupancy.

Mr. HOLADAY. It will be remembered that a year or so ago an investigation was made by the committee with reference to the number of hours that the judges of the various courts were putting in holding court. At that time it was found that the dockets were very much behind. Perhaps as a result of that investigation the judges changed the system to some extent and devoted more time to the hearing of cases, and the condition of the dockets of our courts are in much better shape. The criminal docket is current and some of the other dockets that were 2 or 3 years behind are now only about 18 months behind, and year by year improvement is being made.

Mr. Chairman, in conclusion I wish again to refer to this subject of appropriation of public funds for the relief of the needy. The same organization that takes credit for the passage of the $350,000 last year and the $1,250,000 this year are now backing a proposition to give the District the authority to borrow from the Reconstruction Finance Corporation. They are the ones who are appearing before the committee. From a moral standpoint I believe the District of Columbia should have the same right to borrow from the Reconstruction Finance Corporation as has any State; but from the standpoint of the taxpayers of the District I do not believe it is wise that they have that right, because if it is granted, these same lobbyists and every other organization or person that has some particular thing in mind for which public funds are wanted, will be exerting pressure on the District Commissioners, whoever they may be, to take advantage of the right and borrow the money. It must be remembered that when the money is borrowed, it must, ere long, be paid back, and that the money for the repayment of these loans will be collected through taxes levied on the residents of the District of Columbia. [Applause.]

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, availing myself of the privilege of general debate, I wish to call the attention of the House to a governmental practice which I think should be stopped. It is one of those practices, altogether too numerous, which seems on the surface to conform to public uses but which in their major bearing serve private and group interests at a heavy cost to the American taxpayers.

I refer to a practice which has grown up and has now attained indefensible proportions whereby various bureaus and agencies of the Government republish in varied forms to serve special groups and interests the statistics of the United States census which have already been collected and published at enormous cost to the American taxpayers by the Census Bureau.

Every one of these bureau publications which is based on the United States census reports contains statistical information that already has been published by one branch of government, namely, the Census Bureau. The subsequent publications by other bureaus than the Census Bureau present the census figures in more convenient compilations, in more handy form to serve special groups and interests.

My contention, which I believe is a perfectly righteous one, is that these groups and interests should make their own compilations and their own deductions from the United States census reports, which are always open and available to them, and should not expect these extra tables and deductions to be prepared for them by Government-paid employees and delivered to them on a silver platter, as it were, in handy volumes from the presses of the Government Printing Office, all at the expense of the taxpayers of this country.

This practice, it seems to me, illustrates as aptly and pertinently as any similar practice I can recall how far our Federal Government has gone astray in trying to be ultrapaternalistic and to put itself in the position of George in the famous phrase, "Let George do it." Of course, if private associations and interests can induce Uncle Sam to prepare interpretative publications and statistical compilations for their special benefit and save them that expense they would hardly be human if they did not accept his kind offices.

But all of these interests, associations, combinations, and groups have access to the common reservoir of information, namely, the reports of the United States Census Bureau, and if they want special tables, special arrangements of statistics, special analyses and deductions to suit their special purposes, they should pay for these themselves and not expect the taxpayers to pay for them.

The 1930 census of the United States cost the taxpayers the enormous sum of $39,407,580. It is embraced in 40 large volumes, which are accessible in many places, including nearly every library of any size in the country. To superimpose upon this cost the extra and duplicated cost of printing at public expense statistical volumes containing census information in rearranged form to suit groups that ask for it and thus relieve them of the expense of making such publications is to my mind unthinkable.

I do not like to criticize. I would much rather praise. Least of all do I like to criticize the head of a bureau who is full of zeal in the discharge of his office and who has many fine, worth-while achievements to his credit, but as an example of the duplicated publications to which I refer, I can not refrain from drawing attention to a book of 1,070 pages called Manufacturing Market Statistics, issued by the Bureau of Foreign and Domestic Commerce of the Department of Commerce. The Bureau of Foreign and Domestic Commerce furnishes an illuminating illustration of typical bureaucratic growth. That bureau is hardly 20 years old. It had the usual small and humble start. In 1914 its total appropriation was only $174,860. For the fiscal year 1932 Congress gave that bureau $5,334,122, or more than thirty times the amount appropriated for its activities 19 years ago. It is just one more instance showing how the rolling snowball grows.

That bureau recently took the census reports and made up a volume entitled "Manufacturing Market Statistics," of which 2,943 copies have been printed at public expense at a cost of $16,057.19. This was done, of course, in the utmost good faith and in order to be of service to certain manufacturers.

Away somewhere in the background is a theory that enough copies of this book will be sold to reimburse the Government for its cost, but how many do you suppose have been sold? Exactly 771. Curious to know how the sale was progressing, I inquired of the Public Printer, and I have his reply, which follows:

MY DEAR MR. LUDLOW: Receipt is acknowledged of your inquiry of January 23, 1933, addressed to the Superintendent of Documents, regarding the publication entitled "Manufacturing Market Statistics," issued by the Department of Commerce. The information you ask is as follows:

| | Copies | Cost |
|---|---|---|
| Department of Commerce | 1,000 | $14,898.66 |
| International exchanges | 70 | 37.10 |
| Superintendent of Documents: | | |
| For sale | 1,481 | 925.37 |
| For depository libraries | 392 | 196.06 |
| Total | 2,943 | 16,057.19 |

The sales copies ordered by the Superintendent of Documents were delivered to him about 30 days ago at a cost of $0.624 a copy, and to date he has sold 771 copies at $1 a copy, a total revenue of $771.

Respectfully,

GEORGE H. CARTER,
*Public Printer.*

If one wishes to be facetious he might say that the sales leave the Government to pay only $15,286.19 of this bill of $16,057.19. The unpaid balance may be reduced a bit by dribbling future sales.

While I know that publication was issued with the best of intentions and with a genuine desire to be helpful, I do not think it should have been issued. I think this Congress should establish the policy, if the bureaus do not, that whenever special groups or committees representing particular industries want this sort of specialized information compiled from the census reports and published they should compile and publish it at their own expense.

When William M. Steuart, the Director of the Census, was before Judge OLIVER'S subcommittee of the Appropriations Committee, the one dealing with appropriations for the Department of Commerce, on December 8 last, he was asked by Mr. OLIVER:

Does not this publication—Manufacturing Market Statistics—represent a duplicate publication of the same facts by you?

His reply was:

Yes; the statistics of manufactures are those that have been reported, compiled, and published by the Bureau of the Census, and I imagine the same is true of a great deal of the statistical information contained in this volume; that is true of a great many Government publications.

The Bureau of Foreign and Domestic Commerce has broad enough a field for its useful activities and for the exercise of the talents of its splendid chief without issuing publications revamping census statistics and thus duplicating costs. The same may be said of bureaus of the Department of Agriculture which are constantly reproducing census statistics in various publications.

I can not close these remarks without paying a compliment to Mr. Steuart, Director of the Census, for the firmness he has displayed in resisting the pressure of special interests which are constantly seeking to inveigle him into promises to print at Government expense census publications for their special uses. It is a common custom for the heads of industries to survey the census possibilities and to decide that if the Director of the Census could be induced to compile from the census schedules certain information in pamphlet form it would be greatly to their benefit. Usually a committee is appointed to wait on the Director of the Census and present the suggestion to him and represent it to him in the light of a public duty. His reply usually is that his public duty is exactly the opposite, namely, to refrain from doing what is asked, but when he puts thumbs down on the proposal he does so with the courteous invitation to the committee to make the publication at their own expense, which invariably causes the committee to retire in confusion.

Not long ago a company that does outdoor advertising had the rare nerve to ask Director Steuart to prepare and have printed as a Government publication a volume embracing information about every city and county in the United States, the information desired being of a kind that would help that company in its advertising activities. The veteran director stiffened up until he looked like old Andy Jackson must have looked in his sternest moments.

"If you want that kind of a publication, get it out yourself," he said.

Up to date it has not appeared in print.

Mr. Chairman, I yield back the balance of my time.

Mr. HOLADAY. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, there is going to be a determined effort on Monday to bring before the House legislation dealing with the subject of depreciating currency and the effect that imports from countries with depreciated currency are having on our domestic markets at the present time.

As far as I am concerned, in regard to this individual piece of legislation, known as the Crowther bill, from the consideration of which the Ways and Means Committee is sought to be discharged, I am not especially interested. I am interested in getting the subject before the House of Representatives for consideration, and the only way we can reach it is to discharge the committee and bring it up, and then it will be considered under the general rules of the House, each Member having the right to express his views and to discuss and amend the bill as he may see fit.

To me there is nothing partisan in this matter. The whole question is simply whether we are going to make effective the laws that are on the statute books at the present time, whether we are going to continue to adhere to the policies to which we have always adhered, the right of our people to make their own domestic policies; and at this time this mat-

ter pertains particularly to the question of protection and also to our immigration policy.

If we continue to go along under present conditions and the various nations of the world continue to depreciate their currency even more than it is depreciated at the present time, the practical result is that the average import is paying very little to come into this market and receive the benefits of this market, and instead of our making our own domestic policy at the present time it is being made by countries with depreciated currencies, and will continue to be made by them as long as we remain silent and inactive.

You will remember that when the nations of the world began going off the gold standard the few remaining nations, outside of the United States, that were on the gold standard immediately, by executive order, put into effect an executive proclamation that absolutely met the question of depreciated currencies in the countries from which imports came, and thereby maintained and made effective such tariff laws as they had at that time.

We are the only country that has not met that issue up to the present time, and the people of the country as a whole, in my judgment, are beginning to appreciate the fact that something has happened to our home markets and are calling upon Congress to do something to make our present protection policy effective.

If you remember, during the debate last winter on the tariff, when some one interrogated the gentleman from Illinois [Mr. RAINEY] as to why he had not suggested legislation to reduce particular tariff rates in the Hawley-Smoot bill, Mr. RAINEY replied that they had not brought anything out along this line because he knew the Republicans would not pass it, and the Democrats did not dare pass it. He said also that they did not want, under present conditions, to have our markets further flooded with cheaply made foreign goods. The Republicans of the House are seeking now to legislate to make that statement actually effective.

As I look at the situation, if we continue to allow these countries with their depreciated currencies to bring these goods into this country without any action on our part, we are going against the statement made by the distinguished majority leader and against the prevailing opinion that has existed in this country for a long time that we did want, especially under present conditions in the United States, some reasonable protection which we are not getting under present conditions.

I appreciate that there are certain men in this House that do not care to go as far along this line as I do; but the policy of protection, I believe, is firmly fixed in this country, and I do not believe we ought to have it wiped out entirely by the action of foreign countries in continually depreciating their currency, and I maintain they are doing it deliberately for this purpose. As definite proof of this I refer to a statement reputed to have been made at the time by the Chancellor of England, when he said, "Now that we have depreciated our currency we can successfully compete in the foreign markets of the world."

The facts are clear: This Congress, by the tariff act of 1930, regulated commerce in imports and determined the conditions of their admission to the American market in an endeavor to secure necessary revenue and protect the employment opportunities and living standards of American wage earners. Since then 60 nations have depreciated their currency. These represent countries conducting 45 per cent by value of the international trade of the world. They are substantially the source of 60 per cent by value of the imports of the United States during 1932. It is authoritatively reported that at least 232 commodities came into this country in increased quantities in 1932 over 1931, and of these at least 157 were substantially competitive. Now, ad valorem duties are predicated upon the currency of the country of export. If a customs duty of 10 per cent were assessed against a commodity valued at a pound, it was in contemplation of a value of $4.86 for that article. If predicated on a yen, it had in mind a yen worth $0.4985. But the pound is quoted to-day at $3.42⅝ and the yen at $0.2125. One has depreciated 30 per cent and the latter nearly 60 per cent.

We, therefore, suffer a loss of revenue equal to the difference between the standard and depreciated value of all currencies, of which the two to which I have referred are merely an illustration. This result is not our act, but that of the countries of depreciation. The effect is that by accident or design such countries determine for us the amount of customs duties we shall collect and the price of admission to this market. They substitute their regulation of commerce for ours.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. VINSON of Kentucky. From what date?

Mr. SNELL. During the year 1932. These are figures of the Department of Commerce.

Mr. VINSON of Kentucky. A number of countries had depreciated their currency prior to 1932.

Mr. SNELL. That is true, but these figures just referred to include all countries with depreciated currencies for the year 1932.

Mr. VINSON of Kentucky. The gentleman does not attempt to set out what countries depreciated their currencies in 1930, 1931, and so on?

Mr. SNELL. No; these are the actual imports coming to this country in 1932.

Mr. KNUTSON. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. KNUTSON. Will the gentleman in some part of his remarks refer to the fact that imports of cream have increased 200 per cent?

Mr. SNELL. I shall come to that later, because that affects my own district and I am very much interested in it.

If a customs duty of 10 per cent were assessed against a commodity valued against the pound, it was contemplated at that time that the pound was $4.86; and if the pound has been reduced to $3.345, which is the last quotation, and the same thing with regard to the yen, which was practically 50 cents and has been reduced to its present value of about 20 cents, real, definite protection from these countries is practically wiped out.

To show to what extent some countries are going, I have here facsimile copies of the Trans-Pacific. The one I have before me is dated Tokyo, Thursday, December 1, 1932. In large type on the first page it is stated:

> Japanese export trade entering biggest boom since hysterical days of the World War activity. Decline of yen, coupled with failure of domestic purchasing power to increase prices and wages at home responsible for expanding markets in overseas countries. In almost any line now we are able to compete.

In the first paragraph it is said:

> Japan's export trade is booming as never since the World War. The full force of the decline of the yen is commencing to be felt. Importers in foreign lands are becoming convinced of the advantage of carrying Japanese lines and are rushing to get Japanese connections. This is the golden age of the Japanese exporter and the golden age of importers who deal with them.

In an open letter to the world's importers carried in this paper of the same date, the first paragraph reads as follows:

> GENTLEMEN: Since December of 1931, when circumstances forced the Japanese Empire to suspend operations of the gold standard, the yen has fallen from its par of $0.4987 to its present level. At the same time prices at home have risen comparatively little. Between November 15, 1931, and November 15, 1932, the retail-price index number rose but 8.76 per cent, because the purchasing power of the yen at home has been kept high by the failure of domestic competition to raise Japanese prices in the export market remain low.

As I said before, this is the oldest foreign-language weekly, and the only English-language export journal published in Japan.

This goes to show that our competitors there are taking extreme advantage of the fact that their currency at the present time has depreciated about 60 per cent, and the whole question seems to me to be whether we are going to allow them to continue to take this advantage and export their commodities to this country and undersell our own people, and take away a market that rightfully belongs to our home people.

We want to correct that situation, and it can be done by meeting the situation that has arisen by reason of the great depreciation of their currency.

Mr. DOUGHTON. Will the gentleman yield?

Mr. SNELL. Certainly.

Mr. DOUGHTON. Is it not a fact that at the present time or during the last year our exports to Japan have exceeded our imports from Japan?

Mr. SNELL. Not according to the statement I had from the Department of Commerce, and regardless of that fact it does not affect the situation I am aiming to correct.

Mr. DOUGHTON. The latest statistics I have, which I think are reliable, show there is a balance of trade in our favor.

Mr. SNELL. I would be pleased to have the gentleman put those figures in the RECORD.

Mr. DOUGHTON. I will be delighted to do so.

Mr. SNELL. As far as I can learn in regard to exports to any of the foreign countries, they buy of us such goods as they can buy more advantageously than they can from any other country, and no one will pay us one cent more than what they can buy for at other markets, regardless of what our domestic policy is.

The imports to the United States declined 16 per cent in 1932, but the volume of domestic production declined 21 per cent over the preceding year. Imports from the countries with depreciated currencies like Japan were less in value, but have increased in quantity. For example, the yen having declined nearly 60 per cent and the value of imports only 15 per cent, this would show there was an increasing number of articles coming in from Japan.

I am specially interested in this proposition from a local standpoint. The two real industries in northern New York are the dairy and the paper industry. These are really our meal ticket, and on account of depreciated currency the increased imports of these products has had a very disastrous effect.

When we passed the tariff act of 1930, increasing the tariff on all dairy products, we practically eliminated any competition from across the border in Canada, and the entire market was to remain for local producers, but on account of the 13 to 15 per cent depreciation this competition has again started up in very large quantities. And in discussing this subject, I wish to specially confine my remarks to the effect of this depreciation upon these industries of northern New York with which I am familiar. I will not dwell upon what you have already been told of the loss to the national revenue of $100,000,000 in a year from lowered customs receipts, due to the reduced values of merchandise imported from those nations which have abandoned the gold standard. Neither shall I dwell upon the statements that the number of American unemployed workmen totals over 1,000,000 persons, resulting from this foreign competition alone, or the amount of money that would be available to our people should this number of unemployed be permitted to earn an income, instead of being dependent on the charity of the more fortunate.

Northern New York is one of America's greatest dairy regions. Northern New York is one of America's most important paper and pulp producing sections. Both of these industries have been hard hit—brought face to face with utter ruin—by competition from nations whose depreciation of currency has made it possible for them to ship their dairy, pulp, and paper products into our markets at prices which we can not meet without violent reductions in wages of employees or bankruptcy of once prosperous companies.

Let us consider the dairy industry. New York is famous for its cheese, yet while our prices have dropped heavily the importation of one kind only of cheese from Finland has increased 136.3 per cent since so many European nations abandoned the gold standard for their currency. Despite the protective duty provided by the tariff act of 1930 on agricultural products, imports of cream from Canada have increased 200 per cent since Canada depreciated its currency. Imports of dried milk have increased 125 per cent. All of these increased importations have been at the expense of the northern New York dairy farmer, to say nothing of the same effect that has resulted upon the dairymen of the great western dairying States.

The protection given the dairy farmer by the tariff act of 1930 has been seriously reduced by the competition possible from countries whose depreciated currencies make it possible for them to pay the required duties, and yet undersell the American farmer.

I have referred to the importance of the paper industry to the part of New York State which I have the honor to represent. New York has been one of the most important of the pulp and paper producing States. Yet to-day in northern New York, where the pulp and paper mills are located within easy reach of the pulpwood forests, where many companies have been reforesting their own lands in order to provide wood as a raw material for their mills, we find pulp and paper mills buying imported pulp at lower prices than it costs to produce the pulp in their own mills, using pulpwood that they have spent years in protecting and growing. It is conservatively estimated that the value of New York State's forests has been reduced by over 60 per cent since the depreciation of foreign currency. This is reflected in tax delinquencies and in unemployment of forest workers.

Here is another phase of the farm problem: Our northern New York farmers, who in the past have augmented their farm-crop incomes by selling pulpwood or by woods work, are to-day crushed by the low pulpwood prices caused by depreciated currency competition. Pulpwood which sold for from $18 to $20 per cord in 1930 to-day brings but $8. This decrease must be in the returns to labor, for pulpwood cutting is practically all a labor proposition. Similar conditions have been reported to me from people in the South, the Lake States, and the West.

The depression of business has caused a reduction in the consumption of paper, yet while domestic production of unbleached sulphite pulp has decreased 19 per cent the imports of Scandinavian pulp has decreased only 12½ per cent. In other words, in these times of depression, when American mills wish to use American raw material, the foreign mills have taken over a part of the market which the domestic mills have lost. In bleached sulphite the situation is even more serious, for here the domestic mills produced for their own use 18.6 per cent less in 1932 than in 1931 and produced 39 per cent less for sale the imports of Scandinavian pulp of this grade have increased 32.7 per cent, and this, be it remembered, at a time when domestic paper mills, with reduced markets, have been using less pulp than in normal times.

The situation as to sulphate pulp, usually known as kraft, is essentially the same. While domestic production has declined over 10 per cent, the imports of kraft pulp in 1932 were actually greater than ever before in the past.

If this tendency continues, as it will unless measures are taken to stop this seizure of the American market, all of the American industry will be at the mercy of the foreigners. With our plants abandoned, the foreigners can fix their own prices for what is to the paper industry its essential raw material.

That this is not an idle theory is shown by the fact that European cartels are already formed and operating, and they have curtailed European production of some grades of pulps 30 per cent in order to keep prices up, but at the same time below the cost of American production. Our own antitrust laws prevent business operations of this kind, but our paper mills are at the mercy of trusts which no American laws can control.

The effect of the depreciation of foreign currency upon the paper industry demands the studious attention of all who wish to prevent disaster to an industry which has produced paper to a value of a billion dollars a year.

Book paper from Finland of a grade which formerly sold, under the gold standard at $3.75 per hundred pounds, is now quoted at about $2, this being due to the heavy depreciation of the Finnish currency. This paper is the equivalent in quality of American paper sold at $3.75. With the present

duty this Finnish paper can be delivered duty paid at Atlantic coast ports at less than $2.75. In other words, this grade of paper, instead of having protection against the foreign product, is actually being sold only in the face of a premium, instead of a duty, on the imported paper.

Wrapping paper offers a similar picture. Here we have Finnish paper sold delivered, duty paid, in the United States at $53 per ton, and this, remember, includes freights and the importer's profit. Domestic paper of this grade can not be produced for less than $74, and to meet the foreign prices means the operation of the American mills at a heavy loss with the sole alternative the radical reduction of wages to American workmen. When we consider this difference in prices—due entirely to the depreciation of the foreign currency—and remember that a reduction of $5 per ton in such paper would be considered spectacular, you can appreciate what a $21 cut in price by foreign mills means to a branch of the American industry whose product has been valued at $1,000,000 per year for this single grade alone.

A condensed picture of the situation is shown by the following table, which shows how prices of paper from the various countries have fallen since they abandoned the gold standard:

| | Price per pound | | Percentage of decrease |
|---|---|---|---|
| | 1931 | 1932 | |
| | *Cents* | *Cents* | |
| Finland: | | | |
| Book paper | 2.5 | 2.3 | 8.0 |
| Tissue, lightweight | 67.8 | 44.3 | 34.7 |
| Tissue, heavy | 37.4 | 30.6 | 18.2 |
| Pulpboard | 2.2 | 1.3 | 40.9 |
| Newsprint | 2.2 | 1.8 | 18.2 |
| Sweden: | | | |
| Sulphite wrapping | 4.0 | 2.5 | 37.5 |
| Newsprint | 2.3 | 2.0 | 13.1 |
| Norway: Newsprint | 3.0 | 1.9 | 36.7 |
| Japan: Tissue, light | 92.5 | 56.4 | 39.0 |
| United Kingdom: | | | |
| Tissue, light | 52.5 | 39.6 | 24.6 |
| Tissue, heavy | 49.9 | 37.1 | 25.7 |
| Canada: | | | |
| Pulpboard | 2.2 | 1.7 | 22.7 |
| Newsprint (average January to August) | 2.8 | 2.5 | 10.7 |

I could go through the entire paper industry, with its scores of grades of paper giving similar instances of the effect of foreign competition upon each from each of the foreign paper-making countries which have abandoned the gold standard. These, however, are merely typical examples.

To-day, when certain paper is supposed to be protected by duties, supposed to be adequate to give the American manufacturer an equal chance with the foreigner in his own American market, the foreigners are shipping paper under conditions where they receive a premium over their home prices, instead of being hampered by adverse duties. Finnish wrapping paper is dutiable at 30 per cent, its currency is off, roughly, 40 per cent, so the Finnish mill has a premium of approximately 10 per cent, even after paying duty, over the American mill. In book paper his premium is about 20 per cent. In fact, to-day we have no tariff protection on paper.

Some months ago it was the theory that with the depreciation of currency foreign prices would rise, and thus automatically balance the situation. This has not proved a fact, but the reverse has actually occurred in some industries.

With such conditions, the American paper mills must be given relief against the competition of the depreciated currency countries, whether they produce pulp or paper, if you want to continue the industry in this country.

I do not overlook the fact that other industries, especially the iron industry, are suffering from the same conditions, and many of them in even a greater degree, but in discussing the necessity of action to save American industry from this daily mounting injury I have to a large degree confined my remarks to the two industries with which I am familiar, whose preservation is vital to the prosperity of the northern counties of my own State.

Mr. KNUTSON. Will the gentleman yield?

Mr. SNELL. Certainly.

Mr. KNUTSON. During the first eight months of 1932, imports of fish in airtight containers from Canada increased 4,700 per cent, according to the figures of the department.

Mr. DOUGHTON. How large were the total imports? Perhaps, the gentleman is like the man who talked about the population of his town having increased 500 per cent, stating that 12 months ago they had a population of 5, but at the end of the year they had a population of 25, or an increase of 500 per cent.

Mr. KNUTSON. Let me call the gentleman's attention to the old problem of the man putting one penny on the first checker square and two on the second checker square and so on, and when you get to the sixty-fourth square there would not be enough money to cover it.

Mr. HART. Will the gentleman yield?

Mr. SNELL. Certainly.

Mr. HART. If the depreciation of the yen in Japan has not disturbed their domestic situation and has enabled them to seize the export trade of the world, does not the gentleman conclude that we had better depreciate our currency, if this will permit us to do the same thing?

Mr. SNELL. I can not agree with the gentleman on that proposition; that is too complicated to consider in this discussion. I am not in favor of trying to beat Japan by depreciating our currency to the same extent that they have done. We have always been a sound-money country and propose to keep it so.

Mr. RAGON. The statement of the gentleman from Minnesota touched a vital point. I suggest to my friend that that was one of the very points suggested by the chairman of the Tariff Commission, Mr. O'Brien, and he is one of the greatest protectionists in this country.

Mr. SNELL. I should doubt that; at the present time I can not agree to it.

Mr. RAGON. There is one thing I can say, that he has that reputation and he belongs to the gentleman's party.

Mr. SNELL. In the light of his present statements I would put a question mark after that. [Laughter.]

Mr. RAGON. If he had not had the respect of your President he would not have appointed him chairman.

Mr. SNELL. I agree to that.

Mr. RAGON. His statement was that if it is a good thing for Japan to go off the gold standard and for England, it is a good thing for us.

Mr. SNELL. I am not in accord with any statement that the chairman of the Tariff Commission made along that line and I do not believe the Treasury or the people connected with the executive departments of the Government agree with him or are in accord with that statement.

Let me say in regard to that statement that the only thing I want him to have the power to do is exactly what he has been doing so far in connection with the imports from Japan. He has gone the limit allowed under the law. In addition to that, the President has gone a little farther than was allowed until the last tariff act.

I want him to have the same power to do what he has done with reference to a few imports from Japan, to all the imports from Japan, and to imports from all countries with depreciated currencies.

Mr. RAGON. The gentleman refers to the rubber footwear?

Mr. SNELL. That is one thing.

Mr. RAGON. I suggest to the gentleman that that applied just as much to the volume of imports that came from Czechoslovakia, and Czechoslovakia is not a country with depreciated currency.

Mr. SNELL. The larger part came from Japan, and it is so stated by the Commerce Department.

Mr. RAGON. I can not agree that the Commerce Department knows more about the tariff——

Mr. SNELL. They know something about the statistics.

Mr. WHITE. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. WHITE. There is an international advantage through imports and exports. What happens between the United

States and Japan is not a demonstration of the internal conditions in Japan.

Mr. SNELL. Not necessarily.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. VINSON of Kentucky. The Crowther bill, H. R. 8557, fixes the date at which the standard value of currency in depreciated countries shall be proclaimed as of October 1, 1931.

Mr. SNELL. I said that I was not specially interested in that individual bill, but I wanted to get the general subject before the House for discussion.

Mr. VINSON of Kentucky. I understand, but of course this is the bill that will be under discussion.

Mr. SNELL. I would like to change a lot of things in the bill myself and I am not going to get into an argument about the details of the bill.

Mr. VINSON of Kentucky. The standard value of the currency, according to the Secretary of the Treasury——

Mr. SNELL. I do not want to yield on that at this time.

Mr. VINSON of Kentucky. Does not the gentleman realize that the nations who depreciated their currency prior to the date fixed, whether it be October 1, 1931, or some date in 1932, will have an advantage over those countries that have depreciated their currency subsequent to the date fixed in the bill.

Mr. SNELL. I want to use them all alike, I want to use them exactly the same. I want to see to it, in other words, that imports coming from those countries at the present time shall come in under what is practically American valuation.

Mr. VINSON of Kentucky. What date would the gentleman fix?

Mr. SNELL. I am not going to fix any date at the present time.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. WATSON. If the Democratic Party votes solidly against the bill on Monday, will it not be a notice to the American people that after the 4th of March the Democratic Party is not going to support a high-tariff policy in the interest of the American people?

Mr. SNELL. In the statement that I have made heretofore, I tried to make it appear that there was not anything partisan about it, and I do not care to go into the question asked by the gentleman from Pennsylvania as to Democratic policy, although I may think the same as he does.

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. GARBER. The gentleman says that the motion to discharge the committee will be the first thing on Monday's calendar.

Mr. SNELL. Yes.

Mr. GARBER. Will that motion be subject to debate by the Members?

Mr. SNELL. It is subject to only 10 minutes' debate on a side.

Mr. GARBER. And if the motion is defeated, there will be no opportunity to debate the merits of the bill?

Mr. SNELL. There will be no opportunity to bring that matter before Congress during this session, unless the majority has a change of heart and decides it wants to do it. In closing, I want to say that I am very much interested because I believe it is vital to this country at this time that we do something along this line. I think this present situation is helping to prolong the depression. I firmly believe there is no one thing that can be done that will go further toward relieving unemployment—and that is the great question before us—than to do something along the line of legislation that will meet depreciated-currency conditions and stop the inflow of imports from those countries under present conditions. [Applause.]

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Chairman, I had not expected to speak on this subject at this time. I did, however, have it in mind to submit some observations on this very important subject at some future date, but after listening to the distinguished minority leader, the gentleman from New York [Mr. SNELL], I feel that perhaps it would be appropriate that I make some remarks at this time. I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DOUGHTON. I agree with one statement of the distinguished gentleman from New York, and that is, that a matter that so vitally affects the welfare of all the people of America should be considered separate and apart from partisan politics, especially at a time when there is so much distress, so much suffering, so much bankruptcy, and as many people in trouble as there are to-day, I feel that every patriotic American citizen should, so far as he can, divest himself of partisanship and look at this matter in an unselfish and patriotic manner.

I had the honor of being named the chairman of a subcommittee of the Committee on Ways and Means to conduct hearings upon the subject of depreciated currencies. There was referred to our committee the Hill bill, the Crowther bill, I believe, and the Hawley bill. We held hearings for about 10 days, and every person who desired to be heard was given a hearing, and every phase of this matter was gone into. When the hearings began I approached the subject with an open mind. There had been so much propaganda, I had seen so much in the newspapers, I had received so many communications from different sections of the country, especially in the far West and on the Pacific slope, that I had the impression that probably some emergency legislation on this subject was necessary.

After the hearings were concluded, after listening to all the witnesses, and especially three members of the Tariff Commission and representatives from the Treasury Department, all of whom should be specialists on this subject, I was fully convinced that this legislation was not only unnecessary but unwise, unworkable, and impracticable.

Of course, everyone knows we could not enact legislation of this kind at this session. Legislation as far-reaching as this, although it may be advocated in good conscience and in good faith, with conditions as they are in the other body this late in the session, would be impossible of consummation during the remaining days of this Congress. But, aside from that, I became convinced that on its merits the bill was unsound. I became convinced there was a hysteria in this country as the result of propaganda and misrepresentation, but that there was no justification for it.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. COOPER of Ohio. Does the gentleman go so far as to say there is no need of additional protection for American industry and American labor at this time?

Mr. DOUGHTON. No; I would not say that. But, in my judgment, this legislation is more likely to injure than benefit American industry and American labor. I am not a free trader. I never have been, and I am not now a fanatic on the tariff question in either direction, if I understand myself. I have always believed in reasonable or adequate protection to American industry. I believe in that policy now; but, Mr. Chairman, this is a question which, with all of its relations, can not be properly considered at this time. I am of the opinion that some consideration of this question is necessary, but that it should be taken up in the early part of the next Congress and be considered in connection with the entire tariff subject.

The chairman of the Tariff Commission, Mr. O'Brien, testified before our subcommittee at length and said this legislation was not only unnecessary but it was dangerous; that instead of correcting existing difficulties it would, in all probability, accentuate them. It was testified that world conditions now, as far as we are concerned, are very unsatisfactory; that in the last two or three years, and especially

since the enactment of the Hawley-Smoot tariff bill, there had been a race between our Nation and other nations in erecting embargoes and tariff breastworks and imposing countervailing duties, by which our export trade has seriously suffered. We seem to have lost sight of two phases of this question. One is that class of American industry and American labor that produces goods for export, and the other is the great mass of American consumers. They all must be taken into consideration, not only those who manufacture the goods in competition with imports, but those who manufacture goods for export, and the great American consumers are all entitled to consideration. As long as our exports exceed our imports, thereby giving employment to American labor and capital, we had better have a care; we had better be cautious before we further irritate and further aggravate and further offend the nations of the earth with which we must do business and with which we must have business intercourse. That seems to have been entirely lost sight of. As Mr. O'Brien said, this proposed legislation means an embargo, especially against those nations which have depreciated currencies.

The gentleman from Arkansas [Mr. RAGON] truly said the other day, in discussing this matter, that, while there has been a falling off of imports from all the nations with which we have business relations, the drop has been greater from those countries with depreciated currencies than with those nations which are on the gold standard.

Mr. SNELL. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. SNELL. Now, that matter has been disputed, and I have a definite statement from the Department of Commerce that the statement of the gentleman from Arkansas is not a fact.

Mr. DOUGHTON. Well, if I make any statement that the records do not corroborate or support, I shall be glad to modify it. I shall put those statistics in my revised remarks.

Mr. SNELL. What I had in mind was not what the gentleman was stating but the statement made by the chairman of the Tariff Commission. I understand from a statement put out by the Department of Commerce day before yesterday that he was entirely wrong in that statement.

Mr. DOUGHTON. I find that a great many of us can find statistics to support our position, but if we can not rely upon the statistics of the Government, the Treasury Department, the Tariff Commission, and the Department of Commerce, upon whom can we rely?

Mr. SNELL. I agree with the gentleman on that.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. DOUGHTON] has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. RAGON. Will the gentleman yield for a question?

Mr. DOUGHTON. I yield.

Mr. RAGON. In the testimony of Doctor Durand, chief economist of the Tariff Commission, he will find the statement that he made a while ago is verified.

I would like to suggest to the gentleman that at these hearings we had men from the Department of Commerce. I do not recall that any who were there testified except one. We had men from the Treasury Department. We had three tariff commissioners. We had the chief economist of the Tariff Commission. Certainly, if the Department of Commerce had those figures, with those men there, whose chief business it is to know these things—if those men had made an error, why would not the Department of Commerce get up there and correct it? If I may intrude a little further on the gentleman's statement, when the testimony of Mr. O'Brien seemed for a moment to put our Secretary of the Treasury on the spot as to his attitude, this subcommittee gave an opportunity to Mr. Mills, Secretary of the Treasury, to come in there and make a statement concerning his attitude on this legislation. We went into all of those things, and if we had thought the Secretary of Commerce had known anything about this that was worth while to the Members of Congress, he would have been a man that would have been called before the committee, as far as I am concerned.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. VINSON of Kentucky. When the Secretary of the Treasury was invited to appear before the committee, word came to the committee that he declined?

Mr. RAGON. He did not decline to send a man up there.

Mr. VINSON of Kentucky. At first; but at the end of the hearing, the last day of the hearing, invitation was extended to the Secretary of the Treasury, and the printed record shows that the Secretary of the Treasury declined to appear. I ask the gentleman from North Carolina if that is not correct?

Mr. DOUGHTON. It is.

Mr. RAGON. If the gentleman will permit one further intrusion, I want to know whom we would go to for information regarding a tariff matter if not to the very witnesses who came up here.

Mr. DOUGHTON. That is just what I remarked.

Mr. RAGON. And I will ask the gentleman in all his experience does he know of the committee's calling on the Department of Commerce for information on a tariff matter? And I will ask him furthermore if we have a statement from any of the State departments indorsing these bills?

Mr. DOUGHTON. The gentleman, Mr. Hopkins, representing the Treasury Department, said that everything sought to be accomplished in these bills, indorsing none of them, could be accomplished now by the Tariff Commission, but that possibly it might be helpful to make some minor amendment of paragraph 336 of the present tariff laws. All who testified said that this legislation was unworkable, that it was unnecessary, and that the Tariff Commission is now doing the very thing sought to be accomplished by this legislation.

Mr. HILL of Washington. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. HILL of Washington. The tariff commissioners all said it would be unworkable, because section 3 based it upon the commodity price indexes of the countries having depreciated currency. The witnesses from the Department of Commerce stated at the hearing that about 35 of the principal foreign countries have these general commodity price indexes upon which this calculation might be based. This is a typical comparison of the testimony of those who are interested in killing the bill with the testimony of those who are supplying information from the Department of Commerce.

Mr. DOUGHTON. I will ask my good friend the gentleman from Washington [Mr. HILL] what interest these men could have in killing the bill? They were not lobbyists, they were not employed attorneys, they were here as representatives of the American people, and the positions they hold should qualify them to speak with authority upon this subject.

Mr. HILL of Washington. Will the gentleman permit me to answer his question?

Mr. DOUGHTON. I am pleased to.

Mr. HILL of Washington. I can give the gentleman my opinion.

Mr. DOUGHTON. I do not yield for a speech.

Mr. HILL of Washington. I think the gentleman will agree with me. The Secretary of the Treasury, as the gentleman from North Carolina knows, represents the big banking interests of the country, and they are not for protection.

Mr. DOUGHTON. I will let the gentleman debate that matter with my good friend from New York [Mr. SNELL].

Mr. HILL of Washington. The Tariff Commission are after more power. That commission, of course, wanted the bill that would give them more power than even the Hawley bill proposed.

Mr. DOUGHTON. Every man who is intelligent knows that the Secretary of the Treasury must be right sometimes. This is one of the times when he was right. [Laughter.]

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. SNELL. I would like the gentleman from North Carolina to know that this gentleman from New York is speaking from a protective standpoint because he is a protectionist.

I do not presume to speak for Mr. Mills, or anyone else, but I do understand that the last Hawley bill that was introduced, while giving that power to the Tariff Commission, was drawn down to the Treasury Department, or at least had the approval of that department.

Mr. DOUGHTON. I understood they cooperated upon request. It was not originated there. They went to the Treasury Department for help in drafting the bill, but the proponents of this legislation are not agreed among themselves—some want the Hill bill, some the Crowther bill, and some the Hawley bill. But the Treasury department and the Tariff Commission want none of them, and the American people will desire none of them when they understand the disastrous effect of such legislation.

Mr. RAGON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. RAGON. Will the gentleman from New York indicate that Mr. Mills indorsed either of these bills or the new Hawley bill?

Mr. SNELL. I do not know, but I take it this last Hawley bill has been approved by the Treasury Department and I suppose it represents their views.

Mr. RAGON. I will ask the gentleman from New York if we asked Ogden Mills to come before the committee and state whether he indorsed the bill?

Mr. SNELL. I can not state whether he indorsed the bill Mr. Hawley brought up, but I took it that it met his approval.

Mr. RAGON. Which one of the Hawley bills?

Mr. SNELL. The last one.

Mr. RAGON. We asked him to come, but he did not come; he sent up this young man by the name of Hopkins. Is it not a fact we asked him to come to that meeting and still he did not come?

Mr. SNELL. That I can not answer.

Mr. RAGON. I can; that is what I am now saying.

Mr. SNELL. I am stating my own views in regard to this tariff proposition, and I think my statement presents the almost unanimous sentiment of this side of the House.

Mr. RAGON. The point I am making is that no official from the present administration came in there and indorsed any one of these bills.

Mr. SNELL. Did not the gentleman, Mr. Hopkins, indorse it; and was not he the representative of Mr. Mills?

Mr. DOUGHTON. He did not.

Mr. RAGON. Why, of course not. I do not believe the gentleman from New York ever heard of the Crowther bill until this caucus of the Republicans was held to put the Democrats on the spot.

Mr. SNELL. Unfortunately, I have heard of it; I have read it. Personally, I do not agree with everything in it.

Mr. RAGON. Now, the gentleman is not fair. He led the Republican caucus to indorse it, yet he now states he is not for that bill.

Mr. SNELL. I led a Republican conference to indorse the principle which that bill represents. The only thing we want to do is to bring the subject matter before the House for discussion, and Members on your side do not dare to let it come up here in an open meeting and meet us in a fair discussion on the merits of the legislation.

Mr. RAGON. But you did petition out a bill that your men had never heard of.

Mr. SNELL. Oh, we had heard of it, and we had to petition out some bill in order to get the matter before the House. The last Hawley bill had not been there long enough to petition out.

Mr. HILL of Washington. Will the gentleman yield for just a short statement?

Mr. DOUGHTON. I will always yield to my friend from Washington.

Mr. HILL of Washington. There is not any question about the attitude of the Secretary of the Treasury and the three tariff commissioners as to this proposed legislation. The Secretary of the Treasury sent a personal representative to the subcommittee conducting hearings on this matter and presented a plan to correct the evils of this situation with respect to depreciated currency, and that plan was embodied in a bill introduced by the gentleman from Oregon and known as the Hawley bill, H. R. 14428. The three tariff commissioners indorsed this bill and they are all against my bill and they are all against the Crowther bill.

Mr. DOUGHTON. I beg the gentleman's pardon.

Mr. RAGON. I beg the gentleman's pardon, too.

Mr. DOUGHTON. Mr. Page, of the Tariff Commission, said they were all bad, and it was only a question of which was worse.

Mr. RAGON. That is it exactly.

Mr. McCORMACK. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. McCORMACK. Will my friend state when he first heard there was a Crowther bill before the committee?

Mr. DOUGHTON. After we had been conducting hearings for some days, it was laid before the subcommittee.

Mr. McCORMACK. Has the gentleman any recollection of the gentleman from New York [Mr. CROWTHER] ever advising the other members of the committee that he had introduced his bill or was seeking a hearing before the committee?

Mr. DOUGHTON. I did not know anything about it. I did not know the bill was before the committee until we began our hearing, but I understood there was a conference about it.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. DOUGHTON. The gentleman from New York [Mr. SNELL] expressed the hope, or stated the view, that this subject should be considered separate and apart from politics, and there has been some criticism of the action of the Democrats in making it a party matter. I do not know whether I am correct or not, but it did go out in the press, and the report was circulated around the Capitol that the Republicans had held a caucus or a conference on this subject; and if that is true, and if such action is an offense, evidently you Republicans were the first offenders. I do not know whether that is true or not.

Mr. SNELL. Will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. SNELL. The Republicans had a conference on this matter, but the Republicans have never tried to bind the individual Members and lead them by a halter up to the trough the way the Democrats always do.

Mr. DOUGHTON. Oh, perhaps the men on the gentleman's side are more susceptible to the party lash than ours. It may be that just a hint or a nod or a gesture from the gentleman from New York is sufficient.

Mr. SNELL. Previous history does not show that.

Mr. DOUGHTON. I would rather defend the Members on the gentleman's side of the House, but I think he rather intimates that.

Mr. KNUTSON. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. KNUTSON. Will the gentleman explain to the House just how a Democratic caucus operates? Is it binding on everybody?

Mr. DOUGHTON. No; a Member can excuse himself if he states that he has made pledges to his constituents in opposition to the action proposed by the caucus. But the House is not interested in that; but if the gentleman will come over to my office to-night at 12.30 o'clock, I shall be delighted to tell him all about it.

Mr. KNUTSON. I think it should be explained at the midnight hour, because it would not stand the scrutiny of daylight.

Mr. DOUGHTON. Then that should just suit the gentleman, as the deeds of his party are always evil.

Reference has been made to the Secretary of the Treasury, and I have profound respect for the ability and the integrity of the Secretary of the Treasury, although I do not always agree with his views on public matters. How-

ever, in Mr. O'Brien's statement before the committee he referred to a speech the Secretary of the Treasury had made in New York in which he had almost come out for free trade, as reported by the papers. He referred to the secretary in support of his statement that this legislation was undesirable, unnecessary, unwise, and fraught with danger.

When we were ready to conclude the hearings, Mr. CROWTHER suggested to the committee that inasmuch as the name of the Secretary of the Treasury had been brought into the hearings, the Secretary should be given an opportunity to come before the committee and state his position in order to clear up the matter. We sent him word through Doctor CROWTHER, one of the Republican members, and through the clerk of the committee, that in view of the fact that his name had been used in connection with the hearings, if he cared to be heard, we would be pleased to hear him. He was as silent as the tomb and sent word he did not care to come and testify at all.

We took it from this fact that we were justified in coming to the conclusion that he agreed with members of the Tariff Commission and that he was not in harmony with this bill or with the class of legislation.

In the past the Tariff Commission has been considered good authority on tariff subjects; in fact, with the Republicans the Tariff Commission has almost been an obsession. They have always wanted tariff questions settled upon facts and information procured by the Tariff Commission; but when the Tariff Commission condemns their position, or when they come out and flatly, not only refuse to indorse this kind of legislation but say it is fraught with great danger, then they back away and seek to discredit the Tariff Commission.

Mr. O'Brien, in talking about this bill and other similar legislation, said, "Experience such as that, it seems to me, should warn us against blanket legislation like this against all the countries that are off the gold standard. I can not think of anything that would be worse." This is his statement. In the wildest stretch of his imagination he can not think of anything that would be worse than this proposed legislation.

But, my friends, when we must export more than half of our cotton, when we must export a large percentage of our tobacco, large quantities of meat products, both processed and otherwise, large quantities of wheat, and hundreds of millions of dollars worth of goods manufactured by the industries of America, when we must have an export market for our surplus products and commodities, it is a dangerous time to raise the tariff so high that it will amount to an embargo. Mr. O'Brien said this proposed legislation would amount to an embargo.

[Here the gavel fell.]

Mr. KERR. I ask unanimous consent that the gentleman have one minute more that I may ask him a question.

Mr. HOLADAY. I yield the gentleman one minute.

Mr. KERR. In the gentleman's long experience as a Member of Congress, and an active Member, has he ever known the Republican Party of this Nation to offer a panacea for any economic trouble except to raise the tariff?

Mr. DOUGHTON. I do not recollect of any. It would seem that after the experience we have had with an ultra-protective tariff policy for the past three years, and after the verdict of the American people in the last election, our Republican friends would learn something. But it is a regrettable fact that they have not.

The plain, unvarnished truth about this whole matter, as shown by the hearings of our subcommittee, and by those high officials of the Government in position to have all the facts, is that this excitement about our country's being overrun or flooded with imports from countries with depreciated currencies is a huge distortion of facts.

Imports from those countries with depreciated currencies were $500,000,000 less in 1932 than they were in 1931. In 1931 they were $1,301,581,000 and in 1932 they were only $801,278,000, or a decrease for 1932 over 1931 of 38 per cent. Imports from countries still on the gold standard for 1931 were $616,544,000 and for 1932 $414,096,000, or a decrease of 32 per cent.

So it is shown by the cold statistics that the decrease in imports from countries with depreciated currencies was 6 per cent greater than from those countries on the gold standard.

I insert as a part of my remarks the following figures furnished by the Tariff Commission, giving exports and imports from countries both on and off the gold standard:

In 1932 our exports to all countries exceeded our imports $289,561,000, and for countries with depreciated currencies in 1932 our exports exceeded our imports $195,428,000.

So this shows how ridiculous and preposterous it is to claim that we are being run over or flooded with goods from countries with depreciated currencies.

Mr. Chairman, these figures demonstrate beyond the shadow of any doubt that it is not depreciated currencies of other countries that is causing so much distress to American labor, American industry, and American agriculture, but this catastrophe has been caused by the disastrous effects of the ruinous policies of the depreciated Republican Party. [Applause.]

*Exports to and imports from principal countries*

| | 1931 | | | | 1932 | | | |
|---|---|---|---|---|---|---|---|---|
| | Total trade | Imports | Exports | Excess exports over imports | Total trade | Imports | Exports | Excess exports over imports |
| Total, all countries | $4,514,924,000 | $2,090,635,000 | $2,424,289,000 | $333,654,000 | $2,935,051,000 | $1,322,745,000 | $1,612,306,000 | $289,561,000 |
| Principal depreciated-currency countries | 2,834,187,000 | 1,301,581,000 | 1,532,606,000 | 231,025,000 | 1,797,984,000 | 801,278,000 | 996,706,000 | 195,428,000 |
| Europe— | | | | | | | | |
| Denmark | 31,630,000 | 1,881,000 | 29,749,000 | 27,868,000 | 13,309,000 | 1,328,000 | 11,981,000 | 10,653,000 |
| Finland | 14,797,000 | 9,932,000 | 4,865,000 | −5,067,000 | 10,954,000 | 8,179,000 | 2,775,000 | −5,404,000 |
| Greece | 18,560,000 | 10,982,000 | 7,578,000 | −3,404,000 | 15,492,000 | 7,550,000 | 7,942,000 | 392,000 |
| Norway | 29,016,000 | 16,820,000 | 12,196,000 | −4,624,000 | 17,355,000 | 10,439,000 | 6,916,000 | −3,523,000 |
| Spain | 50,592,000 | 16,621,000 | 33,971,000 | 17,350,000 | 38,094,000 | 11,406,000 | 26,688,000 | 15,282,000 |
| Sweden | 66,427,000 | 34,271,000 | 32,156,000 | −2,115,000 | 41,937,000 | 24,480,000 | 17,457,000 | −7,023,000 |
| United Kingdom | 591,426,000 | 135,452,000 | 455,974,000 | 320,522,000 | 363,152,000 | 74,689,000 | 288,463,000 | 213,774,000 |
| North America— | | | | | | | | |
| Canada | 662,623,000 | 266,268,000 | 396,355,000 | 130,087,000 | 415,526,000 | 174,101,000 | 241,425,000 | 67,324,000 |
| Mexico | 99,978,000 | 47,612,000 | 52,366,000 | 4,754,000 | 69,998,000 | 37,423,000 | 32,575,000 | −4,848,000 |
| Jamaica | 11,824,000 | 6,262,000 | 5,562,000 | −700,000 | 6,049,000 | 3,234,000 | 2,815,000 | −419,000 |
| Trinidad and Tobago | 8,595,000 | 5,620,000 | 2,885,000 | −2,735,000 | 5,041,000 | 3,390,000 | 1,651,000 | −1,739,000 |
| South America— | | | | | | | | |
| Argentina | 88,632,000 | 35,980,000 | 52,652,000 | 16,672,000 | 47,324,000 | 15,654,000 | 31,670,000 | 16,016,000 |
| Brazil | 138,791,000 | 110,212,000 | 28,579,000 | −81,633,000 | 110,861,000 | 82,263,000 | 28,600,000 | −53,663,000 |
| Chile | 61,439,000 | 39,977,000 | 21,462,000 | −18,515,000 | 15,846,000 | 12,278,000 | 3,568,000 | −8,710,000 |
| Colombia | 91,534,000 | 75,482,000 | 16,052,000 | −59,430,000 | 71,516,000 | 60,846,000 | 10,670,000 | −50,176,000 |
| Peru | 16,908,000 | 8,973,000 | 7,935,000 | −1,038,000 | 7,650,000 | 3,685,000 | 3,965,000 | 280,000 |
| Venezuela | 42,490,000 | 26,845,000 | 15,645,000 | −11,200,000 | 30,529,000 | 20,294,000 | 10,235,000 | −10,059,000 |
| Asia— | | | | | | | | |
| British India | 95,219,000 | 58,521,000 | 36,698,000 | −21,823,000 | 58,119,000 | 33,204,000 | 24,915,000 | −8,289,000 |
| British Malaya | 87,808,000 | 83,073,000 | 4,735,000 | −78,338,000 | 37,303,000 | 34,806,000 | 2,497,000 | −32,309,000 |
| Ceylon | 12,164,000 | 10,906,000 | 1,258,000 | −9,648,000 | 6,652,000 | 5,915,000 | 737,000 | −5,178,000 |
| China | 164,682,000 | 66,759,000 | 97,923,000 | 31,164,000 | 82,347,000 | 26,176,000 | 56,171,000 | 29,995,000 |

*Exports to and imports from principal countries*—Continued

| | 1931 | | | | 1932 | | | |
|---|---|---|---|---|---|---|---|---|
| | Total trade | Imports | Exports | Excess exports over imports | Total trade | Imports | Exports | Excess exports over imports |
| Principal depreciated-currency countries—Continued. | | | | | | | | |
| Asia—Continued. | | | | | | | | |
| Hong Kong | $20,209,000 | $5,829,000 | $14,380,000 | $8,551,000 | $13,972,000 | $4,277,000 | $9,695,000 | $5,418,000 |
| Japan | 362,064,000 | 206,349,000 | 155,715,000 | −50,634,000 | 268,548,000 | 134,011,000 | 134,537,000 | 526,000 |
| Oceania— | | | | | | | | |
| Australia | 39,671,000 | 12,504,000 | 27,167,000 | 14,663,000 | 31,461,000 | 4,643,000 | 26,818,000 | 22,175,000 |
| New Zealand | 17,912,000 | 4,433,000 | 13,479,000 | 9,046,000 | 11,391,000 | 2,158,000 | 9,233,000 | 7,075,000 |
| Africa— | | | | | | | | |
| Egypt | 9,286,000 | 4,017,000 | 5,269,000 | 1,252,000 | 7,556,000 | 4,849,000 | 2,707,000 | −2,142,000 |
| Principal gold-standard countries | 1,313,999,000 | 616,454,000 | 697,545,000 | 81,091,000 | 898,777,000 | 414,096,000 | 484,681,000 | 70,585,000 |
| Europe— | | | | | | | | |
| Belgium | 93,682,000 | 34,241,000 | 59,441,000 | 25,200,000 | 62,277,000 | 21,927,000 | 40,350,000 | 18,423,000 |
| Czechoslovakia | 26,950,000 | 23,162,000 | 3,788,000 | −19,374,000 | 14,892,000 | 13,020,000 | 1,872,000 | −11,148,000 |
| France | 200,994,000 | 79,174,000 | 121,820,000 | 42,646,000 | 156,298,000 | 44,736,000 | 111,562,000 | 66,826,000 |
| Germany | 293,089,000 | 127,039,000 | 166,050,000 | 39,011,000 | 206,993,000 | 73,521,000 | 133,472,000 | 59,951,000 |
| Italy | 117,474,000 | 62,659,000 | 54,815,000 | −7,844,000 | 91,568,000 | 42,433,000 | 49,135,000 | 6,702,000 |
| Netherlands | 100,542,000 | 34,952,000 | 65,590,000 | 30,638,000 | 67,855,000 | 22,448,000 | 45,407,000 | 22,959,000 |
| Switzerland | 32,771,000 | 23,099,000 | 9,672,000 | −13,427,000 | 19,792,000 | 12,492,000 | 7,300,000 | −5,192,000 |
| West Indies— | | | | | | | | |
| Cuba | 137,023,000 | 90,059,000 | 46,964,000 | −43,095,000 | 87,105,000 | 58,330,000 | 28,775,000 | −29,555,000 |
| East Indies— | | | | | | | | |
| Philippine Islands | 136,016,000 | 87,133,000 | 48,883,000 | −38,250,000 | 125,864,000 | 80,877,000 | 44,987,000 | −35,890,000 |
| Netherland East Indies | 49,563,000 | 34,240,000 | 15,323,000 | −18,917,000 | 37,641,000 | 29,825,000 | 7,816,000 | −22,009,000 |
| No adequate information as to exchange— | | | | | | | | |
| Turkey (Asia and Europe) | 9,798,000 | 8,085,000 | 1,713,000 | −6,372,000 | 6,929,000 | 5,390,000 | 1,539,000 | −3,851,000 |
| Soviet Russia in Europe | 116,097,000 | 12,611,000 | 103,486,000 | 90,875,000 | 21,563,000 | 9,097,000 | 12,466,000 | 3,369,000 |
| All other countries | 366,738,000 | 172,600,000 | 194,138,000 | 21,538,000 | 238,290,000 | 107,371,000 | 130,919,000 | 23,548,000 |

Mr. HOLADAY. Mr. Chairman, I yield 15 minutes to the gentleman from South Dakota [Mr. WILLIAMSON].

Mr. WILLIAMSON. Mr. Chairman, I will go as far as any man in this House in an effort to reorganize the Government on a basis to secure the highest possible efficiency at the lowest possible cost.

I am also willing to give to the President of the United States all the power and all the authority that we can constitutionally give to an Executive, but I am not willing to delegate to the President powers that are clearly legislative in character, that can not be constitutionally delegated.

Title 4 of the Treasury and Post Office Departments appropriation bill, H. R. 13520, which was sent to conference yesterday, grants to the President the most sweeping powers in the matter of reorganization of the executive departments of any measure that has up to this time been given consideration by the Congress. It is a bald attempt to confer legislative authority upon the executive branch of the Government. It seeks to authorize the President to carry out functions by Executive order which are clearly legislative in character and which are conferred upon Congress alone by the Constitution. It has been repeatedly held by the Supreme Court of the United States that Congress may not lawfully abdicate or shirk responsibility by transferring its legislative duties to some other branch of the Government. Can anyone doubt that Congress alone has authority to determine what activities the Government shall engage in, their character, and the extent of their functions? It alone having the authority, how can it be delegated? Having created numerous bureaus and independent establishments by law, how can the Congress, in general terms, without giving any hint as to what bureaus and establishments are intended to be affected, constitutionally delegate to the Executive the power to destroy the laws by which they were created by abolishing them? The principle that legislative power can not be delegated by the Congress is well settled.

Cooley, in his sixth edition of Constitutional Limitations, at page 137, lays down the following as settled constitutional law:

> One of the settled maxims in constitutional law is that the power conferred upon the legislature to make laws can not be delegated by that department to any other body or authority. Where the sovereign power of the State has located the authority there it must remain; and by the constitutional agency alone the laws must be made until the Constitution itself is changed. The power to whose judgment, wisdom, and patriotism this high prerogative has been intrusted can not relieve itself of the responsibility by choosing other agencies upon which the power shall be devolved, nor can it substitute the judgment, wisdom, and patriotism of any other body for those to which alone the people have seen fit to confide this sovereign trust.

In the case of the St. Louis Merchants Bridge Terminal Railway Co. *v.* United States (188 Fed. 195), which involved the constitutionality of certain quarantine regulations of the Department of Agriculture, the court said:

> But it (Congress) can not delegate its legislative power, its power to exercise the indispensable discretion to make, to add to, to take from, or to modify the law.

A leading case dealing with the subject is Field *v.* Clark (143 U. S. 649, 692–694), in which Justice Harlan states the law to be:

> That Congress can not delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution. * * * "The true distinction," as Judge Hanney, speaking for the Supreme Court of Ohio, has well said, "is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution, to be exercised under and in pursuance of the law. The first can not be done; to the latter no valid objection can be made." * * *
>
> The legislature can not delegate the power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action to depend.

To abolish a department established by an act of Congress is in effect a repeal of the law creating it. Such a power can not be delegated to the President.

Directly in point is the case of Boston *v.* Chelsea (212 Mass. 127; 98 N. E. 620), in which the court says:

> Power the exercise of which would affect the repeal of existing provisions of the general law may not be delegated. * * * Manifestly the determination of the functions of counties and the distribution of governmental authority among them is purely legislative in its nature. * * * Moreover, the effect of the report (of the commissioners) when confirmed by the court would be to repeal statutes now in force, which would of itself be a legislative rather than a judicial act.

Some years ago the Legislature of South Dakota authorized the State bank examiner to require State banks to keep their reserves on deposit within the State and to establish within the State "reserve cities." This law was attacked as being unconstitutional and in disposing of the case the supreme court of the State, in a well-considered decision, said, among other things:

> The legislature has no power to delegate to an executive or ministerial officer authority to require reserves of any bank to be kept

within the State, since such delegation would be in contravention of the State constitution which vests all legislative power in the legislature or retains it in the people through the initiative. * * *

The banking act does not provide that when the public examiner shall find and declare certain facts and conditions to exist, the whole or some portion of the reserves of State banks shall be kept within the State. Neither does it attempt to confer upon the public examiner authority to ascertain and declare facts or conditions as to cities within the State, whereupon certain cities shall become "reserve cities," and banks within such cities shall become "reserve banks." (St. Charles State Bank *v.* Wingfield (S. Dak.), 155 N. W. 776.)

But it is said that authorizing the President to abolish statutory bureaus and establishments is not equivalent to a repeal of the law creating them. If this position be correct, which I deny, does it follow that Congress can constitutionally authorize the Executive to nullify the laws by abolishing their creatures? It seems to me that the answer must be in the negative. The Constitution requires that the President "take care that the laws be faithfully executed." Congress can not excuse him from doing so and he can not evade their execution without violating the Constitution and his oath of office. Either horn of the dilemma is untenable. [Applause.]

Congress can not evade its constitutional duty or escape responsibility by subterfuge in the use of general language that does not disclose the legislative will. Even a casual examination of the language carried in section 403 of title 4 will disclose an utter lack of anything that would give any hint as to what Congress has in mind with respect to what it intends to accomplish by the sweeping powers given to the Executive. The section provides:

SEC. 403. Whenever the President, after investigation, shall find and so declare that any regrouping, consolidation, transfer, or abolition of any executive agency or agencies and/or the functions thereof is necessary to accomplish the purpose provided in section 401 of this title, he may by Executive order—

(a) Transfer the whole or any part of any executive agency and/or the functions thereof to the jurisdiction and control of any other executive agency;

(b) Consolidate the functions vested in any executive agency; or

(c) Abolish the whole or any part of any executive agency and/or the functions thereof; and

(d) Designate and fix the name and functions of any consolidated activity or executive agency and the title, powers, and duties of its executive head; except that the President shall not have authority under this title to abolish or transfer an executive department and/or all the functions thereof.

It will be observed that the President may do certain things if upon investigation he finds that they will "accomplish the purpose provided in section 401." The only purpose disclosed in section 401 is "to reduce drastically all governmental expenditures." But certainly it can not be deduced from that language that Congress intends, for illustration, that the President should abolish the Interstate Commerce Commission, the Bureau of the Budget, the Federal Farm Board, the Bureau of Public Roads, or the Veterans' Administration. Yet it is clear that all of these things could be done under the language carried in section 403. Section 401 of the present law, approved June 30, 1932, provides:

SEC. 401. In order to further reduce expenditures and increase efficiency in government, it is declared to be the policy of Congress—

(a) To group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purpose;

(b) To reduce the number of such agencies by consolidating those having similar functions under a single head;

(c) To eliminate overlapping and duplications of effort; and

(d) To segregate regulatory agencies and functions from those of an administrative and executive character.

Here the purposes of Congress are clearly set out as a guide which the President is directed to follow in reorganizing the Government.

In the proposed amendment carried in the bill now in conference no policy whatever is declared by the Congress as a guide for the President. Instead of doing that it provides in section 401:

Accordingly, in order to reduce expenditures and increase efficiency in government, the President shall investigate the present organization of all executive and administrative agencies of the Government and shall determine what changes therein are necessary—

(a) To group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes;

(b) To reduce the number of such agencies by consolidating those having similar functions under a single head, and by abolishing such agencies and/or such functions thereof as may not be necessary for the efficient conduct of the Government;

(c) To eliminate overlapping and duplication of effort; and

(d) To segregate regulatory agencies and functions from those of an administrative and executive character.

There is nothing in title 4 to indicate what the legislative will is with respect to what departments, bureaus, divisions, or activities shall be transferred, abolished, or consolidated. It lays down no principle or guide for the President to follow. It prescribes no facts, circumstances, or conditions to be ascertained by him upon the finding of which the statute shall become operative. On the contrary, it delegates to him unlimited authority to disregard all laws with respect to the establishment of existing executive agencies, all of which he is authorized to transfer, consolidate, or abolish. In other words, it gives him absolute and arbitrary power with respect to the set-up of the Government and the right to determine of what activities it shall consist except only that he can not abolish or transfer all of the activities of the executive departments. One is led to wonder why even this exception was inserted. Under the authority granted he could abolish and transfer all the activities of the Post Office Department except the sale of stamps, if he so elected.

But even if by any stretch of judicial reasoning and interpretation what is attempted here can be said to be constitutional, it is setting a precedent so damaging, so inimical to popular government, so dangerous to our liberties, so contrary to the genius of our institutions, and so subversive of our concept of a republican form of government that it is intolerable to anyone who has some knowledge and reverence for our fundamental law and the principle underlying our form of government. [Applause.] The issue is too important for blind partisanship. If such a law may be passed in a time of peace—and I do not admit that it might constitutionally be done in times of war—what is there to prevent Congress from subverting our form of government by delegating dictatorial and arbitrary powers to the Executive? I am not unmindful of the fact that it is sought to pass the law on a basis of a declared emergency, but our courts have repeatedly held that the declaration of an emergency by a legislative body does not create one and where, pray, is the emergency to justify the abdication of Congress? It was said here yesterday by a distinguished member [Mr. WOODRUM] of the Appropriations Committee that even if we abolished all the independent establishments we could only save $56,000,000. Is it coming to this that the saving of a few million dollars shall be held to be such an emergency as to cause Congress to jeopardize the liberty of a whole people by authorizing the President to say what their Government shall consist of? I can not believe it. The economies desired can all be accomplished without delegating unconstitutional power to the President. Liberty has been bought at too great a price; it has been won by the sacrifice of much treasure and the shedding of rivers of blood. Shall we at this late date evade our responsibilities as Representatives of the people? Are the people to be denied a voice as to what their Government shall be? Are their rights to be sacrificed and their future liberty to be put in jeopardy by cowardly evasion? Is there not sufficient intelligence in Congress and sufficient courage to reform the Government upon a sound and economical basis? If not, we have, indeed, sunk to a level which no longer justifies our existence. Let it be remembered also that an emergency, even if it did exist as declared in the preamble of title 4, would not create a power that does not exist. An emergency may be the reason for exercising a power but can not become the instrument for the exercise of an unauthorized power by the Congress or the President. The functions of the Congress can not be frittered away upon any pretext or plea of national or political necessity. (Ex parte Milligan, 4 Wal. 2; Wilson *v.* New, 243 U. S. 348.)

Congress holds the purse. It alone serves the people in a representative capacity. Only through it can the people speak. If it fails them, their voice is not heard. The voters have not demanded a dictatorship and do not want it. They have a right to expect us to carry out their wishes and not to pawn off our responsibility to an Executive that they can not reach.

The existing law is permanent legislation and gives all the authority that Congress can constitutionally delegate to the President. He can not, of course, abolish activities and establishments that are created by law, but he can consolidate and merge their functions so as to greatly reduce personnel and expenditures. Under it President Hoover sent to Congress the most complete plan of reorganization that has ever been worked out by the Executive of the Nation. Had it been permitted to stand it would have put our Government structure upon a much sounder basis and would have saved tens of millions annually, but unfortunately for the country the President's Executive orders were vacated and set aside by a resolution of this Chamber. To permit one branch of Congress to set aside what has been sanctioned by law is wrong in principle. The law should be so modified as to require the concurrence of both Chambers to abrogate transfers and consolidations effected by the President under the act. [Applause.]

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Ohio [Mr. LAMNECK] 10 minutes.

Mr. LAMNECK. Mr. Chairman, public approval of Democratic Party principles and policies at the late November election imposed a tremendous responsibility upon the party. The promises made impressed the people. They were accepted in good faith. They should be kept in good faith. If this is not done it will be disastrous to the country and a discredit to the party.

That verdict of the people was definite and certain. It was emphatic and enthusiastic—almost unanimous. What an inspiration to heroic endeavor on the part of the successful party to meet and solve the grave problems so essential to the brighter and better day. The pathway back to prosperity will not be a rosy one. Many dangers will be encountered, and yet the party must move on to the fulfillment of the promises made to the people.

The people are not in the frame of mind to tolerate further delay. They are insistent on action which will produce a situation the opposite of what we now have. The Democratic Party promised much. Therefore the people have a right to expect much. The full significance of the verdict of the people last November does not dawn upon one until he recalls that 42 of the 48 States participated in that verdict. It was an expression of public opinion that should impress itself upon the victorious party and challenge the best thought and action of party leaders to serve the needs of the people.

There can be no excuse or justification for failure. The party, after March 4, will be in control of both the executive and legislative branches of Government. Then will come the acid test as to its capabilities to measure up to its responsibilities. Let us hope it may do so, not alone for the good of the party but chiefly the welfare of the whole people.

I have full faith that the party will meet its responsibilities in the end, and yet I know and you know that there are always besetting dangers which threaten and would destroy if given the opportunity. These are the things that we must guard against. The most dangerous are inefficient leadership and party disloyalty. One is just about as bad as the other, with this difference: That inefficient leadership soon becomes apparent, while the traitor is not discovered until after he has done his work. Another danger is the possibility of a lack of harmony between the Executive and the Congress, which is always a serious handicap, and particularly in times like these, when cooperation is so important in the general plan to promote the welfare of the country.

Let us hope that President-elect Roosevelt will appoint men to Cabinet positions who will command the respect and have the confidence of the people, and let us hope, too, that in the organization of the House men of the highest order of intelligence and known capabilities may be chosen to positions of leadership. They should be men of character, ripe in legislative experience, tactful, courageous, and able to meet and master any situation that may arise. Those are the qualities of leadership, and any shortage in the possession of these qualities will be embarrassing to the major party as the session progresses. The selection of men to these important positions of leadership, including the speakership, floor leadership, and chairmen of major committees is a duty which requires care, caution, and courage to guard against a possible mistake.

But more important than all the rest is the character of legislation that may be presented to solve the grave problems now claiming attention. The Republican Party failed absolutely to meet this situation, and, to my mind, that makes the task all the more difficult for the party now charged with that responsibility. This is a time that calls for the highest order of patriotism and the sacrifice of selfish, personal interests for the good of the whole people. Our duty to them is the one thing that is resting upon my mind, and the fulfillment of the promises made to relieve the present distressing conditions should be the one thing nearest your heart and mine.

We know in a general way what President-elect Roosevelt's legislative program is to be, but know nothing specific. The provisions written into measures constituting the program are the essential things. It is the provisions of measures that provoke discussion, cause discord, and defeat the plans and purposes to serve the needs of the people. This has been done many times before, and it may happen again. I do not want to be considered an alarmist, but reverting again to inefficient leadership, party disloyalty, and now adding the possibility of an inadequate program to meet the present situation, I feel impelled to sound the alarm and run up the danger signal, that these things may be averted.

A grave responsibility rests upon the President. It is the duty of Congress to lighten his burden by aiding him. My sympathy goes out to Mr. Roosevelt even before he has started. Elected as I was upon the Democratic Party platform, and with no protest against any of its declarations, I feel it my duty to give his plans and purposes my earnest, active support. However, I think it permissible to make a few suggestions which should be incorporated into any legislative program to cure present ills. I have given the subject of this depression and its cure much thought. I am persuaded that the remedies suggested in the program herewith submitted will not only relieve conditions, but balance the Budget without any increase in taxation. If the President elect should see anything in this program, he is at perfect liberty to appropriate it without explanation or apology. Here it is:

First. Monetary legislation that will give silver its proper place in our monetary system and yet preserve the integrity of the gold standard, avoiding thereby unsound inflationary proposals.

Second. Reduce public expenditures by restoring the Federal Government to the functions contemplated in the Constitution and abolishing all others.

Third. Increase revenues by putting the Post Office Department and Panama Canal on a self-sustaining basis.

Fourth. Place all forms of transportation—rail, highway, water, and air—under an equality of opportunity and regulation and repeal such impossible laws as the recapture clause of the interstate commerce act.

Fifth. Balance the Budget without levying additional taxes by compelling busses and trucks to pay for their use of the highways, and inland waterway traffic to pay for maintenance, return on investment, overhead, and other proper charges against such waterways.

Sixth. Limit any increase in the public debt to relief purposes only.

Seventh. Declare a policy of no cancellation of war debts, unless the United States gets something in value in return in the way of trade concessions, or by restoring the normal

purchasing power of gold, so as to reflect a commodity price level that will be fair to our consumers, producers, debtors, and creditors.

Eighth. Adoption of a plan for refunding of farm and home mortgages.

Ninth. Repeal of the eighteenth amendment.

Tenth. Modify the Volstead law so as to legalize the manufacture and sale of wine and beer.

Legislation along the lines indicated would, in my opinion, restore confidence and insure the return of prosperity. Nothing would more speedily aid economic recovery than legislation to broaden the monetary base and the adding of silver as a monetary reserve. The immediate effect of such legislation would be to increase commodity prices and open up 80 per cent of the markets of the world to American products from factory and farm. It would enable the countries on a silver basis to buy our goods. One of the things we need is more business and plenty of it, to give employment to millions of stalwart Americans now idle. [Applause.]

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. Yes.

Mr. FIESINGER. The gentleman mentions silver among other things. I am wondering if he has in mind the policy of a fixed ratio of silver to gold on the basis of, say, 16 to 1?

Mr. LAMNECK. I have not.

Mr. FIESINGER. I take it that the gentleman has given a great deal of thought to this subject. Is it his idea to put silver in our reserves at the gold price of silver, in order to expand the metallic base, and in expanding the metallic base give more leeway for fiduciary money; that is, credit money?

Mr. LAMNECK. That is exactly what I intend.

Mr. FIESINGER. Does the gentleman think that with putting that money in our reserves it would raise the price of silver?

Mr. LAMNECK. There is no question about that.

Mr. FIESINGER. And if it did, would not it greatly appreciate the buying power of the people of the Orient?

Mr. LAMNECK. It certainly would, because that is the only thing they have with which to buy. I yield back the remainder of my time.

Mr. CANNON. Mr. Chairman, I yield two minutes to the gentleman from Alabama [Mr. HILL].

Mr. HILL of Alabama. Mr. Chairman, several weeks ago the people of the country were greatly pleased when the President elect, Mr. Roosevelt, went down to Muscle Shoals and made a personal inspection of that great project, thereby receiving first-hand information looking to the development of the Tennessee River and the Tennessee Valley. A few days after Mr. Roosevelt's visit to Muscle Shoals he announced plans for the project which stirred the imagination of the people. In connection with those plans I would like to call to the attention of the House a story in this morning's Washington Post, placed in a rather inconspicuous portion of the paper, but which as I read it seemed to me to be very significant. It comes by Associated Press from Providence, Ky., and is dated February 10. It reads:

PROVIDENCE, KY., DROPS TAX PAYMENT FOR YEAR

PROVIDENCE, KY., February 10.—No city taxes will be paid this year by the more than 5,000 residents of this community.

City council last night voted to suspend the taxes this year and operate the city government with earnings from the municipal light and water plants. Last year the city operated on a tax rate of 75 cents.

The bill which we have before us contains a provision carrying an appropriation of some $55,000 for the printing of a report on the power needs of the District of Columbia. This report is based on a careful survey made by competent engineers, and it is interesting to note that the report recommends that there be built in the District of Columbia a municipal power plant. When we read stories like the one from Providence, Ky., we realize that President-elect Roosevelt's plans for Muscle Shoals and the Tennessee River, as well as the plans for the Columbia River, the St. Lawrence, the Colorado, and the other great streams of the country are more than mere dreams.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. HILL of Alabama. Yes.

Mr. MAY. Will the gentleman give us a general idea of what the plans of the President elect are upon that subject?

Mr. HILL of Alabama. I have only a moment left of my time, but briefly let me say that the plans call for agricultural relief, reforestation, reduction of the cost of electric power to the consumer, flood control, navigation, unemployment relief, and industrial development.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD of Georgia. Mr. Chairman, I was very much interested a few moments ago in the splendid address of the gentleman from Ohio [Mr. LAMNECK], in which he said that the Democratic Party coming into power on the 4th of March next should keep the various campaign pledges of that party. In this connection I call the attention of the House to two campaign pledges which were made by the Democratic and the Republican Parties in 1928, neither of which was ever kept. In fact, both the great parties in the conventions last year failed to repeat these campaign pledges. I refer to the campaign pledges of the Democratic Party and the Republican Party in 1928, which in effect promised to put agriculture on a parity with other businesses and enterprises in the country. It is a very easy thing for us to say that we intend to keep a party pledge, but it is more difficult to work out some real worth-while legislation which will carry into effect a pledge such as was made by both parties in 1928. I wish some law could be enacted which would put agriculture on a parity with the banking institutions of the country. I wish some law could be enacted and put into effect which would enable the farmers of the country to pay the obligations which they owe, but I can not see how this can be done unless we work out some plan to reduce the amount of the mortgages which those farmers gave 5, 10, or more years ago, or in some way increase the price of the farmer's products which are offered for sale from time to time.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. LANKFORD of Georgia. Yes.

Mr. SCHAFER. Does the gentleman believe that the Roosevelt allotment plan to decrease farm acreage in production and the Roosevelt Tennessee Valley plan to increase farm acreage in production will solve the problem of farmers?

Mr. LANKFORD of Georgia. In that connection let me say that I was not in favor of the allotment plan that was proposed in the House, and I voted against it. On previous occasions I have set forth in detail my objections to the allotment plan of farm relief and shall not now further discuss this plan. Let me further say I always have been, and now am, very much in favor of the development and use of Muscle Shoals along the lines now contemplated by President-elect Roosevelt.

Furthermore, I do not subscribe to the proposition that the allotment plan as it was brought up in the House is the Roosevelt plan any more than the Farm Board plan which was passed some four years ago was the Herbert Hoover plan. It is a very easy matter for people on both sides of the aisle to attempt to put onto the President a measure such as the Farm Board act and such as the allotment plan. Four years ago many of those who believed that the Farm Board act would prove a success were glad to call it the Herbert Hoover plan, because they wanted him to get credit for the enactment of that bill. Many of those who believed it would be a failure were also anxious for it to be termed the Hoover plan so that when it went down in ignominy and defeat President Hoover would get the blame for its failure. To-day there are those in Congress who are glad to call the allotment plan the Roosevelt plan, because they hope the allotment plan will work out well and he will get the credit for it, and there are those, like the gentleman from Wisconsin [Mr. SCHAFER], who are glad to call the allotment plan the Roosevelt plan because in their hearts they expect it to prove a failure, and then they want to tie it onto

President-elect Roosevelt so that he will get the blame because of its failure.

So I repeat, the allotment plan is no more the Roosevelt plan than the Farm Board plan, Mr. SCHAFER, was the Herbert Hoover plan. President Herbert Hoover came into the White House with that Farm Board plan already in the mind of the country, and he happened to be President when that plan was enacted into law. It was not his plan any more than the allotment plan is the plan of President-elect Roosevelt. Let us be fair about these matters.

Mr. SCHAFER. Will the gentleman yield?

Mr. LANKFORD of Georgia. I yield.

Mr. SCHAFER. Is it not a fact that President-elect Roosevelt in his platform promises indicated he would support any farm legislation that the farm leaders could unite on which was constitutional, and if the farm leaders agreed on it, he must have been in favor of it?

Mr. LANKFORD of Georgia. The gentleman and I are farm leaders and we have not agreed on it. I do not think the other farm leaders have agreed on it either. I understand many farm leaders in the House and Senate differ very much as to whether that is a good plan or not. Even if he made that kind of a promise he is not bound to agree to that plan, because the farm leaders have not at all yet agreed on it.

Mr. MAY. Will the gentleman yield?

Mr. LANKFORD of Georgia. I yield.

Mr. MAY. Is the gentleman from Wisconsin [Mr. SCHAFER] opposed to granting farm relief by the allotment plan or any other plan?

Mr. SCHAFER. I am opposed to granting relief to the farmer by establishing a Frankenstein bureaucracy and levying a billion-dollar sales tax on the people who already do not have sufficient funds to buy the surplus of the farms.

Mr. LANKFORD of Georgia. All of which goes to show that what I said in the beginning is absolutely true. It is easy enough to promise the farmers farm relief, but let me say to those on both sides of the aisle who will sit here and make laws after the 4th of March that when they come to work out a plan to help the farmers of the country they have a difficult task. For instance, my good friend, the gentleman from Wisconsin [Mr. SCHAFER] believes the entire farm relief problem revolves around the repeal of the eighteenth amendment and the legalizing of beer. [Laughter.] My friend, the gentleman from New York [Mr. CROWTHER] believes the entire farm relief program revolves around the high tariff. The words "farm relief" have come to mean everything and to mean absolutely nothing. Probably every man in this House who ran for Congress last time, regardless of whether he was defeated or elected, promised the farmers farm relief. It is my honest conviction that you can never bring back real relief to the farmers unless you put them on a parity with the bankers of the country. Let the farmers have the same rights as to the issuance of currency as are now enjoyed by the big banks.

Mr. GIFFORD. Will the gentleman yield?

Mr. LANKFORD of Georgia. I yield.

Mr. GIFFORD. When industry manufactures too many shoes or too many textiles they stop production and throw hundreds of thousands of people entirely out of work. Will the gentleman spend some time suggesting some relief for those people who have already paid their share of the taxes, $500,000,000, when he is trying to get out a program for farm relief? Does not the gentleman have a little sympathy and does he not give a little action of his mind toward relieving that class of people who are thrown out of employment entirely?

Mr. LANKFORD of Georgia. I do, and the real trouble with the gentleman's proposition is this, that ever since this Government was created, the Government has given protection to manufacturing industries in the New England States by a high tariff, while the farmers have never enjoyed that and we have never yet been able to work out legislation which would give the farmers that kind of protection. I do not believe the allotment plan will do it. I believe the export debenture plan will come more nearly giving the farmers the same kind of relief that we have been giving to big manufacturing interests than any other bill proposed. Was the gentleman in favor of the export debenture plan?

Mr. GIFFORD. No. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANKFORD] has expired.

Mr. LANKFORD of Georgia. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Chairman, conflicting interest and conflicting views of those who favor some form of aid to our farmers complicate the situation and make it almost impossible to pass any real farm-relief legislation. It never has been passed and I fear it will not be passed in time to save the present generation of farmers. Much now done in the name of the farmers is not real farm-relief legislation and does the farmers little or no good. Many of the present farm-relief proposals are even most harmful.

Mr. Chairman, no plan can be evolved whereby the American people can be taxed out of the depression or the farmers can borrow themselves out of debt. A new loan may be temporarily helpful to the farmer, since it helps him carry his burden of debt a little longer. His debts get larger, though, with each new loan or extension. As I have repeatedly said, the farmers can never get out of their present financial difficulties without a readjustment of the present economic situation. Either by inflation of our currency, both in volume and amount, or by increase of the prices of farm products, or by a general readjustment of the entire debt situation of the country, or by some other means or device the farmer must be put on a parity with the banker and industry, and the price of his products put on a parity with the value of gold and the money in general use, before the farmer will ever be able to again breathe the air of economic freedom.

Something fundamental and far-reaching in its nature must be done. Nothing of a temporary nature will bring permanent prosperity. It is certainly true that additional taxes will not do the job. And yet there is a more determined effort than ever before to put taxes on the poor, in the form of sales taxes under one name or another and for one purpose or another. Almost invariably the hideousness of the sales tax is sought to be concealed by the laudable purposes for which the money thus sought to be raised is to be used. If there ever was a legislative proposal which should never be considered along with another, it is a tax provision or a provision for the appropriation of money. There certainly should be a division of the question every time it is sought to have these two considered at the same time as a part and parcel of the same measure or legislative act. Otherwise, in considering the apparently beneficent purpose of the expenditure of the money, Members of Congress, and the public, for that matter, are too prone to overlook entirely the hideous and awful features of the tax proposal.

A splendid illustration of this is to be found in the various kinds of proposed stamp money which I have seen fit to discuss rather fully during the past month or two. Of course, these plans are like the leaves of the forest—they are all alike in some respects and yet no two are exactly alike. Some are much more vicious than others as to their taxing features. Some do not impose a sales tax at all, but only put a tax on the medium of exchange each month or each week. As I have repeatedly pointed out, if this kind of money is to be used during this emergency, then the tax on the length of time the money is in use is decidedly better than the tax on the number of times the money is expended. One is a sales tax of the most vicious type and the other may be considered only a reasonable interest. For instance, 1 cent a month, indorsed by me as the best of these taxes, amounts to only 12 per cent per year. Most banks charge

more than this for interest or for interest and curtailments of the principal, which this really amounts to, in the long run.

These plans are suggested for all kinds of purposes; some to pay the veterans of the World War, some to help the farmer, some to pay all Government expenses, and even one I heard of some time ago was to raise $10 for every man, woman, and child in the United States, rich and poor alike. This last one sounded good to the poor man with a large family, who figured that he and his wife and 10 children would get $120 in cash—all at one time. Quite naturally, the poor fellow is likely to overlook the very vicious tax provisions of this plan, which happened to contain the most vicious form of sales tax suggested in any of these plans. Only last night I saw in one of the Washington papers mention of another plan, which is much better than the sales-tax plan, to pay everybody only $10 each. For the purpose of identification I will call the plan mentioned in the paper the weekly plan, since it proposes a tax of 5 cents in the form of a stamp each week on each dollar of this new currency.

The tax under the weekly plan would be entirely too heavy, and in many instances, in so far as the tax burden is concerned, would be almost as bad as the proposal to require a sales tax of 2 per cent every time the money is used in a business transaction.

In making a brief comparison of these two plans, for purpose of identification of the plan to put a sales tax on the poor to raise money to donate to the rich, I will refer to it as the poor-man's tax, rich-man's money plan. In fact, this title may be very appropriately applied to all forms of sales tax.

But now let me tell you what the weekly plan provides. It is proposed that the United States Government issue a monthly allowance to every poor person to the amount of one paper dollar for each year of his age, and that a 5 per cent stamp be required on each dollar each week until the end of 20 weeks, at which time the money would be redeemed by nontaxable currency. This bounty would be paid each month forever, but the tax would only be required "until the Budget is balanced." It is pointed out by the proponent of this plan that this would be helpful to the poor, would put an abundance of money in circulation, and would help end the depression and keep all the people prosperous after the elimination of the present financial difficulties. This plan is not as burdensome as the poor-man's tax, rich-man's money plan and has the advantages of not taxing the money out of the poor for the rich, and on an average would furnish much more money to each family, not for only one time as mentioned and proposed in the poor-man's tax, rich-man's money plan, but each month as long as our Government stands, unless sooner repealed. Let us see just how much money each month this weekly plan would furnish to a family of father and mother and 10 children, with the father 55, the mother 50, and the children 18, 16, 14, 12, 11, 9, 7, 5, 3, and 1, respectively. Their ages total 201, so under this plan this family would get $201 each month forever, while under the poor-man's tax, rich-man's money plan, this same family would get only $120 once in a lifetime, and have return it at once by a most vicious sales-tax device.

Of course the former plan would put much more money in circulation, but would it be a good plan? And, is either it or the other plan a good plan? None of these plans that provide a sales tax are good. They are all vicious in the extreme. The best of these plans are only temporary expedients and if used at all should be used for just as short a period as possible with only a tax of 1 cent per month per dollar to be paid by stamps attached to the currency. Unless Congress votes at once to relieve the present financial depression and the big bankers are willing to cooperate and help save my country, rather than see the present suffering of the people continue I would vote and support to the limit, a measure to provide stamp money bearing 1 cent tax each month for the purpose of delivering to each poor person each month $1 for each year of his age, until the prices of farm products are on a parity with our currency, so as to enable our farmers and others to pay their debts as easily as they anticipated when they made them. I will support this kind of a measure in desperation and for the purpose of bringing back prosperity and saving my people. This kind of a course should not be necessary but if we must adopt it we should provide for enough relief to get results and be sure that the additional tax burden is made as light as possible.

Congress, if it will, can give our people sufficient currency, both in volume and velocity, to overcome, at once the present depression without resorting to the tactics I have just been discussing. Congress should do something that is reasonable and just to solve our present problems and failing in this, it may and will be eventually stampeded into doing things that are extreme in every sense of the word.

To my mind, there can be no permanent economic relief without Congress taking from the big bankers all control of the inflation and deflation of our currency and exercising these functions, with a broader and more elastic currency base.

There are numerous ways for the broadening of the base of our currency. I certainly do not want fiat money but our money can be inflated in volume and velocity so as to overcome our present economic ills without issuing a dollar with less base or security than is now behind our currency and our Government bonds.

I am throughly convinced that our Government bonds can be quickly retired, our farm loans refinanced on a most satisfactory basis at a tremendous saving to all our people and the Nation, our farmers placed on a parity with the bankers, and the depression permanently cured by the monetization of farm lands, farm products, and other equally safe property of our people. If proper currency laws are enacted, there will be no reason, whatever for emergency currency measures.

Mr. Chairman, I said a little while ago, it was most difficult to secure the passage of real, honest-to-goodness, farm-relief legislation because of the diversity of interest and conflicting views of Members of Congress. This is equally true of legislation to consolidate and eliminate unnecessary bureaus and Federal positions, or to bring about real economies in governmental expenditures. Everybody loudly and repeatedly proclaims that they are in favor of these things and yet each one favors his own kind of farm relief, his own idea of the elimination of bureaus, or the consolidation of governmental activities and each Member has his own friends that he would rather see retained in office. I do not say Members of Congress are dishonest about these matters. They are only human and honestly differ about these various proposals.

For these reasons and because of my illimitable faith in President-elect Roosevelt, I am very happy to help give him all the power he wishes in these matters and to provide that Congress can not tear down and destroy his work, except by a two-thirds majority veto. He will have a Herculean task, which can only be handled properly by some one with almost unlimited power. No individual Member of Congress, nor any groups of Members of Congress, nor the Congress as a whole have ever been able to even approach a proper solution of the problem of a real efficient economic, consolidation, elimination and readjustment of the bureaus and activities of the Federal Government. I am therefore most happy to help give President-elect Roosevelt the necessary authority and power to inaugurate this great and very essential economic program which can not be put into effect otherwise.

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. McGUGIN].

Mr. McGUGIN. Mr. Chairman, I wish to discuss for a while this afternoon the proposal to give the incoming President great powers in connection with the financial affairs of this Government.

In the begginning I wish to say that I fuly realize my views on this matter would be wholly untenable except it is my fear that this country is to-day in a greater crisis than it has ever been during its history, war not excepted. The one difficult thing in meeting this crisis is that there is no cooperation such as we would have if we were in war with a foreign enemy. There has never been a government that has gone down to failure except that at the moment of its failure its financial affairs were in bad shape.

The people will hesitate long before giving up any kind of government they may have except the tax burden become so excessive that government is no longer a benefit to them but a burden; and we have practically reached this situation in the United States to-day. The Government of the United States to-day is $21,000,000,000 in debt. The Federal debt was $27,000,000,000 at the end of the war, but this $21,000,000,000 which we now owe is a much greater burden upon the American people than the $27,000,000,000 was at the end of the war. At the end of the war everyone had work, agriculture was prosperous, industry was prosperous, mining was prosperous, the country was wealthy. To-day there are 12,000,000 unemployed in this country, and those who are employed are working part time; agriculture is bankrupt; yet, these are the people who must bear this burden of the Government debt.

In addition to that, the truth is the public debt of the United States is actually many billions of dollars more than it was at the end of the war. It is true that the Federal debt is some $5,000,000,000 or $6,000,000,000 less than it was at the end of the war, but in the meantime the States, counties, cities, and school districts have all bonded themselves for billions and billions of dollars—the amount I know not, but we all know that the public debt, Federal, State, and local, to-day is many billions of dollars more than it was at the end of the war in 1918; and it makes no difference whether that bonded debt is Federal or local, it is the same people who must pay it.

Now, let us come to the Federal Government. For three years we have gone into debt. The last fiscal year we went in debt 57 cents every time we spent a dollar, and for the fourth year we are going in debt. This Congress has a poorer record than any previous Congress. The last session of this Congress at least made an effort to bring in a revenue bill which would meet the expenditures, but this session of this Congress is making no effort. Now, we can not go on like this indefinitely, spending more than is taken in.

It is my fear that the democracy of the United States can not carry on this policy for five consecutive years without going down to defeat the same as preceding governments have gone down to defeat when they have followed a similar policy. This is the crisis I think is confronting our country.

The gentleman from Georgia just spoke about the private mortgage indebtedness. If this Government can not get its financial house in order, I can see no possible hope for the farmer, for industry, or for the individual in debt.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. MAY. The gentleman inferred this Government should levy another drastic tax in order to balance the Budget. Does not the gentleman think that reducing the cost of government is another way of balancing the Budget?

Mr. McGUGIN. That is what I am coming to. Now, it appears that Congress will not reduce expenses and will not provide new revenues, but Congress has at least this defense to offer: In this country we have built up a system of minority blocs and factions whose interest in Government is what they can get out of the Treasury. I doubt if it is possible for any Congress to break down the power of these minority factions. If 435 Members come here and have the courage to hurl defiance into the teeth of these minority factions, probably they will be replaced by others who will give in to the minority factions.

I do not believe you can ever reach public expense except we have a President who has the courage to hurl defiance into the teeth of the minority blocs and say, "This country shall not perish; this country shall stand, minority blocs, or no minority blocs." We have the assurance that Mr. Roosevelt is willing to do this. We should give him the power to do it. If Congress can not or will not, then let us not sit here in Congress while the Government goes head on into greater debt and refuse to give the next President power to do this. Let us give him the chance. Then, there is another reason: The people of this country look to the President. They hold him responsible. The public generally fails to recognize the constitutional dividing line between the powers of the Congress and those of the President. They hold the President responsible. That is the frame of mind of the American people. We should give this power to Mr. Roosevelt and give him his opportunity.

Some say the veterans are opposed to this legislation proposing to give such power to the incoming President. I do not know. The veterans were opposed to Mr. Hoover. They voted against him very largely. Can it be said that the veterans have lost confidence in Mr. Roosevelt since last November when they contributed greatly to his election?

The time has come when the people of this country, Republicans and Democrats alike, veterans and nonveterans, the entire 122,000,000 people of this country, must place their trust and confidence in the man who is going to occupy the White House after March 4, not because he is a Democrat, but because he is the President of the United States in a great crisis. The hope of this country lies in his ability to meet a crisis which the people apparently are unable to meet and which the Congress apparently is unable to meet.

I know the Democrats denied similar power to Mr. Hoover. I know that when Mr. Hoover was given power to consolidate and did consolidate that the Democratic membership in this House a few weeks ago rejected his program. I think it made a mistake, but this is no time for a tug of war between Republicans and Democrats. It is no time for us Republicans to make the same mistake the Democrats did simply because they made it.

I think the time has come when we should give to the next President the power to do for the country that which must be done, if I view the matter correctly. When we come to giving him that power, I want to give him greater power than was requested for or given to Mr. Hoover. One reason is because I think the emergency is greater to-day than it was a year ago.

I think the emergency is greater to-day than it was a month ago.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. McGUGIN. With that in mind, I think it is imperative that he should have greater power, and I am in favor of giving the next President of the United States power to reorganize the Government of the United States; to abolish bureaus, if he wants to; even abolish Cabinet offices, which are not created by the Constitution, if he wants to; and to reduce, in whole or in part, any compensation on the public pay roll, if he wants to. I am not afraid to intrust to him this power. Why? Because I do not believe that any man who is President of the United States would abuse such power when that power be given to him to save our country from a crisis which we have been trying to climb out for three years, but have made no headway.

Mr. Chairman, I yield back the remainder of my time.

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to extend my remarks and insert therein a copy of a bill that I am introducing, and also to include certain excerpts closely related to the same.

Mr. MICHENER. Mr. Chairman, reserving the right to object, newspaper editorials or things of that character?

Mr. PATMAN. No, sir; I never put newspaper editorials in the RECORD.

Mr. MICHENER. You said excerpts from what?

Mr. PATMAN. Excerpts from my own remarks heretofore made, and other information; nothing in the way of a newspaper article, I assure the gentleman.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Chairman, in regard to giving the President of the United States the power to consolidate bureaus and commissions, I have no objection to abolishing a large number of commissions that we have in Washington. I could name some that I should like to see abolished. We can reduce expenditures even in the Agriculture Department; I believe we could safely reduce its expenditures 50 per cent and not interfere with the good work that the department is doing for the farmers of this Nation.

NO DICTATOR

But I am not willing to make a dictator out of the President of the United States. I have the utmost confidence in President-elect Roosevelt. I know if this duty is given him he will perform it to the very best of his knowledge and ability. I have no doubt about that. But I also realize that he can not personally do this work. He must intrust it to other people. The question is, Who will do this work for him, and whom should we trust to do it? Shall we permit a few publicly unknown men, who hold no official position, responsible to the people in no way, to get together and advise the President? And would he do what they would recommend? He must take the advice of some one. Or should he take the advice of the Congress of the United States?

I believe that the Congress of the United States can do everything that we would ask a President to do under this proposal. I am going along and vote for the proposal just as far as I can, as long as I do not believe it is in violation of the Constitution of the United States; but I have in mind Article I, section 1, of the Constitution of the United States, which says that—

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Further, I have in mind a number of decisions by the Supreme Court of the United States in which it is held:

It is within the power of Congress to vest in executive officers the power to make necessary rules and regulations to enforce the provisions of a law, but this is not deemed to extend to the making of rules to subvert the statute.

A number of cases can be cited.

CONGRESS CAN NOT DELEGATE ITS POWER

Another case that is well known, decided by the Supreme Court of the United States, is the case which holds that Congress can not delegate its power to make laws to an executive department or to an administrative officer, nor does a power delegated to such department or officer carry with it the authority to repeal, extend, or modify an act of Congress.

So here is the Supreme Court of the United States as authority for the statement that we can not delegate the power to the President of the United States to repeal, extend, or modify an act of Congress. In other words, if appropriations are made by the Congress for a certain specific purpose, under the Constitution of the United States, could the President turn around and say, "I am going to nullify that act of Congress by refusing to permit it to go into operation"? If this decision of the Supreme Court of the United States holds good, and it is supported by many subsequent decisions, I doubt that such authority would be constitutional.

Mr. McGUGIN. Will the gentleman yield?

Mr. PATMAN. I shall be pleased to yield.

Mr. McGUGIN. Does that decision go far enough to say that when the President makes such an order it becomes effective provided the Congress does not pass a joint resolution against it?

Mr. PATMAN. Well, that is changing the Constitution. The Constitution provides that whenever a bill is passed the President has the right to veto it, and if he vetoes the bill then Congress has the right to override his veto. The proposal under discussion is changing it around entirely by giving the Executive law-making power and permitting Congress to veto it, if two-thirds of the Representatives vote in favor of vetoing it. It is changing the constitutional set-up entirely.

Mr. McGUGIN. If that be true, then the bill we passed last spring, which let President Hoover consolidate activities, leaving it to either House to reject such consolidation, was unconstitutional.

Mr. PATMAN. I have not looked into that, but any delegation of power that permits the Executive to repeal, extend, or modify an act of Congress the Supreme Court says is unconstitutional.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. LANKFORD of Georgia. Do not the present provisions of the tariff law permit the President to increase or lower tariff rates?

Mr. PATMAN. Yes. He can under the Constitution make rules and regulations if the power is given to him by Congress.

Mr. WILLIAMSON. Will the gentleman yield for a question on the constitutional matter?

Mr. PATMAN. Yes.

Mr. WILLIAMSON. I want to suggest that the mere fact that a law carries a provision authorizing either House to set aside an Executive order does not in any way make such a law constitutional. It can not operate to make such a power constitutional. It must be constitutional in the first instance.

Mr. PATMAN. Yes; I agree with the gentleman.

BUYING POWER IN HAND OF PEOPLE

I now want to talk to you about the matter of getting buying power into the hands of the people.

It is true that in this session of Congress the bill to pay the adjusted-service certificates will not be insisted upon. There was no reason why we should do a perfectly futile thing. It would be futile to pass the bill in the House of Representatives and send it to a Senate that is composed of the same Members that defeated the bill at the last session of Congress. So we decided we would not insist upon the bill at this session of the Congress, but we are working on a bill now for the special session, and have it just about completed. We expect to have it in the hands of the Members of the House and Senate before the end of next week and we will insist upon the passage of the bill at the coming special session of the Congress.

COUNTRY WILL BE BENEFITED

In asking for the passage of this legislation we are not seeking to benefit a particular group or class. If we can not show that the country will be benefited, and that it is necessary to make this payment to help the country, we are not entitled to win and we are not entitled to see the legislation enacted into law. But if we can show that this legislation can be used as a vehicle to start our country back on the road to prosperity and that it will be helpful along this line, it is certainly worthy of consideration by Congress. To-day the question of buying power is a question that we must deal with. It is not a matter of overproduction. We have underconsumption, and no informed person will claim we have overproduction. If the people of America and the world had the buying power to purchase what they actually need for the comforts and necessities of life, we would not have any overproduction of any commodity. The serious question that confronts us is lack of buying power, and anything that will get buying power into the hands of people who will use it to purchase is something that we should consider.

ACTUAL MONEY IN PROPORTION TO BANK DEPOSITS

To-day we have in the banks of the Nation about $45,000,000,000 in deposits. We have in actual money in all the vaults of the banks of the Nation about $700,000,000, or less than 2 per cent with which to pay these deposits. This does not mean that all the banks are insolvent. They are not insolvent. This means, however, that they have a very small amount of cash with which to pay the liabilities of their depositors.

MONEY AND CREDITS

On the other hand, one-tenth of our business is done with actual money and about nine-tenths of our business is done with credit or checks; but let it be remembered that a large number of our people do not have access to the banks. They have no connection with any banking institutions, have no checking account, and they are not receiving checks for their labor or for the products that they sell from their farms.

They have no standing with the banking institutions. The only way you can reach these people is by increasing the amount of currency now in circulation. It is true, if the credit is increased you will reach a certain class. We have plenty of credit available, but who can get it? The people do not have the security to get it. The banks will not loan the money. I do not criticize the banks for that. They owe a debt and obligation to their depositors to keep the banking institution in a safe condition.

There is no incentive to loan money on any security, because the one borrowing can not make a profit and can not pay the money back. Our credit facilities are broken down. The Congress can not force credit out. We can force money out. If we force money out into consumers' hands, we are going to increase the purchase of goods, and if goods are purchased, prices will go up. There will then be an incentive to purchase goods before they are too high.

HOW MUCH MONEY NECESSARY

I do not believe that $2,200,000,000 will bring the country back. Two years ago it might. But before this thing is over, it is likely that it will take $5,000,000,000 to start it back. We do not know how much it is going to take, but we should do everything in our power to relieve conditions.

NOT FIAT MONEY

A couple of years ago, when we were contending for the payment of the certificates by issuing currency, they called us radicals. Now, we are conservatives and reactionaries compared with the ones advocating propositions that are now being advocated by these conservatives. Then the present Secretary of the Treasury, Mr. Mills, condemned our proposition as a fiat-money scheme. We are not advocating the issuance of fiat money.

He came before the Banking and Currency Committee of the House a few days ago and advocated the enactment of the Glass-Steagall bill, and if there ever was a fiat money, or rubber-money scheme, the Glass-Steagall bill is that kind of a scheme.

It is all right, according to Mr. Mills, to issue currency and let the National City Bank and the Chase National Bank have it. That is fine; it is a good system; but if you issue it to let the people have it, there is something wrong, and it is unsound and rubber money.

WHERE IS MONEY?

In 1912 we had nearly $2,000,000,000 in the vaults of the banks of this Nation. That was way back in 1912. To-day we have just about one-third as much money—$700,000,000. Where has that money gone? It has been drained from the small banks, and that is why those small institutions have closed their doors. The money has gone into the large banks and the vaults of the Federal reserve banks.

If something is not done to put money back among the people and in these small banking institutions, you are going to see more of these small banks breaking than you have seen in the past. It is impossible for them to survive unless they have money to do business on. Ten thousand of them have failed during the last 12 years. We have only 18,800 banks in our country to-day and only one-third of them are in the Federal reserve system. Therefore, only one-third of them can get the benefit of the Federal reserve act and the other two-thirds are dependent upon money that the people place in the vaults of their institutions. Money has been drawn from them. There is only one way to correct it and that is to put money out in some way that will cause it to be placed in those small banking institutions all over this country.

SPEND MONEY AT HOME

In connection with the payment of the adjusted-service certificates a campaign should be carried on at the same time to encourage the people to spend their money at home. If you have a dollar to spend and you send it off to Chicago or New York, if you live in Texas, you not only deprive your neighbors and friends of the possibility of getting that dollar to use for themselves, but you deprive your local bank of an opportunity of using that dollar as a reserve on which it may loan your neighbors and friends 10 additional credit dollars to do business in that town. Our proposal will place money into every nook and corner of this Nation and into every small banking institution and with the small storekeepers. We should carry on a campaign in connection with the advocacy of our proposal to keep our money at home in order that everybody may get the benefit of it.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. For a short question.

Mr. SCHAFER. Then I expect that on Monday the gentleman will support the Crowther bill to keep our money at home to purchase home products.

Mr. PATMAN. If I thought that would help, I should be glad to do it. I am very sorry, but I can not agree with the gentleman. Thirty-three countries have depreciated currrency. We can not raise the currency of those countries. There is no power on earth given to us to change the currency system of either of those countries. We will not be helping ourselves by levying an additional tariff. I do not think that is going to help, although people who have studied the question believe that it will, but I do not believe it will. There is one way to do the same thing, however, and that is to depreciate our own currency.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

EVILS OF DEFLATION

Mr. STRONG of Kansas. Would not the gentleman rather say that instead of depreciating our own currency we should reduce it to its normal purchasing power?

Mr. PATMAN. I expect that the depreciation would last only to its normal purchasing power. I would not want to destroy the currency. You can talk about the evils of inflation. Think about the evils of deflation for a moment. When we have deflation, people lose their homes; they lose everything that they have on earth. Our country is being destroyed by deflation. Why do not you say something about it? Why talk about the evils of inflation all of the time? In Germany and in Russia, where they had inflation to the extent that their currency systems were destroyed, did anybody lose his home? No. Not one person in those countries lost his home. People saved their homes and paid their debts, although they did it with an almost worthless currency. So, as between the two, which are you going to take—extreme deflation or extreme inflation? I say take neither, but return the dollar to its normal purchasing power in order that the people may be permitted to pay their debts.

(At this point Mr. PATMAN's time expired, and he was yielded 10 minutes additional by Mr. CANNON.)

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. GARBER. Did not the inflation policy in the countries mentioned liberate millions of debtors; the masses of the people?

THREE PER CENT INTEREST

Mr. PATMAN. It did. Inflation destroyed many of the creditors, but in our country what do we have? We have people losing their homes all over this Nation. There is no way to stop it unless we expand our currency. People can not pay the interest they are forced to pay with the cheap wages and cheap commodities they have. The only way that you can increase wages and price of commodities is by expanding the currency. People should not be required to pay the high rate of interest they are required to pay. I believe the time will come in this country when no one will be required to pay more than 3 per cent interest on any loan. Why should they? Take the banking interests. They have a monopoly; this monopoly should be exercised in the interest of the whole people. They can take one dollar that

is placed there in a savings account, and can not only loan that one dollar, on which they are paying you 3 per cent interest, but they can loan thirty-three and a third dollars on that one dollar, and on the thirty-three and a third dollars get interest upon every one of them. If our banking system were operated in cooperation with the Government in the interest of the general welfare, the time would come when no one would have to pay more than 3 per cent interest.

SMALL BANKS OF NATION

The small bankers of the Nation have been criticized and censured. Many of them have been criticized in a way they are not entitled to be criticized. Banks have become insolvent and the directors were not responsible for it. They were doing everything in their power to serve their depositors and stockholders, but the cause has been the concentration of this money into the hands of a few large banking systems, and into the hands of the Federal reserve system.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. COCHRAN of Missouri. I just wanted to state that Senator WHEELER of Montana, in a statement before the Committee on Coinage, Weights and Measures the other day, showed, to his own satisfaction at least, and to the satisfaction of some of the Members, although I am not expressing my opinion, that the value of the dollar could be raised in foreign countries by this country. I should like to hear that statement answered.

Mr. PATMAN. Well, perhaps it can. After all, it is just deflating the purchasing power of our own dollar.

Now, in connection with this bill to pay adjusted-service certificates, I think it will include a provision that the law which now permits national banks to put up Government bonds with the Secretary of the Treasury and receive in return for those bonds new currency that is printed over at the Bureau of Engraving and Printing will be repealed if there is danger of inflation after the money we propose to have issued is placed into circulation.

Under the present law the national banks of the Nation may put up $1,500,000,000 worth of Government bonds, drawing as much as 3⅜ per cent interest, and receive in return therefor the same amount in money. Of course, they keep as a reserve, in lawful money, not gold, 5 per cent to pay the money issued. At the same time the banks are getting the use of the money; they are getting the interest on the bonds they have on deposit with the Secretary of the Treasury. There is no reason why the Government of the United States should pay to a few large bankers a bonus, a subsidy, a premium to take the money of the people and loan it out to them at high interest.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. PATMAN. I yield briefly to the gentleman.

Mr. LANKFORD of Georgia. If the Government should issue the money directly, how much worse a condition will the country be in?

NO BETTER PLAN CAN BE OFFERED

Mr. PATMAN. Well, it will be in a better condition. Thomas Jefferson penned the words in the Constitution that Congress shall coin money and regulate its value. That privilege has been farmed out to a few banks. They are doing it, and they are not doing it in the interest of the general welfare, because they owe a duty to their stockholders and not to the general welfare. Therefore it is the duty of Congress to take that power away from a few and bring it back to this body, where the Constitution said it originally belonged. If the Congress will do that, that money can be issued in the interest of the general welfare.

Do you not think it is a ridiculous, idiotic system for our own Government to issue $100,000,000 worth of Government bonds, drawing 3⅜ per cent interest, and let the Chase National Bank buy those bonds and give the Government credit for the bonds, not be out one penny on earth, but just give the Government credit, and then the Chase National Bank take those identical bonds and deliver them back to Mr. Mills, the Secretary of the Treasury, and have Mr. Mills call up the Bureau of Engraving and Printing and tell the man in charge there to print $100,000,000 in new money for the Chase National Bank, and that money is printed and delivered to the Chase National Bank? At the same time the Chase National Bank has the use of that new money; it also clips the coupons on those bonds and gets the interest from the Government on the Government bonds. Can you conceive of a more idiotic system in any country on the earth than that very system which we have to-day? It can not be defended. There is only one way, to my mind, to correct it. If there is a better way, let us use it. This is no time to pass legislation just for veterans or just for anybody else unless it will promote the general welfare. If there is a way by which you can put this money into circulation, into every nook and corner of this Nation, that is a better way than the plan we have offered, let us have your plan and we will be in favor of it. But if you can not offer a better plan, let us provide for the payment of the certificates. Such payment will cause a bureau to be abolished and the country saved a million dollars a year. Further, we can repeal the law requiring an appropriation of $112,000,000 a year for the next 12 years to provide a sinking fund to retire the certificates in 1945.

POSTAL SAVINGS

Now, in order to show you that conditions in regard to banking need some attention, I invite your attention to the last Federal Reserve Bulletin. I hold a copy in my hand. On page 43 will be found a statement of the United States postal savings. I invite your attention to the fact that in July, 1930, there were in all the postal savings departments of the United States, $180,000,000. That amount has increased each month until last month it was $881,000,000. To-day it is more than $900,000,000. It has increased more than $700,000,000 in less than two years' time. What does that indicate to you? Does it not indicate that our banking system is falling down in some way, and that something must be done by the Congress to relieve that situation? Did you know that all the banks in the Nation to-day did not have enough money in their vaults to pay the postal-savings deposits? They do not. In all the vaults in all the banks of this Nation you will only find $700,000,000, whereas they owe the depositors in postal-savings banks more than $900,000,000 in addition to owing their other depositors $45,000,000,000. That should certainly be some indication to this Congress that something must be done to relieve the paralyzed banking and credit situation in our country. It must be done.

I hope that when this bill is printed in the RECORD you will give it close consideration with a view to helping the country. If we can not show it will start our country back on the road to prosperity, we are not entitled to favorable consideration.

YOU CAN NOT FATTEN THE HERD BY FEEDING THE BULL

You can not fatten the herd by feeding the bull; money must reach the people in some way. Helping Mellons and Morgans will not help the people.

Provide the American people with enough cash money for their daily hand to hand transactions.

Are we savages that we should sink to barter?

Expand the currency under safeguards to prevent inflation and an unreasonable rise in prices.

Charles E. Mitchell, chairman of the board of the National City Bank of New York, which uses the Government's credit free of charge, pays himself a salary of millions of dollars a year. His institution is permitted under existing law to deposit Government bonds due in 1945 or 1951 with the Secretary of the Treasury and receive new money in return therefor; and at the same time he uses the money, he will continue to clip the coupons on the bonds and collect the interest on them from the Government. Why should not the veterans who hold Government bonds payable in 1945 have the privilege of exchanging them for new money, a Government circulating obligation?

Abolish the useless commission that is costing the taxpayers a million dollars a year.

Save $112,000,000 every year for 12 years.

Wake up. Show the world we still have "the keys to the powder house."

STOP THE CURRENCY FAMINE

No more wooden money or paper scrip. The Constitution says that Congress shall issue money and regulate its value.

Michigan will get $85,407,400 and Maryland will get $31,145,831, which will save the banks. Small banks in other States also need help. Read what each State will get.

The plan is to pay the adjusted-service certificates to 3,555,058 veterans of the World War. The remainder due about $2,200,000,000.

The Government to issue United States notes—currency—in payment.

The currency to remain outstanding as a permanent addition to our circulating medium; no one will be paying interest on it.

CURRENCY PLANKS OF POLITICAL PLATFORMS

The plan will not violate the currency planks of either the Democratic or Republican platforms. The plan will not involve unsound or fiat money and will not jeopardize the gold standard.

Liquidate the sinking fund and repeal the adjusted compensation act, which will result in abolishing a section of the Veterans' Administration, which is costing almost a million dollars annually.

A GREAT SAVING

Eliminate from the appropriations made by Congress for the sinking fund the $112,000,000 annually for 12 years, or a saving of almost one and one-half billion dollars.

The adjusted-service certificates can be paid without a bond issue, without an increase in taxes, without increasing interest, without further unbalancing the Budget, and without increasing the national debt.

IDLE DOLLARS

More idle box cars placed on the railroad tracks will not increase car loadings, neither will more idle dollars placed in the large banks that are not functioning in the interest of producers or borrowers help the people. It is highly essential that money reach the pockets of the masses of the people in every city and community. They can not borrow money; they do not have the security to offer, and besides the banks are continuing to hoard and declining to make loans.

REDUCING GOLD CONTENT OF DOLLAR

Conditions are too serious to consider reducing the number of grains of gold in a dollar; there is a doubt about the constitutionality of such a plan; it would take years to settle the question in the courts. The same effect can be obtained by expanding on a gold base of present weight and fineness without delay and without doubt of constitutionality.

EVERY ARGUMENT ANSWERED IN NEW BILL

During the year 1932 I crossed the boundary lines of 45 States in the United States while making speeches for a "new deal." I spoke to mass meetings, civic clubs, real-estate organizations, bankers, chambers of commerce, veterans' organizations, and to audiences representing many other organizations and groups. I engaged in joint debate in different sections of the Nation on the question of paying the adjusted-service certificates in cash with United States notes. I believe that I am familiar with every argument that is made against the proposal, and I believe that I can answer all such arguments to the satisfaction of any unbiased and unprejudiced person.

The bill that is now being presented is air tight. No logical argument can be made against it. It merely allows the veterans to use the Government credit without cost to the Government in the same way and manner that the bankers are now using the Government credit and getting paid for using it. The general welfare will be promoted because buying power will be placed in the hands of the people.

H. R. 1, FOR SEVENTY-THIRD CONGRESS

I have prepared, with the assistance of other Members of the House of Representatives and citizens throughout the United States, a bill, which has already been filed with the Clerk of the House for introduction at the special session of Congress, providing for the payment of the adjusted-service certificates in cash in United States notes. It is the first bill filed with the Clerk for the next session and will doubtless be H. R. 1 in the Seventy-third Congress.

The object of the bill is stated as follows:

To provide for controlled expansion of the currency and the immediate payment to veterans of the face value of their adjusted-service certificates.

The first section of the bill is identical with H. R. 1 and H. R. 7726, introduced and passed by the House of Representatives in the Seventy-second Congress. It merely provides for the payment and the details necessary to administer the act.

The remainder of the bill is as follows:

SEC. 2. (a) Payment of the face value of adjusted-service certificates under section 509 or 510 of the World War adjusted compensation act, as amended, shall be made in United States notes not bearing interest. The Secretary of the Treasury is hereby authorized and directed to issue such notes in such amount as may be required to make such payment, and of the same wording, form, size, and denominations as United States notes issued under existing law, except that the wording thereon shall conform to the provisions of this act. The Administrator of Veterans' Affairs and the Secretary of the Treasury are hereby authorized and directed jointly to prescribe rules and regulations for the delivery of such notes in payment under section 509 or 510 of the World War adjusted compensation act, as amended.

(b) United States notes issued pursuant to the provisions of this act shall be lawful money of the United States and shall be maintained at a parity of value with the standard unit of value fixed by law. Such notes shall be legal tender in payment of all debts and dues, public and private, and shall be receivable for customs, taxes, and all public dues, and when so received shall be reissued. Such notes, when held by any national banking association or Federal reserve bank, may be counted as a part of its lawful reserve. The provisions of sections 1 and 2 of the act of March 14, 1900, as amended (U. S. C., title 31, secs. 314 and 408), and section 26 of the Federal reserve act, as amended (U. S. C., title 31, sec. 409), are hereby made applicable to such notes in the same manner and to the same extent as such provisions apply to United States notes.

SEC. 3. (a) Whenever the index number of the wholesale or commodity prices rises above the index number of such prices for the years 1921 to 1929, as computed by the Bureau of Labor Statistics of the Department of Labor, notwithstanding any provisions of law to the contrary, the following methods for contracting the issues of currency in the United States shall be in force and effect in the manner and to the extent prescribed in subsection (b) of this section:

(1) Abolishment of the circulation privilege extended to certain bonds of the United States under the provisions of section 29 of the Federal home loan bank act and retirement of such bonds as security for circulating notes as rapidly as practicable.

(2) Termination of the issuance and reissuance of national bank circulating notes and the retirement of such notes from circulation as rapidly as practicable.

(3) Termination of the issuance and reissuance of Federal reserve notes secured by direct obligations of the United States.

(4) Termination of the issuance and reissuance of Federal reserve notes secured only by gold or gold certificates.

(5) Termination of the issuance and reissuance of Federal reserve notes secured by notes, drafts, bills of exchange, acceptances, or bankers' acceptances which are not issued in direct benefit of commerce, industry, or agriculture.

(b) Any such method of contracting currency issues shall be applicable when the Secretary of the Treasury finds that its application is necessary in order to maintain the index number of wholesale all commodity prices at the approximate level of the index number of such prices for the years 1921 to 1929 and issues an order setting forth such finding. Each such order shall prescribe such rules and regulations as are necessary and appropriate to carry out the provisions of this section with respect to the method of contraction made applicable in the order. The secretary shall make such methods applicable only in the order in which they are set forth in subsection (a) of this section, but he shall make such methods applicable as rapidly as may be necessary to carry out the purposes of this section. When any such order is issued with respect to Federal reserve notes, the Federal Reserve Board shall take such action as may be necessary to facilitate the enforcement of the order.

SEC. 4. Section 505 (authorizing annual appropriations ending with the year 1946 for the payment of adjusted-service certificates) of the World War adjusted compensation act, as amended, except the first sentence thereof, is hereby repealed. Amounts in the "adjusted-service certificate fund" are hereby authorized to be made available for the expenses of printing and

engraving United States notes issued under this act, for paying fractional parts of a dollar which can not be paid in United States notes issued under the provisions of this act, and for paying the principal and interest on or in respect of loans pursuant to the provisions of subsection (c) of section 509 of the World War adjusted compensation act, as amended.

SEC. 5. This act may be cited as the "controlled expansion act, 1933."

CONTROLLED EXPANSION

Remember, while the country is being helped by the addition of this new money into the channels of trade, the veterans will only be receiving the same privileges that are granted to national banks.

It is a controlled-expansion measure.

The bill provides that if a need for contraction of the currency should subsequently arise, the following steps are to be taken to provide for such contraction in an orderly manner:

(1) Individual national banks are permitted by the Glass-Borah rider on the home loan bank bill to deposit United States Government bonds with the Secretary of the Treasury, and the Treasury is required to issue national bank notes—new money—to them in return. This privilege is permitted to the extent of about $1,000,000,000. The Government bonds which are deposited to secure this currency continue to pay interest to national banks. The national banks in question thus derive a double income from the bonds. They receive interest on the bonds and they have the use of the money issued to them on the security of the bonds. This gives a bonus to these bankers. If the Glass-Borah rider is used to its full extent, they will receive about $33,000,000 a year in interest on the bonds, and the billion dollars in new money issued to them will be worth another $60,000,000 to them each year. Our bill provides that contraction of the currency, if contraction should subsequently be found necessary, shall be effected in the first instance by progressive limitations on the operation of the Glass-Borah law to the point of doing away with the privilege altogether.

(2) National banks, under the old law, have deposited with the Secretary of the Treasury about $700,000,000 in United States Government bonds and have received on these bonds $700,000,000 in currency. They are deriving a double income from these 2 per cent bonds. After our bill is passed, if it should be found that the currency is overexpanded and that the progressive limitations on the privilege extended to national banks under the Glass-Borah rider do not sufficiently contract it, then the Secretary of the Treasury is to call upon the national banks to redeem the 2 per cent bonds, and he must then retire the currency issued on them.

(3) The 12 Federal reserve banks, under the Glass-Steagall Act, are permitted to offer United States Government securities to the 12 Federal reserve agents as collateral security for new issues of Federal reserve currency—new money. After the passage of our bill, if it is considered necessary to contract the currency, this privilege in the Glass-Steagall Act is to be abolished.

(4) Any Federal reserve bank may now obtain Federal reserve currency by offering gold to its Federal reserve agent. After the passage of our bill, if contraction of the currency is considered necessary, and if the remedies provided in the preceding paragraphs have been applied and have not sufficiently contracted it, then the provision in the Federal reserve act as amended providing for the issuance of Federal reserve currency on the collateral security of gold shall be abolished and Federal reserve currency so issued shall be immediately retired.

(5) The Federal reserve banks were not expected to furnish United States currency to foreign commercial banks and corporations on the security of the debt paper of the customers of those foreign commercial banks and corporations. Irrespective of all other considerations, they should be prohibited from continuing the advancement of Federal reserve currency to foreigners. After the passage of our bill, if contraction of the currency is considered necessary, the Federal reserve banks shall be prohibited from obtaining new Federal reserve currency on the collateral security of the debts of foreigners and all other paper purchased in the open discount market. It is better to honor the debt of our Government on the unimpeachable collateral security of the certificates the Government issued to the veterans than to create, issue, and advance new currency to foreigners for the benefit of foreigners to be used by them in competition with American citizens in every productive industry of our national life.

The normal increase in our population, in national wealth and national income, and our accumulation of monetary gold covering the period of the past 50 years justify the conviction that the increase in our circulation medium provided by this bill would be required permanently without invoking any of the means provided for contracting the currency.

WHAT EACH STATE WILL RECEIVE

If the bill providing for the payment in full of the adjusted-service certificates is enacted into law, the holders of these certificates will receive the following amounts, after deducting prior loans and interest to October 1, 1931. Counties receiving more than $1,000,000 are listed. The amount received by any other county may be determined by taking the 1930 census and multiplying the per capita figure for the State by the population. My speech made in the House of Representatives February 18, 1932, discloses amount each county in the United States will receive.

Alabama: Total, $29,876,139.92; Jefferson County, $4,871,555.97; Mobile County, $1,336,318.27; Montgomery County, $1,113,995.59; per capita, $12.

Arizona: Total, $7,409,096.73; Maricopa County, $2,567,999.70; per capita, $17.

Arkansas: Total, $25,369,313.76; Pulaski County, $1,884,105.36; per capita, $13.68.

California: Total, $136,481,114.04; Alameda County, $11,416,187.32; Contra Costa County, $1,889,736.32; Fresno County, $3,470,871.16; Humboldt County, $1,039,321.32; Imperial County, $1,464,108.12; Kern County, $1,984,982.80; Los Angeles County, $53,092,147.68; Marin County, $1,001,217.92; Monterey County, $1,291,068.20; Orange County, $2,852,922.96; Riverside County, $1,947,816.96; Sacramento County, $3,413,655.96; San Bernardino County, $3,218,956; San Diego County, $5,040,202.36; San Francisco County, $15,250,831.76; San Joaquin County, $2,474,677.60; San Mateo County, $1,860,816.20; Santa Barbara County, $1,566,614.68; Santa Clara County, $3,488,636.72; Sonoma County, $1,495,816.88; Stanislaus County, $1,361,649.64; Tulare County, $1,861,705.68; Ventura County, $1,321,623.04; per capita, $17.50.

Colorado: Total, $21,513,379.07; Denver County, $5,978,872.97; El Paso County, $1,029,568.90; Pueblo County, $1,371,609.26; Weld County, $1,352,064.69; per capita, $20.77.

Connecticut: Total, $29,904,464.83; Fairfield County, $7,196,524.22; Hartford County, $7,836,615.17; Litchfield County, $1,536,367.16; New Haven County, $8,624,785.89; New London County, $2,213,957.26; Windham County, $1,006,540.46; per capita, $18.61.

Delaware: Total, $3,918.967.20; New Castle County, $2,647,366.08; per capita, $16.44.

District of Columbia: Total, $18,198,685; per capita, $37.28.

Florida: Total, $24,357,620.49; Dade County, $2,371,623,45; Duval County, $2,579,794.77; Hillsborough County, $2,546,880.21; Pinellas County, $1,031,051.91; Polk County, $1,199,307.69; per capita, $16.59.

Georgia: Total, $35,192,922.60; Chatham County, $1,275,715.10; Fulton County, $3,854,902.70; per capita, $12.10.

Idaho: Total, $8,246,442.96; per capita, $18.53.

Illinois: Total, $157,191,472.40; Adams County, $1,293,350.40; Champaign County, $1,324,023.80; Cook County, $82,031,733.80; Du Page County, $1,895,158.80; Franklin County, $1,224,505.20; Kane County, $2,581,736.20; Kankakee County, $1,031,957; Knox County, $1,057,521.60; Lake County, $2,150,372.20; La Salle County, $2,012,517; McLean County, $1,506,210.20; Macon County, $1,683,658.60; Macoupin County, $1,003,281.80; Madison County, $2,962,898; Peoria County, $2,911,686.40; Rock Island County, $2,022,734.60; St. Clair County, $3,250,165; Sangamon County, $2,301,699.80; Vermilion County, $1,840,383.40; Will County, $2,281,079.20;

Williamson County, $1,109,928; Winnebago County, $2,417,-883.80; per capita, $20.60.

Indiana: Total, $59,232,219.87; Allen County, $2,683,929.47; Delaware County, $1,230,368.30; Elkhart County, $1,259,-723.75; Lake County, $4,779,359.90; Laporte County, $1,106,-362.10; Madison County, $1,516,021.52; Marion County, $7,-730,561.14; St. Joseph County, $2,927,003.57; Vanderburg County, $2,072,622.80; Vigo County, $1,808,167.69; Wayne County, $1,002,456.61; per capita, $18.29.

Iowa: Total, $46,577,200.15; Black Hawk County, $1,303,-402.10; Linn County, $1,552,033.60; Polk County, $3,257,977.45; Pottawattamie County, $1,317,388.80; Scott County, $1,457,-708.20; Woodbury County, $1,916,460.65; per capita, $18.85.

Kansas: Total, $34,930,151.43; Sedgwick County, $2,531,-648.10; Shawnee County, $1,582,164; Wyandotte County, $2,622,288.27; per capita, $18.57.

Kentucky: Total, $38,068,415.84; Campbell County, $1,068,572.96; Jefferson County, $5,173,896; Kenton County, $1,361,855.04; per capita, $14.56.

Louisiana: Total, $31,166,624.19; (parishes) Caddo, $1,848,-856.10; East Baton Rouge, $1,011,524.64; Orleans, $6,803,-440.46; per capita, $14.83.

Maine: Total, $13,468,474.47; Androscoggin County, $1,202-804.46; Aroostook County, $1,483,668.27; Cumberland County, $2,274,154.05; Kennebec County, $1,193,970.99; Penobscot County, $1,560,281.31; York County, $1,231,855.26; per capita, $16.89.

Maryland: Total, $31,145,831.34; Allegany County, $1,509,-980.82; Anne Arundel County, $1,053,138.03; Baltimore County, $2,377,945.85; Baltimore City, $15,365,044.66; Frederick County, $1,039,259.60; Prince Georges County, $1,147,-213.55; Washington County, $1,257,687.38; per capita, $19.09.

Massachusetts: Total, $92,386,608.36; Berkshire County, $2,624,018; Bristol County, $7,926,186.60; Essex County, $10,-827,389.60; Franklin County, $1,078,564.88; Hampden County, $7,293,683.04; Hampshire County, $1,582,693.74; Middlesex County, $20,325,247.76; Norfolk County, $6,509,521.24; Plymouth County, $3,528,641.14; Suffolk County, $19,121,112.64; Worcester County, $10,679,601.08; per capita, $19.38.

Michigan: Total, $85,418,613; Bay County, $1,225,521.36; Berrien County, $1,430,004.24; Calhoun County, $1,535,438.52; Genesee County, $3,733,347.24; Ingham County, $2,056,594.68; Jackson County, $1,628,242.56; Kalamazoo County, $1,611,-731.52; Kent County, $4,242,614.04; Macomb County, $1,-360,855.44; Muskegon County, $1,492,873.20; Oakland County, $3,726,467.64; Saginaw County, $2,129,447.88; St. Clair County, $1,191,811.32; Washtenaw County, $1,155,949.20; Wayne County, $33,321,007.44; per capita, $17.64.

Minnesota: Total, $53,099,466.63; Hennepin County, $10,-723,327.35; Otter Tail County, $1,056,334.26; Ramsey County, $5,937,991.91; St. Louis County, $4,237,183.16; Stearns County, $1,286,525.91; per capita, $20.67.

Mississippi: Total, $21,464,888.28; per capita, $10.68.

Missouri: Total, $67,578,813.54; Buchanan County, $1,-836,546.46; Greene County, $1,544,137.98; Jackson County, $8,759,853.48; Jasper County, $1,374,342.20; St. Louis County, $3,939,861.66; St. Louis city, $15,304,895.20; per capita, $18.62.

Montana: Total, $11,424,127.50; Silver Bow, $1,210,591.25; per capita, $21.25.

Nebraska: Total, $24,224,589.54; Douglas County, $4,095,-823.56; Lancaster County, $1,763,695.92; per capita, $17.58.

Nevada: Total, $1,988,706.72; per capita, $21.84.

New Hampshire: Total, $8,086,792.34; Hillsborough County, $2,436,067.70; per capita, $17.38.

New Jersey: Total, $77,310,719.42; Atlantic County, $2,387,-863.99; Bergen County, $6,982,010.01; Burlington County, $1,789,439.33; Camden County, $4,826,728.56; Cumberland County, $1,337,091.35; Essex County, $15,945,103.69; Gloucester County, $1,354,442.26; Hudson County, $13,213,664.90; Mercer County, $3,580,045.59; Middlesex County, $4,059,-539.04; Monmouth County, $2,816,108.17; Morris County, $2,112,812.85; Passaic County, $5,779,727.77; Somerset County, $1,245,975.16; Union County, $5,838,648.17; per capita, $19.13.

New Mexico: Total, $6,256,625.26; per capita, $14.78.

New York: Total, $245,970,809.64; Albany County, $4,141,-561.62; Bronx County, $24,723,141.32; Broome County, $2,872,809.88; Cattaraugus County, $1,414,656.92; Cayuga County, $1,265,234.54; Chautaqua County, $2,470,969.78; Chemung County $1,459,247.20; Dutchess County, $2,060,-727.48; Erie County, $14,897,452.32; Herkimer County, $1,250,677.24; Jefferson County, $1,633,035.96; Kings County, $50,030,235.54; Monroe County, $8,282,634.74; Montgomery County, $1,173,885.04; Nassau County, $5,921,655.62; New York County, $36,487,276.48; Niagara County, $2,917,-888.66; Oneida County, $3,883,829.02; Onondaga County, $5,697,981.24; Ontario County, $1,060,553.04; Orange County, $2,547,683.82; Oswego County, $1,360,863.30; Queens County, $21,086,180.66; Rensselaer County, $2,340,520.74; Richmond County, $3,094,080.84; Rockland County, $1,164,564.46; St. Lawrence County, $1,777,358.40; Saratoga County, $1,237,-155.56; Schenectady County, $2,442,910.34; Steuben County, $1,615,391.34; Suffolk County, $3,147,014.70; Ulster County, $1,566,228.70; Westchester County, $10,179,304.38; per capita, $19.10.

North Carolina: Total, $38,804,178.24; Buncombe County, $1,198,748.88; Forsyth County, $1,366,975.44; Guilford County, $1,628,042.40; Mecklenburg County, $1,566,365.04; Wake County, $1,159,825.68; per capita, $12.24.

North Dakota: Total, $9,736,083.50; per capita, $14.30.

Ohio: Total, $117,845,937.81; Allen County, $1,230,798.87; Ashtabula County, $1,212,040.53; Belmont County, $1,679,-367.87; Butler County, $2,022,709.32; Clark County, $1,612,-295.28; Columbiana County, $1,533,361.32; Cuyahoga County, $21,301,797.15; Franklin County, $6,401,505.15; Hamilton County, $10,449,281.88; Jefferson County, $1,565,683.11; Licking County, $1,063,126.26; Lorain County, $1,936,222.38; Lucas County, $6,164,880.57; Mahoning County, $4,186,-797.66; Montgomery County, $4,848,818.13; Muskingum County, $1,194,966.54; Richland County, $1,168,442.46; Sioto County, $1,440,048.33; Stark County, $3,932,230.32; Summit County, $6,101,442.63; Trumbull County, $2,181,906.99; Tuscarawas County, $1,209,061.89; per capita, $17.73.

Oklahoma: Total, $39,822,184.80; Creek County, $1,065,-591.30; Muskogee County, $1,103,966.88; Oklahoma County, $3,685,285.56; Pottawatomie County, $1,106,426.64; Seminole County, $1,323,301.02; Tulsa County, $3,117,479.88; per capita, $16.62.

Oregon: Total, $22,976,704.74; Clackamas County, $1,113,-078.45; Lane County, $1,312,736.37; Marion County, $1,458,-432.69; Multnomah County, $8,148,225.69; per capita, $24.09.

Pennsylvania: Total, $172,882,732.50; Allegheny County, $24,670,659.50; Armstrong County, $1,423,399.10; Beaver County, $2,675,662.90; Berks County, $4,159,320.15; Blair County, $2,510,128; Bucks County, $1,736,249.65; Butler County, $1,444,616; Cambria County, $3,646,470.70; Carbon County, $1,137,671; Chester County, $2,272,990.55; Clearfield County, $1,556,749.65; Crawford County, $1,130,491; Cumberland County, $1,224,836.20; Dauphin County, $2,-965,896.45; Delaware County, $5,030,738.80; Erie County, $3,146,222.15; Fayette County, $3,563,828.90; Franklin County, $1,166,929.50; Indiana County, $1,353,340.25; Lackawanna County, $5,571,626.15; Lancaster County, $3,534,-031.90; Lawrence County, $1,745,781.10; Lebanon County, $1,204,498.85; Lehigh County, $3,103,429.35; Luzerne County, $7,989,706.55; Lycoming County, $1,676,906.95; Mercer County, $1,781,465.70; Montgomery County, $4,771,181.80; Northampton County, $3,039,006.80; Northumberland County, $2,306,646.80; Philadelphia County, $35,019,749.95; Schuylkill County, $4,227,314.75; Somerset County, $1,449,-713.80; Venango County, $1,134,906.70; Washington County, $3,676,195.90; Westmoreland County, $5,295,160.25; York County, $3,000,073.25; per capita, $17.95.

Rhode Island: Total, $13,729,315.09; Kent County, $1,026,-258.30; Providence County, $10,784,119.52; per capita, $19.97.

South Carolina: Total, $21,352,034.20; Charleston County, $1,240,894; Greenville County, $1,436,870.52; Richland County, $1,076,550.76; Spartanburg County, $1,428,446.44; per capita, $12.28.

South Dakota: Total, $13,074,060.63; per capita, $18.87.

Tennessee: Total, $36,108,472.80; Davidson County, $3,075,385.20; Hamilton County, $2,201,058.60; Knox County, $2,151,447.60; Shelby County, $4,229,451.60; per capita, $13.80.

Texas: Total, $95,641,820.30; Bexar County, $4,803,391.86; Cameron County, $1,273,206.80; Dallas County, $5,347,-846.22; El Paso County, $2,160,822.74; Galveston County, $1,057,464.42; Grayson County, $1,081,142.06; Harris County, $5,900,165.76; Hidalgo County, $1,264,405.68; Jefferson County, $2,190,280.22; McLennan County, $1,620,358.44; Tarrant County, $3,243,820.26; Travis County, $1,277,098.34; Wichita County, $1,221,910,72; per capita, $16.42.

Utah: Total, $8,927,950.26; Salt Lake County, $3,412,-313.16; per capita, $17.58.

Vermont: Total, $5,602,739.38; per capita, $15.58.

Virginia: Total, $41,001,937.43; Richmond City, $3,096,-987.97; Norfolk City, $2,195,990.30; Pittsylvania County, $1,039,908.32; Roanoke City, $1,171,657.58; per capita, $16.93.

Washington: Total, $37,865,451.12; Grays Harbor County, $1,452,764.04; King County, $11,226,381.74; Pierce County, $3,968,253.24; Snohomish County, $1,910,013.42; Spokane County, $3,644,552.94; Whatcom County, $1,432,080.16; Yakima County, $1,874,676.44; per capita, $24.22.

West Virginia: Total, $25,972,659.10; Cabel County, $1,363,-605.72; Fayette County, $1,082,191; Harrison County, $1,180,076.34; Kanawah County, $2,368,158.34; McDowell County, $1,358,994.58; Marion County, $1,001,158.10; Ohio County, $1,082,596.54; Raleigh County, $1,022,441.44; per capita, $15.02.

Wisconsin: Total, $52,431,867.04; Brown County, $1,253,-242.16; Dane County, $2,011,228.08; Fond du Lac County, $1,068,312.72; Kenosha County, $1,128,861.68; Manitowoc County, $1,046,744.16; Marathon County, $1,260,021.36; Milwaukee County, $12,938,691.92; Outagamie County, $1,120,-173.60; Racine County, $1,609,471.28; Rock County, $1,323,-835.04; Sheboygan County, $1,270,832.40; Winnebago County, $1,366,936.48; per capita, $17.50.

Wyoming: Total, $7,044,394.95; per capita, $31.23.

INFLATION

Inflation means an unjustified expansion. We are not proposing inflation; we are proposing expanding the currency because of a great national exigency. The expansion is controlled by automatic contraction so that it can not go too far.

There is not the least danger of this bill causing inflation. The contraction feature is added to answer the arguments of our opponents. It is a complete answer.

SOUND MONEY

The Democratic platform stands for sound money. We are in complete accord with that principle. We all believe in an honest, sound dollar, but the present dollar is not a sound dollar. It will purchase from two to ten times as much in cotton, wheat, and certain securities as it would have purchased when most of our debts were created. As ex-Senator Robert L. Owen suggested:

> It is a thief stealing the property of the debtor under the color and protection of law; it is stealing the savings of a lifetime from innocent people who are the victims of a national financial mismanagement or worse.

INCREASED PRICES

With rising value of commodities, of stocks, bonds, lands, and property, the courage and optimism of the people will be stimulated and the spirit of the depression will pass away. With the rise of commodity values merchants will more readily buy and factories produce, and those who have been waiting for a reaction of the stock market will soon begin buying stocks, and you will find that stocks which are now far below their book value will steadily rise.

As the value of commodities rises and as the value of property rises, the people will be stimulated to consume more and to gratify their needs and desires by buying, because they will realize and anticipate the increasing value of their property. With increased consumption will come increased production and employment.

WHERE DID THE OTHER BILLION DOLLARS GO?

In 1931 a law was enacted permitting veterans to borrow 50 per cent of the face value of their adjusted-service certificates. About $1,000,000,000 were loaned to the veterans in this way. Conditions would have been much worse in this country had that payment not been made on account of the collapse in Europe occurring at that time. This payment was made in credit and not in money. Credit is soon extinguished, but new money becomes a basis for additional credit. In fact, for every $1 of actual money about $10 in credit can be loaned to the people by the banks.

General Hines, Administrator of Veterans' Affairs, made a report on how the billion dollars were spent. He said that less than 7 per cent of it was spent in a way that the veterans received no practical benefits therefrom; that 65 per cent went for comforts and conveniences of life; 20 per cent for investment purposes, including payments on homes; 8 per cent for automobiles, and the other 7 per cent as indicated.

BANKS NEED THE MONEY

When the banks have accumulated unemployed cash, they will have a strong motive to lend it for productive purposes. When the banks have an oversupply of cash, they will no longer be afraid of their depositors withdrawing cash; and, what is more important, the depositors will not be afraid of the banks as they have been in the past.

EXPANSION OF CURRENCY NECESSARY

No country has ever got out of a depression without some kind of expansion.

The important thing to keep in mind now is that if the expansion is applied to spending rather than investment, it will not necessarily kill the patient.

MYSTERIOUS MONEY PROBLEM

Even the money problem, which frightened off so many potential inquirers, is in fact largely a matter of plain common sense, and most of it can be understood by anyone who is prepared to take a little trouble, if only it is presented without jargon and with as few technical terms as possible. It may be difficult enough to decide what ought to be done about money; but there is no real reason why this vital problem can not be intelligently discussed by ordinary people.

In hard times, recovery can begin only by somebody spending money on a large scale.

Mr. Keynes, a distinguished British economist, says:

> At any rate, I predict with an assured confidence that the only way out is for us to discover some object which is admitted even by deadheads to be a legitimate excuse for largely increasing the expenditure of some one for something.

EXPENDITURES FOR OTHER PURPOSES

Government can issue, safely, and spend $5,000,000,000 for something. If the Government pays it on the national debt it will place more idle dollars in the hands of a few people who are holders of United States Government bonds and who will hoard it. If the running expenses of the Government are paid, it will only go to a few sections and to a few people.

Money is like blood—the faster it runs the better it is for the body.

VELOCITY OF MONEY

In 1929 there was a velocity of currency and credit of 25 to 1; that is, currency and credit turned over about every two weeks, or twenty-five times during the year. We were doing about $1,600,000,000,000 worth of business annually during the years 1929 and 1928, but now money and credits are turning over about one time a month. It has slowed up more than 50 per cent, and instead of doing $1,600,000,-000,000 worth of business a year we are doing only about one-third that amount of business. Velocity enters into this question as much as the volume; so the velocity has slowed up, and there is only one sure way to increase the velocity of money, and that is to add to the volume.

CHART SHOWS NEED OF MORE MONEY

I have before me a chart which was prepared by the National Industrial Conference Board. The best economists

tell us—that is, the ones who have the reputation of being the best economists—that money should increase along with the population of the country and along with the national wealth, national income, and the monetary gold stock of the country. If it increases along with the population, wealth, income, and monetary gold stock, then the people are presumed to have sufficient money to do business with.

I want to show you here the report of the National Industrial Conference on this question. This chart has been furnished me through the courtesy of Mr. J. S. Cullinan, of Houston, Tex., one of the best informed men in the Nation on the money question. Over a period of 50 years, from 1880 to 1930, the population has increased. For every 1 person in this country in 1880 we have 2.4 people now. For every $1 of national wealth then we have $8.40 now. For every $1 of national income then we have $11.20 now. For every dollar of gold stock then we have $12.90 now.

Now, then, listen to the amount of money in circulation. How has it increased over this 50-year period of time when the ratio for population is 2.4, for national wealth 8.40, for national income 11.20, and for national gold stock 12.90?

Money in circulation now is but $4.70 for every $1 then, and per capita money in circulation for every $1 then is only $1.80 now. So if the best economists in the world are right, our circulating money has not increased along with national wealth, income, population, and monetary gold stock.

SPEED UP MONEY AND CREDITS

It has been contended heretofore that we did not need so much money in circulation, since credit was available through 30,000 banking institutions. Recently, however, 10,000 of these banking institutions have closed their doors, causing the people to lose billions of dollars in deposits. The bankers have decreased their loans until credit facilities are practically frozen. Deposits have been reduced $13,000,000,000. Money and credits are now turning over ten times a year, whereas in 1929 they were turning over twenty-five times a year. There is only one way, to my mind, that we can make up for the lack of credit and lack of velocity of money, and that is by adding more money—volume.

Theoretically, we have five and one-half billion dollars, or a billion dollars more money in circulation to-day than was in circulation in 1929. Let it not be forgotten, however, that this money is not in actual circulation. Much of it is in foreign countries; a large part of it is in hoarding by banks and individuals; in fact, it is estimated that less than $2,000,000,000 of this money is in actual circulation, whereas, in 1929, practically all of the money, more than four and one-half billion dollars, that was outstanding was in actual circulation, and in addition we had $13,000,000,000 more in deposits in actual circulation in 1929 than we have now.

WHY MORE CASH MONEY NEEDED

The assertion that 90 per cent of the business of the country is carried on by checks is often heard nowadays as an argument against increasing the supply of currency. The truth is—and it was long ago pointed out—that there are two categories into which all business transactions fall. Those in the first may be settled without currency. Those in the second require currency.

The first category embraces the transactions of—

First. Large retail business.

Second. Professional services.

Third. Wholesale trade and manufacturing.

Fourth. Export and import.

Fifth. Railway and other public works.

Sixth. Engineering and financial business.

These are usually settled by various methods without currency, as, for instance, by checks, accounts, clearing systems, etc.

The second category embraces the transactions of—

(1) Retail trade.

(2) Consumption (especially where there is no margin or only a slight margin of subsistence).

(3) Payments of money from the pocket (which even a banker must sometimes make).

(4) Wages to industrial classes, especially to unskilled or occasional laborers.

(5) Dealings between poorly paid workers.

(6) Small purchases as, for instance, stamps, telephone calls, slot-machine merchandise, taxicab, bus, street-car, and railroad fares, theater tickets, small benefactions, and many other transactions.

These have to be settled with actual physical currency.

The small amount of currency now available for the daily turnover in transactions in the second category is not sufficient even as small change for a population of 120,000,000 people. We have an appreciated currency and a currency famine. Because the dollar has a high purchasing power it has been withdrawn from the masses. We need more currency, but the currency can not be augmented by halving the value and doubling the number of pieces that now exist in the hands of the people. If such a scheme were put into effect, the purchasing power of what exists would remain unchanged in the aggregate for all transactions in the second category. The man who now pays a dollar for a railroad ticket would have to pay $2, and his two pieces of currency would achieve no more for him than one piece achieves for him now. There would not be any more currency to cover the daily turnover of transactions in the second category than there is now.

MONEY MASTERS OF WALL STREET

Since our currency is owned and managed by a private monopoly and can be issued only on a surrender of gold value or on a tender of debt paper, bankers can not give much currency to people on any debt paper other than that which the monopolistic credit masters of Wall Street are willing to receive. The people can not create the kind of debt paper the credit masters demand. They can not go into debt any deeper because they have no assets left upon which to base 2-name debt paper and they can not create new assets without hand-to-hand currency to facilitate the basic and primary exchanges set down in the second category above. It may be noted that the promissory note is not liked by the monopolistic credit masters of Wall Street. They will not buy any American farmer's note whatsoever in their privately controlled discount market; and when they take a farmer's note in by rediscount, they give it a rate less favorable than that which they give to a manufacturer's acceptance and to foreign paper from Japan and Germany and Soviet Russia and other foreign places. This is a travesty on freedom and government by the consent of the governed.

Fifty years ago England had £162,000,000 in circulation on a daily turnover for a population of less than 40,000,000 people. To-day, the United States has less than that amount in circulation on a daily turnover for 120,000,000 people.

DEBTS

The American people owed approximately $205,000,000,000 in debts in 1929, as follows:

| | |
|---|---|
| Corporations | $76,000,000,000 |
| City mortgages | 37,000,000,000 |
| Bank loans | 35,000,000,000 |
| State, county, and local | 21,000,000,000 |
| National | 20,000,000,000 |
| Farm mortgages | 9,000,000,000 |
| Life-insurance policy loans and premium notes | 3,000,000,000 |
| Retail installment paper | 3,000,000,000 |
| Pawnbrokers' loans and unlawful loans of all kinds | 1,000,000,000 |

This enormous debt can not be liquidated with such a small amount of money.

BANKRUPTCY, INFLATION, OR REVOLUTION

We may as well face the facts. This country faces either bankruptcy, expansion of the currency, or some sort of a revolution. The cotton and wheat farmers voted bonds against their property for building schoolhouses, highways, and making other improvements when wheat was worth $1 a bushel and cotton 20 cents a pound. Deflation has caused the price of wheat to decrease to 25 cents a bushel and cotton to 5 cents a pound, thereby forcing these farmers to pay the

equivalent of $4 for every dollar borrowed; instead of paying 6 per cent interest on the bonds, they are now paying the equivalent of 24 per cent interest, based on the present price of farm products. The farmers' debts, interest, taxes, and other fixed charges are four times harder to pay than when the debts were contracted. The wage earner who has had his wages reduced 50 per cent is now paying the equivalent of $2 for every dollar he borrowed. Also by reason of the reduction in wages he has suffered, cost of his taxes, rent, electricity, gas, water, and other fixed charges have doubled. Based upon and by reason of the increased value of money, debts owed by the American people, aggregating $200,000,000,000 in 1929, have mounted to the equivalent of more than $400,000,000,000 in 1932. Do not be deceived, these debts can never be paid under present conditions. It will be better for a creditor to accept a dollar that will not purchase so much in a few commodities than not to be able to collect any dollar at all.

Our people must be permitted to pay their debts with approximately the same amount of labor, securities, or produce as were necessary when the debts were contracted.

DISHONEST DOLLARS

The dollar that is now collected on a 1929 debt is a dishonest dollar. It is worth from 50 per cent to 400 per cent more than it was worth then. It is an economic fact that deflation cheats the man in debt just as much as undue inflation cheats the creditor. We are not asking to cheat the creditors, but we are asking to give the debtor a square deal by restoring the value of the dollar to its 1928–29 purchasing power.

INCREASE WHEAT AND COTTON PRICES

The argument is made that an unbearable burden will be placed on the consumer if the price of cotton and wheat is increased. Let us see how much there is to this argument.

In a 5-cent package of crackers there is wheat worth ⅛ cent and the retail price of 5 cents for this article is the same now as when wheat sold for over $1.65 a bushel. In a loaf of bread, at the present starvation price of wheat, there is wheat worth ⅜ cent. How about cotton? For the cotton in a $1 shirt the farmer only receives three-fourths of a cent at the present price. We simply ask that the planter get 2 cents to 2½ cents for the cotton that is in a $1 shirt and the wheat grower from 1¼ cents to 1½ cents for the wheat that is in a loaf of bread.

DEPLORABLE CONDITIONS

The conditions disclosed by many letters I receive would pull at the heartstrings of any decent man or woman. One of the letters I received this week stated:

> Heart-rending things happen right here in our community. Old people who owe a little mortgage on their homes are being pushed out for the reason they can not meet interest and taxes, and the poor old things have produced twice enough farm products to meet their obligations, if they could get a decent price.

POOR PEOPLE ARE THE MARKET

The farmers, wage earners, and people who work for salaries are purchasers of 80 per cent of all goods and services. They still have the consuming power, but do not have the purchasing power on account of low prices of certain commodities, which has resulted in unemployment and reduced wages. As the price of gold increases, the price of commodities and everything else decreases, except taxes, debts, and certain fixed charges. Gold is not scarce; we have a reserve of $4,535,000,000, which is sufficient to authorize the issuance of more than $5,000,000,000 of additional money; it is high because of the scarcity of paper money. The price level may be raised by putting more money in circulation. Government bonds do not circulate and do not affect the price level. Currency, another form of Government obligation, circulates and affects the price level.

WOODEN MONEY

It is a crime for people to be suffering as they are because of the lack of a sufficient circulating medium; they do not have sufficient money to do business on. A large part of the money presumed to be in circulation is hoarded by banks and individuals. A nation-wide barter system has already been projected. Scrip-money plans are being used in many cities. In Tenino, Wash., money made of wood has been used as a medium of exchange. Money is the blood of business. Scrip and wooden money is being used in 30 State by over one-half million people. Is not this sufficient evidence that there is a currency famine?

FAIR-WEATHER FRIEND

The Federal reserve system has proven itself to be only a fair-weather friend of the people. When times are good, a rising market, steady employment, ample credit facilities are at the command of the people through this system. But when there is a declining market—unemployment, reduced valuations, and reduced earnings—this system will not furnish the credit necessary to restore the country. More money must be placed in circulation so as to start a rising market in order that people may have the security to get Federal reserve notes.

RECENT CONVERTS

A large number of people are now enthusiastically advocating the passage of this bill who were opposing its passage a few months ago. We believe that it is the only plan yet proposed that will bring immediate relief to every section of the country. It is the only way that the currency can be expanded without causing people to get further in debt, pay more interest, or by giving a dole.

NEW MONEY

In substance, the bill provides that a veteran can deliver his certificate to the Administrator of Veterans' Affairs and receive in return therefor new money for the amount that is due on it after prior loans are deducted. The new money will be United States notes—the same kind of money that is in circulation to-day.

IDLE GOLD

The gold standard act, passed by Congress March 14, 1900, and Federal reserve act, passed in 1913, adopted the policy for our Government of backing our paper money with 40 per cent gold. It is known that paper money can be safely issued on the Nation's credit as long as we have 40 per cent in gold as a reserve to back each dollar. We have sufficient idle gold to authorize the issuance of the money to pay the adjusted-service certificates without reducing our gold reserve to as low as 60 per cent. No money is fiat money that is redeemable in gold as this money will be.

BLOOD OF BUSINESS

The effect of this distribution of new money will be to give the people $2,200,000,000 more circulating medium upon which no one will be paying interest. The debt must be paid some time, because it has already been confessed by Congress. It can be paid in advance of the time it is made payable without cost to the Government, and its payment will be of immense benefit to all the people. I do not believe this money will ever have to be retired, as the increase in our population, national wealth, national income, and monetary gold stock causes a necessity for this much-permanent addition to our circulating medium. Congress can eliminate from its annual Budget the $112,000,000 payment each year, which now goes into a sinking fund to retire the certificates in 1945.

EVERYBODY BENEFITED

The money will go into every nook and corner of the Nation. It will increase the per capita circulation of money about $18. Every community will get a share. It will go to every class, race, and creed; every occupation, avocation, and trade will be benefited; it will be deposited in the banks, which will increase the reserves of the banks, make the depositors' money safer and credit easier to obtain. This money will be spent, thereby causing an expansion of consumption; it will not be hoarded, but will immediately go into the channels of trade and production. It will benefit the general welfare as well as the veterans. It will provide buying power for the people.

NOTHING IN 1945

If the veterans are not paid now, by 1945 practically all the remainder of their certificates will be consumed by compound interest, which they are forced to pay the banks and the Government on prior loans.

NOT A BONUS—A DEBT

This proposal is often referred to as the bonus bill. An adjusted-service certificate does not represent a bonus; it represents a debt that has been acknowledged by Congress to a veteran of the World War for services rendered—3,555,058 veterans hold these certificates; the average value is $1,000. About 75 per cent of the certificates have been pledged for loans; there is a remainder due at this time, after deducting prior loans, of about $2,200,000,000.

The term "soldier bonus" is a misnomer; it is a soldier debt.

IMMATERIAL ARGUMENTS

A discussion of other veteran legislation is not material in connection with a discussion of the merits of this proposal, since we have assumed the burden of showing that each holder of a certificate is entitled at this time to receive an amount equal to the face value of his certificate, and, further, that the payment of the debt at this time will benefit and not in any way be injurious to the general welfare of all the people. There is no reason for a discussion of the act of 1924. It has already been enacted into law. I will state, however, that many misstatements are being made about the relief extended to World War veterans. Exceptions are pictured as the general rule.

ALL DUE OCTOBER 1, 1931

In the present form of the certificate each veteran is deprived of seven years' interest. Mr. Andrew Mellon forgot to figure it in. If the Government will change the obligation so as to give him the amount Congress confessed was due as of the time he rendered the service, with a reasonable rate of interest from that time, he was entitled to an amount equal to the maturity value of his certificate October 1, 1931. It is past due, although payable in 1945. If he has borrowed 50 per cent of the face value, he has borrowed the accumulated interest; the principal remains intact.

THE BANKS' BONUS

The home loan bank bill which was enacted by Congress in July, 1932, contains a provision that authorizes the National City Bank of New York and the Chase National Bank of New York to deposit $272,000,000 in Government bonds bearing 3⅜ per cent interest with the Secretary of the Treasury and receive $272,000,000 in new money—greenbacks. These banks do not need and will not use this money, and the country will not be helped because this privilege has been extended to them. If the 366,236 holders of adjusted-service certificates in New York State had been given this same privilege, business would have been helped because of the $245,948,177 increase in buying power which the veterans would have received, and the Government would have saved money. The banks collect interest on the bonds deposited, while they are using the new money. The veterans, if the same privilege is extended to them, will not collect interest on the Government obligations deposited.

CONCLUSION

Do not forget that this debt must be paid anyway; it has already been acknowledged by Congress, and the general welfare of the Nation will be promoted if it is paid now, as suggested, without additional cost to the Government.

Remember, too, the chief cause of this depression is lack of buying power. Consequently any additional buying power put in the hands of the public would tend to ameliorate the depression.

Let us make a long step in the direction of restoring this country by paying the adjusted-service certificates.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Chairman, lest we forget, I desire to call attention to what is fast approaching to become ancient history, and during the consideration of the District appropriation bill is perhaps as opportune a time as any in which to do it.

The membership of the House will recall that during the summer of 1930 Speaker Longworth appointed a special committee of the House on the fiscal relations between the United States and the District of Columbia. That committee was directed to report back to the House its findings and any bills for the revision of the tax laws of the District which it thought should be reported and to recommend the amount which the Federal Government should in its judgment contribute toward the expenses of the District government. Upon the reconvening of Congress in the fall of that year the special committee organized, held hearings, and with the assistance of a tax expert made a careful study and investigation of the tax situation in the District and a comparative study of the tax burden of the District with the tax burden in comparable cities, and, in fact, with the tax burden of other localities throughout the United States whether they were comparable with the District or not.

At the end of that investigation the committee made a report to Congress in which it found that the tax burden in the District of Columbia was much lighter than it was in comparable cities throughout the United States, and it recommended what has proved to be, under existing economic conditions throughout the country, a very liberal contribution to be made by the Federal Government to the expenses of the District government, namely, the sum of $6,500,000 per year.

The committee also reported several tax bills to adjust the inequalities which exist between the people in the District and those outside the District. It will be recalled, for example, that the District of Columbia has no income tax law, levies no income tax against the residents of the District as distinguished from the regular Federal income tax. The District of Columbia levies no inheritance tax against estates in the District of Columbia as distinguished from the Federal inheritance tax and such as is levied in practically every State in the Union.

The report of the committee also called attention to the fact that the gasoline tax in the District of Columbia was only 2 cents per gallon while in every other locality in the United States, in every State of the Union except four the gasoline tax is considerably more than 2 cents a gallon. In some States it is as high as 7 cents per gallon.

Mr. HASTINGS. With an average of 4 cents per gallon.

Mr. MAPES. With an average of a trifle over 4 cents per gallon, as I now recall it.

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. MAPES. I yield.

Mr. GARBER. What is the tax rate in the District of Columbia?

Mr. MAPES. The tax rate on real estate is $17 per $1,000 at the present time.

Mr. GARBER. It is much lower than it is in many other cities of similar size throughout the country.

Mr. MAPES. It is much lower than in almost any other place in the United States whether of similar size or not.

Mr. HASTINGS. Mr. Chairman, if the gentleman will permit me to make another statement, in addition to the State tax on gasoline there is in some instances also imposed a municipal tax.

Mr. MAPES. Yes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MAPES. I yield.

Mr. BLANTON. As stated, the present local tax on gasoline here in Washington is only 2 cents a gallon. Following the investigations of his committee, the gentleman sought to put an additional cent upon it, so that with the 1-cent Federal tax it would have made the total tax on gasoline only 4 cents here in Washington.

Mr. MAPES. We sought to raise the tax to 4 cents per gallon or about the average throughout the country.

Mr. BLANTON. That would have made 4 cents. Over in Maryland the gasoline tax is 5 cents a gallon, is it not?

Mr. MAPES. I think it is 5 cents.

Mr. BLANTON. And in Virginia it is 4 cents.

Mr. MAPES. It is 4 cents in one and 5 in the other. I do not now recall which State collects 4 cents and which 5.

Mr. BLANTON. And 7 cents in Tennessee.

Mr. MAPES. And in Florida and some other States, I believe.

Mr. BLANTON. Yes. And is there any reason on earth, except to try to get things as cheaply as possible in Washington for the people who live here, why this extra cent should not have been put on?

Mr. MAPES. I do not know of any.

Mr. BLANTON. The Mapes bill for this additional 1 cent on gasoline passed unanimously here in this House. There was not a vote against it, and now it is held up in another body, and it has been held up there since December, 1931. If there is any responsibility anywhere for allowing this situation to exist, it does not lie with the House of Representatives, does it? The responsibility is in the other end of the Capitol.

Mr. MAPES. I took the floor for the purpose of calling attention to that fact.

Mr. BLANTON. The responsibility does not rest on our shoulders.

Mr. MAPES. The responsibility does not lie with the House of Representatives.

Mr. BLANTON. And the House of Representatives is in no way to blame for many of the things that continually go on here in Washington which the people of the 48 States do not like. The House of Representatives has tried to rectify them, has it not?

Mr. MAPES. The gentleman from Texas is quite correct. I may say further that I have been told petitions have been filed, signed by 200 filling-station operators around the District of Columbia, outside the District of Columbia, saying that the low tax rate on gasoline in the District was the ruination of their business, and petitioning one body of Congress to pass the bill the House of Representatives passed increasing the gasoline tax from 2 cents a gallon to 4 cents a gallon, which would still, as I recollect it, be a little under the average tax throughout the United States.

Let me call attention to the time when these bills reported by this special committee were considered and passed by the House of Representatives. I have here in my hand the daily calendar of the House. The index shows that the income tax bill, H. R. 5821, passed the House of Representatives December 16, 1931. The estate tax bill, H. R. 5822, passed the House December 17, 1931. The motor vehicle gasoline tax bill, H. R. 5823, passed the House December 17, 1931, and the motor vehicle weight tax bill, H. R. 5824, passed the House December 17, 1931.

The rules of the House do not permit me to say what has been done with, or what has become of, these bills since they passed the House of Representatives, but it is well enough for the membership of the House to understand, and for the conferees on this District appropriation bill to bear in mind, as I know they will, that those bills passed the House of Representatives 14 months ago.

Mr. BLANTON. But the rules do not prevent me from asking the gentleman some questions. If he will allow me, I would like to ask him a few questions.

Mr. MAPES. The rules do not require the gentleman from Michigan to censor the remarks of the gentleman from Texas, and I shall be glad to yield to the gentleman.

Mr. BLANTON. I ask the gentleman if there is not in Michigan, as well as in every other State of importance in the Union, an inheritance tax on estates?

Mr. MAPES. Certainly there is. I called attention to that.

Mr. BLANTON. We passed the Mapes bill to levy such a tax on estates in December, 1931. It is still held up in the Senate. There is not in the District of Columbia a law to tax estates; and there is not because some legislative body other than the House of Representatives will not allow that bill to pass. Is not this the fact?

Mr. MAPES. The gentleman is correct, as I have indicated.

Mr. BLANTON. Is it not a fact that in the great State of Michigan, one of the greatest States in the Union, and in other good States there is a license tax on automobiles many times larger than the tax in Washington, and that the automobile weight tax in every State is substantially greater than that proposed by the Mapes bill passed here in December, 1931?

Mr. MAPES. Nearly every one.

Mr. BLANTON. In every State, and everywhere else but Washington, you pay for registering an automobile according to its value. For instance, a Ford, I think, in most of the States costs about $10, and a Pierce Arrow, a Cadillac, or a Packard, and the other higher priced cars run as high as from $20 to $40, do they not? But in the District of Columbia you pay only $1 for a license on all cars alike? Is not that true?

Mr. MAPES. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOLADAY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. MAPES. If the gentleman will permit, I suppose there is no objection to calling attention to page 3758 of the CONGRESSIONAL RECORD of February 10, 1933, that is only yesterday. I find there are Members in the other body who apparently are not in sympathy with the inaction in that body. I quote:

> Mr. WALSH of Massachusetts. Mr. President, I hope the Senator from Connecticut will not object. This is a reasonable tax. I believe every State in the Union has a higher rate than that existing in the District of Columbia.

And I quote again from the RECORD of yesterday:

> Mr. KEAN. Mr. President, I would like to say in regard to this matter that the tax on automobiles in the city of Washington is perfectly absurd.

Now, as I said at the beginning, this special committee recommended a lump sum appropriation of $6,500,000 as the Federal contribution to the District Government. Under present economic conditions that has proved to be a very liberal recommendation. Everybody knows that the economic conditions within the District of Columbia at the present time are far better than in any other place in the United States; and everybody in this Chamber knows that the tax burden in the District of Columbia is much lighter than in any other place in the United States. And can anybody give any reasonable reason why under these conditions the people outside the District of Columbia should contribute any more than an equitable amount to the expenses of the District of Columbia?

Mr. BLANTON. No; they can not give a good reason for it.

Mr. CULKIN. And is it not a fact, I will ask the gentleman, that throughout the country in all municipalities the tax rate runs from $3.50 to $5 per hundred at this time?

Mr. MAPES. In some cities it runs as high as that or higher. In some cities it is a little lower, but the average is much higher than it is here in the District of Columbia.

Mr. CULKIN. So in Washington they are paying only about a third of the tax we are paying throughout the country?

Mr. MAPES. Perhaps a little more than that on the average, but the people in the District do not pay nearly as much as people are obliged to pay on the outside.

Mr. HASTINGS. The statement was made this morning that out of 300 cities, the city of Washington was at the bottom with reference to the tax rate.

Mr. CULKIN. And it enjoys the finest municipal environment in America.

Mr. MAPES. Before I take my seat I want to commend the work of the subcommittee of the Committee on Appropriations, headed by the gentleman from Missouri [Mr. CANNON], that is in charge of this District appropriation bill. The members of the committee are doing unusually good work in the handling of the District appropriation bills and are entitled to the thanks of the House. I think they are in entire sympathy with the action of the House of Representatives in adopting the report of this fiscal relations committee and in the passage of the four bills which were reported by the committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, supplementing what my friend from Michigan has said, I wish every man in Congress knew of the hard work and the tedious hours that our colleague from Missouri [Mr. CANNON] puts in on this bill and bills like it. The work he is doing here is some of the most important work that could be done for the Nation. He daily renders here service that is most valuable. His people down in Missouri know nothing about it. You do not see him loafing around, because he is off in an office holding important hearings. He has these bureau chiefs across the table hammering them with pointed questions, trying to stop waste, and fighting to get a fair and just deal for everybody.

He has not any animosity toward the people of Washington. He is their friend. Some of the best people in the world live here in Washington. They are hospitable, courteous, kind, and good neighbors. They are my friends and his friends. He would cut off his right arm before he would do them an injustice. He has not any unkindly feeling toward them. He is simply trying to see that justice is done them and at the same time that justice is done the rest of the people of the United States.

If the constituents of the gentleman from Missouri [Mr. CANNON] knew of the splendid work he has been doing here for years, they would never let a man run against him in his district. They would see to it that no one ever gives him a bit of trouble about coming back to Congress. CLARENCE CANNON is one of the most valuable men in the Congress.

In this connection I want to commend the good work of my friend from Michigan [Mr. MAPES]. He did splendid work in holding hearings, investigating conditions, and passing through the House the four Mapes bills. This was the first time that any careful, expert, scientific, and reasonable consideration had been given to these questions. The gentleman spent months in hearings and in consideration of these measures and his committee brought in a unanimous report on all four of his bills and found that, according to the fiscal relations existing between the Government and the District of Columbia, $6,500,000 as an annual contribution from the United States Government would be as much as could be expected under any circumstances. All four passed the House unanimously. There was not a vote against them, but they have been held up somewhere else in a pigeonhole for a year and a half. Why, I ask. The people here just pay a tax of $1.70 per $100 on real and personal property and only 50 cents per $100 on intangible property.

They do not have to pay any income tax to the District like they do in the States. They do not have to pay any inheritance tax on estates in the District like they do in the States. They do not have to pay any special school tax like they do in most of our States, and they do not have to pay any sewer tax, or water tax, or paving tax, or any of the many other taxes they pay in the States. Every tax on earth they pay is embraced in this $1.70 per hundred dollars.

They have the cheapest water on God's earth here, and it is the best water. There is not any better water than the water they get here in the District of Columbia, because the Government has spent millions of dollars of the tax money of the other people of the United States to perfect the water system here, and the Government owned the original conduit that furnished water to this city. The District never paid a dollar for it. Do you know what it costs a family here to receive water? That is one thing in this bill I am strongly against, and that is the reduction of 10 per cent in the water rate here, which is merely to give Washington people even cheaper water. Do you know what the ordinary family pays a year for water now? Eight dollars and seventy-five cents a year. Is there any Representative on this floor that has a water system back home that furnishes a family all of its water for $8.75 a year? No; not one of you. You can not square this with your constituents when you go home.

The cheapest, finest, and most healthful water in the world is here in Washington. It is wonderful, and yet we are proposing to reduce further the cost in this bill 10 per cent, when the present rate is only $8.75 per family per year.

Your committee worked hard in reducing these appropriations, not in the interest of the committee, but in the interest of the people who live in the District and of the rest of the people who live in the Nation. This is done every year, and then the bill goes somewhere else and it is raised here and there in another body, and they stand pat and tell us that if we do not come to their terms there is not going to be any bill passed. When that is done the people ought to know in all the States who is responsible for the raises. Then the people can hold responsible the ones who cause such raises.

Mr. McGUGIN. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman. Is the gentleman with Mr. MAPES?

Mr. McGUGIN. I do not know.

Mr. BLANTON. The gentleman ought to be finding out something about these bills, because that is the great trouble. There are too many men in Congress who do not know what is going on here. The gentleman from Michigan [Mr. MAPES] has spent months on these bills, and my friend from Kansas does not know anything about it.

Mr. McGUGIN. I am trying to drink from the fountain of knowledge. If the gentleman will permit, I am seeking some information from him. I was very much interested in the gentleman's statement that the tax rate here is only $1.70, and I know that this is a lot less than it is in almost every other town in the United States. The question I want to ask is this: How does their valuation compare with valuations in other towns in the United States? I am seeking this purely as a matter of honest information.

Mr. BLANTON. It is supposed to be full value, but it is not. You can take a residence that is worth $20,000, and it is assessed for taxes at about $9,000. You can take a piece of property that 30 years ago was worth only $250, and by reason of the money that the people of the United States have expended here through Congress has now become worth a million, you will find it will be assessed at about one-third of that value.

I have a file of papers a foot high in my office which I have gathered on the subject, and I got the figures from citizens here and also from Mr. Richards, the tax assessor—and there is not a better posted man in the country than the tax assessor of the District of Columbia. He is an expert and knows his business; and if he had the cooperation he ought to have, there would be a surplus to the credit of the District of Columbia in the Federal Treasury. I hope that the gentleman from Kansas will let all of the people of Kansas know about these matters and let them know exactly who is responsible for pigeonholing these Mapes bills and killing them.

There are too many people owning residences and property in Washington who vote and are elected to office in States back home. There are too many of them who stay here the year round and who want to stay here throughout the year; and that is the reason why we have so many special privileges here in Washington. I wish that whoever is holding up these Mapes bills would go back home just now and frankly explain to his constituents all about the bills and let them ask questions.

Mr. McGUGIN. Too many post-office applications back home.

Mr. BLANTON. The people back home can not be blamed for seeking jobs. Some of them are desperate. They have been without work for a long time. They have diligently and earnestly sought work. Many have already lost their homes. Many, both on farms and in cities, now owe mortgage payments they can not meet and are apprehensive every day that the roof is to be taken from over the heads of their families. They can not get relief anywhere.

They have been overburdened with State and county taxes. They have been weighted down with school taxes and water taxes and paving taxes and city municipal taxes. They do not realize that all of these taxes are the result of their State legislatures, but they blame Congress, and they do not realize that we have had nothing to do with their State, county, city, and local taxes.

There are expert carpenters in every State in the Union who are now out of jobs who would be glad to work for $8 per day, which contractors are now offering in Washington. Yet the carpenters here have gone out on strike and are seeking to tie up important Government construction, contending for the $11 per day they have been drawing for the past three years.

In Washington during the last three years there has been spent here approximately $100,000,000 of the people's money in building construction. Who is benefited by it? Your carpenters back home? No. The artisans and mechanics of Washington. They have been getting $14 a day, and they are getting now $14 a day for plasterers and bricklayers and $11 a day for carpenters on building construction here. I am for the plasterers and the bricklayers and the carpenters, I want them to get as much as possible, but I do not want the plasterers and bricklayers in Washington to get $14 a day when down in Muskogee, Okla., and up in Massachusetts they are working for far less than $10 a day. That is not right. It is not fair to labor in this country, is it, I will ask the gentleman from Massachusetts?

Mr. CONNERY. I do not want to subscribe to that—the men in Washington are entitled to a fair and decent living wage, and we want those in Oklahoma to come up to that living wage and not drag the Washington wage down to the Oklahoma wage level.

Mr. BLANTON. Oh, the gentleman will get a front page on that and have his picture in all the labor papers, and I will be given the devil for asking him the question. [Laughter.]

We are both for the men who labor, but the difference between us is this: There is an idea prevailing throughout the country that in order to be reelected and come back here we have got to get down on our knees and lick the leather soles of every union labor organization in the country and obey them 100 per cent, whether they are right or wrong. Now, that is not true. I am for them when they are right, but against them when they are wrong. I have been on their blacklist here for 16 years and I am still not afraid of them. And I guarantee that I get almost as many labor votes in my district as the gentleman from Massachusetts does in his.

Mr. CONNERY. Perhaps they are not as well organized.

Mr. BLANTON. Yes, they are organized, but they know this: They know that when they are right, I am fighting for them, and they know that I will fight for them, for everything that is right. They have a contempt for some pussy-footed fellow who will talk continually about "living wages" but when the times comes to help them in a worthy cause will not fight for them.

They know that they can always depend upon me fighting against the monopolies that crush them. They always know where I stand. They know that when attempts are made to pass a general sales tax that will burden their shoulders with much of the expenses of this Government, they can count on my fighting such proposition with every ounce of fight that is in my being. They know that I can be depended upon to fight against all waste in governmental expenses. They know that I can be depended upon to fight against all extravagances. They know that I can be depended upon to fight against all graft. They know that such fights are beneficial to their interests. They know that I want them to have cheap ice, and cheap fuel, and cheap electric current, and cheap gas, and cheap transportation. They know that I want them to have jobs—not just a few of them at $11 and $14 per day—but all of them to have jobs at a living wage. I do not want the plasterers and brick masons of Washington to get $14 per day constantly, when plasterers and brick masons all over the 48 States are anxiously seeking work but can not find it, and who would gladly work for $10 or less, but can not earn anything. I do not want the carpenters of Washington to get $11 per day constantly, while thousands of carpenters all over the 48 States are out of jobs, and have been out of jobs for months, and who would gladly take the $8 per day which Government contractors are now offering Washington carpenters, when they are striking and tieing up Government work, contending for their $11 per day. And this is why many members of union labor in my district prefer me to some pussy-footing friend. They would rather have me for them when they are right.

Mr. CONNERY. I am sure the distinguished gentleman from Texas would never refer to me as a pussy-footer.

Mr. BLANTON. No; certainly not. I did not have the gentleman in mind. He is a true, courageous friend to every man who labors.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret I have not the time. We have this ridiculous situation in the city of Washington just now, with officials wanting to build some grandstands for the big inaugural of one of the greatest events we have had here for years, the inauguration of a real Democrat as President of the United States, and the carpenters of the District, who for years have been getting $11 a day, are striking, not only upon that job but they are striking upon the other big Government jobs, demanding their $11 a day. It is outrageous. I hope the contractors will tell them that, if they strike, when they walk out they are walking out for good, and that their jobs will be taken by somebody else who needs a job more than they do, who is willing to work for $8 per day as a carpenter.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield. Is the gentleman going to say something also about a "living wage"?

Mr. MAY. I am going to ask the gentleman a question and see whether or not he will be courteous enough to wait until I get the question stated.

Mr. BLANTON. If the gentleman does not take more than half a minute of my time I will yield to him so that he may ask it.

Mr. MAY. In view of the fact that down in the gentleman's State and in my State there are lots of able-bodied men who are working for $2 a day and a lot more of them getting $1 from the Reconstruction Finance Corporation institutions, does the gentleman not think that $11 a day is enough in Washington for the other fellow, under the circumstances, and too much?

Mr. BLANTON. I do not catch the gentleman's idea. He seems to be for them striking and contending for the $11 per day, and I can not tell whether he is for them or against them.

Mr. MAY. I am for the right thing.

Mr. BLANTON. Is the gentleman for paying them $11 a day or $8 a day?

Mr. MAY. I think that under present conditions in the country their wages are vastly too high.

Mr. BLANTON. Is the gentleman in favor of standing pat and telling the contractors that Congress will back them up, if they can get able-bodied men for $8 a day, in not paying them more than $8 a day out of the money of the people?

Mr. MAY. Yes; I am. Is that plain enough?

Mr. BLANTON. Good, good! If we had a few more who would walk up and say that, we would not have any strike of carpenters for $11 per day, when they are offered $8 per day, with 15,000,000 men out of work.

If all carpenters everywhere, in my State and yours, could get $11 per day, I would rejoice with them in their good fortune and be glad to see them get it. If all plasterers everywhere, in my State and in yours, could get $14 per day, as they are getting in Washington, I would rejoice with them in their good fortune and be glad to see them get it. But when 15,000,000 men are without jobs and numerous carpenters in every State would be glad to get the $8 per day Government contractors are now offering Washington

carpenters, I think that it is an outrage for such carpenters to strike and still contend for the $11, which they have received for the past three years, and for them to tie up important Government work. And such strikers ought not to have any backers in this Congress.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CULKIN. Will the gentleman tell the committee what influence in his opinion killed the Mapes legislation?

Mr. BLANTON. Does not the gentleman know?

Mr. CULKIN. No.

Mr. BLANTON. Selfishness; not wanting to give up something. Protecting self and friends. I will tell the gentleman this. There is a comity that exists between the two bodies that form the Congress of the United States. Unfortunately it is improper for one body to mention the other body or to criticize it. All on earth that we are permitted to do under the rules is to say that we have done our part, that we in the House have passed the Mapes bills, and we have sent them somewhere else, and we did that way back yonder in December, 1931, and that these Mapes bills have been there for nearly two years in a pigeonhole, and that they have not been brought up and passed; and when the ones responsible go home let them be held responsible for holding those bills up. Let the Members of that body go home, and when they run for reelection, it is the duty of other gentlemen to get up then and tell the people who it was that held the bills up.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MAY. Does the gentleman not think it a very reasonable rule that prohibits the Members of each body from talking about the other body, in view of the fact that the country is talking about both branches of Congress?

Mr. BLANTON. Yes; I think so, but I do not think that the country ought to talk——

Mr. MAY. About either branch?

Mr. BLANTON. No; I think they have a right to talk about either branch whenever they please, but they ought to fix the responsibility where it is. If there are men here in the House who are zealously and faithfully working and grinding and slaving themselves day and night trying to change these intolerable conditions the people ought to differentiate as between them and those who do not so work and who are responsible for another situation, and if there are men in another body who are not deserving of criticism, neither the people nor the press ought to direct criticism against all the membership, when it is not fair or just. They ought to pick out the ones who are responsible for these delays. They ought to pick out the ones who are responsible for these abuses that exist. They ought to give credit to the ones like my good friend from Missouri [Mr. CANNON] and my good friend from Michigan [Mr. MAPES] and my good friend from Illinois [Mr. HOLADAY] and others like them, who work here trying to change these conditions.

Mr. MAY. I think the gentleman will remember a question that I propounded to him on the floor at the last session of Congress which perhaps started the candidacy of Mr. GARNER, the Speaker of the House, and which resulted in his election.

Mr. BLANTON. There was hardly anything that could have stopped that candidacy and that election.

Mr. MAY. That resulted in his election as Vice President.

Mr. BLANTON. It was inevitable.

Mr. MAY. Does the gentleman not think that if the people of the country would read the newspapers, and read between the lines, they would not direct their talk about us?

Mr. BLANTON. Why? Does it hurt the gentleman to have the people talk about him?

Mr. MAY. Not at all.

Mr. BLANTON. Because if it does, he better quit, because any man on earth who does anything worth while will get talked about. The more he does in the interest of the people, the more adverse criticism he will get from the press, usually. It does not bother me one bit for them to talk about me. They have been cussing me for 25 years, and I still have the confidence of my constituents.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. MAY. Perhaps the gentleman is somewhat in my attitude toward my constituents. A Republican district has sent me here twice, and by a largely increased majority each time.

Mr. BLANTON. Well, the Democrats send me here, but there are always many Republicans who vote for me.

Mr. MAY. They sent me here because they knew it did not take a civil engineer to find out where I stood on any public question.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. BLANTON. I will be glad to yield to my distinguished friend.

Mr. MARTIN of Oregon. I fully realize that in the gentleman's modesty he would not include himself in the list of those about whom the great encomiums of praise have been passed around, so I want to have the pleasure of adding the gentleman's name to the list.

Mr. BLANTON. I thank you, General. The general and I are going to get along splendidly from now on. [Applause.]

Mr. HOLADAY. Mr. Chairman, I yield two minutes to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTINGER. Mr. Chairman, I have listened with a great deal of interest to the profound discussion between my Democratic brethren on the cost of carpenters to build the presidential inaugural stand. May I suggest, but without being too serious, that the carpenters probably figured it was worth more than $11 a day to erect a stand upon which to inaugurate a Democratic President, and that perhaps explains the high union scale on that particular job.

I have also considered it a privilege to hear the gentleman from Texas [Mr. BLANTON] pluck those orange blossoms and geraniums and hand bouquets around here to his colleagues. It should make the Members of the House live longer to have kind things said about them that the gentleman has said.

However, these are not the subjects I wish to discuss. I arose to say that on next Monday I think we are going to cast one of the most important votes that the members of this body have had an opportunity to cast since I have been privileged to be here; that it, to vote for the Crowther bill. I wish to say now, that I am going to vote to discharge the committee, and I am going to vote for the bill because a vote for that measure is a vote for the protection of American labor and industry and American working men. It is a vote against the dumping of foreign goods on the American market that will mean much to the American people. If the vote is wrong and a measure like that is not adopted by this Congress there will be a failure which will contribute to prolong the depression.

The only other comment I wanted to make is (and it is well understood that there may be a failure next Monday) that I am just wondering if some of the newspaper men will make the mistake of saying that we do not have a party system of Government, and that the lame ducks are responsible, if the Crowther bill is defeated. The responsibility for the success or failure of that measure on Monday will rest with the responsible party leadership of this House and not with the lame ducks. The Democrats are in control, and are responsible. In an Associated Press dispatch I notice it says that the lame ducks are the reason for the failure of Congress to do anything, and as a lame duck, but a perfectly live one, going out of here with no strings around my hands or feet, I want to protest against that sort of statement. The live ducks of this body and not the lame ducks determine the success or failure of the legislative program. [Applause.]

Mr. Chairman, the depression, its cause and cure, is a much discussed topic. We have been told many times about industrial, economic, and agricultural conditions. There has been plenty of talk concerning the problems that face the American people. It is not now my purpose to

repeat the facts and figures which show that agriculture and industry are paralyzed, that people are out of employment, that additional relief for the unemployed is necessary, and that our political and business leaders in America are face to face with most perplexing difficulties. We have been told many times that, with overproduction in agriculture, there is want and starvation among other classes of our people. All of this is true.

When conditions demand constructive action, and when there is a failure along those lines, it is natural to put the responsibility on someone for such a situation. For several weeks there has been a popular outcry against the lame-duck Congress. Let me say that I am a lame duck and with no apologies. I am prepared to defend my legislative record if any such defense is necessary. The people of northeastern Minnesota have twice indorsed it. I have been in attendance at this short session of Congress, have answered the roll calls, and have voted on such measures as were permitted to come before the House of Representatives for attention. I am rendering the same service, and will continue to do so until March 4, which I rendered in 1929, in 1930, in 1931, and in 1932.

I repeat that it is fashionable to fasten the responsibility on someone when we are face to face with disaster. As now appears, the propagandists would blame the so-called lame ducks and would have the American people believe they are responsible for a continuation of unemployment, closed factories, low prices of farm products, and every other misfortune, social, economic, and political, which prevails in this country to-day.

As one editorial writer puts it, the present session of Congress has furnished the horrible example which has speeded up the abolition of lame-duck sessions, after calling attention to the fact that Congress is about as futile as a family argument.

Another editorial writer takes pleasure in saying that we have the sickening spectacle of the present lame-duck Congress killing time and getting nowhere while public business waits. He also enthusiastically says that the adoption of the lame-duck amendment shows that we do make progress.

The implication of both of these editorials, and I have quoted from them literally, is that lame ducks are responsible for all of our troubles. There can be no doubt about the facts as to present conditions. Conditions do call for a remedy. There are many things that Congress should do. Congress should translate into a legislative program every device known to relieve unemployment and, until that is done, Congress should supplement the work of relief agencies for those who can not obtain work and who are willing to work.

Congress should take notice of the fact that goods made in foreign countries by cheap labor are flooding the American markets. Whether this be due to depreciated currencies of other countries or to other conditions is beside the point. The facts are that foreign goods are coming into the United States in spite of our recent tariff law. If necessary, an embargo against their importation should be placed on our statute books for the protection of American labor and industry.

The St. Lawrence waterway treaty should be ratified. It is one of the greatest projects of modern times, and, in the march of progress, will be one of the milestones marking an important period in the welfare of our people on the North American Continent.

There are many other things that should be done, but it is not now my purpose to discuss them. I want merely to call attention to the absurdities of trying to lead people to believe that lame ducks are responsible for our troubles.

What is a lame duck? Under our Constitution, Members of Congress who are elected in November have their official term of office begin on the succeeding March 4. Unless there is a special session, Congress, however, does not convene until the succeeding December, and a period of 13 months elapses. In the short session of Congress, which occurs in December of even-numbered years, Members of Congress who have been defeated in the preceding November serve during the so-called short session, which automatically ends on March 4 next. In popular language, these Congressmen are designated as lame ducks.

One of the reasons for a change and for the adoption of the so-called amendment abolishing lame ducks is the fact that defeated Congressmen may or may not be responsive to the wishes of their constituents, and that they may be charged with responsibility for defeating worthwhile legislation or for voting in the affirmative on the adoption of bad legislation. All of this is theoretically possible under the present arrangement. The ratification of the twentieth amendment to the Constitution of the United States changes the situation so that, in the future, a Member of Congress, elected in November, takes office on January 3, and it will no longer be possible for a man to serve in Congress after he has been defeated.

The only way to determine whether or not lame ducks are responsible for the failure of everything is to examine the roll calls. I challenge anyone to show where the lame ducks in the present session of Congress have been responsible for the failure of any legislative program any more than other Members of Congress. For the most part, the roll calls will show that the lame ducks, without regard to the results last November, are discharging their duties and obligations faithfully and well. It would be just as foolish to blame the "live ducks" for present conditions and just as logical.

People who indulge in this loose talk lose sight of the fact that we have in this country a party system of government. Our legislative bodies are responsive to party leadership, or lack of it, as the case may be. Consequently, the criticism that is misdirected at the lame ducks should be directed to our party system of government which prevails in this country. If there are any shortcomings, and we cheerfully admit them, they are the shortcomings of the political parties in this country and the political leaders. For good measure, I do not hesitate to include some of our so-called great leaders in business and industry who owe it to themselves as well as to the American people to give patriotic encouragement and help to every program and proposition that will end the depression.

We were told last October that the election on November 8 was important and that a "change" would end all of our troubles and furnish a solution for all of our difficulties. The failures of prohibition were to be promptly ended. Farm relief was to be established. The Budget was to be balanced. Every man was to be furnished with a job. Numerous, indeed, were the pictures of hope hung out to the view of a despondent people.

The facts are that the present short session of Congress has failed in every promise that was made last fall, but that failure can not be charged to the lame ducks. It is a failure of party leadership. It is foolish to claim that nothing could be accomplished during the short session. There was much that could be done under proper leadership. Our Democratic brethren have been in control of the House of Representatives for two years. Their leaders determine what legislation shall be considered by the committees and how those committees shall report thereon.

That is the very essence of a party system of government. It carries with it opportunities and responsibilities. If those responsibilities are met the glory goes to the party leaders who met them. If they adopt a "do nothing" policy, the credit for that belongs to the party in power and to its leaders.

You can call it childish or you can call it foolish, but the fact is that a so-called lame duck can not be charged with this cheerful responsibility. For all of the good things that are done, and for the bad things that are done, for the sins of omission and commission, committed and uncommitted, in the House of Representatives, the party in control, when the record is written, must be charged in full measure therewith. Make no mistake about it. That party is the Democratic Party, long on promises and short on performance. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HART].

Mr. HART. Mr. Chairman, I was very much interested this afternoon listening to the arguments of the minority leader in favor of placing a tariff or a tax against the products of foreign countries having a depreciated currency. I was particularly interested in that portion of his statement which he was quoting from some newspaper printed in Japan, that this depreciated currency had only caused a rise in commodity prices in Japan of about 8 per cent, while, on the other hand, due to the depreciation of currency, they were able to seize the export markets of the world. In fact, their export trade had reached war-time proportions.

It would seem that if a depreciated currency could work as magically as described by the gentleman from New York his party would have seized the opportunity to immediately rescue our business from the doldrums and put our export trade back on its feet.

That our export trade is an important factor in our prosperity it does not devolve upon me to prove. I just want to quote from President Hoover's speech made in Newark, N. J., on September 17, 1928:

> When, at the beginning of the Republican administration, we were determining those measures which would restore and increase employment, one of our first decisions was vigorously to build up our foreign trade. We determined that we must sell more products abroad if we would have steady and assured employment for labor in our industries. We realized that we must energetically promote the sale of our farmers' surplus abroad both in their interest and in the interest of labor. By so doing we increase the farmers' buying power and in turn his demand for the products of labor.

Somehow or another our Republican friends have lost interest in foreign trade. They are endeavoring to foster the idea that the farmer must reduce his production to domestic consumption. In other words, he is to profit by idleness.

When we speak of foreign trade it does not mean that we are only going to sell. The word "trade" itself, as defined by Webster, means "to barter; buy and sell; participate in a sale or exchange." Therefore, when Mr. Hoover in 1928 was discussing foreign trade, he certainly could not have had in mind the embargoing of foreign products.

Listen to Mr. Hoover again in September, 1928, speaking at Newark, N. J.—

> More than 2,000,000 families in the United States earn their living to-day producing goods for export, and another million families earn their living in the manufacture of raw materials which we import in exchange for our exports. This increase in exports has brought a living to a half-million families. This means more than statistics. It means higher standards of living—more jobs make more wages. Foreign trade is no artificial stimulant to employment. Its development is a vital contribution to the welfare of the American workman and the American merchant and the American farmer. I propose that we shall continue this service to our people.

I can not conceive of why our Republican friends are now endeavoring to stifle foreign trade. The "Buy American" movement will result in a stifling of foreign trade. Oh, I realize that there is a "Buy Britain" movement. There is also a buy locally movement in many of the States. We have a group in my State, "Buy Michigan."

In my judgment, these movements are fostered by those who have an ulterior motive, or by unthinking people. For instance, take my own State as an example. What would happen to our automobile industry, if other States started a "buy" movement in their own State and refused to buy Michigan automobiles. What would happen to the farmers of my State, if other States discriminated against us, because of our "Buy Michigan" movement and refused to buy Michigan beans, when we produce 75 per cent of all the white beans grown in the United States?

These local "buy" movements will have the effect of separating us into 48 individual countries and bring about bickering and trade barriers, as they exists by tariffs in Europe.

America has grown great because of its natural resources and because of a free and unobstructed market throughout this vast empire of 48 States. We want no Chinese walls. We are suffering to-day from a stifling of trade and a robbing of the public by inflation of stocks and bonds, sponsored largely by tariff-protected concerns.

It seems our friends on the other side of the aisle have an ulterior motive. They lost this election because of their high tariffs. They would like to put our party on record as out-Grundying Grundy himself.

One of the emissaries of high tariff called on me yesterday. He was not an irresponsible, but represented one of the largest industries in the United States in his line. He comes from near my home town in Michigan. He was greatly interested in depreciated currencies and when he found that I was not interested in his program, here was his last weapon. He said: "Do you realize, Mr. HART, that we are going to have another Boston Tea Party after March 4—that great interests are preparing and financing the unemployed who will dump overboard, as they arrive in port, these foreign goods which come from countries with depreciated currency?" I said to him, "This does not disturb me. No movement of this kind can take place without organization and I am sure that our Government is not asleep and that after March 4 a movement of this kind would be dealt with very quickly."

We have the farm problem with us. Over in the Senate, I understand a bill has just been reported, which will put the Government into speculating in cotton and encourage the farmer also to speculate in cotton. We learn nothing from experience. We have just finished this morning a huge speculation in cotton, by turning over the last 350,000 bales of cotton to the Red Cross. We have paid for this cotton two or three times, but the bill just reported in the Senate is going to get us in another gigantic speculation.

Why is the Government speculating in farm products? It is a blind attempt to assist the farmer, whose dollar, as compared with pre-war levels—before the Fordney-McCumber Act or the Smoot-Hawley Act—is to-day worth only 50 cents. Shall we put some more tariff on manufactured goods and put the farmer's dollar farther out of reach of the commodities which he must buy and then, in turn, try some more nostrums to lift the farmer up to the level of those whom we have protected with outrageous tariffs? It is unjustifiable; it is silly; it is unsound. The only excuse for this agitation is the next general election in 1934.

I warn my Democratic friends to beware this snare.

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Chairman, I agree with my colleague from Minnesota [Mr. PITTENGER], that on next Monday the membership of this House will have an opportunity to cast one of the most important votes in this Congress.

Before passing on to what I had intended to say, may I refer to the statement of the preceding speaker, that the tariff issue wrecked the Republican Party in the last campaign? Let us look at the facts. Under the American Constitution, tariff legislation must originate in the House of Representatives. The gentleman's party, the majority party, the Democratic Party, has had control of the House of Representatives and the Ways and Means Committee thereof for two years, and although your Members demagogued against high protective tariff rates in this House and on the political stump, you have not reported from your Democratic-controlled Ways and Means Committee one bill or resolution to reduce one of the existing tariff rates, not even to the small degree of one-half of 1 per cent. On the other hand, your Democratic-controlled Ways and Means Committee reported a sales tax bill in the last session, which would put an additional 2¼ per cent row of tariff stones on almost every rate covering every article on the protected list under the Hawley-Smoot Act, and an additional 2¼ per cent row of protective tariff stones on nearly everything on the free list under that act. Under the Democratic Roosevelt farm-allotment monstrosity you sponsored and advanced some of the highest tariffs ever in the history of any nation on the face of the globe. It was only a few weeks ago that out of the Democratic-controlled Committee on Expenditures there was reported the Wilson bill,

which, in effect, put an embargo tariff on every foreign product which might have been purchased for use by the Federal Government, and there were only a handful of Members of this House, while controlled by a Democratic majority, who rose up and voted against that bill—not even a sufficient number to obtain a roll call.

In the other body a few days ago a similar embargo tariff, a "Buy American" proposition for the Federal Government, was passed as a rider to an appropriation bill, and there were but a handful of votes against it.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. PITTENGER. Can the gentleman see any consistency in advocating a "Buy American" plan and at the same time working against protecting this country against imports from depreciated-currency countries?

Mr. SCHAFER. No. I have had my picture taken for the press and for the movietones with Democratic brothers and sisters making "Buy American" speeches. I now call upon the Democratic brothers and sisters who appeared in movietones advocating "Buy American" to act and not let the matter rest with talk only. Those talks will not cure the situation and prevent a flood of foreign imports from destroying the American market. I call upon those Democratic movietone actors who were then spreading the gospel "Buy American," which is in effect an embargo tariff principle, to back up their talk with action.

I now wish to bring to the attention of the House some ideas expounded by the leading Democratic campaigner in the last campaign, Hon. William Randolph Hearst. What has he stated in his editorials with reference to this Crowther bill we are going to vote on Monday? He said:

> There is said to be a Democratic desire that the question be kept open for the new administration. The question should not be kept open an unnecessary moment. The emergency is upon us.
>
> If the Democrats are so fatuous and shortsighted as to play politics with this great duty of national preservation, it will go ill with the Democratic Party both in this administration and the administration shortly to be inaugurated. The workingman's job and the restoration of American industry are not playthings for politicians.

This is not the utterance of a Republican protectionist; this comes from the pen of the leading Democratic campaigner in the last campaign, the Hon. William Randolph Hearst.

Mr. BLANTON. Where does Hearst get his pulp paper from? He imports it from foreign countries.

Mr. SCHAFER. I do not know. However, from his editorials, I must assume that he "Buys American."

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. I yield to the distinguished gentleman from Nebraska.

Mr. HOWARD. I am sure my colleague would not wittingly make a misstatement, but evidently he has forgotten some of the things that happened in the past. He stated a while ago that nobody had made any attempt to reduce the tariff. I recall that I introduced a bill to cut the tariff on aluminum hospital utensils and cooking utensils 50 per cent, and the gentleman from Wisconsin loudly applauded my effort.

Mr. SCHAFER. I give the gentleman all due credit, but I did not say that no Member had introduced a bill. I said that the Democratic majority which controls this House and which controls the Ways and Means Committee of this House has not reported a bill to reduce the tariff in any manner.

The Ways and Means Committee have chloroformed the gentleman's aluminum tariff reduction bill in committee.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. BLANTON. The gentleman did not answer my last question. Can the gentleman tell us where Mr. Hearst gets his pulp paper from?

Mr. SCHAFER. I do not know about that. I presume he "Buys American."

Mr. BLANTON. He imports it from abroad. His "Buy American" slogan is forgotten when he buys his pulp paper.

Mr. SCHAFER. I have not written to ask him. If the gentleman knows about it, I would suggest that he take it up with him.

Mr. BLANTON. I would like to ask the gentleman one question: Did not the gentleman vote to put a tax on wort?

Mr. SCHAFER. Who did?

Mr. BLANTON. The gentleman from Wisconsin.

Mr. SCHAFER. Who voted for it?

Mr. BLANTON. Did not the gentleman offer an amendment——

Mr. SCHAFER. I refuse to yield further, because my time is limited. A tax was imposed on malt sirups and wort; and, just as I prophesied at the time that I spoke and voted against said tax, which was supported by the gentleman from Texas, thousands of men have been thrown out of employment by reason of its enactment. There is now coming into this country from depreciated-currency foreign countries millions of bushels of malt, which is helping to wreck the great malting industry of this Nation—and bear in mind that malt is used for purposes other than making beer, nonintoxicating in fact or intoxicating in fact—the great cereal manufacturing and baking institutions buy malt sirups from the malting industry in carload lots.

Yesterday some of the Democratic speakers made a strong plea to cast party aside, to cast party actions and reflections aside, and stand united and nonpartisan. Only since last November have these gentlemen become converted to this principle. If we are to cast party considerations aside, how can we explain the action of the Democratic majority of this House in calling a caucus and binding the majority Members of this House to vote to prevent the Crowther bill from being considered next Monday?

Now I call upon you Democratic Members and progressive Republican Members who in the past have asked for the discharge rule—who in the past have gone so far as to indicate that when 100 Members of this body desired legislation considered it should be considered—to practice what you preach.

I call upon you now to give the 145 Members who have signed my petition to discharge the Crowther bill an opportunity to at least consider this important legislation on Monday next. Your Democratic Speaker indicated we did not have time for such consideration. Yesterday we adjourned at quarter to 4 and the day before we adjourned at 20 minutes to 4; and we have plenty of evenings when we could have evening sessions, if necessary.

This kind of legislation, under the American Constitution, must originate in the House of Representatives. Let us get it over to the other body. Democratic gentlemen certainly can not blame the lame-duck Republican minority for frittering away about eight days of time in another body, unless you wish to hold that a gentleman commonly known as the Kingfish is a lame-duck Republican. [Applause.]

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. MILLER].

Mr. MILLER. Mr. Chairman, I think it is pretty generally conceded that the Government at this time is facing the greatest crisis it has ever faced in its entire history. This crisis, of course, is a financial crisis.

We have heard and will continue to hear of the absolute necessity of reducing Government expenses. It is true that the expenses of Government that are bearing down upon the people of our country are not all Federal expenses. The truth is that a very small percentage of the total expenses of government in our Nation is the expense of the Federal Government; but, notwithstanding this fact, the duty devolves upon the Congress to relieve the people of the expense of the Federal Government as much as can possibly be done without destroying the efficiency of government.

Yesterday we sent to conference an appropriation bill carrying an amendment that had been adopted by the Senate which some gentlemen have termed drastic and dictatorial;

which some gentlemen have termed as a move to surrender the prerogatives and the rights of the Congress to the incoming Executive.

I do not agree that it is a surrender of a single right that the Congress has, and I want to invite your attention to the text of the measure that has been adopted by the Senate and see if we can find therein, if that provision is enacted into law, where we have surrendered one iota of the prerogatives that belong to the American Congress. Only a delegation of authority has been made to the Chief Executive upon whose shoulders the task of administering the Government within its revenue will fall after March 4, 1933, and since his is the responsibility, the power should likewise be his within the limits of the Constitution.

It has been argued that the Congress ought to undertake the task of reorganizing the Government and cutting down expenses, abolishing bureaus and eliminating this department or that commission. Mr. Chairman, I have only been a Member of this body during this Congress, and during this time it has been a part of my duties to act on the Committee on Expenditures. Before that committee there have been many bills. We spent many days last summer during the first session of the Seventy-second Congress in an honest and a conscientious effort to perfom this task, and there was nothing partisan about it. The question of politics did not enter into the discussion or the consideration of those bills, but here is what we were confronted with: The average Member of Congress is not an expert. His duties are manifold. We were compelled to depend upon the department heads and we were compelled to depend upon the bureau chiefs who are the very men whose departments we were trying to consolidate. They were the men whose bureaus we were trying to eliminate. We were compelled to depend upon them for information, and, without a single exception, they came before the committee armed sufficiently to prove that you could not touch them; that you could not effect any economies by touching their bureau or their commission, but that you ought to go to the other fellow; and when the other fellow came it was the same old story. I am not criticizing those gentlemen. I am stating the facts. They are all efficient enough to make a plausible argument for the maintenance of their bureau, and the Congress need not expect them to come before any committee and admit that their bureau or commission should be abolished. We all know that some should be abolished, and it is imperative that this specific authority be vested in a responsible head.

It is said, Mr. Chairman, that emergencies call for drastic action. We must all concede that this Government is facing an emergency. If it is to continue to render the service to the people that they are entitled to from their Government, then it is incumbent upon us to see to it that some of this expense, that some of these bureaus, and that some of these commissions are abolished and their functions either transferred or done away with.

I am one of those who believe that the least governed people are the best governed people, and regardless of the question of whether the President be a Democrat or a Republican and regardless of all question of politics, I believe this Congress ought to go the full constitutional limit, and when this bill comes back or when the conference report comes back we should act promptly and effectively. I want to call your attention to the words of our President, which he used in submitting the plan that was not approved by this Congress:

> Either Congress must keep its hands off now or they must give to my successor much larger powers and independent action than given to any President if there is ever to be reorganization; and that authority, to be effective, should be free of the limitations in the law passed last year. * * *

He is referring to the act of July 30, 1922, which was a step in the right direction, but which lacks a great deal of going far enough to empower him or anybody else to correct the existing evils.

Quoting further:

> Should be free of the limitation in the law passed last year which gives Congress the veto power, prevents the abolition of functions, and prevents the rearrangement of major departments. Otherwise it will, as is now being demonstrated in the present law, again be merely make-believe.

I know, Mr. Chairman, that the Membership of this House is sincere in its desire to reduce governmental expenses. It matters not whether you or I may agree that this bureau or that bureau shall be abolished. Probably we could not agree, but if conditions are what we are told that they are—in fact, what we know they are, and we know they exist at this time—we should surrender our belief and not object to putting this particular bureau or that particular bureau out of existence. I do not care who he is, he should conscientiously approach the problem in the discharge of his duty of returning the Government to the people and reducing expenses.

Mr. CONNERY. Will the gentleman yield?

Mr. MILLER. I yield.

Mr. CONNERY. The gentleman is looking to solving the question by the President. Does not the gentleman believe that if the President of the United States sent up recommendations as to the abolition of this bureau or that bureau he would get the same action without giving him complete dictatorial power?

Mr. MILLER. They might do it.

Mr. BLANTON. I do not think they would.

Mr. MILLER. I am trying to avoid the same condition that has been confronting the Committee on Expenditures during this entire Congress. There have been meritorious propositions; meritorious bills have come before that committee, and I am sure that every man on the committee and every Member of Congress wants to reduce expenses, but I may have a particular liking for this bureau or that bureau which serves and functions in my district; another Member likes a particular bureau that functions in his district, and neither will give up. I am inclined to agree with the gentleman from Texas when he says that we can not do it—not because we do not cooperate but simply because I will not give up the bureau that serves my district and he will not give up one that serves his.

Mr. BLANTON. The President only can do it.

Mr. MILLER. Mr. Chairman, the work can only be done by some one upon whom the responsibility rests. Some one must have the sole responsibility, and the President is the servant of all the people. He is responsible to them and he must have this power.

It can not be successfully argued that Congress can do it, for the reasons above stated; not that the individual Members are not just as able as anyone and just as desirous of reducing expenses, but because the particular interests of our districts lead us to fight for the retention of the various bureaus. We are afraid to surrender one because we do not know that the other fellow will have to surrender, and so the fight goes on. The President represents all and will not be moved by any partisan consideration nor by any sectional desire. He will be dominated and controlled by the imperative duty to reduce governmental expenses without a corresponding destruction of governmental efficiency in the fundamental activities.

President Taft, upon authority from Congress, reorganized the Customs Service and brought about economies. That work was accomplished in the face of opposition from all over the country. The work of the new President will be assailed, but he can and will do it well, and after it is done will come the fight of the organized minorities for the undoing of the work. Then will come the agitation for the repeal of this law, but I firmly believe that the Congress will be controlled by the desires of the people as a whole rather than by the wishes of the minorities who may be affected by the consolidations, abolitions, and eliminations.

It can not be argued that a commission should be appointed to study the question, because in the past many such commissions have been appointed and have filed their reports after long and careful investigation. The reports contained many useful suggestions, but because of the variety of interests affected none of them could be adopted.

If the proposal be revolutionary, if it be drastic, if it be dictatorial, experience has taught us that the reform can not come unless the authority be lodged in some one who is responsible to all the people, and not to any particular district, interest, or section. That one person is the President, and if we are to save our Government and relieve our people we must act.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Chairman, I listened with a good deal of interest to the statement of the gentleman from Michigan [Mr. Hart] in which he called attention to the decrease in our export trade. Of course his criticism falls flat because our loss in exports is exactly in proportion to the export loss sustained by every other country in the world, and our loss is due to their impoverished condition and consequent reduced purchasing power.

Mr. Chairman, I want to say a word on the subject that we are going to take up on Monday. One of our leading newspapers this morning contained an editorial on this subject of depreciated currency and quoted from the report by the Secretary of Commerce, Mr. Chapin, which is a rather comprehensive statement, although it is brief, and will be found on page 3708 of the RECORD of February 9, 1933. The only thing that the newspaper apparently could find of value from its point of view in that statement was this, which it quoted in the editorial, as follows:

> An examination of the latest available foreign trade statistics does not indicate that we are experiencing what might be termed a flood of imports.

That is the only portion of the statement they thought worth while to quote in the editorial. I wonder why it did not quote this part of the statement, if it wanted to be fair to the reading public:

> From the standpoint of mechanics alone, a lag of several months must occur between the time a foreign currency begins to depreciate and the time when imports of individual commodities begin to increase. The depreciated-currency country must have or develop an exportable surplus. The foreign producer must arrange for United States agents or distributors, who in turn must develop or extend the market. This takes time. Even after this has been done the growth of imports may be temporarily stopped or retarded by "less-than-cost selling" by American producers. But a policy so ruinous and uneconomic can not long be maintained. Statistics for 1932 should therefore be taken, not as a measure of effect, but merely as an indication of the direction in which these forces are working.

The writer of the editorial would not quote a constructive paragraph that illustrates what the final result is going to be in the United States of the continuation of a policy so eminently unfair as that which now predominates.

Mr. Chairman, 145 Members of this body signed a motion to discharge the Committee on Ways and Means from the consideration of the bill, H. R. 8557, known as the Crowther bill, and action will be taken upon that motion on February 13. The title of that bill is "To equalize tariff duties by compensating for depreciation in foreign currency." The Hill bill, H. R. 13999, and the Connery bill, H. R. 14413, are designed to effect the same purpose.

While it is not fair to place the entire blame for our industrial depression on depreciated foreign currency, sufficient evidence was submitted to the Committee on Ways and Means to prove beyond the shadow of a doubt that this condition is a prime factor in the continuation of our industrial stagnation.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. I can not yield at present.

Mr. BLANTON. Just for one question.

Mr. CROWTHER. Very well.

Mr. BLANTON. Why did my friend from New York let them hoodoo his bill by bringing it up on the 13th of the month?

Mr. CROWTHER. Mr. Chairman, I am not as superstitious as the gentleman from Texas. The gentleman would probably run away from a black cat if he saw one. Besides, 13 is a lucky number with me. I have 13 letters in my name, and I think I have been one of the luckiest fellows in the world to be able to serve here all these years with the gentleman from Texas and my many beloved colleagues. Let me give you a list of the industries that are seriously affected by depreciated foreign currency:

Fisheries and fish canning: Washington, Oregon, and California.

Boat builders: Washington and Oregon.

Motor hardware: Washington, Oregon, and California.

Electric supplies, incandescent bulbs, and so forth: Massachusetts, Pennsylvania, and New York.

Electric storage batteries, metal toys, and novelties: Pennsylvania and New Jersey.

Other metal articles: New Jersey, Illinois, Kentucky, Virginia, and California.

Lumber: Missouri, Washington, and Michigan.

Pulp and paper: Washington, Oregon, Massachusetts, Maine, Illinois, Wisconsin, West Virginia, New York, Ohio, and Michigan.

Pottery: New York, New Jersey, Ohio, and West Virginia.

Carpets and rugs: New York, Connecticut, Massachusetts.

Leather: New York, Ohio, and Wisconsin.

Glazed kid: Pennsylvania and Delaware.

Manufactures of cork: Pennsylvania.

It is only fair to say that I have received some 16 letters protesting against the proposed legislation, largely from the converting paper mills.

While our imports have suffered a material reduction as a whole, resulting from our own decreased buying power, there has been a marked increase of importations of many commodities from countries off the gold standard. It is only fair to say that there has been an increase in some commodities from countries still on the gold standard, but in many cases a low gold standard.

France, Germany, Canada, and even the Philippines have protected themselves against loss from this source by suitable legislation, order of council, or proclamation.

If the greatly reduced income of our American workers is to be spent for articles that are made abroad and American goods permitted to remain on the shelves, what hope is there for a resumption of industrial or agricultural activities in this country?

Here is the situation: Foreign nations with their depreciated currency have taken charge of the toll gates at our customhouses and have changed the price of admission to suit themselves. Tariff rates have been destroyed by this process and the foreign goods enter in many cases with less than a fair degree of competition. The element of protection to American industry has vanished and American industry and labor are the victims. How long are we going to permit this condition to prevail? It seems to suit the element that is apparently obsessed with the cult of internationalism, but if protecting American industry and American workmen against a combination of pauper labor and depreciated foreign currency is nationalism, then put me on record as a nationalist. I am for America first, now and forever. [Applause.]

I hope the Members of the House will see the wisdom of enacting this legislation and of reestablishing the rates that we intended to be applied when we passed the Hawley-Smoot bill.

Mr. MAY. Will the gentleman yield?

Mr. CROWTHER. In just a minute.

I believe if we had embarked on this method of legislation 30 days after England went off the gold standard in September, 1931, and when the rest of the nations followed her in rapid succession, if we had adopted this policy of collecting tariff duties on par value of their currency, not only England but many of the other nations would have long ago returned to the gold standard. Every week that we postpone it we are losing an opportunity to drive in a wedge that will urge these nations back to the gold standard and help to stabilize the currency of the world. [Applause.]

We are more than a year late in taking this action. I introduced H. R. 8557 on January 28, 1932, and the gentleman from Oregon [Mr. HAWLEY] and the gentleman from

Washington [Mr. HADLEY] introduced identical bills at that time.

The CHAIRMAN. The time of the gentleman from New York [Mr. CROWTHER] has expired.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Chairman, I am glad we have had what might be termed a "running debate" this afternoon upon this very important question that is to be decided on next Monday.

I would call the attention of the Members to this condition that exists in the district of each of us: Our people are greatly disturbed; it matters not whether it be the most humble workman or the greatest financier in any one of your districts, that man to-day is hoping for some solution of the problem that we have in this great depression.

At first glance this proposition of equalizing the tariff rates with those countries that have resorted to a depreciation of currency appeals to one, whether he is a protectionist or not, but when you turn to clear light of truth upon the question and get the facts surrounding it the legislation that is here proposed is utterly worthless and ridiculous.

I think if I were on the opposite side of the aisle and if I had a distinguished member of my party who happened to be in a place of great authority, namely, the Tariff Commission, and a man who should know more about this than any other one, and then to have been denounced by him for signing a petition to bring an important tariff bill before the House under a petition to discharge the committee, I would certainly stop and try to study the testimony in this case and see if I might not be wrong.

Mr. PITTENGER. Will the gentleman yield?

Mr. RAGON. I will answer the gentleman in just a moment.

Mr. PITTENGER. I just wanted to say that man is not a Republican.

Mr. RAGON. I beg the gentleman's pardon; he is a Republican, and he was appointed by a Republican President.

Mr. PITTENGER. No; I disagree with the gentleman.

Mr. RAGON. Of course the gentleman disagrees. He must disagree. The gentleman is the same gentleman who a while ago said the lame ducks had nothing to do with this legislation.

Mr. PITTENGER. And I meant it.

Mr. RAGON. Yet 84 Members of the 145 who signed that petition are lame ducks. I have nothing against those so unfortunate as to be defeated, but the gentleman must recognize facts.

Mr. PITTENGER. That is one of the finest things they have ever done.

Mr. RAGON. Fifty-eight per cent of the signers of the Republican petition are lame ducks, and then the gentleman tells us they had nothing to do with this legislation. [Laughter and applause.]

Well, it is an old saying that a fellow had better stop and do a little thinking before he does so much speaking.

Now, let us see what are the principles involved in this bill. Our tariff is supposed to represent the difference between the cost of production here and abroad. From the lips of the Tariff Commission, who knows more about this than anyone else, we hear this: There has been a reduction in wholesale costs in this country of 32 per cent. Now, if we have had that much reduction in wholesale production costs in this country, then you are certainly bound to admit that the costs of production have become greatly decreased in this country. Very well. Against that 32 per cent reduction in wholesale prices in this country what do we find in Canada? We find a depreciated currency now, as I recall, of between 20 and 25 per cent. Very well. What is expected by this bill? It is expected to increase the tariff and make it effective upon our present rates, without giving any consideration at all to the cost of production in this country and its reduction within the last two years.

Mr. CROWTHER. Will the gentleman yield?

Mr. RAGON. I can not yield now.

Mr. CROWTHER. The gentleman just made a statement that is very wide of the mark.

Mr. RAGON. Very well.

Mr. CROWTHER. The gentleman said that this legislation did not make any provision for reduction of production costs in this country. In both the Hill bill and my bill there is left a very wide margin between what we shall receive in duties, and what we expected to get under the present tariff law; a very wide margin is allowed for the reduction of our costs, and also for the presumed increase of foreign costs, under the old economic fundamental theory of commodity price rising when currency is debased, which has not occurred, and the gentleman knows that is a fact by the evidence submitted.

Mr. RAGON. I contend that both the Crowther bill and the Hill bill will make the tariff effective just as soon as foreign currency is reduced 5 per cent below par. The very object of these bills ignores domestic cost of production. Find out, if you can, how it would effect a consideration of the cost of production in this country. Of course, that is the very purpose of it, not to consider the cost of production here, because it would not work if you did. The Tariff Commission can do that now. It has only recently done that very thing. If you consider anything but the depreciation of currency, you take it out of the scope of this legislation.

Why, of course, it does not refer to the cost of production in this country. You now have in the flexible clause of the tariff act all the power necessary to do the very thing the gentleman from New York speaks about.

Mr. Chairman, upon what is based the claimed necessity for this bill? You have got to base it upon the proposition that this country is being flooded by imports from other countries. I do not see how in the world any reasonable man could expect it to be invoked in any other way.

What are the facts? The facts are that the imports into this country last year from all sources in volume were 21 per cent under those of 1931. In value they decreased in 1932 something over 30 per cent under what they were in 1931.

Not only that, but the gentlemen have quoted from Mr. Chapin, the Secretary of Commerce, and his statement that there were two hundred and thirty-odd articles listed. Mr. Chairman, if they had taken time to get information from other sources than Mr. Chapin they would find there is listed 277 articles in our hearings. Mr. Page, of the Tariff Commission, testified that of these 277 articles there were only 83 as to which imports had increased last year over the year before. I ask you to think this statement over seriously; he said that of the 83 articles 43 were from depreciated-currency countries and 40 were from countries on the gold standard.

Mr. Chairman, I say these gentlemen must be careful that they do not make themselves the instrument of a half a dozen greedy industries who want to peg their prices in this country.

Now, let us look at a common application of this legislation. Here is Canada with a currency depreciated about 25 per cent. Here is Japan with a 50 per cent depreciated currency.

Mr. CROWTHER. Sixty per cent.

Mr. RAGON. Well, we will say 50 per cent. That will make it better for your side. Here is France, who many years ago cheapened her currency more than any of these countries, and you are not making any provision to meet the French situation at all.

What does this mean? It means against the same article coming from the different countries that in the case of Canada you charge one rate of tariff, in the case of Japan you charge another rate of tariff, but in the case of France you do not charge a penny.

Great Britain is in the same shape as Canada, yet Great Britain walked up to the lick log and paid up every dollar she owed us last December. Nevertheless, you would impose upon Great Britain this extra burden.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Arkansas 10 additional minutes.

Mr. RAGON. But to France, who was a defaulter, you are giving a crown of glory.

There are fifty-odd countries with depreciated currencies—maybe more; I do not remember the number now. The reason assigned by those men appearing before the committee, Republicans and Democrats alike, why it was impractical of operation was because it set up a different tariff rate on all articles for over 50 countries. In effect it would be levying 50 different rates on the same article.

Mr. Chairman, there must be something wrong when three members of the Tariff Commission come before the committee and say this bill will not do. There must be something wrong when the authorized representatives of the Treasury Department come up there and say this bill is impractical. There must be something wrong when the gentleman who appeared on behalf of the Department of Commerce gave the kind of testimony he did.

Mr. Chairman, this is a serious proposition from another viewpoint. When you increase the tariff against Japan 100 per cent, and increase that against France none, what is going to be the feeling in Japan? When you increase the Canadian duty 33⅓ per cent and increase the French duty none, what is going to be the feeling in Canada?

Mr. Chairman, legislation of this character will simply make a crowd of nations now out of humor with us feel more disposed against us than they have ever felt.

Let us analyze the situation a little further.

You have 67 per cent of your imports on the free list. You have one-half of the remaining 33 per cent of dutiable tariffs, one-half specific duties and one-half ad valorem.

Under your specific duties whenever they depreciate the currency you automatically increase the tariff. For illustration, here is a hat that comes in from Italy worth $4 and they pay $1 specific duty. The currency in Italy depreciates 25 per cent and the hat goes down to $3 and you still retain that specific $1 tax. In order to bring that up and make it effective, what have you to do? You have to increase it one-third of $3 dollars; in other words, you have to increase it 33⅓ per cent to make up for a 25 per cent depreciation in currency.

Mr. Chairman, you are not only increasing it in this way, but you are increasing it upon your ad valorem rates as well to the same extent. You are not only doing this, but you are going into the free list. Have you ever thought about that? Have you ever begun to contemplate that even under the Smoot-Hawley bill, passed when you gentlemen on the Republican side were in power, with a great majority here, 67 per cent of the imports into this country were placed by you upon the free list? Are you willing now with a few slight exceptions, that they shall all have an import duty placed upon them?

I had a gentleman figure it out the other day and averaging the equivalent ad valorem rate over all our imports, it amounts to a rate of 16.9 per cent. Whenever you adopt this legislation you drive up the average equivalent ad valorem rate to over 40 per cent by including the free list.

Mr. Chairman, this is why these gentlemen down here on the commission, Republicans and Democrats, make this statement, and as I said to my friend, SNELL, to-day, there is not one argument for this bill that I can not give you 12 better arguments for depreciation of our own currency.

When did the thought arise that in the depreciation of the currency of the country, the very salvation of our people is to come about? I am not going to answer the question, but I am going to say this. We have been talking about the great advantages of this depreciated currency to these countries. If this is true, then you make the strongest argument for the depreciation of our own currency that could possibly be made.

There is one other thing to remember in this connection. By doing this you might possibly help a score of industries in this country in an infinitesimal way, but they are the only people you will help.

Now, why do I say this? I say this because whenever you increase wholesale prices in this country, that is going back onto the shoulders of a population that now carries 12,000,000 people unemployed. It carries about 55,000,000 of the American population who are partially deprived of their livelihood in the agricultural sections of our country, and there never has been such destitution in the history of this country as there is to-day in agriculture, and there is not a man here who does not know it.

I have been here 10 years, and I have seen many bills come in here for the relief of agriculture. Everybody admits the necessity for this. If you will rehabilitate the agriculture of the country, to-morrow you will start the smokestacks in every New England factory just as soon as the reaction can set in. There is no question about it.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. RAGON. Not now.

But how many of these agricultural relief bills have you even seen where either party ever became so active in support of that they resorted to a petition for the discharge of the committee considering them?

Oh, a handful of factories can go around the country with their propaganda; and as a result we are to undertake to write the most complicated bill there is upon any statute book with 10 minutes of debate on each side. There are millions of people to-day in the agricultural business with their cotton and wheat prices reduced 66 per cent since 1926, whereas the products of the Steel Trust, a beneficiary of this legislation, have only been reduced 19 per cent. Yet, my friends, those people do not get any bills introduced by my friend from New York [Mr. CROWTHER] petitioned out of committee by the gentleman from Wisconsin [Mr. SCHAFER].

I say to you frankly, Mr. Chairman, that almost every day you read upon the front pages of the papers a description of these horrible conditions from the communities that have always furnished the finest examples of manhood to this country; a source that has been so productive in building up the institution of which we are all so proud. These people are standing out there in peasantry and yet you will bring in here a bill that will heap $1,000,000,000 upon their already overburdened shoulders in order to make the big interests of this country smile.

I want to say to my friends of the Republican faith that I thought you had a taste for roughness when you took unto yourselves the parenthood of the Hawley-Smoot bill. On last November the Democratic Party took that bill and they hammered you into insensibility and the people on November 8, holding an inquest, decided that the Republican Party's usefulness in this country was dead.

Mr. SCHAFER. Will the gentleman yield?

Mr. RAGON. No, not now.

Now, what do you do? You have not only got the poor, old Republican Party that has served a great purpose in the history of this country laid out cold on the slab, but now you come along under the leadership of my friend from New York [Mr. SNELL], and the gentleman from Wisconsin [Mr. SCHAFER] and you place upon the cold, poor old Republican Party a shroud in the shape of the Crowther bill. [Applause.]

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield two minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Chairman, I have asked for two minutes in order to ask a question of the gentleman from Arkansas. He said a moment ago that if we would do something to relieve agriculture the industrial sections of our country would begin operations and prosper. I would like to ask the gentleman from Arkansas how the industrial sections can prosper when to-day they are suffering from the competition of manufactured products coming from European and Asiatic countries that take the work away from the American laborer employed in our American industries. How is it going to benefit agriculture by passing

relief legislation and put them on their feet again if the industrial manufacturing sections are not thriving?

He spoke about the iniquitous Smoot-Hawley tariff bill. I remember more than two years ago the Democrats were going from one end of the country to the other criticizing the Smoot-Hawley tariff bill as the most iniquitous measure ever put on the statute books. And yet the Democrats have had control of this Congress for two years and not one step have they taken to change one schedule in the Smoot-Hawley tariff bill. [Applause.] The gentleman from Arkansas [Mr. RAGON] says wait until after March 4, and then we will show you how quick we will reduce the rates in the Hawley-Smoot bill. That was your cry two years ago. Your party promised the people you would lower the tariff rates in the Republican tariff act of 1930. Be honest about this, and I want to see if you have the courage to carry out your promise to do so. [Applause.]

Mr. CANNON. Mr. Chairman, I yield one minute to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Chairman, the gentleman from Ohio is a too high-class Republican, he is too great a statesman, to be the author of such a suggestion as he has just made. It would be frittering away the time of this House for any Democrat, or any Democratic Ways and Means Committee to have undertaken to consider a tariff bill, when we had only a half dozen majority in the House and a Republican Senate that would kill it, and a Republican President who would veto the bill if it should pass. [Applause.]

Mr. HOLADAY. Mr. Chairman, I yield two minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Chairman, the gentleman from Arkansas has not answered my question. The Democratic Party carried on a campaign against the Smoot-Hawley tariff bill, and I repeat that his party has been in control of Congress two years and has not endeavored to change one schedule of the Smoot-Hawley tariff law.

I call the gentleman's attention to a matter that came to me a few days ago. It was called to my attention that one of the American steel companies was buying Belgian steel skelp and fabricating it into pipe, and some of that pipe was going into the construction of our Federal buildings.

I called upon the Treasury to make an investigation, and they sent the usual letter that it was not the policy of the department to use any foreign material in the Federal buildings.

I got in touch with them again, and called attention to the fact that this American industry was buying Belgian skelp and fabricating it into steel pipe, and I wanted this investigated. A few days later I received a letter from the Treasury with a copy of a letter from this steel company stating that they were buying Belgian skelp and it was being fabricated into steel pipe and this steel is being sold on the American market in competition with the products of our own steel industry at a cost far below the price we can produce it in the United States. I represent a great steel industrial district, where we have at the present time 20,000 or more unemployed. It is not only steel skelp, but also steel bars, tin, pig iron, and many other steel products being imported into our country to-day from foreign lands. How can the gentleman from Arkansas [Mr. RAGON] stand for and justify the importation of products into our country which is taking business and work from our American industries and American labor. [Applause.]

Mr. CANNON. Mr. Chairman, I yield one minute more to the gentleman from Arkansas.

Mr. RAGON. Mr. Chairman, I want to keep the record straight. It is true that we fought the Smoot-Hawley bill; it is true that we went to the people of this country when we put that up as an issue two years ago, and they turned out an overwhelmingly Republican House and replaced it with a Democratic House; and it is true that again this past year we went to the country on that same issue and they increased our present membership to the largest majority that ever sat here as a majority of either one of the parties. They not only gave us the House but they gave a Democratic Senate and a Democratic President, and we will show the gentleman in two years what we will have been able to do with the tariff.

Mr. HOLADAY. Mr. Chairman, I yield half a minute to the gentleman from Ohio.

Mr. COOPER of Ohio. I know that you made that kind of a campaign and promise to the people, but you have not dared to carry it out.

Mr. RAGON. We could not do it with a Republican President in power.

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. Mr. Chairman, I have listened with a great deal of interest to this round-table discussion or running tariff debate this afternoon, in a consideration of tariff rates that affect business and commerce of this country at the ports of entry, and I have been wondering whether the gentlemen who have talked so readily and ably upon the question of the tariff on imports from foreign countries have awakened to a realization that they are talking about a bear in the woods, while there is a snake at their feet, ready to bite them.

I want to talk this afternoon for just a little while on a tariff at home, that is even more destructive of the commerce of this country than either the Smoot-Hawley bill or the Hoover-Grundy tariff act, or both of them combined, notwithstanding their well-known iniquities. I have reference to the freight rates upon the railroads of this country. In my district the principal industry is coal, and being interested in the subject of coal and the transportation of it to the markets of the Middle West and the Northwest where it is consumed by the constituents of my friend from Wisconsin [Mr. SCHAFER] and by my friend from Michigan [Mr. MAPES] and others in the Northwestern States, as well as my Ohio colleagues, I asked the Interstate Commerce Commission to furnish to me a statement showing the freight rates on coal from the Kentucky fields and the West Virginia fields to the Lake ports. Before I put in the RECORD that certificate showing the table of rates, I call attention to the fact that some of the best high-class steam coal in the world is selling now on the markets at the mine in northeastern Kentucky and West Virginia at 20 cents per ton of 2,000 pounds.

I call attention to the fact that a 50-ton car of coal sold at the mine at 20 cents per ton amounts to the huge sum of $10 per car, and in that price are included the wages of the men who produce it and load it onto the cars, taxes, insurance, mine supplies, and every other charge connected with the production of coal, while the freight rate on that same car of coal from points in eastern Kentucky to the city of Louisville in northern Kentucky is $1.69 a ton of 2,000 pounds, which would make the freight on the $10 carload of coal cost $84.50 for its delivery into the city of Louisville. The freight rate on the same carload of coal from the Kentucky fields to Toledo, Ohio, is $2.64 per ton, which on this $10 carload of coal costs $132 to deliver at Toledo, Ohio, or $122 more than it brings the producer at the mines. The same 50-ton car of coal delivered at Erie, Pa., with a freight rate of $3.06 per ton, costs the producer $153 or $143 more than it brings the producer at the mines; and the same 50-ton car of coal delivered at Buffalo, N. Y., on a freight rate of $3.48, costs the producer $174, which is $164 more than it brings the producer at the mines. Yet Members in the House of Representatives have not yet realized that that is just as much a tariff on the consumer of this country as the Smoot-Hawley or the Hoover-Grundy tariffs are upon the imports into the country. It must ultimately be paid by the man in the Northwest and in the Middle West and at the Lake ports who consumes the coal, and in addition to that he pays a transfer charge of $1.81 for transferring it from the railroad to the boat that takes it across the Lakes to the Lake ports in Michigan and other northwestern points.

I undertake to say that whoever controls the commerce and the finances of the country controls the business of the country. They are dictators, and yet in this country we have two independent offices, the Interstate Commerce Commission and the Federal reserve system which have more

power in the country than the Executive and the Congress combined.

They talk about the Interstate Commerce Commission and the Federal reserve system, and I have heard them denounced, correctly so, upon the floor of this House as the archcriminals of the age. It was during Grover Cleveland's administration that the Interstate Commerce Commission was created, and it was brought forth for the purpose of preventing discriminations and preventing exorbitant freight rates, yet they refused to allow the railroads, who voluntarily offered to do so, to reduce their freight rates on coal from the South to the Lake ports and to the Mid West and the Northwest.

Mr. Chairman, I ask unanimous consent to insert in the RECORD at this point a table of rates, furnished me by the Interstate Commerce Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The matter referred to is as follows:

*Present rates on bituminous coal, carloads, from and to various points*

[Rates in cents per 2,000 pounds]

| Mine | District | Group | Destination | Local | For transshipment f. o. b. car at dock |
|---|---|---|---|---|---|
| Algonquin, W. Va | Pocahontas. | 3 | Toledo, Ohio | [1] 264 | [1] 196 |
| Big Sandy, W. Va | Tug River | 3 | Sandusky, Ohio | [1] 264 | [2] 196 |
| | | | Cleveland, Ohio | [1] 264 | |
| | | | Erie, Pa | [1] 306 | |
| | | | Buffalo, N. Y | [1] 348 | |
| Williamson, W. Va | Thacker | 5 | Toledo, Ohio | [1] 239 | [2] 181 |
| Thacker, W. Va | do | 5 | Sandusky, Ohio | [1] 239 | [2] 181 |
| | | | Cleveland, Ohio | [1] 239 | |
| | | | Erie, Pa | [1] 286 | |
| | | | Buffalo, N. Y | [1] 328 | |
| Logan, W. Va | | 3 | Toledo, Ohio | [3] 239 | [4] 181 |
| | | | Sandusky, Ohio | [3] 239 | [4] 181 |
| | | | Cleveland, Ohio | [3] 239 | |
| | | | Erie, Pa | [3] 286 | |
| | | | Buffalo, N. Y | [3] 328 | |
| Elkhorn City, Ky. (Eastern Kentucky). | | 5 | Toledo, Ohio | [3] 239 | [4] 181 |
| | | | Sandusky, Ohio | [3] 239 | [4] 181 |
| | | | Cleveland, Ohio | [3] 239 | |
| | | | Erie, Pa | [3] 286 | |
| | | | Buffalo, N. Y | [3] 328 | |
| Russell, Ky | | 4 | Toledo, Ohio | [3] 239 | [4] 181 |
| Harlan, Ky | | | do | [5] 239 | [6] 181 |
| | | | Sandusky, Ohio | [5] 239 | [6] 181 |
| | | | Cleveland, Ohio | [5] 239 | |
| | | | Erie, Pa | [5] 328 | |
| | | | Buffalo, N. Y | [5] 328 | |
| Elkhorn City, Ky | | | Cincinnati, Ohio | [3] 179 | |

[1] Norfolk & Western, 3140-B.
[2] Norfolk & Western, 3141-B.
[3] Chesapeake & Ohio, 11138.
[4] Chesapeake & Ohio, 10436.
[5] Louisville & Nashville, A-16115.
[6] Louisville & Nashville A-16110.

Traffic moving under rates stated above is subject to an additional emergency surcharge of 6 cents per 2,000 pounds.

Mr. MAY. Further, I want to call attention to the fact when you are talking about freight rates and tariff rates, that the freight rates on coal are significant of the fact that they prevail in the same proportion upon cotton and wheat and corn and every other product in this country, and yet the Interstate Commerce Commission, created for the express purpose of regulating freight rates, refuses to allow them to be regulated downward, and holds them at an equilibrium on the upward schedules.

I undertake to say that is what we might call an internal tariff, and railroad freight rates in this country are destroying the country just as much as tariff rates that prevent competition in foreign trade.

Mr. BRIGGS. Will the gentleman yield?

Mr. MAY. I yield.

Mr. BRIGGS. Does the gentleman not think that the excessively high freight rates are probably as chief a factor in the present plight of the railroads as any other factor which enters into their condition?

Mr. MAY. I am quite agreed with the gentleman, and if they were permitted to reduce their freight rates as well as their passenger rates, they would have more traffic and more business. Instead of the coal mines in my section of the country and every other coal field in the country being paralyzed, their miners' houses rotting down and crying for paint and occupied by animals and bats and owls, rather than by happy and industrious tenants, we would have greatly increased business for the coal mines, and resulting larger business and vastly greater revenues for the roads therefrom.

I call attention to the fact that in a certain proceeding before the Interstate Commerce Commission, that has been pending for 20 years, trying to regulate the differentials between coal shipped from the North and South and various fields, Docket 23240 and Docket 23241, Ohio Lake Cargo Coal Association against Baltimore & Ohio Railroad and others, it was shown by the railroad representatives in that proceeding that they were making as much as a dollar a ton profit upon every ton of coal shipped under the present rates from the South to the North.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. CANNON. Mr. Chairman, I yield five additional minutes to the gentleman from Kentucky.

Mr. MAY. Under the rates as I have given them to you, and as set forth in this statement, the average mileage of an engine running from Russell, Ky., to Toledo, Ohio, is one trip in 15 hours, with 2 train crews of 5 men. They pull 150 cars carrying 50 tons per car, or 7,500 tons of coal, for which they get $2.39 per ton, or a total sum of $17,925. It is excessive rates and it is excessive profits, and yet the railroads contend that if they were permitted to reduce those rates they could operate and compete with the busses and trucks and other forms of competition which they have.

I undertake to say that we have a situation in America similar to that which existed in 1832, when Andrew Jackson was President. The Bank of the United States undertook to dominate the money market. When Jackson was told by the president of the United States Bank that he controlled 75,000 votes in the United States and if he refused to continue the charter of the National Bank of the United States, he would bring about his defeat, Jackson answered: "That was too damned much power for one man in a free country." I think to-day the Interstate Commerce Commission is given too much power, or permitted to exercise too much power in this country on the question of regulating railroad traffic and freight rates, to the extent that they are destroying commerce throughout the country.

I propose, Mr. Chairman, before the next session of Congress closes, to undertake, if it is within my power to do it, to secure the passage of a bill to control the power of this commission and to give them the privilege only of exercising the functions and purposes for which the act was enacted which created that commission, that of preventing discriminations and exorbitant freight rates, rather than building up an obligarchy in a free country.

The price of the coal which I have mentioned was the lowest available price of which I have received information in the last few months, based on the lowest grade of coal commonly known as nut and slack; and since the mines in the fields referred to prepare their coal by separating it into three to five grades, ranging from nut and slack to a large-size block coal with intermediate grades, I am able to say to the members of this committee that the average of those grades on the market to-day will not exceed 80 cents per ton of 2,000 pounds f. o. b. mines; and using this price, which is the average of all the grades and covers the entire production of the mines, and following the same line of discussion, a 50-ton car of coal loaded in this field, all grades included, at 80 cents per ton, would average $40 per car sales price at the mine. Assuming that this is the average market price at the mines, and taking the average weight of the cars loaded at 50 tons per car, and taking the table of freight rates to which I have referred, each car of coal transported from the mines to Toledo, Ohio, at $2.64 per ton, freight rate, would cost $132 delivered at Toledo, Ohio, which would be $92 more than the price realized by the pro-

ducer; and the same car of coal delivered at Erie, Pa., on a freight rate of $3.06 per ton, would cost for transportation to that point $153, which is $113 more than the coal yields to the producer at the mines and approximately three times the value of the car of coal; and the same car of coal transported from the mine to Buffalo, N. Y., on a freight rate of $3.48 per ton, as shown in the foregoing table, would cost $174, and $134 more than realized by the seller at the mines, which is more than three times the value of the coal.

What is true of coal is true of all other products transported over the railroads, including all agricultural crops, lumber, and all grades of building material and hardware. The commission assumes authority to fix and regulate freight rates, and within its jurisdiction under the law as it now exists it undoubtedly has this power, or at least no court has so far denied it the power to regulate transportation in interstate commerce and fix freight schedules and rates therefor. The power to regulate commerce among the several States is expressly confided to the Congress under the commerce clause of the Constitution of the United States, and yet this commission usurps and arbitrarily exercises the powers and functions of the Congress of the United States.

In the early history of this Government, George Washington, the great leader of the movements of his day, for better and more extended transportation facilities was engaged in building canals and improving navigation of the great waterways by the simple method of removing obstructions therefrom, and to-day one of the great railroad systems of the country carries a marvelously equipped, commodious passenger train bearing the name, the "George Washington," celebrating the bicentennial of Washington's birth. It was the idea of Washington that in order to maintain and bind more closely the Union, the manufacturing industries of the North and East would transport and deliver their manufactured articles throughout the agricultural South in exchange for the produce of the farms of the South and West, and of course he had in mind the transportation and delivery of these goods at that time by boats, barges, and small commercial vessels by water and the stagecoach overland.

Were he to return to-day and walk up to the ticket agent in the Union Station in Washington and ask for a ticket to Alexandria, Va., he would be invited to become a passenger on the "George Washington," and I can imagine his surprise at the comfort, convenience, and beauties of that great train, and likewise I can conceive that he would be more surprised, and perhaps dumbfounded, if he should walk into the chamber of the Interstate Commerce Commission and inquire as to their legitimate functions and be told that these are the men that regulate and control the railroads, say how much they shall charge for the transportation of goods from one section of the country to the other, fix schedules and tariffs for the transportation of the products of the vineyards of California to New York, and of the manufacturing establishments from north to south and east to west and every nook and corner of the continent, and the rates to be charged for the transportation of the vegetables of the truck grower in Florida to the markets of the North and East, he would begin to wonder what has become of the Constitution framed by the convention over which he presided more than 150 years ago, and who created this great branch or department of the Government when he and his compatriots had provided only for three departments: legislative, executive, and judicial.

Washington's great mind would no doubt begin to grasp the whole situation, and presently you would hear him remark, "Such power as this was not contemplated by the framers of the Constitution, and if this commission can wield the powers and functions claimed for it, then it has power to destroy the markets of the wheat growers of the West, the fruit growers of the South and West, the coal producers of the North and East, the cotton farmers of the South, and the manufacturers in the great industrial factories of the North and East alike." Then if some lawyer should step up to the immortal Washington and reveal to him the fact that the great railroads of America that constitute and are the real arteries of commerce can not even, with their own money, install a railroad siding except by order of this commission, he would begin to wonder what has become of the law of competition, and the Constitution of the United States.

The economic life of the Nation depends very greatly upon the methods and means of transportation of the produce of the farm, the mines, the mills, and the factories to the markets of the country, and the railroads of this great industrial country of ours are to it and its commerce what the circulatory system is to the human body. If transportation by reasonable competition is not free and unrestrained, the result is stagnation and paralysis.

The question propounded by the gentleman from Texas [Mr. BRIGGS] was doubtless intended to provoke an argument on the question of the earning capacity of the railroads in connection with the volume of traffic available and the influence of the exorbitant freight rates thereon. The most striking illustration of the blighting effect of the high freight rates as now maintained in the country is, by comparison, made plain by reference to the effect of the provisions of the revenue act of 1932 which required upon first-class mail a 3-cent stamp in lieu of a 2-cent stamp, the result being that by reason of the increased charge there was a depreciation in the amount of business and a resulting loss of many millions of dollars to the Post Office Department, without taking into consideration the fact that failure to use the mails for means of communication naturally resulted in a large decrease in the amount of commercial business transacted. Likewise, if the railroads were permitted to engage in legitimate competition with each other with reasonable regulation and permitted, as they have often sought to do, to reduce their freight rates on the major products of the country, they would enjoy a vastly greater income and, in my judgment, achieve many desirable results not obtainable under the present system.

As I have already stated, the powers accorded to the Interstate Commerce Commission and exercised by it are so arbitrary and unlimited that its orders and regulations amount not to regulation but to confiscation and destruction of the markets of the country. Members of the House may talk all they wish about high protective tariff; they may denounce the Smoot-Hawley and the Hoover-Grundy laws to their hearts' content, but I contend that the most disastrous and destructive tariff system on the face of the earth is the tariff schedules being maintained by the railroads and other means of transportation throughout the country. It has been very aptly said that "competition is the life of trade," and while I do not believe in—nor would I favor—any resort whatever to cutthroat methods of competition between the common carriers, either by land or water, yet I believe one of the chief factors in the destruction of business in this country is the outrageous and exorbitant cost of transportation.

We may pass legislation for the relief of the farmer from interest rates and mortgage indebtedness; we may pass relief measures and continue the unwise practice of giving doles to big business or doles to individuals; we may regulate tariff schedules and thereby improve our foreign trade, but if we do not provide some means by which the prohibitive tariffs embraced in freight and passenger rates now existing upon the railroads of this country will be cut, all of our efforts for relief from our economic difficulties will be of no avail.

During the World War and immediately following it there were flat horizontal increases of freight rates from time to time; first, it was a flat 15 per cent raise and another of 25 per cent in 1918, and another of 25 to 40 per cent in 1920, and yet at that time prices of farm commodities and products of the mines and factories of this country were normal and sufficient to yield a reasonable profit to the producer, and the cost of transportation at that time did not exceed the market value of the produce transported, as is the case in thousands of instances now. The Congress of the United States undertook by resolution to induce the Interstate

Commerce Commission to so adjust their structure of freight and passenger tariffs as to relieve the then supposedly distressing condition of the farmers, and in the CONGRESSIONAL RECORD of June 6, 1924, lengthy debate was indulged in upon the floor of this House upon a resolution proposing to establish and declare the policy of the Congress with respect thereto. The first paragraph of that resolution is as follows:

*Resolved, etc.*, That it is hereby declared to be the true policy in rate making to be pursued by the Interstate Commerce Commission in adjusting freight rates that the conditions which at any given time prevail in our several industries should be considered, in so far as it is legally possible to do so, to the end that commodities may freely move with fair profit to the producer and sold at a reasonable price to the consumer.

Then after directing the commission to make a thorough investigation of the rate structure of common carriers that were subject to the interstate commerce act, the resolution concluded:

In view of the existing depression in agriculture, a basic industry, the commission is hereby directed to effect with the least practicable delay such reasonable and lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture affected by that depression, including livestock, at the lowest possible reasonable and lawful rates compatible with the maintenance of adequate transportation service: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and that such cases shall be decided in accordance with this resolution.

Thus, it will be seen that the Congress not only declared a policy, but undertook to have it put into practice by the commission, and even went to the extent of directing that rate controversies then pending should be decided in accordance with the resolution. Were it possible to do so, I would be glad to quote at length from the discussions of the membership of this House at that time upon that question, but it is sufficient to say that a joint resolution of January 30, 1925 (U. S. Code, title 49, sec. 55), provided:

That it is hereby declared to be the true policy in rate making to be pursued by the Interstate Commerce Commission in adjusting freight rates, that the conditions which at any given time prevail in our several industries should be considered in so far as it is legally possible to do so to the end that commodities may freely move.

There is something radically wrong in a government where an individual department or commission is delegated the constitutional functions and powers of the Congress to regulate commerce among the several States when it is possible for that commission to so adjust rates and tariffs of freight and passenger rates as to destroy the industries of one section of the country while they build up and promote the industries in another section of the country. All of this is possible and has, in fact, been done as in the case of coal shipped from the southern fields to the lake ports in competition with coal shipped from eastern fields to the lake ports where a freight differential is permitted and adhered to by the commission amounting to 35 cents on each ton of coal; discriminatory and destructive of the business of the southern coal operators, this 35-cent differential is nothing more nor less than imposition of a local tariff that must ultimately come from the pockets of the consumer and result in the paralysis of the business against which it is directed. By reason of this situation, a large number of coal operating companies in the southern fields have been exterminated, completely bankrupted, and their mines abandoned, involving many thousands of dollars, and the few that survive the blighting effects of this freight differential, plus the exorbitant rates otherwise allowed, are practically all in receivership. As a result of prohibitive freight rates prevailing under orders of the commission throughout the country, the rice growers of Arkansas are trucking thousands of tons of rice to Idaho and exchanging it for Idaho beans and potatoes, and the railroads are the losers of the traffic and the revenue to be derived therefrom.

I have already discussed the situation relating to value, and while I do not contend that value is the only criterion for arriving at proper freight charges, it is nevertheless one of the important factors and has a definite bearing on values as well as in determining what the traffic will bear. So far as coal is concerned, the average of freight rates for the year 1932 applicable to the transportation of bituminous coal throughout the country, it is a fact that the freight charges imposed upon coal as a commodity amounted to 64 per cent of the retail sales value of the products at the point of delivery upon the market, so that, as a matter of fact, the remaining 36 per cent of the sales price of coal must take care not only of the cost of production but of the dealers' and retailers' profits to be derived therefrom. In some instances the entire revenue of the railroads received from bituminous coal represents more than 75 per cent of the total gross receipts taken in by the roads in the form of revenue.

The railroads themselves use about 20 per cent of the entire production of bituminous coal for fuel purposes, and as a result of competition of other fuels and forms of energy, the total mass production of coal in the United States depreciated in 1932 approximately 200,000,000 tons, while several hundred millions more have been lost by reason of competing fuels such as gas, fuel oil, and electricity. In view of the fact that the railroads consume from 20 to 25 per cent of all bituminous coal produced and that they receive freights equal to 17 per cent of the freight revenue on all class 1 railroads, 23 per cent on 37 roads, 75 per cent on 5 of the 37 roads, and 50 per cent on 7 of the 37 roads, so that by reason of the failure and refusal of the commission to obey the express mandate of the Congress of the United States by following the policy outlined by the Congress, not only the coal industry is being throttled and destroyed by prohibitive freight rates, but the carriers themselves are being bankrupted by the rates they are required to maintain under the orders of the commission.

In the closing days of this session of the Congress there is little or no hope of any remedial legislation on this subject, and doubtless if a bill should be referred to a committee at this late day in the session, it would not even be accorded a hearing, much less be reported, and any action of this session of the Congress on the subject would doubtless be futile.

The truth of the matter is the railroads have been regulated to death, and while regulation to some extent is necessary, the sooner the railroads are relieved of the clutches of this all-powerful tribunal of the Government and permitted to engage in legitimate competition, the sooner both the railroads and the country will start toward a substantial and lasting recovery. The railroads are being assessed not only upon a high rate of values of their properties, but they are paying multiplied millions in franchise taxes, and being one of the largest industries and, perhaps, the greatest tax-paying organization in the country, they are being required to contribute to the burdens of government, and the money that is being paid by them in the form of taxes is being used by the Government to build canals and waterways and hard-surface roads upon which their competitors are permitted without restraint to indulge in all sorts of competition with the railroads. It is unfair, and everyone knows it, and the trucks and busses should be put under the same regulations or the shackles should be taken off the railroads and they permitted to compete in a legitimate way with their competitors.

As for me, Mr. Chairman, sink or swim, live or die, survive or perish, I propose to exert my energies so long as I am a Member of this House, or until something is done to relieve agricultural and other industries in this country from the grasp of this giant bureaucrat.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. CANNON. Mr. Chairman, I yield one minute to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, on Thursday last I was privileged to appear before the House Committee on Banking and Currency and there to make an argument in favor of refinancing farm mortgages and in support of a bill which I had introduced for that purpose. In order not to take

up the time of the House this afternoon, I ask unanimous consent to extend my remarks in the RECORD by inserting the remarks which I made before the committee on that occasion.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HASTINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

Mr. HASTINGS. Mr. Chairman and gentlemen of the committee, it is unnecessary for me to remind you that the question of refinancing farm mortgages is the most important question before the Congress and before the country to-day. The Bureau of Economics of the Department of Agriculture reports that there are outstanding mortgages on real estate in the amount of $9,241,390,000.

In addition to that amount there are other farm indebtednesses of some $4,283,000,000. So that the farmers are indebted in the amount of approximately $13,500,000,000.

Mr. REILLY. Is that additional indebtedness inclusive of second mortgages?

Mr. HASTINGS. My understanding is that the additional indebtedness does not include second mortgages but includes chattel mortgages and all other indebtedness of the farmer.

Mr. REILLY. Does the amount $9,241,390,000 take in second mortgages?

Mr. HASTINGS. That is my understanding—and I get this information from the hearings before the Subcommittee on Appropriations for the Department of Agriculture, page 739 of their hearings—that is correct.

Mr. WILLIAMS. That is only their estimate of it; that is, there are no absolutely accurate statistics on the subject aside from the reports made by the farm owners—those who operate the farms.

Mr. HASTINGS. That is the best estimate that we have. I think there was a statement in last Sunday's New York Times to the effect that the amount was $9,100,000,000. That is a pretty close estimate of the farm-mortgage indebtedness.

Mr. Chairman, I appreciate that your time is limited. I think I can cover the essential points in a few minutes. I want to make it plain that I favor any one of the bills to relieve the mortgage situation—I have no pride of authorship.

The bill which I have introduced, to refinance farm mortgages, is H. R. 14135, and I should like to explain its provisions.

In the first place, I tried in this bill to avoid as many new setups as I could. The administration of the bill is placed under the Farm Loan Board that was created by the act of July 17, 1916.

Second: The bill retains the same districts that have been outlined in the farm land bank system.

Third: The bill creates a new agency, known as the Federal Rural Mortgage Land Bank, to take the place of the farm land bank. The head offices are placed in the same cities where the farm land banks are located, because we want to utilize some of their employes, and benefit from their experience.

In the first place, the bill provides that stock shall be subscribed by the Secretary of the Treasury in the minimum sum of $25,000,000 and may be increased to the maximum sum of $40,000,000, to each of the 12 banks, which would make a maximum amount of $480,000,000.

Every director is appointed by the Farm Board, approved by the Secretary of the Treasury; so that every officer and employee is a Federal officer.

In the fifth place, the bill does away with local loan associations. There is no necessity for them under this set-up. It creates an agent, in the place of a local loan association, who would be authorized to serve one or more counties. Those agents are to receive applications and forward them, make reports upon them and perform such other duties as may be required.

All of these officers are appointed by the Federal rural mortgage land bank and approved by the Farm Board and the Secretary of the Treasury, so that they are all Government officers.

The amount of a loan that may be made to any one borrower is raised to 60 per cent of the appraised value of the land instead of 50 per cent, as under the rural credit bill, and to 25 per cent instead of 20 per cent of the value of the permanent insured improvements.

Now, let me anticipate a question that I know the committee will ask and that is, "Why don't you use the farm land banks"? I have tried to use them, but I found that farm land banks have outstanding loans in the sum of $1,200,000,000. That is the latest information from the Farm Board of the amount of outstanding loans. A great many of these loans are delinquent and are either foreclosed or in the process of foreclosure.

Another reason is that, in my judgment, you can not exercise the same control over them, because some of the directors are elected by the vote of the individual shareholders that have subscribed for stock in these banks since they were organized in 1916.

Mr. STEVENSON. The directors are not elected by the shareholders?

Mr. HASTINGS. A part of them are.

Mr. STEVENSON. Three of them are elected and three of them are selected.

Mr. HASTINGS. That is correct; I understand that.

Mr. STEVENSON. The board really has control of them.

Mr. HASTINGS. I do not think you can exercise the same complete control over them as you could if all were appointed as this bill provides.

Another provision in the bill is that the Government of the United States guarantees the bonds, both principal and interest. The rural mortgage land banks may issue bonds in the same manner as Federal farm land banks may issue bonds. That would enable them, with the amount of capital stock authorized, to issue bonds in the sum of twenty times the amount of their capital stock and take care of all outstanding mortgages.

While the bill is rather long and technical, it follows almost identically the language of the rural credits bill approved July 17, 1916, with the exceptions that I have indicated and some others I will point out.

Mr. STEVENSON. Is it the purpose to take care of all the land mortgages.

Mr. HASTINGS. The purpose is to take care of any or all who may apply. It is intended to be a permanent and constructive measure.

Mr. STEVENSON. In other words, ultimately it means a transfer into the Treasury of the United States of all the land mortgages in America.

Mr. HASTINGS. No; that is not the purpose and will not be the effect.

Mr. STEVENSON. If they all apply, that is what it means.

Mr. HASTINGS. I do not think so. The bill provides that every borrower should subscribe for stock, just as an individual borrower would take stock under the rural credits bill, and it contemplates at the end of 10 years that the borrowers will own these banks instead of the Government owning them.

Mr. STEVENSON. What percentage of the loan is it contemplated the borrower should take in stock?

Mr. HASTINGS. Five per cent.

Mr. STEVENSON. Five per cent?

Mr. HASTINGS. Yes. These loans are limited in amount to $10,000. That is the limit under the rural credits bill. The minimum amount that one may borrow is $200.

It provides that the Secretary of the Treasury shall subscribe for all the stock. The money is to be advanced by the Reconstruction Finance Corporation. The language is the same as that which provided for money to be advanced under the home loan bank bill. The bill really combines the two.

It provides—and I want to give my reasons for this—against a second mortgage. It provides that in the mortgage that is made there shall be a provision or covenant that the mortgagor will not make a second mortgage. Loans are only made on first mortgages, up to 60 per cent, as I stated a moment ago, of the present value of the land and 25 per cent of the insured permanent improvements.

My judgment is if this bill were passed and competent men appointed as agents representing the banks and the mortgagors, the farmers throughout the country, they would be able to scale down a very large percentage of the amounts of the mortgages and the mortgagees would be glad to accept in lieu of their mortgages liquid money to the amount of 60 per cent of the appraised value of the land, which the banks would be authorized to loan under the terms of this bill.

Speaking from my own personal experience out in my State, I believe that most, if not all, of the mortgagees of farm lands would be willing to accept 60 per cent of the appraised value of the land and release their lien, so that a first mortgage could be taken by the bank—if sold under an order of foreclosure, it may and perhaps would bring less.

It is important that the farmer have some equity left in the farm. If he is allowed to mortgage his land a second or third time, he has no hope to start with to pay off the indebtedness, and the present mortgagor might as well foreclose and take the farm. You are only postponing the evil day.

Mr. GOLDSBOROUGH. Your theory, Mr. HASTINGS, is something like this, as I understand it: The farm lands of the country are now mortgaged for much more than their present value. If the mortgages remain as they are, the farmers will ultimately go into bankruptcy and will be in grief between now and that time. This legislation which you propose may result in scaling down the mortgages to a point where they can come out, if they are thrifty and use ordinary judgment and energy in the management of their business.

Mr. HASTINGS. And have some equity left; yes. In a nutshell, that is what the bill provides and its purpose.

Mr. REILLY. Where are you going to get the money?

Mr. HASTINGS. Through the Reconstruction Finance Corporation.

Mr. REILLY. You will have to have additional money; you will have to sell bonds?

Mr. HASTINGS. Yes. I am glad you asked that question. The bill authorizes this rural mortgage bank to issue bonds exactly under the same terms and in the same language as is provided for in the rural credit bill for farm land banks, not to exceed twenty times the amount of their capital stock.

Mr. REILLY. But they can not draw that rate of interest.

Mr. STRONG. Your idea is that they can sell those bonds with the Government guarantee behind it?

Mr. HASTING. That is what I was going to say.

The bill provides that the Government guarantee the bonds, principal, and interest. Farming is our leading industry, and I think we are justified in going just as far as we can to save the farmers of this country from bankruptcy and ruin. Agriculture should be placed on a parity with industry.

The bonds are to be exempt from all taxation. The Government guarantees them and there is a requirement that the borrowers subscribe for stock of the banks as in the case of farm land banks.

The hope is expressed in the bill that ultimately the borrowers will own and control the banks. When that time comes and they take them over, they can elect their own directors, as they may do in the farm land banks.

Mr. STRONG. What will be the incentive for people to buy bonds in an institution in which the borrowers will eventually control and who are going to manage it? Would you do it?

Mr. HASTINGS. The Government guarantees these bonds and guarantees the interest. Both the principal and the interest are tax exempt.

Mr. STRONG. I was wondering, if you and I are trustees of a fund to invest, how much we would invest in an institution the borrowers of which were eventually going to run and control the system?

Mr. HASTINGS. The bill permits Congress to legislate and release control if and when the stockholders, the individual borrowers, own three-fourths of the stock of the bank and after 10 years. Bonds thereafter issued would not be guaranteed. In my judgment, the bill will provide a means to refinance all distressed mortgages. Many mortgagors will want to make application for loans.

Mr. REILLY. How can you take them over? Are not these farms mortgaged now to their full value and more?

Mr. HASTINGS. If that be true, I do not see how you can help them unless you get the mortgagors to scale down the amount of their mortgage liens. I do not know of any case that has come to my attention where a mortgagee would not be more than glad to scale down his mortgage lien rather than go to court, pay a lawyer's fee and court costs, and be subject to the delay of a decree being entered, wait perhaps a year or two before he can get a deed; as I say, I do not know of any case where a mortgagee would not prefer to take 60 per cent of the value of the land in ready money. I believe that there are thousands of cases of threatened foreclosure of mortgages that could and would be compromised, where the mortgagors would be willing to scale down the amounts and release their liens for liquid money of 60 per cent of the appraised value of the land.

You could get thrifty farmers on the farms and they would retain some equity in their lands.

Mr. GOLDSBOROUGH. How would you get thrifty farmers on the farms?

Mr. HASTINGS. What is the question, Mr. Goldsborough?

Mr. GOLDSBOROUGH. How would this legislation get thrifty farmers on the farms? They may be thrifty already. I am not criticizing the farmers. I think they do more work for what they get than any other class. But how would this legislation assist in getting thrifty farmers on the farms?

Mr. STRONG. They may be thrifty when they go on the farms, but how long does it last?

Mr. HASTINGS. Mr. GOLDSBOROUGH, that is a pertinent question and I want to answer it. This bill provides for the appointment of local agents in the several counties. One agent may serve one or more counties. If the gentleman from Maryland [Mr. GOLDSBOROUGH] were the local agent in his particular county, he would not make a favorable recommendation on the application of a thriftless man for a loan. In that way I think we would weed out a great many of the less thrifty farmers and have the more conservative, economical, hard-working farmers whom you could recommend as being worthy of some moral risk.

Mr. GOLDSBOROUGH. Let me ask you another question, Mr. HASTINGS: Of course, the farm-loan banks have had a great deal of experience with the results of having local agents. The natural tendency is to sympathize with their own people in their desire to get money from the Government. That has been their experience.

Mr. HASTINGS. You are mistaken about land banks having local agents. If you examine the rural credit bill you will see what I mean. Refer to section 15 of the act. Now, I happened to be on this committee when that legislation was passed. Section 15 of that bill provides that the only local agents that may be appointed are banks or trust companies and that they must guarantee the loans. If you will examine that act you will find that provision in section 15 of the act.

Mr. GOLDSBOROUGH. The practical situation in my country is this: In counties where they have the local farm-loan organization they have some man whom they call their agent. They take his judgment and he is the one who actually does the work and to whom they pay some sort of compensation. That is what happens in practice. Of course, in some of the counties, the local organization is not functioning and a loan is applied for direct to the Federal land bank. They send out an inspector from Baltimore, but they also have a local representative. I know that is a fact. That is how it works in practice.

Mr. HASTINGS. I am not talking about the farm agents. I am talking about the agents of the farm-land banks.

You will find you are mistaken about that. The farm land banks do not have any agents in the counties. We have agricultural agents there but no agents of farm land banks. The farm land banks agents, under section 15 of the act of July 17, 1916, must be banks or trust companies, and they must indorse or guarantee the loans.

Mr. GOLDSBOROUGH. I know what they do.

Mr. HASTINGS. Let me say this to you, Mr. GOLDSBOROUGH. I said when the rural credit bill was being framed, that when local loan associations met and formed an organization and secured their loans, that there would be no inducement to meet again.

Mr. GOLDSBOROUGH. If you will allow me, Mr. HASTINGS, I did not finish my question. The insurance companies, for instance, have a local agent who writes insurance, let us say fire insurance. When a loss occurs the agent theoretically represents the insurance company, but actually he represents his client in trying to adjust the loss.

Mr. HASTINGS. That is true.

Mr. GOLDSBOROUGH. How does your bill get away from that local situation?

Mr. HASTINGS. Here is how it does it. The local agent is just a forwarding agent. He would be the preliminary representative of the rural-mortgage land banks. All applications for loans would have to be forwarded to the bank. The bank would have an examiner to pass on the title. The bank would have appraisers of the land whom they send out to view and appraise the land. The loan would not, of course, be made on the appraisement of the local agent at all.

Mr. GOLDSBOROUGH. That is, under your bill.

Mr. HASTINGS. Yes. The appraisement must be made by an appraiser not the agent. This provision is in the exact language of the farm land bank bill. I have only substituted the agents for the local loan associations.

Mr. STEVENSON. Let me suggest there that the local loan associations have been dominated, of course, by the secretary of the association, and he is the agent of the thriftless fellow that you talk about who wants to borrow. He always exhibits to those people who finally pass on the loan his splendid wife and fine children. The old man himself is not worth a darn, but because of his wife and children they think the loan is a good loan, because the wife and children will work it out. That is the situation.

Mr. HASTINGS. Mr. Chairman and gentlemen of the committee, so far as my information goes, there has not been a meeting of any local loan association in my district in the last 10 years. After the local loan association has met and organized and secured the loans for their members from the farm land banks, there was never any inducement for them to meet any more. They are not interested in having any new borrowers to come in and secure loans.

Mr. MCFADDEN. Are they functioning now, are they taking new loans?

Mr. HASTINGS. I do not think the farm-land banks are making any loans now. They are not in my State, certainly not in my district.

Mr. MCFADDEN. The local associations, are they functioning, are they making loans?

Mr. HASTINGS. No.

Mr. STEVENSON. Mr. HASTINGS, I have been watching you for 16 years in the House. You have been a student of this particular problem for a long time. You have always shown a great interest in it. I want to direct your attention to what the tendency is and where it is going to lead us, as it looks to me. You remember once away back yonder there was a country called Egypt and one Joseph, the son of Israel, representing the Government of Egypt, loaned the farmer everything he needed. That was all right, but first he got the capital. We are going the other way. Then he got the land. The Government got it. They have been tenants and peons ever since.

Do you not think we are driving in that same direction, to the point where Uncle Sam is going to own all the land in this country? It will not be owned by Joseph, but it will be owned by the land banks and others.

Mr. HASTINGS. Mr. Chairman and gentlemen of the committee, I do not care to detain you by picturing to you the distressful condition of the farmers throughout the country to-day. You read about their financial condition in every day's paper.

Mr. STEVENSON. I do not have to read it. I am one of them.

Mr. HASTINGS. You have read about the situation in Iowa. The same is true in Wisconsin. The same is true in Oklahoma. The situation as described in Iowa is measurably true in every agricultural State in this country. Let me say that I was amazed, while going about over my district, to be informed that in certain of my counties, 65 per cent of the acreage of the land was foreign owned. In other words, mortgages had been foreclosed either by individuals, insurance companies, or savings banks, or foreign mortgage companies had taken them over. Those farms were occupied by tenants. The improvements were deteriorating, the soil was eroding. The land was becoming less productive.

It is an alarming statement to make that 65 per cent of the land of a county is foreign owned.

Let me suggest another thing, and this, I presume, is true in your own districts. Very few, I would say only a comparative few, are paying taxes in my State. That unfortunately is true. We are getting very little money for current expenses, for running schools or the county government. The payment of taxes is being postponed by legislation. The farmers can't pay them with the present prices of farm products.

We dislike to advertise this condition as obtaining in our own State, but it is true, and it is true, I think, in a large number of other sections of the country. Press reports so indicate.

Mr. MCFADDEN. I did not quite understand all of your statement in regard to the farms being foreign controlled. Do you mean that people outside of the State own this land? What class of ownership is that?

Mr. HASTINGS. Mr. MCFADDEN, I do not have exact information just where the owners of the farms live. Some of them, many of

them, are outside of the State, but I mean to say that the owners do not live on the farms. Many mortgages have been foreclosed. The farms have been taken away from the original owners. They are not being operated, they are not being cultivated by the people who own the lands. I am sorry, but I do not have more definite information to give you in reply to your question.

Mr. McFADDEN. What I was wondering was this: Is there a deliberate control being exercised by outside interests who have come in the State to take control of these lands? For instance, in Oklahoma you have oil lands. Do you think that some of the oil companies are picking up these lands?

Mr. HASTINGS. I do not think so, Mr. McFADDEN. I do not think that the oil companies want these farm lands unless they have prospective oil value for the opportunity to pay taxes on them, any more than individuals or mortgage companies or insurance companies want them.

But a few years ago real-estate mortgages were regarded as the very best investment. A great many agents of insurance companies and mortgage companies and other outside companies, representatives of people with capital, scoured our new State of Oklahoma for real-estate mortgages, advertising money to loan on farm lands.

Farming conditions are very bad now, as Mr. GILCHRIST, of Iowa, stated on the floor of the House the other day. He said corn was selling in his district at 6 cents a bushel. I think it is selling at around 12 to 14 cents in my district. Oats are around 12 to 14 cents a bushel; wheat is selling for from 25 to 30 cents a bushel. As a result of the low price of farm products the farmers have been unable to pay interest, they have been unable to pay taxes. They are bankrupt and discouraged—they need help.

Mr. LUCE. You just touched upon one phase of this subject, Mr. HASTINGS, that has not received the benefit of any discussion here, so far as I know, and that has perplexed me at any rate greatly. You spoke of the decrease in the fertility of the soil of some of these farms. I have seen it stated that fully 40 per cent of the farm lands of this country ought not to be kept under cultivation. They are the marginal lands.

I have wondered whether legislation of this class, testimony concerning which we have been listening to now for some days, and which is widely proposed, does not encourage the continuing cultivation of marginal lands that might, to the common good, be thrown out? And before you answer, I may say that in my own neighborhood, in New England, the ordinary workings of the economic laws led to a large increase in the number of abandoned farms. In recent years, many of them have been taken up for summer use by city dwellers. The problem is no longer serious. But the irresistible laws of supply and demand led to our discarding the lands that were no longer profitable.

Do you think it is wise for us to encourage the owners of marginal lands to continue the inevitable failure of these lands?

Mr. HASTINGS. In reply to the question propounded, I think it would have exactly the opposite effect; because in my judgment agents carefully selected, men of judgment, men of character, would advise prospective borrowers against making application for loans on these so-called marginal lands. They would advise them that there was no hope for them to ultimately pay out on that kind of land. The agents would not make a favorable report on an application to borrow money on that character of land.

Suppose the gentleman, my distinguished friend from Massachusetts, were the agent in his county and of the surrounding counties, and a prospective borrower comes to him and says, "I want to make application to the rural mortgage land bank to borrow money." You would sit down and discuss the matter with the prospective borrower. You would say to him, "John, that is your tract of land out there. I have known it for years. That land is eroded. It is losing its productivity. There is no hope for you to pay out on that land. It is better for you not to make an application for this loan. I am sorry, but I will be unable to recommend favorably your application for a loan on this character, this class of land. It would only bring you to grief in the end. It would be better to deny you now than to have you get a loan and then lose all that you may expend in improving it."

I think that if you picked out the proper men to represent the bank you would discourage just such loans as that and in that way you would weed out the thriftless class and in that way you would get a better class of farmers.

This bill would require borrowers to retain an equity in their farms and they would be able to entertain the hope that at some time they would own unemcumbered their own home.

I have not yet explained to you that the bill provides for payment on the amortization plan. It requires borrowers to add 1 per cent to the interest rate, the same as is required by farm land banks, which makes a total of 4 per cent per annum. One per cent of the 4 would be applied toward the reduction of the principal of the loan. It has been figured out that in thirty-four and a half years, 1 per cent, payable one-half per cent semiannually compounded, will pay off the principal.

Mr. LUCE. Your answer is complete, I think, so far as it goes. But unquestionably some large part of the demand for farm relief that reaches us is coming from men who occupy marginal lands. I do not see how this type of legislation can avoid encouraging their continued occupancy.

Mr. HASTINGS. It depends on the efficiency of the administration. If you get the proper men to administer provisions of the bill, it will work. The bill provides that every single one of these officers shall be a Government officer, Government-appointed, so that they may be selected with care.

Mr. LUCE. In this matter of administration, this committee has learned from time to time of difficulties that may not have come to your attention. In the matter of the farm loan system, for instance, it was brought to our notice that the secretaries of the loan associations in many cases were paying no further attention to developing the farm loan system, but were acting as agents for others.

Mr. HASTINGS. Mr. LUCE, that was the weak spot in that act, as I pointed out when the bill was being drafted. I was a member of this committee when the act of July 17, 1916, known as the rural credit bill, was proposed and reported. The truth is that many secretary-treasurers of local loan associations were appointed without reference to their special fitness. I venture to say that thousands of them should not have been appointed. But under the terms of this bill that is changed. These local agents are not appointed by local loan associations nor upon their recommendation; they are to be selected with very great care by the farm land banks and approved by your Farm Board and the Secretary of the Treasury. So that we should select the best-equipped men in the several counties to represent this new set-up or the new rural mortgage banks that are provided in the bill.

Mr. LUCE. Do you contemplate paying them salaries or a commission?

Mr. HASTINGS. That is to be regulated by the rural mortgage bank.

Mr. LUCE. If commissions, it would tempt them to make these loans, would it not?

Mr. HASTINGS. Their compensation is left to the rural mortgage farm land banks under rules and regulations to be adopted, approved by the Farm Board and the Secretary of the Treasury.

Mr. LUCE. That is all.

Mr. McFADDEN. Mr. HASTINGS, I was interested in your reference to the manner in which applications for loans on these marginal lands, unproductive lands, were handled. What is going to happen to that poor fellow that has got a family and lives on some of that poor land and can not get along? Is he going to lose his place? Are we going to have him as a pauper? Or is he going to be moved onto some of this productive land, or is any assistance to be rendered to him?

Mr. HASTINGS. Mr. McFADDEN, I hope he can be helped. If his land is such that there is any chance or any hope through good advice and assistance of his being able to pay out his loan, then that loan may be recommended and favorably considered. But if it is a hopeless case, if this land is eroded, and can not be terraced, so that it is nonproductive, if there is not any chance of his being able to pay off the loan in the end, you had better be frank with him and deny him the loan now. That is my judgment about it.

Mr. McFADDEN. I was on the committee when the Federal farm land act was passed, as you were, and I recall the discussions. I have watched the operation of the system during these years. I am aware of the fact that these secretary-treasurers of the local loan farm associations went out and solicited loans. They were anxious to build up a big business for their own association. There was not the care exercised that should have been exercised in the determination of values as a basis for these loans. It has resulted in the chaotic condition which we see here, as shown by so many foreclosures to-day. But under the plan you have just set out here of picking these men, these loans are to be approved by local people and then by the Farm Loan Board, and then by the Secretary of the Treasury; is that correct?

Mr. HASTINGS. No, you are mistaken. The bill provides for an approval of the loans by the rural mortgage banks. It does not require the approval of loans by the Farm Board or the Secretary of the Treasury.

Mr. McFADDEN. That is the way I understood you.

Mr. HASTINGS. I regret that I did not make myself clear. The agent would receive the applications and would advise the prospective borrowers of the requirements. The agents would be supplied with blank forms and detailed instructions. They would talk the matter over with each prospective borrower. The chances are that the agent would personally know every farm in the county and when the applicant, the owner of the farm, would come to him to discuss the matter with the agent, the following conversation would take place: "Now, John, is this your 80 acres of land upon which you live that you want to borrow on?"

"Yes."

"What amount of taxes are you paying?" He would give the information.

"What kind of improvements are there on the farm? How much of it is in cultivation?" and so on. The agent would get and report all the facts. But he could not take final action. All he could do is to forward the application and report to the rural mortgage land bank for his district for its consideration and action. First, the bank would have to examine the title and, second, the land would be visited, viewed, and appraised by the bank's appraiser, just as the farm land bank does now, and the appraiser would not be a local man at all. He would appraise the land and report back to the rural mortgage land bank, just as they do to farm-land banks. The application for the loan would not go any further than the rural mortgage land bank that is to be created under the provisions of the bill. In that way consideration of the application for loans will be expedited.

Mr. McFADDEN. I understood you to say that it had to be approved by the board and the Secretary of the Treasury.

Mr. HASTINGS. What I meant to say was that all officers were selected or appointed in that way with the approval of the Farm Board.

Mr. STRONG. Yes; you were referring to the selection of the agents. What compensation do these agents get for taking the application?

Mr. HASTINGS. That would be governed by the rural mortgage land bank and would be covered by their rules and regulations.

Mr. WILLIAMS. Let me ask you this question, Mr. HASTINGS: After all, what would be the difference between the principle involved there and the principle involved in the present plan so far as making the loans is concerned?

Mr. HASTINGS. The bill does away with local loan associations. So far as the present local loan associations are concerned, they do not function and are of no value. I do not believe that many of them have ever had a legal meeting since they were first organized and secured their first loans.

In my judgment as long as you compel a farmer to join one of these local loan associations and make his application through them, that you will not make a success of the system.

I have had pending in Congress since 1916 a bill to amend section 15 of the rural credit bill authorizing the appointment of agents, as is provided for in this bill, rather than through local loan associations; and in that effort I have had the sympathetic assistance of my good friend from Kansas [Mr. STRONG].

Mr. STRONG. You remember, Mr. HASTINGS, that my bill, under which these banks are now operating—that is, the liberalization bill—contained that provision, but they struck it out on the floor of the House.

Mr. HASTINGS. Yes; that is right. I will say that this amendment, which embodies your ideas as well as my own, to amend section 15, had the recommendation of the Farm Loan Board a few years ago. We tried to get it considered, but because of the congestion of the calendar we were unable to get favorable action.

Mr. WILLIAMS. Do you think the cooperative feature of the old system has broken down?

Mr. HASTINGS. Yes. I do not think it is of any value at all.

Mr. WILLIAMS. My original question was this: What would be the difference, after all, in the manner of the approval of the loan? Do they not now depend upon the recommendations of the appraiser for the land bank who is sent out to appraise the land?

Mr. HASTINGS. They do; yes.

Mr. WILLIAMS. And that is your plan, is it not?

Mr. HASTINGS. Yes; that is my plan of appraisement.

Mr. WILLIAMS. He is the one who determines finally whether or not the loan should be made?

Mr. HASTINGS. No; the officials of the bank pass on the loan. The truth is, of course, not only have the land banks lost but insurance companies and all other mortgagees have lost; everybody that has invested in mortgages has lost because of the depreciation in land values. That applies to all classes of business.

Mr. WILLIAMS. Let me ask you this question: You are a man of experience and one who has given a great deal of study to this question. Is there any way out of it except to scale down these enormous values?

Mr. HASTINGS. I do not think so. I think this bill does that in a constitutional way by offering them a certain amount not to exceed 60 per cent of the value of the land and requiring that no second mortgage may be taken. I believe most all mortgagees throughout the country will be glad to accept that amount in full settlement of their indebtedness.

Mr. REILLY. The principal point of your bill is the guarantee of the Government of the payment of the interest.

Mr. HASTINGS. Both the principal and interest of the bonds.

Mr. REILLY. Have you any idea how much that will cost?

Mr. HASTINGS. I do not think the Government is liable to suffer much loss other than, perhaps, the administrative costs. I think that better conditions are going to prevail in this country. I do not believe that corn is always going to sell at from 6 to 14 cents a bushel. I do not believe that oats are going to continue to sell for 10 to 15 cents a bushel, and I do not believe that wheat is going to sell for 25 to 30 cents a bushel. I believe that if you pass a permanent law, one that will operate for a long time so that the farmer can get on his feet and will be encouraged in the belief that some day he will own his own home, it will help greatly toward bringing about better conditions.

Mr. STRONG. If those prices prevail, the more the farmer borrows the worse shape he will be in.

Mr. HASTINGS. Yes; of course.

Mr. MCFADDEN. How is a good appraiser going to arrive at the proper value of a farm to-day under these conditions so as to be able to justify the recommendation of a loan on the farm? Would not any value that he places on it to-day be merely a guess?

Mr. HASTINGS. That is a perfectly legitimate question. Of course values have shrunk. But I think a man could arrive at a pretty fair estimate of the value of good farm lands throughout the country. It would not be the value placed on the land in 1919 or 1920 or 1921. But the appraiser would take into consideration the amount the land was returned for taxes, and what the land would produce; the location; whether they are marginal lands, whether they have eroded; the character of the improvements; and all other factors.

If I were the appraiser I would also take into consideration the moral risk, the character of the applicant, whether he had been a successful farmer, whether he had tenacity of purpose, and his capacity to run the farm.

A great many other factors would enter into the appraisement if I had it to do and if I were the appraiser.

But I think that a pretty fair estimate could be made of the value of farm lands. These appraisers would be selected, not from that particular locality but from various parts of the country, so that they would be familiar at the same time with local conditions and with the value of farm lands generally in those localities.

Mr. WILLIAMS. I should like to ask you for some figures, if you have them. What percentage of farms of this country are mortgaged?

Mr. HASTINGS. These hearings before the subcommittee of the Committee on Appropriations for the Department of Agriculture show that information. The Bureau of Economics gives it as 42 per cent. I am glad you asked that question; I think it is important. It is estimated that 42 per cent of the farms of the country are mortgaged. That is the latest estimate of the Bureau of Economics of the Department of Agriculture.

Mr. WILLIAMS. What percentage of the farms of the country are operated by the owners of the farms, if you have that information?

Mr. HASTINGS. I believe that information is in the hearings before the committee. Of course, the percentage varies in different localities. In New England and in the East they are largely operated by the owners, but as you go West and South the percentage is lower.

Mr. WILLIAMS. You do not have the percentage?

Mr. HASTINGS. The Bureau of Economics gives it as 57.46 per cent operated by the owners.

In conclusion, permit me to recapitulate:

The provisions of the bill which I have introduced (H. R. 14135) create 12 Federal rural mortgage land banks, one to be located in each of the Federal land bank districts under the supervision of the Farm Board and the Secretary of the Treasury, with a minimum capital of $25,000,000 each, which may be increased to $40,000,000 each, to be subscribed by the Secretary of the Treasury with funds furnished by the Reconstruction Finance Corporation, the same as furnished to the home loan banks, for the purpose of making loans to farmers on first mortgages at 3 per cent interest, plus 1 per cent additional to amortize or to be applied upon the reduction of the principal. Loans are provided to be made through county agents up to 60 per cent of the appraised value of the land and 25 per cent of the appraised value of the permanent insured improvements. The rural mortgage land banks are authorized to issue bonds in the same manner as the farm land banks and said bonds, both principal and interest, are to be guaranteed by the Government. All of the directors and other officials are to be appointed by the Farm Loan Board, subject to the approval of the Secretary of the Treasury.

I can not too strongly urge upon the committee the necessity for permanent legislation. Let me make it clear, however, that I favor any one of the many bills pending in Congress which will bring relief to the distressed farmers of the country.

Mr. CANNON. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. FIESINGER].

Mr. KUNZ. Mr. Chairman, I make the point there is not a quorum present.

The CHAIRMAN. Evidently there is not a quorum present.

Mr. CANNON. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. PRALL, chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 14643), had come to no resolution thereon.

## FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a joint resolution and bill of the House of the following titles:

H. J. Res. 597. A joint resolution to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933.

H. R. 11461. An act for the relief of C. N. Hildreth, jr.

The message also announced that the Senate had agreed to the amendments of the House to a bill of the Senate of the following title:

S. 188. An act for the relief of Tampico Marine Iron Works.

The message also announced that the Senate had ordered that the House be requested to return to the Senate the joint resolution (H. J. Res. 533) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, with accompanying papers.

The message also announced that the Vice President had appointed Mr. METCALF and Mr. COPELAND members of the

Joint Select Committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Labor.

ASSESSMENT WORK ON MINING CLAIMS

The SPEAKER laid before the House the following communication from the Senate:

*Ordered*, That the House of Representatives be requested to return to the Senate a joint resolution (H. J. Res. 533) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, with the accompanying papers.

The SPEAKER. Without objection, the request of the Senate is agreed to.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BANKHEAD, for an indefinite period, on account of death in family.

RADIO ACT

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7716, an act to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees:

Messrs. DAVIS of Tennesese, BLAND, and LEHLBACH.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, on Monday the House will vote on the question of considering legislation pertaining to depreciated currency.

Mr. Speaker, there is no subject pending before the Congress of the United States at this time which to my mind is of such vital importance to the American people, American industry, American labor, and American agriculture as is the question of depreciated currency. The fact that producers in foreign countries are willing and able to offer their products in the American market at total landed costs which are less than the American costs of production of similar articles is responsible for the closing of thousands of American factories and workshops and the unemployment of hundreds of thousands of American workers.

Mr. Speaker, the Committee on Ways and Means, as I understand it, takes the position that time does not permit of the study necessary to report a bill to the House. Realizing the importance of the subject, and not wishing to embarrass Members of the House by asking their support for permanent legislation on this subject, I wish to announce that if the Ways and Means Committee is discharged on Monday from further consideration of the Crowther bill, and the bill is considered in the House, I propose to offer the Connery bill as a substitute for the Crowther bill with an amendment which will limit the enforcement of the Connery bill to a period not beyond June 30, 1934.

Mr. Speaker, it will be conceded by every person conversant with present-day conditions that a national emergency exists. The passage of the Connery bill limiting its operation to a period not beyond June 30, 1924, will take care of the present emergency and will permit the Committee on Ways and Means to make a full and exhaustive study, and will give them time to have their conclusions enacted into law by the incoming Congress. At the same time the bill, together with the amendment which I will offer, will save many American industries from utter destruction and will provide employment for hundreds of thousands of American workers now idle.

The bill referred to follows:

H. R. 14413

A bill to protect American labor by equalizing the cost in the United States of articles imported from foreign countries the currency of which has depreciated

*Be it enacted, etc.*, That there shall be levied, collected, and paid upon all articles when imported into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam) from any foreign country, if the depreciation in the currency of such country, as determined by the Secretary of the Treasury, is 5 per cent or more below the standard value of such currency as proclaimed by the Secretary of the Treasury on October 1, 1931, these following taxes, which shall be in addition to the duties collected under existing law as amended by section 3 of this act:

(1) If the amount of the invoice value of the article is ascertained in units of currency of such foreign country—a tax equal to the difference between the invoice value of the article expressed in units of currency of such foreign country and converted to units of currency of the United States at the standard value of the currency of such foreign country as proclaimed by the Secretary of the Treasury on October 1, 1931; and (b) such amount converted to the currency of the United States at the buying rate of the unit of currency of such foreign country as ascertained under section 522 (c) of the tariff act of 1930.

(b) If the amount of the invoice value of the article is ascertained in units of currency of any country (including the United States) other than the country of exportation—a tax equal to the difference between (a) such amount expressed in units of currency of the country of exportation at the current rate of exchange for noon of the date of exportation and converted as provided in paragraph (1) to the currency of the United States at the standard value of such unit of currency of the country of exportation as proclaimed by the Secretary of the Treasury on October 1, 1931, and such amount expressed in units of currency of the country of exportation, and converted as provided in paragraph (1) into the currency of the United States at the buying rate of the unit of currency of the country of exportation as ascertained under section 522 (c) of the tariff act of 1930.

SEC. 2. This act shall not apply to imports of tea, coffee, tin, or rubber, to fruits, or to unmanufactured spices not produced in the United States.

SEC. 3. For the purpose of the assessment and collection of duties under the existing law, the value (whether such value is ascertained in units of currency of the United States or of any other country) of any article provided for in section 1 shall be the value of such article converted to the currency of the United States at the standard value of the unit of currency of the country of exportation as provided for in paragraph (1) or (2) of section 1, as the case may be.

SEC. 4. Terms used in this act shall have the meaning assigned to such terms in the tariff act of 1930.

SEC. 5. This act shall be administered as part of the customs laws.

SEC. 6. This act shall take effect on the day following the date of its enactment.

SENATE BILLS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and under the rule referred as follows:

S. 254. An act authorizing adjustment of the claim of the Chicago, North Shore & Milwaukee Railroad Co.; to the Committee on Claims.

S. 257. An act authorizing adjustment of the claim of the Baltimore branch of the Federal Reserve Bank of Richmond; to the Committee on Claims.

S. 610. An act for the relief of the Anderson-Tully Co.; to the Committee on Claims.

S. 1067. An act for the relief of Agnes M. Angle; to the Committee on Claims.

S. 1463. An act for the relief of William Powell; to the Committee on Claims.

S. 2203. An act for the relief of John Pearce Cann; to the Committee on Claims.

S. 2374. An act to authorize and direct the Secretary of the Navy to convey by gift to the city of Savannah, Ga., the naval radio station, the buildings, and apparatus, located upon land owned by said city; to the Committee on Naval Affairs.

S. 2469. An act for the relief of Nellie E. Treuthart; to the Committee on Claims.

S. 2519. An act for the relief of Frank I. Otis; to the Committee on Military Affairs.

S. 3008. An act for the relief of Timothy J. Long; to the Committee on Naval Affairs.

S. 3405. An act for the relief of Raymond Ambrose Nichols; to the Committee on Naval Affairs.

S. 3831. An act for the relief of William A. Lester; to the Committee on Claims.

S. 3832. An act for the relief of Zetta Lester; to the Committee on Claims.

S. 3972. An act for the relief of Alva D. McGuire, jr.; to the Committee on Claims.

S. 4085. An act for the relief of Dominick Edward Maggio; to the Committee on Naval Affairs.

S. 4230. An act for the relief of Betty McBride; to the Committee on Claims.

S. 4382. An act for the relief of Wayne Bert Watkins; to the Committee on Naval Affairs.

S. 4480. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Woman's Club, of the city of Paducah, Ky., the silver service in use on the U. S. S. *Paducah*; to the Committee on Naval Affairs.

S. 4674. An act authorizing the Secretary of the Interior to issue patents to the numbered school sections in place, granted to the States by the act approved February 22, 1889, by the act approved January 25, 1927 (44 Stat. 1026), and by any other act of Congress; to the Committee on Public Lands.

S. 4782. An act authorizing adjustment of the claim of Arthur R. Saffran; to the Committee on Claims.

S. 4930. An act for the relief of Avery G. Constant; to the Committee on Claims.

S. 5126. An act to extend the provisions of the Reconstruction Finance Corporation act and the emergency relief and construction act of 1932 to the Virgin Islands; to the Committee on Banking and Currency.

S. 5203. An act for the relief of the Harvey Canal Ship yard & Machine Shop; to the Committee on Claims.

S. 5204. An act for the relief of the Texas Power & Light Co.; to the Committee on Claims.

S. 5205. An act for the relief of the Great Falls Meat Co., of Great Falls, Mont.; to the Committee on Claims.

S. 5207. An act for the relief of Rose Gillespie, Joseph Anton Dietz, and Manuel M. Wiseman, as trustee of the estate of Louis Wiseman, deceased; to the Committee on Claims.

S. 5233. An act to provide for the protection of national parks, battlefield sites, national monuments, and miscellaneous memorials under the control of the War Department; to the Committee on Military Affairs.

S. 5270. An act to authorize the adjustment of a part of the western boundary line of the Plattsburg Barracks Military Reservation, N. Y.; to the Committee on Military Affairs.

S. 5274. An act to regulate service of contest notices in all cases affecting mining locations or claims, and for other purposes; to the Committee on the Public Lands.

S. 5283. An act authorizing the Secretary of the Navy to make available to the municipality of Aberdeen, Wash., the U. S. S. *Newport;* to the Committee on Naval Affairs.

S. 5304. An act to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department; to the Committee on Military Affairs.

S. 5305. An act to authorize the Secretary of War to acquire 5 acres of land, more or less, opposite the Mobile National Cemetery, Ala., for use as an addition to said cemetery; to the Committee on Military Affairs.

S. 5325. An act for the relief of Sadie L. Kirby; to the Committee on the Public Lands.

S. 5370. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; to the Committee on Interstate and Foreign Commerce.

S. 5413. An act for the relief of the Booth Fisheries Co.; to the Committee on Claims.

S. 5417. An act to extend the operation of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law," approved April 1, 1932; to the Committee on Irrigation and Reclamation.

S. 5445. An act to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 238. Joint resolution relating to leave with pay for employees of the Government Printing Office; to the Committee on Appropriations.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 311. An act to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai";

H. R. 698. An act authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the grade of assistant paymaster with the rank of lieutenant (junior grade) in the Supply Corps, United States Navy;

H. R. 1225. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta;*

H. R. 2065. An act for the relief of the Great Western Coal Mines Co.;

H. R. 3033. An act for the relief of Ida E. Godfrey and others;

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929;

H. R. 5786. An act for the relief of Essie Finger;

H. R. 6637. An act authorizing the President to present a medal of honor to Richmond Pearson Hobson;

H. R. 6733. An act for estimates necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska;

H. R. 7385. An act for the relief of Sidney Joseph Kent;

H. R. 7503. An act to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor;

H. R. 7506. An act to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone;

H. R. 7508. An act to provide for the inspection of vessels navigating Canal Zone waters;

H. R. 7514. An act in relation to the Canal Zone postal service;

H. R. 7515. An act to provide for the establishment of a customs service in the Canal Zone, and other matters;

H. R. 7523. An act to amend sections 7, 8, and 9 of the Panama Canal act, as amended;

H. R. 9166. An act for the relief of William E. B. Grant;

H. R. 9385. An act authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 9636. An act to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train;

H. R. 9714. An act for the relief of Marion F. Blackwell;

H. R. 11930. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H. R. 12329. An act to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota;

H. R. 13372. An act to extend the times for commencing and completing the construction of a bridge across the Pee

Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C.;

H. R. 13523. An act in reference to land in the Bonnet Carre floodway area;

H. R. 13535. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 13743. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Tiskilwa, Ill.;

H. R. 13744. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Langley, Ill.;

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484);

H. R 13852. An act to extend the times for commencing and completing the construction of a bridge across the Rock River, south of Moline, Ill.;

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint, in the State of Idaho;

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill., and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.;

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; and

H. J. Res. 597. Joint resolution to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Commitee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 698. An act authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kline, United States Navy, to the grade of assistant paymaster with the rank of lieutenant (junior grade) in the Supply Corps, United States Navy;

H. R. 1225. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta*;

H. R. 2065. An act for the relief of the Great Western Coal Mines Co.;

H. R. 5786. An act for the relief of Essie Finger;

H. R. 6637. An act authorizing the President to present a medal of honor to Richmond Pearson Hobson;

H. R. 7385. An act for the relief of Sidney Joseph Kent.

H. R. 9636. An act to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train;

H. R. 9714. An act for the relief of Marion F. Blackwell;

H. R. 11930. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H. R. 12329. An act to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota;

H. R. 13372. An act to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C.;

H. R. 13523. An act in reference to land in the Bonnet Carre floodway area;

H. R. 13535. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 13743. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal, near Tiskilwa, Ill.;

H. R. 13744. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Langley, Ill.,

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484); and

H. R. 13852. An act to extend the times for commencing and completing the construction of a bridge across the Rock River, south of Moline, Ill.

ADJOURNMENT

Mr. KUNZ. Mr. Speaker, I make the point of order there is not a quorum present.

Mr. CANNON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until Monday, February 13, 1933, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

932. A letter from the Assistant Secretary of Labor, reporting that the department has an accumulation of miscellaneous material in the Children's Bureau which will be of no further use in the transaction of official business, and that the papers do not possess sufficient historical interest to warrant their preservation in the Library; to the Committee on Disposition of Useless Executive Papers.

933. A letter from the Secretary of War, transmitting a report, pursuant to section 10 of the flood control act of May 15, 1928, dated February 10, 1933, from the Chief of Engineers, United States Army, on Hocking River, Ohio, together with illustrations and accompanying papers; to the Committee on Flood Control.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BUCHANAN: Committee on Appropriations. House Joint Resolution 597. Joint resolution to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933; without amendment (Rept. No. 2000). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON: Committee on Appropriations. H. R. 14643. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes; without amendment (Rept. No. 2001). Referred to the Committee of the Whole House on the state of the Union.

Mr. NELSON of Missouri: Committee on Agriculture. H. R. 11718. A bill to amend the act entitled "An act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes," approved August 24, 1912, as amended, and for other purposes; without amendment (Rept. No. 2002). Referred to the Committee of the Whole House on the state of the Union.

Mr. GLOVER: Committee on Agriculture. H. R. 14266. A bill to authorize the creation of a game refuge in the Ouachita National Forest in the State of Arkansas; with

amendment (Rept. No. 2003). Referred to the Committee of the Whole House on the state of the Union.

Mr. NELSON of Missouri: Committee on Agriculture. House Joint Resolution 513. Joint resolution authorizing the Secretary of Agriculture to issue congressional certificate of merit for 4-H achievement; without amendment (Rept. No. 2004). Referred to the Committee of the Whole House on the state of the Union.

Mr. SANDERS of Texas: Committee on Ways and Means. House Joint Resolution 596. Joint resolution authorizing the President, under certain conditions, to invite the participation of other nations in the Texas Centennial Celebration, providing for the admission of their exhibits, and for other purposes; without amendment (Rept. No. 2005). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS of Tennessee: Committee on Merchant Marine, Radio, and Fisheries. S. 4491. An act amending the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal; with amendment (Rept. No. 2006). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. Senate Joint Resolution 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933; without amendment (Rept. No. 2007). Referred to the House Calendar.

Mrs. NORTON: Committee on the District of Columbia. H. R. 13750. A bill to regulate the bringing of actions for damages against the District of Columbia, and for other purposes; with amendment (Rept. No. 2010). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 13853. A bill to authorize the merger of The Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes; without amendment (Rept. No. 2011). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DELANEY: Committee on Naval Affairs. H. R. 4352. A bill for the relief of Luke Francis Brennan; without amendment (Rept. No. 2008). Referred to the Committee of the Whole House.

Mr. GAMBRILL: Committee on Naval Affairs. H. R. 14256. A bill for the relief of Irwin D. Coyle; with amendment (Rept. No. 2009). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes; to the Committee of the Whole House.

By Mr. RANKIN: A bill (H. R. 14644) to provide for the channeling and improvement of the Tombigbee River, Miss., and for other purposes; to the Committee on Banking and Currency.

By Mr. FIESINGER: A bill (H. R. 14645) to aid in securing a normal and stable commodity price level, through the establishment of an auxiliary monetary reserve of silver and the issuance of silver certificates, under circumstances insuring the maintenance of the gold standard; to the Committee on Coinage, Weights, and Measures.

By Mr. ARENTZ: A bill (H. R. 14646) to extend the mining laws of the United States to the Death Valley National Monument in California, and for other purposes; to the Committee on the Public Lands.

By Mr. RANKIN: A bill (H. R. 14647) to provide for controlling the floods of Town Creek, Miss., and for other purposes; to the Committee on Banking and Currency.

By Mr. HOWARD: A bill (H. R. 14648) providing for an alternate budget for the Indian Service, fiscal year 1935; to the Committee on Indian Affairs.

By Mr. TAYLOR of Colorado: A bill (H. R. 14649) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund; to the Committee on Banking and Currency.

By Mr. GUYER: A bill (H. R. 14650) to require the employment of American citizens on observation cars, club cars, and sleeping cars used by railroads in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON: Resolution (H. Res. 377) to provide for the consideration of certain provisions in connection with H. R. 14643, the District of Columbia appropriation bill for the fiscal year 1934; to the Committee on Rules.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Council of the City of Buffalo, memorializing Congress to authorize the Postmaster General to issue a special series of postage stamps commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment of Thaddeus Kosciusko as brevet brigadier general of the Continental Army; to the Committee on the Post Office and Post Roads.

Memorial of the Legislature of the State of Nebraska, memorializing Congress in opposition to continuance of Federal gasoline tax; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Washington, memorializing Congress to pass Senate bill No. 5121; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Delaware, memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOUSTON of Hawaii: A bill (H. R. 14651) for the relief of Yamato Sesoko; to the Committee on Claims.

By Mr. KURTZ: A bill (H. R. 14652) granting a pension to William L. Shaffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14653) granting a pension to M. Blanche Gable; to the Committee on Invalid Pensions.

By Mr. MOBLEY: A bill (H. R. 14654) granting a pension to Lonie Pearson; to the Committee on Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10341. By Mr. CARTER of California: Petition of the City Council of the City of Albany, Calif., protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon States, State agencies, or publicly owned utilities; to the Committee on Ways and Means.

10342. Also, petition of the board of directors of the East Bay municipal utility district, Oakland, Calif., protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon States, State agencies, and/or publicly owned utilities; to the Committee on Ways and Means.

10343. Also, petition of the board of public utilities of the city of Alameda, State of California, protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon States, State agencies, and/or publicly owned utilities; to the Committee on Ways and Means.

10344. Also, petition of the City Council of the City of Walnut Creek, State of California, protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon States, State agencies, and/or publicly owned utilities; to the Committee on Ways and Means.

10345. Also, petition of the City Council of the City of Pleasanton, State of California, protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon States, State agencies, and/or publicly owned utilities; to the Committee on Ways and Means.

10346. Also, petition of the City Council of the Town of Emeryville, State of California, protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon States, State agencies, and publicly owned utilities; to the Committee on Ways and Means.

10347. Also, petition of the City Council of the City of Alameda, Calif., protesting against any Federal taxation which imposes, or may be interpreted to impose, a burden upon the States, State agencies, or publicly owned utilities; to the Committee on Ways and Means.

10348. By Mr. CHRISTGAU: Resolution adopted at a meeting of the Spring Valley Parent-Teachers' Association, Spring Valley, Minn., held on November 14, 1932, urging support of Senate bill 1079; to the Committee on Interstate and Foreign Commerce.

10349. Also, resolution adopted by the Peterson Library Club, Peterson, Minn,, urging support of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

10350. Also, resolution adopted by the Harry J. Madsen Post, No. 1173, Veterans of Foreign Wars of the United States, Moose Lake, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

10351. Also, resolution adopted by the Steele County Bankers Association, Steele County, Minn., urging the repeal of the bank-check tax; to the Committee on Ways and Means.

10352. Also, resolution adopted by the Minnesota Cooperative Wool Growers Association at the annual meeting held in St. Paul, Minn., on January 17, protesting against abolishment or any crippling of the present service of the Federal Farm Board; to the Committee on Agriculture.

10353. Also, resolution adopted by the Woman's Improvement Club, Mazeppa, Minn., urging support of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

10354. Also, resolution signed by citizens of Spring Valley, Minn., protesting against any repeal or modification of the eighteenth amendment, and urging adequate appropriations for law enforcement and for a campaign of education in law observance; to the Committee on the Judiciary.

10355. Also, resolution adopted by St. Paul's Lutheran Congregation, Minneapolis, Minn., urging support of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

10356. By Mr. ERK: Petition of West View United Presbyterian Church, favoring the stop-alien-representation amendment to the United States Constitution; to the Committee on the Judiciary.

10357. Also, petition of the Perrysville Avenue Women's Home Missionary Society of the Methodist Episcopal Church, requesting the enactment of a law which will establish a Federal motion-picture commission, declare the motion-picture industry a public utility, regulate the trade practices of the industry used in the distribution of pictures, supervise the selection and treatment of subject material during the processes of production, and provide that all pictures entering interstate and foreign commerce be produced and distributed under Government supervision and regulation; to the Committee on Interstate and Foreign Commerce.

10358. Also, memorial of Council of the City of Pittsburgh, requesting the enactment of legislation authorizing the Postmaster General to issue a special series of postage stamps commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen of Thaddeus Kosciusko; to the Committee on the Post Office and Post Roads.

10359. Also, petition of Perryville Avenue Woman's Christian Temperance Union, Pittsburgh, Pa., requesting the enactment of a law which will establish a Federal motion-picture commission, declare the motion-picture industry a public utility, regulate the trade practices of the industry used in the distribution of pictures, supervise the selection and treatment of subject material during the processes of production, and provide that all pictures entering interstate and foreign commerce be produced and distributed under Government supervision and regulation; to the Committee on Interstate and Foreign Commerce.

10360. By Mr. ESTEP: Resolution No. 12 adopted by the City Council of Pittsburgh, Pa., memorializing the United States Congress to enact legislation which will authorize and direct the Postmaster General to issue a special series of postage stamps commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment of Thaddeus Kosciusko as brevet brigadier general of the Continental Army on October 13, 1783; to the Committee on the Post Office and Post Roads.

10361. By Mr. FITZPATRICK: Petition of the Bricklayers' and Plasterers' Local Union, No. 22, Yonkers, N. Y., urging the passage of Senate bill 5125, known as the Costigan-La Follette emergency relief bill; to the Committee on Ways and Means.

10362. By Mr. GIBSON: Petition of Foster-Crosby Post, No. 73, opposing reduction in the benefits now being paid to the veterans of all wars; to the Committee on Ways and Means.

10363. By Mr. GRISWOLD: Petition of Harry Calmus and 105 other petitioners of Dunkirk, Jay County, Ind., requesting the revaluation of the gold ounce, the placing of gold in competition with silver, and the correction of financial abuses; to the Committee on Banking and Currency.

10364. By Mr. HOWARD: Resolution adopted by the House of Representatives of Nebraska, memorializing the Congress of the United States in behalf of legislation to repeal the packers and stockyards act of August 15, 1921, in so far as it authorizes or permits Federal authorities to fix charges for stockyards services at public stockyards; to the Committee on Agriculture.

10365. Also, resolution adopted by the House of Representatives of Nebraska, memorializing the Congress of the United States in opposition to continuance of Federal gasoline tax; to the Committee on Ways and Means.

10366. By Mr. JOHNSON of South Dakota: Petition of citizens of Groton, S. Dak., favoring the stop-alien-representation amendment to the United States Constitution; to the Committee on the Judiciary.

10367. By Mr. JOHNSON of Texas: Petition of Jack W. Fletcher and 37 other members of the American Legion post of Frost, Tex., favoring passage of the bonus bill and opposing economy measures affecting World War veterans as proposed by the Economy League; to the Committee on World War Veterans' Legislation.

10368. Also, letter of G. B. Dealey, president the Dallas News, Dallas, Tex., opposing House bill 8557, the Crowther bill; to the Committee on Ways and Means.

10369. By Mr. LAMBERTSON: Resolution of the Rotary Club of Leavenworth, Kans., favoring the continuation of the citizens' military training camps and the Reserve Officers' Training Corps, and that adequate appropriations should be made for the continuation of these activities, and disfavoring any untried plan or program for the training, maintenance, and support of the youth of America; to the Committee on Appropriations.

10370. Also, resolution of the Ladies' Aid Society of the Seward Avenue Methodist Episcopal Church, of Topeka, Kans., urging the establishment of a Federal motion-picture commission, and for the regulation and supervision of the motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10371. By Mr. LINDSAY: Petition of Peter Cooper Corporations, New York City, favoring additional tariff on glue

and gelatine to equal depreciated foreign currencies; to the Committee on Ways and Means.

10372. Also, petition of the United States Fisheries Association, William Fellowes Morgan, jr., president, New York City, urging emergency legislation to meet destructive competition from imports priced in depreciated foreign currencies; to the Committee on Ways and Means.

10373. By Mr. Mansfield: Petition of the Woman's Missionary Society of Gonzales County, Tex., opposing the repeal or modification of the eighteenth amendment; to the Committee on the Judiciary.

10374. By Mr. PARKER of Georgia: Memorial of W. W. Gaines, chairman of the Social Service Commission of Georgia Baptist Convention, Atlanta, Ga., urging that no changes be made in our prohibition laws; to the Committee on Ways and Means.

10375. Also, resolution of the General Assembly of the State of Georgia, opposing the reduction of the tariff on imported fruits and vegetables; to the Committee on Ways and Means.

10376. Also, resolution of the General Assembly of the State of Georgia, having for its purpose the securing of information as to the proper valuation of public utilities in Georgia; to the Committee on the Judiciary.

10377. By Mr. RAINEY: Petition of W. G. Hilbert, of Gloversville, N. Y., and 42 other citizens of the State of New York, favoring the Sparks-Capper stop-alien-representation amendment; to the Committee on the Judiciary.

10378. By Mr. RICH: Petition of citizens of the sixteenth Pennsylvania district, protesting against any change in the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

10379. By Mr. RUDD: Petition of the Peter Cooper Corporation, New York City, favoring additional tariff on glue and gelatine to equal depreciated currencies; to the Committee on Ways and Means.

10380. By Mr. SEGER: Petition of American Federation of Silk Workers, favoring the La Follette-Costigan relief bill and the Black-Connery labor bill; to the Committee on Labor.

10381. Also, resolutions from the executive committee, State department, American Legion of New Jersey, favoring adequate national defense; to the Committee on Military Affairs.

10382. Also, petition of Mrs. George Sayre and other members of the Women's Union of the Community Congregational Church of Little Falls, N. J., favoring passage of Senate Resolution 170 and Senate bill 3770, dealing with the motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10383. By Mr. STALKER: Petition of Elwyn D. Swarts and 50 other residents of Hornell, N. Y., R. F. D. 4, urging support of the stop-alien-representation amendment to the United States Constitution, to cut out aliens, and count only American citizens, when making future apportionments for congressional districts; to the Committee on the Judiciary.

10384. Also, petition of Rev. A. S. Cox and 72 members of the Methodist Episcopal Church at Caton, N. Y., urging support of the stop-alien-representation amendment to the United States Constitution, to cut out aliens, and count only American citizens, when making future apportionments for congressional districts; to the Committee on the Judiciary.

10385. By Mr. TAYLOR of Colorado: Petition of citizens of Hotchkiss, Colo., urging the passage of the Capper-Spark bill to prohibit alien representation in apportioning congressional districts in the various States of the Union; to the Committee on the Judiciary.

10386. By Mr. THOMASON: Petition of the Texas and Southwestern Cattle Raisers Association, requesting that cattle, sheep, and goats be not included in allotment bill; to the Committee on Agriculture.

10387. Also, petition of the El Paso Chamber of Commerce, commending work of Hon. L. M. Lawson, international boundary commissioner in the Rio Grande rectification program; to the Committee on Foreign Affairs.

10388. By the SPEAKER: Petition of the Good Government Congress of Jackson County, Oreg., requesting that action be taken to reestablish law and order in Jackson County, State of Oregon; to the Committee on the Judiciary.

# SENATE

## MONDAY, FEBRUARY 13, 1933

*(Legislative day of Friday, February 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, returned to the Senate, in compliance with its request, the joint resolution (H. J. Res. 533) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, with accompanying papers.

The message announced that the House had passed a bill (H. R. 5261) for the relief of Sard S. Reed, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAVIS of Tennessee, Mr. BLAND, and Mr. LEHLBACH were appointed managers on the part of the House at the conference.

### ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 311. An act to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai";

H. R. 3033. An act for the relief of Ida E. Godfrey and others;

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929;

H. R. 6733. An act for estimates necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska;

H. R. 7503. An act to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor;

H. R. 7506. An act to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone;

H. R. 7508. An act to provide for the inspection of vessels navigating Canal Zone waters;

H. R. 7514. An act in relation to the Canal Zone postal service;

H. R. 7515. An act to provide for the establishment of a customs service in the Canal Zone, and other matters;

H. R. 7523. An act to amend sections 7, 8, and 9 of the Panama Canal act, as amended;

H. R. 9166. An act for the relief of William E. B. Grant;

H. R. 9385. An act authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho;

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.; and

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar day of Saturday, February 11, 1933.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Shipstead |
| Austin | Dale | Keyes | Shortridge |
| Bailey | Davis | King | Smith |
| Bankhead | Dickinson | La Follette | Smoot |
| Barbour | Dill | Lewis | Steiwer |
| Barkley | Fess | Logan | Stephens |
| Bingham | Fletcher | McKellar | Swanson |
| Blaine | Frazier | McNary | Thomas, Idaho |
| Borah | George | Moses | Thomas, Okla. |
| Bratton | Glass | Neely | Townsend |
| Brookhart | Glenn | Norris | Trammell |
| Bulkley | Goldsborough | Nye | Tydings |
| Bulow | Gore | Oddie | Vandenberg |
| Byrnes | Grammer | Patterson | Wagner |
| Capper | Hale | Pittman | Walcott |
| Caraway | Harrison | Reed | Walsh, Mass. |
| Clark | Hastings | Reynolds | Walsh, Mont. |
| Connally | Hatfield | Robinson, Ark. | Watson |
| Coolidge | Hayden | Robinson, Ind. | White |
| Copeland | Hull | Russell | |
| Costigan | Johnson | Schuyler | |
| Couzens | Kean | Sheppard | |

Mr. SHEPPARD. I wish to announce that the junior Senator from Kansas [Mr. McGILL] is necessarily absent because of illness. I ask that the announcement may stand for the day.

Mr. WALSH of Montana. I announce that my colleague the junior Senator from Montana [Mr. WHEELER] is still detained from the Senate by reason of illness. I ask that this announcement may stand for the day.

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained on official business of the Senate.

Mr. FESS. I wish to announce that the junior Senator from Wyoming [Mr. CAREY] and the junior Senator from Rhode Island [Mr. HEBERT] are detained on official business. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

LINCOLN—APOSTLE OF LIBERTY

Mr. SMOOT. Mr. President, Lincoln's Birthday never passes without stirring anew within the soul of the Nation a feeling of patriotism and a sense of "the nobleness that lovely spirits gather from distress." We can not reflect upon his life and achievements without rekindling enthusiasm for those ideals for which he gave his last full measure of devotion. Every year on this occasion "the mystic chords of memory, stretching from every battlefield and patriot grave, to every living heart and hearthstone all over this broad land" are "touched by the better angels of our nature."

Sixty-eight years have passed since Lincoln was assassinated, yet Lincoln is still with us. His spirit is interwoven into the fabric of our national life. His philosophy is built into our Government and our institutions. His personality endures in both history and tradition as one of the choicest manifestations of humanity. In the words of Joel Benton, the poet:

> Some opulent force of genius, soul, and race,
> Some deep life-current from far centuries
> Flowed to his mind and lighted his sad eyes,
> And gave his name, among great names, high place.

The influence of his personality and his achievements can never be effaced from our national life. In reality, Lincoln marches with us down through the centuries, strengthening our appreciation of liberty, holding us fast to the fundamental concepts of the American Union, and mitigating our troubles by his own unshakable faith and quaint humor. Like our rugged Atlantic coast and the impregnable Rocky Mountains, Lincoln has become a vital part of the American heritage.

With each passing year we find new significance in Lincoln's Birthday, because the elemental problem with which he struggled confronts us, differing only in form. That problem, as Lincoln states it, is "whether a constitutional republic or democracy—a government of the people by the same people—can or can not maintain its territorial integrity against its own domestic foes." Thanks to Lincoln's indomitable strength, the question of "territorial integrity," so far as the United States is concerned, has been solved. But the kindred issue as to whether our Government is capable of maintaining economic stability without abridging the liberties of the people is still upon us.

In his day Lincoln proved that the Government could be strong enough to maintain its own existence without being "too strong for the liberties of its own people." If the Great Emancipator could speak to us to-day, he might ask whether the Government will now be strong enough to cope with economic catastrophe without surrendering to dictatorship or socialism. Certainly his interest would go to the heart of every attempt that is made to sacrifice personal freedom and private enterprise to theoretical expedients that may seem advantageous for the moment.

Can human liberty be preserved in the machine age? From underneath the maze of problems that now beset us this question will arise to a position of supreme importance. And we shall turn to Lincoln for inspiration, courage, and advice. If we wish to reach down into the depths of human feeling, down to the fundamental law and to the basic concept of human liberty, as it was established upon this continent by our fathers, there is no richer nor more profound source to which we may go than the speeches and writing of Abraham Lincoln. He lived and breathed in the spirit of liberty. In life and in death his influence has upheld government by the majority, with safeguards for the rights of minorities, as the only practicable formula by which an intelligent and energetic people may avoid tyranny, on one hand, and chaos on the other.

Lincoln understood whence our difficulties of the present day would arise. "At what point," he asked, "is the approach of danger to be expected? I answer, if it ever reaches us, it must spring up amongst us. It can not come from abroad. If destruction be our lot, we must ourselves be its author and finisher. As a nation of free men we must live through all time or die by suicide."

No foreign enemy is threatening us to-day. But from every section of our great Nation come appeals and proposals that would undermine the principles on which American civilization is based. We are told that personal liberties must be submerged beneath economic regimentation. We are asked to give up the right of managing our own affairs for the sake of raising the prices of commodities we produce. We are urged to surrender personal initiative for equal rewards and doles that undermine our incentive to progress. Panaceas of every kind and description flood the Halls of Congress. Millions of our citizens are ready to mortgage their liberty by having the Government take over private economic functions. The heritage which Lincoln preserved and handed down to us is scorned as a priceless heirloom in the hands of yokels.

Lincoln loved the common people as few other great characters have done. The welfare of the masses was always uppermost in his mind. But he had no thought of opening the United States Treasury to them. He made no effort to force one class or group to support another. The Great Emancipator understood well that the function of the Government is not to support the people, but to guarantee them protection and freedom to work out their own economic destiny.

Few Americans have felt the grip of poverty more poignantly than Abraham Lincoln. In childhood he learned the meaning of destitution, and in young manhood want and financial failure were frequently at his door. But out of adversity Lincoln magnified his love of freedom; and when he reached positions of high authority he used his influence to preserve the right of all Americans to struggle from poverty to economic well-being. Lincoln's fears that the right of every man to improve his own station in life might be impaired found expression in his annual message to Congress in 1861. This is what he said:

No men living are more worthy to be trusted than those who toil up from poverty, none less inclined to take or touch aught which they have not honestly earned. Let them beware of surrendering a political power which they already possess, and which, if surrendered, will surely be used to close the door of advancement against such as they, and to fix new disabilities and burdens upon them till all of liberty shall be lost.

This advice comes to us like a solemn warning from history. It embodies the American ideal. It is the principle to which the present generation of Americans must adhere if we are to preserve the heritage Lincoln bequeathed unto us.

Lincoln's devotion to the ideal of liberty is matched only by his faith in the triumph of right. Beneath his zeal in the cause of human rights ran an overpowering conviction that he was doing God's service. In an address delivered September 28, 1862, Lincoln revealed the source of his inspiration and strength in these words:

In the very responsible position in which I happen to be placed, being a humble instrument in the hands of our Heavenly Father, as I am, and as we all are, to work out His great purpose, I have desired that all my works and acts may be according to His will, and that it might be so I have sought His aid; but if, after endeavoring to do my best in the light which He affords me, I find my efforts failed, I must believe that for some wise purpose unknown to me, He wills it otherwise. If I had had my way this war would never have commenced. If I had been allowed my way the war would have ended before this; but we find it still continues and we must believe He permits for some wise purpose of His own, mysterious and unknown to us; and though with our limited understanding we may not be able comprehend it, yet we can not but believe that He who made the world still governs it.

To use his own words, the motto of Lincoln was, "Firmness in the right, as God gives us to see the right."

It is difficult to find a public address of Lincoln in which he did not acknowledge his faith in the Creator or his confidence that the will of God prevails. At Cooper Union he pleaded with a people torn by dissension:

Let us have faith that right makes might, and in that faith let us—to the end—dare to do our duty as we understand it.

At Springfield, when he said farewell to his friends and neighbors before taking up the perilous duties of the Presidency, he pleaded that the faith of his friends might be added to his own:

I now leave, not knowing when or whether ever I may return, with a task before me greater than that which rested upon Washington. Without the assistance of that Divine Being who attended him, I can not succeed. With that assistance, I can not fail. Trusting in Him who can go with me, and remain with you, and be everywhere for good, let us confidently hope that all will yet be well. To His care commending you, as I hope in your prayers you will commend me, I bid you an affectionate farewell.

In his first inaugural address he was still confident that—

Intelligence, patriotism, Christianity, and a firm reliance on Him who has never yet forsaken this favored land, are still competent to adjust, in the best way, all our present difficulty.

When all his masterful efforts to preserve the peace had failed and war became the only means of saving the Union the faith of Lincoln was not shaken. He called upon the people:

Let us diligently apply the means, never doubting that a just God, in His own good time, will give us the rightful result.

After four years of struggle, anguish, suffering, and destruction faith still burned in his soul. Lincoln humbled himself before his Maker in the simple conclusion that "the Almighty has His own purposes." In the sublime words of the second inaugural he bowed to the will of God, regardless of what it might be, and gave solemn assurance to his countrymen that "the judgments of the Lord are true and righteous altogether."

Lincoln's faith that right makes might, and that the providential hand of God directs this Nation, is a bulwark of strength to us even to-day. He towers among the great of all ages as a servant of God and a follower of Christ, as well as an apostle of human liberty. Shall we say that Lincoln was an instrument in the hands of the Master in preserving liberty and enthroning peace? We do know that he humbly and fervently sought the aid of God in this great cause and that through his efforts right did prevail.

I can wish for no greater blessing for my country in this hour of unrest than the pervading spirit of the immortal Lincoln. No other American has been endowed with such a deep understanding of human aspirations. Instead of trying to fritter away the heritage he left us, let us revive and reassert the wisdom of Lincoln, as a breath of fresh air to a people stifled by an economic depression.

We can not truly honor Lincoln without holding fast to the ideals which he so nobly advanced. Let the influence and wisdom of the incomparable Lincoln flow free all over this broad land. When guided by his faith and his courage, America must go forward as the land where liberty was born and shall never die.

Mr. SHORTRIDGE. Mr. President, the Republic "conceived in liberty and dedicated to the proposition that all men are created equal," in the throes of dissolution; the Union of Washington and Jackson framed by the wisdom and sanctified by the blood of brothers about to be rent asunder; the "government of the people, by the people, and for the people" in mortal danger of perishing from the earth—in that dark hour of estrangement, doubt, and fear the great captain of our country's salvation came.

He came, and thenceforth all was clear. Simple in speech, plain in manner, straightforward in action, tender as a child, fearless as a hero, humble and lowly, he came to speak and to act. Born of southern parents and reared in the broad prairies of the West, whose very winds sang liberty, he realized the curse of bondage and the blessing of freedom. From the unfelled forest, from the log cabin and the country store, from humble forum and obscure dwelling, from out the ranks of the people the great captain came. He came, and statesmen paused and wondered; he spoke, and a nation hearkened to his counsel.

Devoted to truth and the right, opposed to falsehood and the wrong; scorning the tricks and subterfuges of the self-seeking and abhorring the mean and base; loving his country with a devotion that made him forgetful of all save the preservation of the Union, the incomparable leader rose. In judicial tribunal and hall of state, in capital and village, in stately mansion and log hut, bewildered men listened to his words and saw, as they had never seen before, the darkness, the light, and the path—the wrong, the right, and the remedy.

Who was this man that came unheralded out of the West? Who was this man that rose above great statesmen of his day—who was as earnest as Phillips, as gifted as Baker, more profound than Seward, more wise than Chase, more logical than Douglas, more eloquent than Everett?

Who was this man that combined in one soul the simplicity of a child, the wisdom of a sage, and the foresight of a prophet?

Wheresoever among men there is a love for disinterested patriotism and sublime attachment to duty; wheresoever

liberty is worshiped and loyalty exalted, his name, his life, his deeds are known. To-day his image is in all hearts, his name is on all lips. That humble, loving, forgiving, sublime man was the rail splitter of Illinois—sainted and immortal Abraham Lincoln—Abraham Lincoln, child of poverty, champion of freedom, savior of the Union.

Rejoice and give thanks to God. The dark hour of brotherly estrangement is gone forever. The Constitution of Washington and Jackson remains. The Union, strong and great, endures. The "Government of the people, by the people, and for the people" did not perish. The sons of America march all one way.

And for all these blessings we stand to-day beneath the one and only banner of the loyal heart, to pay the tribute of our veneration and gratitude and love to Abraham Lincoln.

Mr. LEWIS. Mr. President, my eminent colleague [Mr. GLENN], representing with me in this honorable body the great State of Illinois—the area from which this distinguished hero of events described in these two epic addresses hailed—would have, because of the appropriateness of the occasion, presented some thought and fitting expression to this honorable body, appealing, as we feel it would have been, to the occasion. But the two apostrophes that have given inspiration, the one from the eminent Senator from Utah [Mr. SMOOT] as the first, and the other an epic from the equally distinguished Senator from California [Mr. SHORTRIDGE] second, have with such completeness presented a picture of such illuminating grandeur that we feel we could not, by any additional offer, do other than possibly impair the perfection presented. Therefore we defer other than to pay our tribute to these delivered addresses, and withhold any additional contribution individually from ourselves.

Mr. President, we, however, beg to express our appreciation and our thanks for this sacred offering borne to the noble soul who in life did so much to hallow with something of sanctity and elevate by ability the great State of Illinois as he contributed guiding lessons of liberty and justice to the world.

Mr. FESS. Mr. President, the statement of the Senator from Illinois [Mr. LEWIS] is a little embarrassing to me, in that he suggested that further utterances about the great liberator might not be made.

Mr. LEWIS. Only as to ourselves; not as to the distinguished Senator from Ohio, conscious that his contribution will add further illumination to any topic.

Mr. FESS. When the most eloquent Senator of the body makes that suggestion, even though it does not apply to anyone but himself, it is very embarrassing for another Senator to rise to say anything. I did, however, want to make an observation about one phase of this great character that is not generally discussed.

Abraham Lincoln is regarded as not an educated man, in that his schooling amounted to less than two years, all told; and yet this man, without education, has made contributions to our literature that are regarded as the rarest that have yet come from the lips or pen of any American.

The famous letter written to Mrs. Bixby hangs on the walls of the corridor of one of the colleges of the University of Oxford as the finest bit of literature touching the spirit and subject of condolence that is found anywhere.

The famous short address known as the Gettysburg Address is in the British Museum and is regarded by the highest authority in English as the finest short speech ever uttered in the English language.

The second inaugural address in many ways is regarded as even superior to the address at Gettysburg. I do not think it is more chaste in language, but there is an emotion and spiritual tone expressed that is unmatched even in the Gettysburg Address:

> Fondly do we hope, fervently do we pray, that this mighty scourge of war may speedily pass away.

A prose poem—one of the most beautiful things ever penned.

This man, without education, regarded as uncultured—as the world judges culture—delivered the famous Cooper Union speech that is regarded by the literary critics as the finest example of the balanced sentence in American literature; and yet it comes from this untutored man of the West.

It is that phase of Lincoln that is not generally discussed but is very obvious when his utterances are studied.

Some 12 years ago I undertook to collate some of the statements of Lincoln that might be regarded as original, as gleaned from his various utterances. When I tried to analyze my own speeches and enumerate how many things I had ever said that were purely original with me, that I did not get from some other source, I was embarrassed, because I could not find many. Most of them come from other sources. I am, however, going to ask consent of the Senate to insert in the RECORD this collation of the statements of Lincoln that are properly original, and they will occupy at least two columns of the RECORD.

He was a most remarkable man, yet up to 1857 he was little known. Following the Dred Scott decision, he came to the front in his exposition of it; and then later, in 1858, when engaged in the debate with Douglas, he at once loomed as a national figure. From March 4, 1861, to the 15th day of April, 1865, covering only four years, he, as the head of the Nation, made a more remarkable contribution to popular government in the world than any other man, living or dead—a very unusual character, to the commemoration of whose memory we can justly devote a little time to-day.

The PRESIDENT pro tempore. Without objection, the matter referred to by the Senator from Ohio will be printed in the RECORD.

The matter referred to is as follows:

[From The National Republican, February 12, 1921]

SEEING LINCOLN THROUGH HIS WORDS

(By SIMEON D. FESS, Representative in Congress from Ohio)

This is the time of year when the country reverts to the significance of Lincoln's influence. Whatever be his monuments in accomplishment as the preserver of the American Union and the Great Emancipator, he has an enduring fame through his deathless utterances delivered from time to time. These utterances clearly pointed the course of history in a momentous era and merely became an index of the progress of our national growth from a slaveocracy defended as a loose confederation of States to an indissoluble union of indestructible States.

In 1858 when he was 49 years of age and known locally as a local political figure, he outlined the issue upon the most sensitive question which within a dozen years was to divide churches, destroy political parties, and threaten the overturn of the Government in the greatest civil war known to history.

"A house divided against itself can not stand. I believe this Government can not endure permanently, half slave and half free."

When his friends urged him against this "d——d fool utterance," and wanted to know "what in God's name could induce you to promulgate such an opinion," his reply was: "Upon my soul I think it is true." To those who condemned him he replied: "Friends, this thing has been retarded long enough. The time has come when these sentiments should be uttered. And if it is decreed that I must go down because of this speech, then let me go down linked with the truth. Let me die in the advocacy of what is just and right."

The same year he pressed Douglas to answer the following question:

"Can the people of a territory, in any lawful way, against the wish of any citizen of the United States, exclude slavery from its limits prior to the formation of a State constitution?"

When he was warned by his friends that unless he desisted from his demand for an answer, he could never defeat Douglas for the Senate, he replied:

"I shall demand an answer. If ever Douglas answers me, either yes or no, he can never be elected President of the United States. I am after larger game. The battle of 1860 is worth a hundred of this."

In New York, in February, 1860, at Cooper Union, he made his greatest long speech. Here he set out the issue as it had never yet been stated by any other man:

"If it [slavery] is right, we can not justly object to its nationality—its universality; if it is wrong, they can not justly insist upon its extension—its enlargement. All they ask we can readily grant, if we thought slavery right; all we ask they could as readily grant, if they thought it wrong. Their thinking it right and our thinking it wrong is the precise fact upon which depends the whole controversy. Thinking it right, as they do, they are not to blame for desiring its full recognition as being right; but thinking it wrong, as we do, can we yield to them?"

Of this speech Choate said:

"His eye kindled, his voice rang, his face shone and seemed to light up the whole assembly. * * * It was marvelous to see how this untutored man, by mere self-discipline, had found his way to the grandeur and strength of absolute simplicity."

It was here where an auditor at the close of the address declared: "Lincoln is the greatest man that has appeared since St. Paul." To his enemies who charged him with favoring social equality he said:

"I protest against the counterfeit logic which says that since I do not want a negro woman for my slave I must necessarily want her for my wife."

Upon the question whether the Nation could safely deal with slavery, he said:

"It has long been a question whether any government which is not too strong for the liberties of the people can be strong enough to maintain itself."

His faith in the Nation as sufficient to perpetuate its liberties was well expressed at Independence Hall, Philadelphia, February 22, 1861:

"I have never had a feeling politically that did not spring from the sentiments embodied in the Declaration of Independence."

He then raised the question why the States had been held together so long, and declared that it was the "sentiment in the Declaration of Independence which gave liberty, not alone to the people of this country, but hope to all the world for all future time, * * * that in due time the weights would be lifted from the shoulders of all men and all should have an equal chance." He then declared he would rather be assassinated than to surrender that principle.

He was soon to assume supreme authority and he seemed to realize the test which was soon to be made, because he made it known that the laws of the Government must be respected and they would be enforced.

"The Constitution will be preserved and defended until it is enforced and obeyed in every part of every one of the United States. It must be so respected, obeyed, and enforced, and defended, let the grass grow where it may."

His views on secession were no less clear than his purpose was determined: "We won't break up the Union, and you shan't," was his dictum.

Upon taking the oath as President he said on this point:

"I hold that, in contemplation of universal law and of the Constitution, the Union of these States is perpetual. Perpetuity is implied, if not expressed, in the fundamental law of all national governments. It is safe to assert that no government proper ever had a provision in its organic law for its own termination. Continue to execute all the express provisions of our National Constitution, and the Union will endure forever—it being impossible to destroy it except by some action not provided for in the instrument itself."

And again:

"In your hands, my dissatisfied fellow countrymen, and not in mine, is the momentous issue of civil war. The Government will not assail you. You can have no conflict without being yourselves the aggressors. You have no oath registered in heaven to destroy the Government, while I shall have the most solemn one to 'preserve, protect, and defend it.' I am loath to close. We are not enemies, but friends. We must not be enemies. Though passion may have strained, it must not break our bonds of affection."

Henceforth the conduct of the leaders of rebellion compelled the chief stress to be placed upon the preservation of the Union rather than protection against the spread of slavery. To Greeley, who had caustically criticized him as an opportunist because he did not free the slaves, he wrote on August 22, 1862, just one month before his preliminary Emancipation Proclamation was announced:

"My paramount object in this struggle is to save the Union. If I could save the Union without freeing any slaves, I would do it; and if I could save it by freeing all the slaves I would do it, and if I could save it by freeing some and leaving others alone I would do that. I shall do less whenever I shall believe what I am doing hurts the cause, and I shall do more whenever I shall believe doing more helps the cause. I shall adopt new views so fast as they shall appear to be true views."

In the struggle for the life of the Union, emancipation had to be decreed, which was done to become effective January 1, 1863. Referring to the cause he said:

"The dogmas of the quiet past are inadequate for the stormy present. The occasion is piled high with difficulty, and we must rise to the occasion."

Soon after, on the field of Gettysburg, Lincoln delivered what is styled the "finest short speech in the English language"—the famous "Gettysburg Address."

The high-water mark of Lincoln's utterance is found in his second inaugural address. I quote that part of it which is properly styled a prose poem:

"Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away. Yet, if God wills that it continue until all the wealth piled by the bondman's 250 years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn by the sword, as was said 3,000 years ago, so still it must be said, 'The judgments of the Lord are true and righteous altogether.'

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves, and with all nations."

Much has been written about his religious convictions. Nothing can give greater meaning than his own utterances February 11, 1861, upon leaving home for Washington:

"My friends, no one, not in my situation, can appreciate my feeling of sadness at this parting. To this place, and the kindness of these people, I owe everything. Here I have lived a quarter of a century, and have passed from a young to an old man. Here my children have been born, and one is buried. I now leave, not knowing when or whether ever I may return, with a task before me greater than that which rested upon Washington. Without the assistance of that Divine Being who ever attended him, I can not succeed. With that assistance I can not fail. Trusting in Him who can go with me, and remain with you, and be everywhere for good, let us confidently hope that all will yet be well. To His care commending you, as I hope in your prayers you will commend me, I bid you an affectionate farewell."

His statement to Professor Brooks who had asked him whether he gave much thought to his obligations to God is as follows:

"I give more time to my obligations to my Maker than to all other questions combined."

Again he said to a group of well-wishers:

"But for those prayers I should have faltered and perhaps failed long ago. Tell every father and mother you know to keep on praying and I will keep on fighting, for I am sure we are on God's side."

On another occasion he said:

"I have been driven many times to my knees by the overwhelming conviction that I had nowhere else to go. My wisdom and that of all about me seemed insufficient for that day."

Next to his faith in God as a ruling passion came his faith in mankind. This was well expressed in his first inaugural:

"Why should there not be a patient confidence in the ultimate justice of the people? Is there any better or equal hope in the world?"

No better picture of his breadth of sympathy, another very dominant Lincoln characteristic, can be found than in his letter to Mrs. Bixby, of Massachusetts, November 21, 1864:

"DEAR MADAM: I have been shown in the files of the War Department a statement of the adjutant general of Massachusetts that you are the mother of five sons who have died gloriously on the field of battle. I feel how weak and fruitless must be any words of mine which should attempt to beguile you from the grief of a loss so overwhelming. But I can not refrain from tendering to you the consolation that may be found in the thanks of the Republic they died to save. I pray that your Heavenly Father may assuage the anguish of your bereavement and leave you only the cherished memory of the loved and lost, and the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom. Yours very sincerely and respectfully."

His rectitude of character is an inspiration for those who serve the public, and it was well expressed in the following language:

"I am not bound to win, but I am bound to be right; I am not bound to succeed, but I am bound to be true; I must stand with those who stand right, but I must leave them when they stand for what is wrong."

Few characters have left so many basic principles of proper public conduct. I quote a few taken from his addresses and letters:

"No men living are more worthy to be trusted than those who toil up from poverty—none less inclined to take or to touch aught which they have not honestly earned."

"My greatest ambition is to be truly esteemed of my fellow men by rendering myself worthy of their esteem."

"Die when I may, I want it said of me by those who know me best that I always plucked a thistle and planted a flower when I thought a flower would grow."

"It rests me after a hard day's work if I can find some good cause for saving a man's life."

"It has been said that might makes right. It is for us and our times to reverse the maxim and show that right makes might."

"Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

When criticized because he had changed his mind, he replied:

"I do not think much of a man who is not wiser to-day than he was yesterday."

Lincoln's aspiration was his country's future. His ruling passion was that of love of country—patriotism—the religion of the state. He once said:

"This country with its institutions belongs to the people who inhabit it."

He pronounced it the rising hope of popular government throughout the world, and gave this hope its classic expression in literature. Whatever place his deeds may give him in history his words must signalize him as the Republic's finest product in leadership in that which is highest and best in American life.

Sixty years ago Lincoln came to the head of the Government when the times were pregnant with dire possibilities. Soon the Nation was put to the supreme test to determine whether popular government was possible. No man ever faced a more important mission. It called for the rare qualities of intellect, sympathy, and will. No leader of history displayed a finer talent of ability in a crisis. His grasp of the situation, his patience with discordant factors, his tolerance in dealing with men of diverse opinions, his boundless pathos as well as depth of good humor,

his unerring judgment, his broad sympathy, his determined will, all tempered by the soundest common sense, expressed in the purest and simplest language, all combined to mark him as a man for the period.

Sixty years later the World War has brought its trials. It has left the world with new and unsolved problems. Readjustment to-day demands great leadership. It also demands a spirit of tolerance, patience, good will, and common sense. The leader to-day should have the Nation's sympathy as Lincoln deserved 60 years ago, but which was grudingly given if at all.

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OH, WHY SHOULD THE SPIRIT OF MORTAL BE PROUD?

By William Knox

The following poem was a particular favorite with Abraham Lincoln. It was first shown to him, when a young man, by a friend and afterwards he cut it from a newspaper and learned it by heart. He said to a friend, "I would give a good deal to know who wrote it but have never been able to ascertain." He found out in 1864 that William Knox wrote it.

Oh, why should the spirit of mortal be proud?
Like a swift-fleeting meteor, a fast-flying cloud,
A flash of the lightning, a break of the wave,
Man passes from life to his rest in the grave.

The leaves of the oak and the willow shall fade,
Be scattered around and together be laid;
And the young and the old, and the low and the high,
Shall molder to dust and together shall lie.

The infant a mother attended and loved,
The mother that infant's affection who proved;
The husband that mother and infant who blessed,
Each, all, are away to their dwellings of rest.

The maid on whose cheek, on whose brow, in whose eye,
Shone beauty and pleasure—her triumphs are by;
And the memory of those who loved her and praised
Are alike from the minds of the living erased.

The hand of the king that the sceptre hath borne,
The brow of the priest that the mitre hath worn,
The eye of the sage and the heart of the brave,
Are hidden and lost in the depths of the grave.

The peasant whose lot was to sow and to reap,
The herdsman who climbed with his goats up the steep,
The beggar who wandered in search of his bread,
Have faded away like the grass that we tread.

The saint who enjoyed the communion of heaven,
The sinner who dared to remain unforgiven,
The wise and the foolish, the guilty and just,
Have quietly mingled their bones in the dust.

So the multitude goes, like the flower and the weed,
That wither away to let others succeed;
So the multitude comes, even those we behold,
To repeat every tale that has often been told.

For we are the same that our fathers have been;
We see the same sights that our fathers have seen;
We drink the same stream and view the same sun,
And run the same course that our fathers have run.

The thoughts we are thinking our fathers would think;
From the death we are shrinking from they too would shrink;
To the life we are clinging to they too would cling;
But it speeds from the earth like a bird on the wing.

They loved, but their story we can not unfold;
They scorned, but the heart of the haughty is cold;
They grieved, but no wail from their slumbers will come;
They joyed, but the voice of their gladness is dumb.

They died; ay! they died; and we things that are now,
Who walk on the turf that lies over their brow,
Who make in their dwellings a transient abode,
Meet the changes they met on their pilgrimage road.

Yea! hope and despondency, pleasure and pain
Are mingled together in sunshine and rain;
And the smile and the tear, the song and the dirge
Still follow each other like surge upon surge.

'Tis the twink of an eye, 'tis the draught of a breath,
From the blossom of health to the paleness of death,
From the gilded salon to the bier and the shroud,
O, why should the spirit of mortal be proud?

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LINCOLN AND THE GOOD-ROADS MOVEMENT—OF SPECIAL INTEREST TO THE FARMERS

At first thought, it may seem a far cry from Abraham Lincoln to good roads, but it should not be difficult to demonstrate that no more appropriate tribute could be paid to the memory of that great American and the principles for which he stood than the construction of good roads.

Abraham Lincoln stood for national unity and national development as against sectionalism with its fears, prejudices, and passions. He stood for public good as against selfish interests, for mutual understandings and forbearance as against class and sectional antagonisms and intolerance.

More honor is done the memory of Lincoln by the practice of his ideals than by their preachment. Whatever brings communities closer together, whatever stimulates friendly intercourse and interchange of ideas among people of different States and sections having varied interests, whatever encourages the study and discussion of problems from a public and national viewpoint rather than a selfish and provincial viewpoint, must help bind the Nation together, emphasize interests that are common, subordinate those which are local, promote national development, and breed a spirit of national unity.

The individual community, State, or section which is isolated becomes self-centered, selfish, suspicious, and usually antagonistic to the common good. Lines of traffic and travel which make communication easy and inviting and which provide for interchange of ideas as well as of goods which bring all kinds and conditions of people into daily common touch, break down this isolation, destroy this provincialism, and prevent sectionalism. This is so axiomatic that the development of civilization and the destiny of nations have been determined by lines of travel.

THE LINCOLN HIGHWAY

In view of this there is an intimate relation between the nationalism of Lincoln and the subject of good roads. It is especially apropos that the greatest highway in the United States—the old National Road, the first public highway to have been constructed by Federal aid—should have been rechristened and to-day bears the name, Lincoln Highway. It may be equally fitting that the national good roads convention should be held in Chicago this week which marks the anniversary of Lincoln's birth. The convention is said to be the greatest in point of attendance and interest ever held in the history of the good-roads movement. Plans for highway construction in 1921 and successive years, and the discussion of subjects closely allied with the problem of better roads, have brought together at this convention thousands of farmers, shippers, bankers, motor manufacturers, transportation specialists, engineers, and commercial and civic organizations.

The outlook is said to be favorable for more public-highway construction in 1921 than in any previous year. The two underlying reasons for this are: First, the practical suspension of public-highway construction during the last three years, because of war-time prohibitions against use of materials for road building and their shipment, as well as the scarcity of labor; second, the realization upon the part of both producer (of agricultural and industrial products) and consumer of the wisdom, if not the necessity, of having some fairly good substitute for the railroads in event of a great strike or unusual congestion of traffic. Altogether it is said between a billion and a billion and a quarter dollars are available at once for highway construction in the United States. This sum is represented in Federal, State, and county funds which have been collected and appropriated for good roads.

FUNDS FOR ROADS

The favorite method of supplying road funds is by bond issues. In the 1920 November elections five States approved legislation authorizing a total issue of $192,000,000 in highway bonds. Minnesota voted $75,000,000; Missouri, $60,000,000; West Virginia, $50,000,000; Colorado, $5,000,000; and Idaho, $2,000,000. In addition, Virginia voters approved an act permitting its legislature to fix the amount of a highway-bond issue, the limit being fixed at $50,000,000. In Kansas the constitution was amended so that the State may engage in road construction, and it will pay one-fourth of the cost of not to exceed 100 miles of roads in each county at not over $10,000 a mile.

California, which in 1919 authorized $40,000,000 in bonds for highway construction, was unable to carry out its program because the bonds could not be sold at the 4½ per cent interest which they carried. At the recent election the people approved a proposal to increase the interest from 4½ per cent to not over 6 per cent; and this, it is believed, will make it possible to sell the bonds and to proceed with the extension of the State's highway system contemplated when the bond issue was authorized.

In four States proposed highway-bond issues were defeated. These were Florida, $20,000,000; Montana, $15,000,000; Washington, $30,000,000; and New Mexico, $2,000,000. In each of these States the defeat of the bond issue is attributed to local conditions or to provisions in the respective measures which failed to meet the approval of the people. In New Mexico the issue was opposed by officials as unnecessary. In Florida and Washington it was the intention to use the motor vehicle registration money to float the bond issues and this was opposed. A proposal under which the State highway engineer of Arizona was to have been supplanted by a commission of five members was defeated.

AFTER THREE YEARS

The large amount of money to be spent during 1921 for highway work is in part the accumulations from previous years. During 1918, 1919, and 1920, first war conditions and then shortage of materials, lack of sufficient rail transportation, and the high cost of labor and materials were deterrent factors. Furthermore the condition of the bond market made it impossible to float many of the issues at the interest rates that had been fixed. Therefore comparatively little money was expended in those years and it has accumulated for use in 1921.

During the past three years State bonds for highway improvement aggregating $533,800,000 have been authorized. In 1918 the issues voted were $60,000,000 in Illinois and $50,000,000 in Pennsylvania. In 1919 the following issues were voted: California, $40,000,000; Oregon, $12,500,000; Nevada, $1,000,000; South Dakota,

$4,500,000; Wyoming, $2,800,000; Maine, $10,000,000; Michigan, $50,000,000; and Utah, $4,000,000; a total for the year of $124,800,000.

In 1920 the grand total of road bonds authorized was $309,000,000. In addition to the issues mentioned above as authorized in the November elections, other bonds authorized include: Alabama, $25,000,000; Oregon, $10,000,000; and Maryland, $3,000,000.

Another sum, totaling $362,000,000, mostly in bond issues, was provided in 1920 by counties in States where the county is the principal unit in road building and maintenance.

There is still available approximately $160,000,000 of Federal-aid road funds, according to officials of the Bureau of Public Roads, Department of Agriculture, and this money will be allocated to different States as road-construction projects offered by them meet with the approval of the Federal officers. This money probably will be used during a series of years and will not all become available in 1921.

Beside this money there are large amounts to be used by States, counties, park districts, and municipalities, which will be raised by direct taxation rather than by bond issues, so that the estimate of between a billion and a billion and a quarter of dollars of road money authorized is not considered excessive.

THE EAST AND BOND ISSUES

In the eastern part of the country the bond plan for building State highways has not been received quite as enthusiastically as in the West and South, for the reason that the Eastern States have been building roads for many years and have seen them wear out in much shorter period than the life of the bond issue which financed them. But to-day roads are being constructed of concrete and are expected to wear at least until the bonds, with the proceeds of which they are built, are paid. In seven of the eight States that at the last election acted favorably upon bond issues or enabling acts, it was a novel experience, indicating that the bond plan of raising road money is gaining favor as an accepted method of financing good roads.

The good road may be a pleasure to the city man, but it is a necessity to the farmer. This was denied at one time. To-day it is no more disputed than is the multiplication table. Whatever a farmer may have, it is greatly depreciated if he be surrounded by bad roads. A splendid harvest may be sacrificed by inability to market it to an advantage because of bad roads preventing its transportation at the proper time. Whatever a farmer may lack he can easily obtain if he has a 365-day improved highway leading from his door to the market.

The value of almost any commodity is determined in a large measure by its accessibility to the market. The best farm or orchard or garden products in the world may be rendered valueless if they can not be marketed because of bad roads; they can easily be rendered unprofitable if they are marketed over roads so bad that the cost of hauling the product is excessively high. If his roads are so bad that he can only make one trip a day to his market the farmer thus situated pays twice as much to haul his products as the farmer who, because of good roads, can make two trips a day. Thus it works out that farms situated on good roads sell for far more per acre than farms situated on bad roads, although acre for acre the land may be the same as to fertility, drainage, etc.

EFFECT OF BAD ROADS

Nothing has contributed more to the drift from farm to town than the inability of the farmer and his family—particularly his children—to go to town when they should, or to go only under most uncomfortable circumstances. Bad roads mean difficult transportation; during some seasons of the year they mean practically no transportation. So long as man is a social animal, so long will he rebel against conditions which make difficult communication with his fellow man. So long as he strives for his mental and spiritual betterment, so long will he rebel against conditions which render it difficult for him to attend places of worship and send his children to school. So long as he strives to get ahead financially, so long will he rebel against conditions which handicap his marketing facilities and cut down, if not wipe out, his profit. Hence it is that bad roads drive people to the city and depreciate the value of land. The community of bad roads is also the community of poor schools, poor churches, poor farmers, and abandoned farms.

These facts have been brought home to the farmer with greater force since the introduction of the automobile and truck into rural life. The Bureau of Farm Management and Economics has just issued a bulletin upon Experience of Eastern Farmers with Motor Trucks, an analysis of the experience of 753 farmers of the New England States, New York, Pennsylvania, New Jersey, Delaware, and Maryland who use motor trucks on their own farms. The farms studied were of all sizes and types—track farms, dairy farms, fruit farms, crop farms (raising no stock), and general farms, which produce all kinds of crops and raise livestock. There were more general farms studied than any other type, with truck farms second, dairy farms third, and fruit farms fourth. The farms ranged in size from the truck farm of a few acres to the general farm of several hundred acres. The average size of all farms studied was 173 acres. Only 18 per cent of the farms were 5 miles or less from market, while 25 per cent were 20 miles or more from market.

DAY OF THE TRUCK

Ninety-five per cent of the farmers said their trucks had proved a profitable investment; the trucks ranged in size from one-half ton to 5 tons. As compared with horses and wagons, the farmers reported the trucks saved from one-half to two-thirds of the time required for hauling. Four-fifths of the farmers reported their trucks enabled them to save on hired help. On the average this saving amounted to $324 a year. A very great number reported that since they had purchased trucks they had changed their market—going farther but to a larger market and thereby getting better prices.

But without any exception it was reported that good roads are essential to the economical use of trucks, and other motor vehicles. Sixty per cent of the complaints against motor trucks were on account of bad roads. The significance of this may be readily seen when the official figures of 1920 show that 60 per cent of the output of motor cars and trucks for 1920 were sold to agricultural districts; and over 2,500,000 motor cars and trucks registered in 1920 were owned by farmers.

The highway is the farmer's transportation system for both his passenger and freight traffic. It is absolutely as essential to him as the street-car lines are to the resident of the great cities and the steam railroads are to the great manufacturing industries. It is as deadly to agriculture to have the highways crippled part of the year or unfit for traffic at irregular intervals as it would be to industry to have no railroad transportation for weeks at a time or to a great city to have its street-car transportation out of business for days or weeks at a time.

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THE GETTYSBURG ADDRESS

Fourscore and seven years ago our fathers brought forth on this continent a new Nation, conceived in liberty and dedicated to the proposition that all men are created equal.

Now we are engaged in a great Civil War, testing whether that Nation, or any nation so conceived and so dedicated can long endure.

We are met on a great battlefield of that war; we have come to dedicate a portion of that field as a final resting place for those who here gave their lives that that Nation might live. It is altogether fitting and proper that we should do this; but in a larger sense we can not dedicate, we can not consecrate, we can not hallow this ground. The brave men living and dead, who struggled here, have consecrated it far above our poor power to add or detract.

The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us, the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced.

It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we here highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom; and that government of the people, by the people, for the people shall not perish from the earth.

Mr. BROOKHART. Mr. President, I ask leave to have printed in the RECORD an editorial in the March of Events section of yesterday's Hearst newspapers in reference to Abraham Lincoln and the way his ideas and his policies and his career would fit into present conditions in the United States.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Ships tied up, freight trains idle, passenger cars empty, 12,000,000 men without work, business at a standstill, the Treasury bursting with gold, granaries overflowing with wheat, gigantic and unsalable crops, mines shut down, oil industry in cut-throat competition, farmers desperate, taking the law into their own hands in many States, factories idle, an active smokestack a curiosity, industry paralyzed. * * *

That's the picture of the United States in 1933.

If Lincoln could come back and see this picture to-day, on his one hundred and twenty-fourth birthday, he would surely ask himself, "What in Heaven's name is the matter with them? Too much of everything, yet they are all weeping."

And that is what we ask ourselves, "What in Heaven's name is the matter with us?"

Nobody answers that question satisfactorily; nobody even tries.

Europe has welched and will probably swindle us out of ten thousand million dollars, stupidly lent; but what of that? It is a trifle more than 10 per cent of one year's income of this country, in good times.

We are told, and it is true: "You are now paying for the war into which you entered so blithely." But with brains and courage, we should be able to pay for and come out of that foolishness with a lesson learned. The country has reached the point of facing things as they are and talking plain truths. Deceiving ourselves is no longer fashionable, necessary, or possible.

The idiotic "just-around-the-corner" period and theory have come to an end.

That theory moves out of Washington on the 4th of next month. What then?

What, in your opinion, will change this picture?

What will make Uncle Sam take his handkerchief away from his eyes, straighten himself up, and do something?

What will make industry and finance, oil and commerce, agriculture and mining stop crying and get to work and do something?

Must we have some kind of new system to pull us out of this depression rut?

The finest automobile in the world has to get help from a team of horses sometime when it goes into the ditch.

Do we need something more primitive than our present altogether lovely kind of government?

What is the matter with us?

What is your answer?

Can the country continue to be run by the men, the interests, the theories, the old-fashioned failure ideas that have got us into the ditch?

Will politicians appointed by conceited incompetents continue to dispose of the people's money, the national funds?

Will the twelve millions remain idle, hopeless and desperate, while tens and even hundreds of millions are shovelled out to "reconstruct" and make happy some of the very organizations that with their recklessness, stupidity, and short-sightedness are largely responsible for the present trouble?

What is the matter with us and who will remedy the trouble?

Will some man rise above our national picture of incompetence and depression, as Lincoln rises above America in distress, in this McCay cartoon?

Will the new man, if he comes, represent wisdom, careful planning, and experience, or will he come as constructive rulers have often come in the past, suddenly, from nowhere, like Lincoln in his day, from the farm and the wood-chopper's ax, like Mussolini from the grime of the war trenches, or Stalin from secret conspiring against the hideous government of the czars?

In the national mind there should be no question of revenge or punishment.

The United States has been run by a collection of sleek gentlemen, about as near to genius as the prize 1-year-old Hereford steer in a cattle show. They were fat, they were rich, they were printing their billions in nice paper securities, and the foolish people were buying them.

They knew a little about golf and thought they knew something about finance, but they didn't.

They rolled together hundreds of millions and thousands of millions, and thought the rolling would go on forever.

It did not.

Suddenly the beautiful dream faded, as suddenly as when a child dreaming of cans filled with ice cream falls out of bed.

Who or what will put the national child back to bed?

Look at them now, those "best minds," in this picture.

Look at their Government weeping dismally on its piles of gold, the kind of Government that has been built up by the control of money, for money, by money, without any citizenship interest, without the slightest care as to what was happening and might happen to the 123,000,000 human beings making up the population of the United States.

Every American, the rich man who has lost his fortune, the inheritor of wealth who finds that inherited wealth has melted, the man who has lost his job, the farmer who feeds the Nation and finds that it can not pay a decent price for its food, not enough to pay him for growing it, all must realize that what has happened is nobody's fault.

Our system is wrong, in some detail, or fundamentally, we do not know which.

We were building up a mountain of prosperity, with no foundation of common sense and sane methods under it.

Our system created thousands of fortunes, "on paper," and our greedy politicians taxed those imaginary fortunes as though they had been real.

And as the amount taxable diminished the amount of the tax was steadily increased.

When the war began the debt of the United States was one billion. After paying heaven knows how many billions to retire bonds the Government still owes more than twenty thousand million dollars; and that represents frozen capital, a sort of financial cyclone cellar in which the money of the country has taken refuge.

Twenty billions not spent, twenty billions locked up, twenty billions on which the people are taxed to pay nearly one thousand millions a year in interest, to those that hoard Government bonds and do not spend.

What is the matter with us?

We have everything that we ever had, and more of it. We have more gold than any country in the world. Of almost everything we have too much.

What will bring these giants of business, finance, and Government out of their crying fit, back to the world of work and determination?

No superman will do it.

To run the United States successfully is the business of the people of the United States.

They have neglected that business, leaving it to dishonest or incompetent politicians, while they pursued the quickly vanished dollar.

It is only themselves they have to blame, and it is some one of them that must come forth as Lincoln and others have done in the past, to do the work that must be done.

Meanwhile this unpleasant picture that meets Lincoln's birthday in 1933 is a picture of the United States as it is.

Who and what will change the picture?

## CHANGE IN DATE OF THE INAUGURATION

The VICE PRESIDENT laid before the Senate a letter from the Governor of Nevada, transmitting certified copy of a joint resolution of the Legislature of the State of Nevada ratifying a proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress, which, with the accompanying papers, was ordered to lie on the table and to be printed in the RECORD, as follows:

STATE OF NEVADA, EXECUTIVE CHAMBER,
*Carson City, February 8, 1933.*

Hon. CHARLES F. CURTIS,
*Vice President, President of Senate,*
*Washington, D. C.*

ESTEEMED SIR: In compliance with the terms of Assembly Joint Resolution No. 1 of the thirty-sixth session of the Nevada Legislature, I have the honor to transmit herewith certified copy of such resolution.

A similar copy has been transmitted to the President of the United States, to the Speaker of the House of Representatives, and to the Secretary of State of the United States.

Very truly yours,

F. B. BALZAR, *Governor.*

Assembly joint resolution ratifying a proposed amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress

Whereas both Houses of the Seventy-second Congress of the United States of America, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States, fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress

*"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of said Constitution when ratified by the legislatures of the several States as provided in the Constitution:

"'ARTICLE —

"'SECTION 1. The terms of the President and Vice President shall end at noon on the 20th day of January, and the terms of Senators and Representatives at noon on the 3d day of January, of the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.

"'SEC. 2. The Congress shall assemble at least once in every year, and such meeting shall begin at noon on the 3d day of January unless they shall by law appoint a different day.

"'SEC. 3. If at the time fixed for the beginning of the term of the President the President elect shall have died, the Vice President elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President elect shall have failed to qualify, then the Vice President elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President elect nor a Vice President elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a President or Vice President shall have qualified.

"'SEC. 4. The Congress may by law provide for the case of the death of any of the persons from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

"'SEC. 5. Sections 1 and 2 shall take effect on the 15th day of October following the ratification of this article.

"'SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission'":

Therefore be it

*Resolved by the Assembly and the Senate of the State of Nevada,* That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of Nevada, and that certified copies of this preamble and joint resolution be forwarded by the governor of this State to the President of the United States of America, to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States, and to the Secretary of State of the United States.

FRED S. ALWARD,
*Speaker of the Assembly.*
GEORGE BRODIGAN,
*Chief Clerk of the Assembly.*
MORLEY GRISWOLD,
*President of the Senate.*
V. R. MERIALDO,
*Secretary of the Senate.*

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

Approved January 28, 1933, 2.17 p. m.

F. B. BALZAR, *Governor.*

STATE OF NEVADA,
*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original assembly joint resolution ratifying a proposed amendment to the Constitution of the United States, fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

Now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of State at my office in Carson City, Nev., this 30th day of January, A. D. 1933.

[SEAL.] W. G. GREATHOUSE,
*Secretary of State.*

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of South Carolina, which was referred to the Committee on Post Offices and Post Roads:

A concurrent resolution memorializing Congress of the United States to enact House Joint Resolution 191 commemorating the one hundred and fiftieth anniversary of the naturalization as an American citizen, in 1783, of Brig. Gen. Thaddeus Kosciuszko, a hero of the Revolutionary War, by issuing special series of postage stamps in honor of Brig. Gen. Thaddeus Kosciuszko

Whereas on October 13, 1933, will occur the one hundred and fiftieth anniversary of the naturalization as an American citizen of Brig. Gen. Thaddeus Kosciuszko, a hero of the Revolutionary War; and

Whereas the service rendered by him was of great value and assistance to the cause of American independence and of such high importance that on October 13, 1783, he was appointed brevet brigadier general of the Continental Army and was granted him naturalization as an American citizen; and

Whereas it is but fitting that proper recognition should be given to the memory of Brig. Gen. Thaddeus Kosciuszko, whose illustrious service in the war for American independence is well known to all who are familiar with our history: Now, therefore, be it

*Resolved by the house of representatives (the senate concurring)*, That the General Assembly of the State of South Carolina hereby respectfully requests and urges his excellency, Hon. Herbert Hoover, President of the United States, Members of the House of Representatives and Senators of the Senate from the State of South Carolina be authorized to respectfully memorialize the United States Congress to enact legislation which will provide for the effective carrying out of the provisions of the said bill whereby the Postmaster General would be authorized and directed to issue a special series of postage stamps of the denomination of 3 cents, of such design and for such period as he may determine, commemorative of the hundred and fiftieth anniversary of the naturalization as an American citizen and appointment of Thaddeus Kosciuszko as brevet brigadier general of the Continental Army on October 13, 1783.

That a copy of this resolution be sent to the President of the United States, Vice President of the United States, Speaker of the House of Representatives, and to each United States Senator and Representative in Congress from South Carolina.

IN THE HOUSE OF REPRESENTATIVES,
*Columbia, S. C., February 10, 1933.*

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the House of Representatives of South Carolina and concurred in by the South Carolina Senate.

[SEAL.] J. WILSON GIBBES,
*Clerk of the House.*

He also presented a letter from Martin Krauss, of New York City, N. Y., inclosing copy of a night letter addressed to the Senator from Mississippi [Mr. HARRISON] relative to his plan for the solution of present economic difficulties, which, with the accompanying paper, was referred to the Committee on Finance.

He also laid before the Senate a letter from F. G. Swanson, Esq., of Tyler, Tex., inclosing an editorial from the Dallas (Tex.) Journal of the 8th instant bearing "on what may be included under constitutional rights of freedom of thought and of speech and of the press in connection with an article recently published by a Sergeant at Arms of the Senate," and also making certain suggestions relating to publication of alleged "lists of clients on regular retainer and * * * securities" of Senators, etc., which, with the accompanying clipping, was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Common Council of the City of Buffalo, N. Y., favoring the passage of legislation providing for the issuance of a special series of postage stamps to commemorate an anniversary of Brig. Gen. Thaddeus Kosciuszko, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate resolutions of the Leavenworth (Kans.) Rotary Club, protesting against the appropriation of Government funds for the purpose of devising, creating, and conducting a program of Government-supervised camp activities for the so-called wandering youth of the Nation, which were ordered to lie on the table.

Mr. SHEPPARD presented memorials of 65 citizens of Portland, 76 citizens of El Campo, 31 citizens of San Antonio, 137 citizens of Big Spring, 112 citizens of Beaumont, 24 citizens of Whittenburg, 246 citizens of Corsicana, 85 citizens of Pecos and Mentone, and 710 citizens of Galveston, all in the State of Texas, remonstrating against the passage of legislation legalizing the manufacture and sale of beer, which were ordered to lie on the table.

Mr. CAPPER presented resolutions adopted by the Independent Methodist Episcopal Sunday School, of Bayneville; the Woman's Foreign Missionary Society, of Burlington; the Baptist Women's Missionary Union, of Osawatomie; the Ladies' Aid Society of the Methodist Episcopal Church of Topeka, and local chapters of the Woman's Christian Temperance Union of Bayneville, Kismet, Ogallah, and Osawatomie, all in the State of Kansas, favoring the passage of legislation to regulate and supervise the motion-picture industry, which were ordered to lie on the table.

Mr. WALCOTT presented petitions and papers in the nature of petitions from Milardo-Wilcox Unit, Post No. 75, of Middletown; Hayes-Velhage Unit, No. 96, of West Hartford; Gray-Dickinson Post, No. 59, of Windsor; Russell K. Bourne D. S. C. Post, No. 23, of Wethersfield; Horace J. Tanguay Unit, No. 80, of Thompsonville; and Tomalonis-Hall Unit, No. 84, of Simsbury, all of the American Legion Auxiliary, in the State of Connecticut, praying for the creation of a separate veterans' committee of the Senate, which were ordered to lie on the table.

He also presented a resolution adopted by Eddy-Glover Post, No. 6, the American Legion, of New Britain, Conn., favoring the carrying out of the provisions of the national defense act of 1920, which was ordered to lie on the table.

He also presented memorials and papers in the nature of memorials of Y D Post, No. 130, the American Legion, of New Haven; Brock-Barnes Post, the American Legion Auxiliary, of Plainville; and Milardo-Wilcox Unit, Post No. 75, the American Legion Auxiliary, of Middletown, all in the State of Connecticut, remonstrating against reduction in the pay and allowances of officers and personnel of the Army and Navy, which were ordered to lie on the table.

He also presented a resolution adopted by the Woman's Christian Temperance Union of Thomaston, Conn., protesting against the repeal of the eighteenth amendment to the Constitution or the repeal or modification of the national prohibition law, which was ordered to lie on the table.

He also presented petitions and papers in the nature of petitions from Unit No. 4, Robert O. Fletcher Auxiliary, of Norwich; James J. Shea Unit, No. 19, of Willimantic; and Eddy-Glover Unit, No. 6, of New Britain, all of the American Legion Auxiliary in the State of Connecticut, praying for the passage of the so-called widows and orphans' pension bill, which were referred to the Committee on Finance.

Mr. SHORTRIDGE. Mr. President, I am in receipt of two certified copies of a resolution recently adopted by the Board of Directors of the City of Pasadena, Calif., expressing the attitude of that city toward proposed legislation by Congress on the subject of taxation affecting municipally owned public utilities.

I present these resolutions in the Senate and request that they be referred to the Committee on Finance.

The VICE PRESIDENT. The resolutions will be received and referred to the Committee on Finance.

(The resolution of the Board of Directors of the City of Pasadena, Calif., presented by Mr. SHORTRIDGE, protests against the passage of any Federal taxation measure which imposes or may be interpreted as imposing a burden upon the States, State agencies, or publicly owned utilities.)

RECOGNITION OF SERVICES OF WORLD WAR VETERANS

Mr. ASHURST. Mr. President, I present a communication in the nature of a memorial from the Board of Super-

visors of Pima County, Ariz., relative to recognition of the services of World War veterans, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the communication was ordered to lie on the table and to be printed in the RECORD, as follows:

Hon. HENRY F. ASHURST,
*United States Senate, Washington, D. C.*

DEAR SENATOR ASHURST: The Board of Supervisors of Pima County, State of Arizona, in regular meeting assembled on this 6th day of February, 1933, respectfully memorializes the Congress of the United States to consider the services rendered by the veterans of the World War and refrain from reducing or eliminating any of the benefits now accruing to them, as such reduction or elimination would result in untold hardship upon these worthy veterans and would increase the already heavy burden now being borne by this county and all other counties in this State.

Due to the fact that the ex-service men who would be affected are mostly either bedridden or unable to follow continuously a substantially gainful occupation it would be practically compulsory for the respective counties of the State to provide them with the proper hospitalization and the necessities of life. We feel that the Federal Government owes a moral obligation to these veterans and should continue to hospitalize them and compensate and pension them for their disabilities.

Therefore you are respectfully requested to submit this memorial to the Senate of the United States and request that it be published in the CONGRESSIONAL RECORD.

Respectfully submitted.

GEORGE H. ANKLAM,
*Chairman Board of Supervisors.*
JAY C. HICKS,
*Member of Board.*
W. R. DENISON
(Unable to attend meeting).

I hereby certify that Mr. W. R. Denison was unable to attend the above meeting, but gave me his verbal consent to this memorial.

[SEAL.] GLADSTONE MACKENZIE,
*Clerk Board of Supervisors.*

Mr. ASHURST also presented a letter embodying a memorial of the Tucson City Council from the mayor of Tucson, Ariz., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Hon. HENRY F. ASHURST,
*United States Senate, Washington, D. C.*

DEAR SIR: The City Council of the City of Tucson, county of Pima, State of Arizona, in regular meeting assembled on the 6th day of February, 1933, respectfully memorializes the Congress of the United States to consider the services rendered by the veterans of the World War and refrain from reducing or eliminating any of the benefits now accruing to them, as such reduction or elimination would result in untold hardship upon these worthy veterans and would increase the already heavy burden now being borne by the city of Tucson, by the county of Pima, and the State of Arizona.

Due to the fact that the ex-service men who would be affected under the proposed reduction or elimination of benefits put forth by certain organizations under the guise of economy are mostly either bedridden or unable to follow continuously a substantially gainful occupation, it would be practically compulsory for the city of Tucson, county of Pima, and the State of Arizona to provide them with the proper hospitalization and the necessities of life. We feel that the Federal Government owes them a moral obligation, and should continue to hospitalize, compensate, and pension them for their disabilities and their service in time of need.

Therefore you are respectfully requested to submit this memorial to the Senate of the United States and request that it be published in the CONGRESSIONAL RECORD.

Respectfully submitted.

GEO. K. SMITH,
*Mayor City of Tucson, Ariz.*

Attest:
[SEAL.] CHARLES C. IRVIN,
*City Clerk City of Tucson, Ariz.*

DELIVERY OF WATER FROM THE COLORADO RIVER

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred correspondence between the Secretary of the Interior and the Governor of Arizona relating to the form of a water-delivery contract.

There being no objection, the correspondence was referred to the Committee on Irrigation and Reclamation and ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
*Washington, February 10, 1933.*

Hon. HENRY F. ASHURST,
*United States Senate.*

MY DEAR SENATOR ASHURST: Inclosed is a copy of a letter which I am to-day sending Governor Moeur. A similar letter has been written to Messrs. Ross, Favour, and Cragin, who, I understand, are members of the new Colorado River Commission. Inclosed also are additional copies of the press release of February 13 and my regulations of February 7, which will be released on that date.

Very truly yours,

RAY LYMAN WILBUR.

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THE SECRETARY OF THE INTERIOR,
*Washington, February 10, 1933.*

Hon. B. B. MOEUR,
*Governor of Arizona,*
*Phoenix, Ariz.*

MY DEAR GOVERNOR MOEUR: I am inclosing a copy of letter which I have written to each of the members of Arizona's Colorado River Commission, together with a copy of regulations which I have signed as of February 7, and which will be released February 13. I earnestly desire to see Arizona's interests placed on an assured basis.

The inclosed regulations will assure Arizona a part of what she has contended for, without prejudice to her right to acquire further interests in the Colorado later, and without requiring negotiations between Arizona and the other States.

I earnestly trust it will be possible to conclude such a contract while I am in office and while the personnel familiar with the background of these problems is available.

If you believe it feasible to attempt to conclude such an agreement, I will have representatives attend in Phoenix for that purpose.

Very truly yours,

RAY LYMAN WILBUR, *Secretary.*

BOULDER CANYON PROJECT

REGULATIONS—DELIVERY OF WATER IN ARIZONA

I. These regulations are promulgated to further the peaceful enjoyment by Arizona, California, and Nevada of the waters of the Colorado River. They state the form of a water-delivery contract which the United States will enter into with the State of Arizona, subject to certain conditions stated below.

II. The authorization for a contract provided in these regulations shall remain in force only for so long a period as the State of Arizona and claimants to the use of water therein do not interfere, by litigation or otherwise, with diversions of other holders, present and future, of water contracts with the United States and with diversion works constructed by or for them or the United States. In the event of such interference these regulations and the authorization herein contained shall thereupon become void.

III. The United States, subject to the foregoing conditions, will enter into a contract with the State of Arizona in substantially the form stated in Exhibit A, hereto annexed as a part hereof.

RAY LYMAN WILBUR,
*Secretary of the Interior.*

FEBRUARY 7, 1933.

(Exhibit A; part of regulations of February 7, 1933)

UNITED STATES,
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION.

BOULDER CANYON PROJECT

*Contract for delivery of water*

This contract, made this_____day of_____, 1933, pursuant to the act of Congress approved June 17, 1902 (32 Stat. 388), and acts amendatory thereof and supplemental thereto, all of which acts are commonly known and referred to as the reclamation law, and particularly pursuant to the act of Congress approved December 21, 1928 (45 Stat. 1057), designated the Boulder Canyon project act, between the United States of America, hereinafter referred to as the United States, acting for this purpose by Ray Lyman Wilbur, Secretary of the Interior, hereinafter styled the Secretary, and the State of Arizona, acting for this purpose by _____

Witnesseth:

*Explanatory recitals*

2. Whereas pursuant to the direction of the said Boulder Canyon project act, the Secretary has caused to be let a contract for the contruction of a dam, known and referred to hereinafter as Hoover Dam, in the main stream of the Colorado River at Black Canyon, and said dam will create at the date of completion a storage reservoir having a maximum water-surface elevation at about 1,229 feet above sea level (United States Geological Survey datum) and a capacity of about 30,500,000 acre-feet; and

3. Whereas the Secretary is required by the said Boulder Canyon project act to use said dam and the reservoir created thereby, first for river regulation. improvement of navigation and flood control; second, for irrigation and domestic use, and the satisfaction of perfected rights in pursuance of Article VIII of the Colorado River compact, and third, for power; and

4. Whereas said Boulder Canyon project act authorizes the Secretary, under such general regulations as he may prescribe, to contract for the storage of water in said reservoir and for delivery thereof at such points on the river as may be agreed upon, and provides further that no person shall have or be entitled to have the use for any purpose of the water stored as aforesaid, except by contract made as therein stated; and

5. Whereas the Secretary has heretofore promulgated regulations dated April 23, 1930, amended September 28, 1931, authorizing the execution of certain other water-delivery contracts, and it is the desire of the parties to this agreement to contract for the storage of waters for use on lands in Arizona, and to assure the peaceful and uninterrupted performance of all such contracts, including this; and

6. Whereas by direction of Congress, water has been reserved and appropriated for lands within the Colorado River Indian Reservation in Arizona, unaffected by the Colorado River compact by virtue of Article VII thereof; and

7. Whereas the United States and the State of Arizona, contemplating the future construction of other reclamation projects, and desiring to avoid claims by foreign water users to waters stored by Hoover Dam to the detriment of said projects, desire to provide for the storage of certain quantities of water for the benefit of lands in Arizona without prejudice to whatever right the parties may have hereafter to contract as to additional quantities of water; and

8. Whereas the diversion works in the Colorado River contemplated for certain of the contractors under said regulations of April 23, 1930, amended September 28, 1931, particularly the proposed Imperial Dam, and the proposed dam for the Metropolitan Water District of Southern California, near Parker, will be of service for delivery of waters covered by this contract, and it is essential to the purpose of this contract that the building of said works, when approved by the United States, shall not be interfered with:

9. Now, therefore, in consideration of the mutual covenants herein contained, the parties hereto agree as follows, to wit:

*Delivery of water by the United States*

10. From storage available in the reservoir created by Hoover Dam, the United States will deliver under this contract each year at points of diversion hereinafter referred to on the Colorado River so much available water as may be necessary to enable the beneficial consumptive use in Arizona of not to exceed 2,800,000 acre-feet annually by all diversions effected from the Colorado River and its tributaries below Lee Ferry (but in addition to all uses from waters of the Gila River and its tributaries), subject to the following provisions:

(a) This contract is without prejudice to the claims of the State of Arizona and States in the upper basin as to their respective rights in and to waters of the Colorado River, and relates only to water physically available for delivery in the lower basin under the terms hereof.

(b) The United States does not undertake by this contract to deliver water above Hoover Dam; but the obligation to deliver water below Hoover Dam shall be diminished to the extent that consumptive uses in Arizona effected by diversions from the Colorado River and its tributaries below Lee Ferry diminish the inflow to the reservoir.

(c) It is recognized by the parties hereto that differences of opinion may exist between the State of Arizona and other contractors as to what part of the water contracted for by each falls within Article III (a) of the Colorado River compact, what part within Article III (b) thereof, what part is surplus water under said compact, what part is unaffected by said compact, and what part is affected by various provisions of section 4 (a) of the Boulder Canyon project act. Accordingly, while the United States undertakes to supply water from the regulated discharge of Hoover Dam waters in quantities stated by this contract, as well as contracts heretofore or hereafter made pursuant to regulations of April 23, 1930, amended September 28, 1931, this contract is without prejudice to relative claims of priorities as between the State of Arizona and other contractors with the United States, and shall not otherwise impair any contract heretofore authorized by said regulations.

(d) This contract is without prejudice to the right of the United States to make further disposition of water available for use in the Lower Colorado River Basin not heretofore allocated by regulations nor herein contracted for, or to the respective claims of the States of Arizona, New Mexico, Utah, California, and Nevada, and of Mexico, to such additional water.

(e) The water provided for in this contract shall be delivered continuously, so far as reasonable diligence will permit, to the extent such water is beneficially used for irrigation and domestic purposes. The United States reserves the right to discontinue or temporarily reduce the amount of water to be delivered for the purpose of investigation, inspection, maintenance, repairs, replacement, or installation of equipment and/or machinery at Hoover Dam, but so far as feasible will give reasonable notice in advance of such temporary discontinuance or reduction. The United States, its officers, agents, and employees, shall not be liable for damages when for any reason whatsoever suspensions or reductions in delivery of water occur.

*Subordinate contracts authorized*

11. Deliveries of water subject to the terms of this contract may be made for lands within any Indian reservation in Arizona, and to any individual, irrigation district, corporation, or any political subdivision of the State of Arizona, which may qualify under the reclamation law or other Federal statute. Contracts with such water users for such deliveries, subject to the terms of this contract, may be made by the Secretary in his discretion. Such contracts and deliveries made thereunder shall be deemed as made in discharge, pro tanto, of the obligations of this contract.

*Points of diversion—Measurement of water*

12. The water to be delivered under this contract shall be measured at the points of diversion, or elsewhere as the Secretary may direct, by measuring and controlling devices or automatic gages approved by the Secretary, which, however, shall be furnished, installed, and maintained by the State of Arizona, or the users of water. Said measuring and controlling devices or automatic gages shall be subject to the inspection of the United States, whose authorized representatives may at all times have access to them, and any deficiencies or inaccuracies found shall be promptly corrected. The United States shall be under no obligation to deliver any water which may be diverted at points at which such devices are not maintained, but in the event that diversions are made at points where measuring and controlling devices or automatic gages are not maintained in accordance with this contract, the Secretary shall estimate the quantity of the diversions and his determination shall be final.

*Records of water deliveries*

13. The State of Arizona shall cause to be made by water users or otherwise monthly reports on forms to be supplied by the United States of all water diverted from the Colorado River. Such reports shall be made by the 5th day of the month immediately succeeding the month in which the water is delivered.

*No charges for delivery of water*

14. No charge shall be made for water or for the use, storage or delivery of water for irrigation, or water for potable purposes, in Arizona.

*No Arizona diversions to be made except pursuant hereto—Diversions in other States*

15. It is the object of this contract to assure to those (including the State of Arizona) who have contracted or may hereafter contract with the United States for delivery of waters stored by Hoover Dam, the quiet performance of their respective contracts. It is accordingly agreed that:

(a) The State of Arizona will hereafter grant no permits for, nor otherwise authorize, uses of the waters of the Colorado River and its tributaries (other than the Gila River and its tributaries), except subject to the terms of this contract.

(b) The State of Arizona and its permittees will not interfere by litigation or otherwise, with deliveries of water under any contract between the United States and water users in the State of Nevada, or any contract made pursuant to regulations dated April 23, 1930, amended September 28, 1931, nor with the construction of diversion works by or for the holder thereof, nor with diversions of other uses affected by such works, unless and until such contractor interferes, by litigation or otherwise, with the enjoyment of this contract. But in the event of such interference by any other such contractor with the enjoyment of this contract, the State may, at its election, either rely on this contract, or assert all rights which the State or any water user therein would have had against such party if this contract had not been made.

(c) Breach by the State of any of the provisions of this article shall entitle the United States at its option to cancel this contract and any or all subordinate contracts referred to in article 11.

*Duration of contract*

16. This contract is for permanent service, subject to the provisions contained in the preceding article.

*Disputes and disagreements*

17. Whenever a controversy arises out of this contract, and if the parties hereto then agree to submit the matter to abitration, the State of Arizona shall name one arbitrator and the Secretary shall name one arbitrator, and the two arbitrators thus chosen shall elect three other arbitrators within 15 days after their first meeting, but in the event of their failure to name all or any of the three arbitrators within 30 days after their first meeting, such arbitrators, not so elected, shall be named by the senior judge of the United States Circuit Court of Appeals for the Ninth Circuit. The decision of any three of the five shall be a valid and binding award.

*Rules and regulations*

18. The Secretary may prescribe and enforce rules and regulations governing the delivery and diversion of water hereunder, but such rules and regulations shall be promulgated, modified, revised, and/or extended from time to time only after notice to the State of Arizona and opportunity for it to be heard.

*Agreement subject to Colorado River compact*

19. As required by section 13 (c) of the Boulder Canyon project act, this contract is made upon the express condition and with the express understanding that all rights hereunder shall be subject to and controlled by the Colorado River compact, being the compact or agreement signed at Santa Fe, N. Mex., November 24, 1922, pursuant to act of Congress approved August 19, 1921, entitled "An act to permit a compact or agreement between the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming respecting the disposition and apportionment of the waters of the Colorado River, and for other purposes," as approved by the Boulder Canyon project act, but is without prejudice to the respective contentions of the State of Arizona and of the parties to said compact, as to interpretation thereof.

*Effective date of contract*

20. This contract shall take effect when an act of the Legislature of Arizona ratifying it shall have become effective, but within two years of the date hereof.

*Interest in contract not transferable*

21. No interest in or under this contract shall be transferable by either party without the written consent of the other.

*Member-of-Congress clause*

22. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom. Nothing, however, herein contained shall be considered to extend to this contract if made with a corporation for its general benefit.

In witness whereof the parties hereto have caused this contract to be executed the day and year first above written.

THE UNITED STATES OF AMERICA,
By RAY LYMAN WILBUR,
*Secretary of the Interior.*

Attest:

THE STATE OF ARIZONA,
By ——— ———.

FEBRUARY 7, 1933.

Approved as to form.

(Signed) RAY LYMAN WILBUR,
*Secretary of the Interior.*

The foregoing contract was ratified by act of the Legislature of Arizona which became effective ———— —, 193—, true copy of which is hereto annexed.

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DEPARTMENT OF THE INTERIOR.

(Memorandum for the press, released for February 13, 1933)

Secretary Wilbur announced to-day promulgation of regulations assuring to Arizona a share of the water of the Colorado River.

Negotiations between Arizona and California for an allocation of main-stream waters, although undertaken on several occasions under the department's auspices, have been unsuccessful.

Arizona has heretofore insisted in negotiations with other States upon 2,800,000 acre-feet of main-stream water plus one-half of any excess.

These regulations state the form of a contract to which it is proposed that the United States and Arizona be the sole parties.

The proposed contract would be an undertaking by the United States to deliver from Hoover Dam enough water each year to enable total main-stream uses in Arizona of 2,800,000 feet, leaving without prejudice and to future negotiations the disposition of any water available in excess of that amount. In the form of a water-delivery contract, this agreement would parallel generally the water contracts previously made or approved by the Secretary between the United States and California interests. The proposed contract recites the existence of a controversy between Arizona and the other States over the proper construction of the Colorado River compact and the Boulder Canyon project act, and as to how much water is available to Arizona under the various classifications made by the compact. It leaves these questions of priorities to future agreement or adjudication, assuring Arizona the delivery of a total amount of water, but without assigning its relative priorities.

Hoover Dam, the construction of which was authorized after the Colorado River compact was executed, has introduced an entirely new factor in the apportionment of waters in the lower Colorado Basin. It will provide about 30,000,000 acre-feet of storage or two years' flow of the river. This makes it possible to arrange for this distribution of water at the present time.

## REPORTS OF COMMITTEES

Mr. ASHURST, from the Committee on Indian Affairs, to which was referred the bill (S. 5190) to amend the description of land described in section 1 of the act approved February 14, 1931, entitled "An act to authorize the President of the United States to establish the Canyon De Chelly National Monument within the Navajo Indian Reservation, Ariz.," reported it without amendment and submitted a report (No. 1211) thereon.

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 5302) to amend the act entitled "An act to grant to the State of New York and the Seneca Nation of Indians jurisdiction over the taking of fish and game within the Allegany, Cattaraugus, and Oil Spring Indian Reservations," approved January 5, 1927, reported it with amendments and submitted a report (No. 1217) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 4380) for the relief of Patrick Henry Walsh, reported it with an amendment and submitted a report (No. 1212) thereon.

Mr. BRATTON, from the Committee on the Judiciary, to which was referred the bill (H. R. 13655) to amend the act of May 10, 1928, entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina" (45 Stat. 495), reported it without amendment and submitted a report (No. 1213) thereon.

Mr. GRAMMER, from the Committee on the District of Columbia, to which was referred the bill (S. 5470) authorizing the sale of certain property no longer required for public purposes in the District of Columbia, reported it without amendment and submitted a report (No. 1214) thereon.

## AMENDMENT OF BANKRUPTCY LAW

Mr. HASTINGS. Mr. President, from the Committee on the Judiciary I report favorably the bill (S. 5394) to amend section 57 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended and supplemented, with respect to proof and allowance of claims by trustees for bondholders, with amendments, and submit a report (No. 1216) thereon.

Also, from the same committee, I report favorably the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto. I report the bill with an amendment and submit a report (No. 1215) thereon.

The report on the House bill has not yet been completed, and I ask unanimous consent to file the proposed amendment to that bill, and that I be given another day or so in which to file the necessary report.

Mr. ASHURST. Mr. President, will not the able Senator indicate just what the bills are?

Mr. HASTINGS. The first one is a bill which amends the general bankruptcy law in a way everybody seems to think is desirable. There is no controversy about that. The other is the House bill providing for amendment of the bankruptcy law, about which there is a great deal of controversy. It was ordered favorably reported by the Committee on the Judiciary this morning.

Mr. COUZENS. Mr. President, as I understand it, that bill has eliminated all reference to the railroads. Is that true?

Mr. HASTINGS. The subcommittee submitted to the Committee on the Judiciary a bankruptcy bill involving four new sections, one relative to individual debtors, one relative to corporate reorganization, one to railroads engaged in interstate commerce, and the fourth section, being section 77, pertaining to farmers alone. The Committee on the Judiciary did not have an opportunity to consider the corporate reorganization section and the railroad section sufficiently to enable the Senate, in its judgment, to pass upon those questions at this time, and therefore reached the conclusion that we should report the first and last sections, the one pertaining to the individual debtor, and the other to the farmer, as a substitute for the bill which had been passed by the House.

Mr. COUZENS. As I understood the Senator, he said the Committee on the Judiciary had abandoned the bill to reorganize the railroads during the present session?

Mr. HASTINGS. That is true.

Mr. COUZENS. That would indicate that we ought to suspend the lending of money to the railroads, if that is to be the recommendation of the committee.

The VICE PRESIDENT. The bills will be placed on the Calendar.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COPELAND:

A bill (S. 5627) to repeal the act entitled "An act to authorize the acquisition for military purposes of land in Orange County, N. Y., for use as an addition to the West Point Military Reservation," approved March 3, 1931; to the Committee on Military Affairs.

By Mr. FRAZIER (by request):

A bill (S. 5628) to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes; to the Committee on Indian Affairs.

By Mr. DAVIS (by request):

A bill (S. 5629) to provide for needy blind persons of the District of Columbia; to the Committee on the District of Columbia.

By Mr. COPELAND:

A bill (S. 5630) to authorize the payment of taxes and assessments on family dwelling houses in the District of Columbia in quarterly installments, and for other purposes; to the Committee on the District of Columbia.

(By request.) A bill (S. 5631) to authorize the delivery of surplus forfeited vessels of the Treasury Department to the Boy Scouts of America for use in sea scout training; to the Committee on the Judiciary.

By Mr. BLACK:

A bill (S. 5632) to extend the times for commencing and completing the construction of a railroad bridge and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.; to the Committee on Commerce.

By Mr. FRAZIER:

A bill (S. 5633) to restore to national farm-loan associations commissions illegally withheld by Federal land banks and to assure payment of such commissions hereafter; and

A bill (S. 5634) to reimburse national farm-loan associations for losses sustained on account of illegal denial of the privilege of obtaining their funds in the form of farm-loan bonds instead of cash; to the Committee on Banking and Currency.

By Mr. NORBECK:

A bill (S. 5635) to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.; to the Committee on Commerce.

### LEASES OF NAVAL PETROLEUM RESERVES

Mr. NYE. Mr. President, I introduce a joint resolution, which I ask may be read at length and referred to the Committee on Public Lands and Surveys.

The joint resolution (S. J. Res. 253) authorizing the Attorney General, with the concurrence of the Secretary of the Navy, to release claims of the United States upon certain assets of the Pan American Petroleum Co. and the Richfield Oil Co. of California, and others in connection with collections upon a certain judgment in favor of the United States against the Pan American Petroleum Co. heretofore duly entered, was read the first time by its title, the second time at length, and referred to the Committee on Public Lands and Surveys, as follows:

*Resolved, etc.*, That the Attorney General of the United States, with the concurrence of the Secretary of the Navy, be, and he is hereby, authorized, in connection with collection of amounts due the United States of America under a certain judgment for $9,277,666.17, entered in the office of the clerk of the District Court of the United States for the Southern District of California, at Los Angeles, on January 14, 1933, against the Pan American Petroleum Co., a corporation, to release from claim or lien under said judgment such part or portions of the property and assets of the said Pan American Petroleum Co. and the Richfield Oil Co. of California, in such manner and with such reservations as shall seem to him proper and advisable, in consideration of payments to the United States to apply upon said judgment of not less than the sum of approximately $5,000,000, and, in connection therewith, to release any claim of the United States against purchasers of oil and petroleum products from the leases commonly known as "E," "I," and "G" leases, or also known as Visalia 010042, 010043, and 010097 leases in naval petroleum reserve No. 1, Kern County, Calif., and to consent, in the premises, to the assignment of other oil and gas leases in said naval petroleum reserve No. 1, now part of the unmortgaged assets of Pan American Petroleum Co., with the concurrence of the Secretary of the Navy and to the assignment of other oil and gas leases, also part of the unmortgaged assets of Pan American Petroleum Co., of the United States outside the said naval petroleum reserve No. 1, with the consent of the Secretary of the Interior, said assignments to be authorized only to assignees otherwise duly qualified under existing laws.

### HOUSE BILL REFERRED

The bill (H. R. 5261) for the relief of Sard S. Reed, was read twice by its title and referred to the Committee on Claims.

### CHANGE OF REFERENCE

Mr. FESS. Mr. President, a bill (S. 5189) to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, was introduced by the Senator from Utah [Mr. SMOOT], and referred to the Committee on Education and Labor. An identical bill, the bill (H. R. 13817) to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, came over from the House of Representatives and was referred to the Committee on the Library. I ask unanimous consent that the Committee on the Library be discharged from the further consideration of the House bill and that it may be referred to the Committee on Education and Labor.

The VICE PRESIDENT. Without objection, it is so ordered.

### AMENDMENT TO WAR DEPARTMENT APPROPRIATION BILL

Mr. BROOKHART submitted an amendment intended to be proposed by him to House bill 14199, the War Department appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 61, after line 6, to insert the following:

"NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE, ARMY NATIONAL MATCHES

"For the national matches and other competitions and the Small Arms Firing School, in accordance with the provisions of the act approved May 28, 1928 (U. S. C., Supp. III, title 32, secs. 181a, 181b), $450,000."

### APPLICATION FOR LOAN BY CAMELBACK WATER CONSERVATION DISTRICT

Mr. ASHURST submitted the following resolution (S. Res. 356), which was referred to the Committee on Banking and Currency:

Whereas the Camelback Water Conservation District, organized under the laws of the State of Arizona, made application to the Reconstruction Finance Corporation for a loan; and

Whereas the loan thus applied for by the said Camelback Water Conservation District has been refused by the said Reconstruction Finance Corporation: Therefore be it

*Resolved*, That the said Reconstruction Finance Corporation is hereby respectfully directed to transmit to the Senate a copy of all of the protests and objections, if any, that were filed with the said Reconstruction Finance Corporation in opposition to the said application of the said Camelback Water Conservation District for a loan.

### APPLICATION FOR LOAN BY VERDE RIVER IRRIGATION AND POWER DISTRICT

Mr. ASHURST submitted the following resolution (S. Res. 357), which was referred to the Committee on Banking and Currency:

Whereas the Verde River Irrigation and Power District, organized under the laws of the State of Arizona, made application to the Reconstruction Finance Corporation for a loan; and

Whereas the loan thus applied for by the said Verde River Irrigation and Power District has been refused by the said Reconstruction Finance Corporation: Therefore be it

*Resolved*, That the said Reconstruction Finance Corporation is hereby respectfully directed to transmit to the Senate a copy of all of the protests and objections, if any, that were filed with the said Reconstruction Finance Corporation in opposition to the said application of the said Verde River Irrigation and Power District for a loan.

### EMPLOYEES AND SALARIES OF FEDERAL FARM BOARD AND OTHER ORGANIZATIONS

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent for the immediate consideration of a simple Senate resolution, which I send to the desk.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 358), as follows:

*Resolved*, That the Secretary of the Federal Farm Loan Board is requested to furnish the Senate, on or before March 1, 1933, with a report showing the total number of employees at the end of each fiscal year since its establishment, and on February 1, 1933, the aggregate salaries paid to employees of the board in the fiscal year ending June 30, 1933, and estimated to be paid to them in the current fiscal year and in the fiscal year 1933–34; the total number of employees of the Federal land banks on December 31, 1931, and February 1, 1933; the aggregate salaries paid in 1932 to employees, full or part time, of the Federal land banks; the total number of employees of the joint-stock land banks on December 31, 1931, and February 1, 1933; the aggregate salaries paid in 1932 to employees, full or part time, of the joint-stock land banks; the total number of employees of the intermediate-credit banks on December 31, 1931, and February 1, 1932; and the aggregate salaries paid in 1932 to employees, part or full time, of the intermediate credit banks.

SEC. 2. The secretary of the Federal Farm Board is requested to furnish the Senate, on or before March 1, 1933, with a report showing the total number of employees at the end of each fiscal year since its establishment, and on February 1, 1933; the aggregate salaries paid to employees of the board in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the grain and cotton stabilization corporations and in any other corporations formed under the provisions of the agricultural marketing act of 1929, on December 31, 1931, and February 1, 1933; and the aggregate salaries paid by each of said corporations to its employees, part or full time, in 1932.

SEC. 3. The Secretary of Agriculture is requested to furnish the Senate, on or before March 1, 1933, with a report showing the total number of employees on January 1, 1933, and on February 15, 1933, in the seed-loan office; the aggregate salaries paid to employees of the seed-loan office in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the crop-production loan office on January 1, 1933, and on February 15, 1933; the aggregate salaries paid to employees of the crop-production loan office in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the agricultural credit corporations and in any other corporations set up under the Reconstruction Finance Corporation act of 1932, as amended, on January 1, 1933, and on February 15, 1933; and the aggregate salaries paid to employees of said corporation or said corporations in 1932 and estimated to be paid to them in 1933.

The PRESIDENT pro tempore. The Senator from Minnesota asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. McNARY. Mr. President, may I ask what date is fixed for the submission of the information requested?

The PRESIDENT pro tempore. March 1, 1933.

Mr. McNARY. I think, personally, the information sought might be very useful to the Senate and to the House of Representatives in the formation of legislation in the future, but I doubt very much whether it can be furnished by the 1st day of March. I think it would be futile to attempt to get it by that date, and I suggest to the Senator that he extend the time to April the first.

Mr. SHIPSTEAD. Very well, I accept the amendment. I suggest that the words "or as soon thereafter as possible" be inserted instead of April 1. I think that would be better.

The PRESIDENT pro tempore. The Chair understands the Senator from Minnesota to amend his resolution in each place where the date March 1, 1933, appears by adding the words "or as soon thereafter as possible."

Mr. DILL. Mr. President, will the Senator from Minnesota yield for a question?

Mr. SHIPSTEAD. I yield.

Mr. DILL. The Senator asks for the total sums paid as salaries?

Mr. SHIPSTEAD. Yes.

Mr. DILL. I think it would be valuable information, in that connection, if we could get a statement of the positions, and the persons filling them, paying more than $3,000 a year. I am informed that there are some unnecessarily high salaries paid in a number of these agricultural organizations, and I wish the Senator would submit an amendment providing that the names of the positions and the persons holding the positions where the salary is more than $3,000 a year should be stated.

Mr. SHIPSTEAD. I have no objection to that amendment, provided it will not jeopardize the passage of the resolution.

Mr. DILL. I think that is information we should have, because I note that the reports indicate that some of the officials and employees of these agricultural organizations are receiving what seems to be unconscionably high pay at this time. I offer an amendment to the resolution to insert at the end of the resolution the words "the names of the positions and the officials holding them where the pay is more than $3,000 a year."

The PRESIDENT pro tempore. May the Chair suggest that the resolution is drawn in such a form that the amendment, in the manner in which the Senator from Washington proposes it, would require practically a complete rewriting of several of the paragraphs?

Mr. DILL. I think not.

Mr. McNARY. Let me suggest to the Senator that he confer with the Senator from Minnesota, and that the resolution be withheld for the present.

Mr. SHIPSTEAD. Very well; let it go over under the rule.

The PRESIDENT pro tempore. The Chair understands the Senator from Minnesota to request that the resolution go over for the present. That order will be entered.

Mr. SHIPSTEAD's resolution, as modified (S. Res. 358), is as follows:

*Resolved*, That the Secretary of the Federal Farm Loan Board is requested to furnish the Senate, on or before March 1, or as soon thereafter as possible, but not later than March 15, 1933, with a report showing the total number of employees at the end of each fiscal year since its establishment and on February 1, 1933; the aggregate salaries paid to employees of the board in the fiscal year ending June 30, 1933, and estimated to be paid to them in the current fiscal year and in the fiscal year 1933–34; the total number of employees of the Federal land banks on December 31, 1931, and February 1, 1933; the aggregate salaries paid in 1932 to employees, full or part time, of the Federal land banks; the total number of employees of the joint-stock land banks on December 31, 1931, and February 1, 1933; the aggregate salaries paid in 1932 to employees, full or part time, of the joint-stock land banks; the total number of employees of the intermediate-credit banks on December 31, 1931, and February 1, 1932; and the aggregate salaries paid in 1932 to employees, part or full time, of the intermediate-credit banks; and the positions and names of the employees receiving more than $2,000 per year on February 15, 1933.

SEC. 2. The secretary of the Federal Farm Board is requested to furnish the Senate, on or before March 1, or as soon thereafter as possible, but not later than March 15, 1933, with a report showing the total number of employees at the end of each fiscal year since its establishment, and on February 1, 1933; the aggregate salaries paid to employees of the board in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the grain and cotton stabilization corporations, and in any other corporations formed under the provisions of the agricultural marketing act of 1929, on December 31, 1931, and February 1, 1933; and the aggregate salaries paid by each of said corporations to its employees, part or full time in 1932, and the positions and the names of the employees receiving more than $2,000 per year on February 15, 1933.

SEC. 3. The Secretary of Agriculture is requested to furnish the Senate, on or before March 1, or as soon thereafter as possible, but not later than March 15, 1933, with a report showing the total number of employees on January 1, 1933, and on February 15, 1933, in the seed loan office; the aggregate salaries paid to employees of the seed loan office in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the crop production loan office on January 1, 1933, and on February 15, 1933; the aggregate salaries paid to employees of the crop production loan office in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year and in the fiscal year 1933–34; the total number of employees in the agricultural credit corporations, and in any other corporations set up under the Reconstruction Finance Corporation act of 1932, as amended, on January 1, 1933, and on February 15, 1933; and the aggregate salaries paid to employees of said corporation or said corporations in 1932, and estimated to be paid to them in 1933, and the positions and the names of the employees receiving more than $2,000 per year on February 15, 1933.

### CLARENCE R. KILLION

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2148) for the relief of Clarence R. Killion, which were, on page 1, line 8, to strike out "honorably discharged" and insert "discharged under honorable conditions," and on page 1, line 10, after "no," to strike out the balance of the paragraph and insert "bounty, back pay, pension, allowance, or any payment provided under the World War veterans' act, 1924, as amended, the World War adjusted compensation act, 1924, as amended, or other benefit whatsoever to which said person may be or become entitled to by law, shall be held to have accrued prior to the passage of this act."

Mr. REED. I move that the Senate disagree to the amendments of the House, ask for a conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. REED, Mr. CUTTING, and Mr. FLETCHER conferees on the part of the Senate.

### AMENDMENT OF RADIO ACT OF 1927

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the

amendments of the Senate to the bill (H. R. 7716) to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COUZENS. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. COUZENS, Mr. WATSON, Mr. FESS, Mr. SMITH, and Mr. DILL conferees on the part of the Senate.

A CENTURY OF PROGRESS—CHICAGO WORLD'S FAIR

The PRESIDENT pro tempore. The Chair lays before the Senate a joint resolution from the House of Representatives.

The joint resolution (H. J. Res. 561) amending section 2 of the joint resolution entitled "Joint resolution authorizing the President, under certain conditions, to invite the participation of other nations in the Chicago World's Fair, providing for the admission of their exhibits, and for other purposes," approved February 5, 1929, and amending section 7 of the act entitled "An act to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933," approved July 19, 1932, was read twice by its title.

Mr. LEWIS. Mr. President, at the request of the Senator from Utah [Mr. SMOOT], speaking for his committee, I yield to his suggestion in moving to have this joint resolution sent to the Committee on Finance.

The PRESIDENT pro tempore. The joint resolution will be referred to the Committee on Finance.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

FARMERS' HOLIDAY AND FARMERS' MORTGAGES

Mr. TYDINGS. Mr. President, I ask leave to have published in the RECORD an address by Hon. HENRIK SHIPSTEAD, of Minnesota, over the National Broadcasting System, on February 11, 1933, given under the auspices of the League for Industrial Democracy, on the subject of "Farmers' Holiday and Farmers' Mortgages."

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

The so-called farmers' holiday which is spreading in the West means the farmer is declaring a holiday on foreclosures of mortgages and tax sales. They want a holiday in these matters because they have not the money to pay interest on mortgages nor the money to pay taxes. Court orders and sheriffs' sales are more and more frustrated by direct action of the farmers. The farmer is fighting for his home. He believes that his home is threatened as a result largely of policies that have been pursued by his National and local governments. He knows that even during the years of paper prosperity from 1920 to 1930 his income gradually declined until it totaled an annual loss of 50 per cent. He also knows that during the same period of time, when his income was disappearing until he had only one-half of the income that he had in 1923, industry was permitted to pursue policies that gave it an increase in income of 72 per cent. During that period of time the price of his products gradually declined and the price for the things he had to buy gradually increased. On his back were placed inflated bond issues of railroads as reflected in high freight rates, inflated industrial capitalization as reflected in watered stock, stock dividends, and monopoly prices wherever he had to buy. Industry and finance took so much out of the farmer in that period that they "killed the goose that laid the golden egg," and now both industry and finance are suffering and unemployment increasing. The farmer feels that he has had no part and no authority in formulating and executing these policies. He feels that he has had to pay for the mistakes of his business and political leaders, and now, through foreclosure sale and court orders, he believes that he is expected to pay for some more mistakes of these leaders by giving up his home, and that is a price he will not pay without protest. He is therefore joining with his neighbors to protect his home and theirs from what he considers confiscation of his home under the guise of law.

Leaders in finance and government have made the farmer pay for so many of their mistakes they seem to think he will pay some more. But the farmer is at the end of his rope. He refuses to continue to pay. He is now determined to have a showdown. He refuses to carry all the burdens of the world on his shoulders and he paid by losing his home. He is losing faith in the integrity of political leaders and parties. He is beginning to believe that political party organizations are a form of racketeering to get the faithful party workers on the Government pay roll. He no longer accepts on faith the doctrine that his party is infallible and can do no wrong. He is beginning to see that is another slogan to keep him quiet so his pockets can be robbed. He has been pinched so hard he is beginning to wake up and look around. If he stays awake, good-by party politics and party slaves in high office. He will demand men who serve the Nation rather than the party and those who control it by controlling its leaders and its press. The farmer believes that what his newspapers call the country's "best minds" have been best only in concocting policies that are wrecking agriculture, commerce, our financial system, and causing unemployment of labor. The farmer is always conservative. He has accepted the leadership of the "best minds" because the newspapers have told him they represented economic soundness. He now discovers this is all a gigantic swindle either by design or stupidity. He is beginning to believe that instead of representing safety and security these "best minds" represent the most destructive forces in this country since its birth. He is not sure whether they are destructive through malice or ignorance and does not care. He demands security—something for his labor and the right to keep his home. He will pay his debts if given a chance.

The farmer is the victim of economic forces which he may not have understood and which were not within his control. But, when it is a matter of losing his home, he is confronted with a problem that he understands as clearly as the Massachusett's farmers did when at Lexington and Concord they are recorded in history as "the embattled farmers who stood and fired the shot heard round the world."

That is the spirit in which America was born, and that is the spirit that will permit America to live. Creditors are beginning to take notice of that spirit, because they have to some extent given public notice they are going to stop foreclosures for the time being, and in the meantime efforts are being made at Washington to provide for a moratorium and a refinancing of farm mortgages at a lower rate of interest. Congress has failed to anticipate present conditions and in the last three years has been concerned with administering palliatives, like the Reconstruction Finance Corporation, the home-loan banks, crop-production loans, and seed loans, etc. This is not getting rid of debt, it is merely increasing debt and the burdens on the back of the farmer and other debtors. He has other burdens besides his mortgage. These are too numerous to mention here in detail, but I can mention high freight rates levied to pay interest on railroad bond issues piled one upon the other for 50 years without provision for amortization. The inequality of the farmer's dollar as compared with the dollar of industry must be eliminated. The farmer buys in a protected market and sells in an unprotected market. He has to sell cheap and buy dear. He borrowed a cheap dollar and is expected to pay in a dear dollar.

The wages of capital like telephone rates, gas, electric lights, freight rates, price of farm machinery, have not come down. These are fixed charges that consumers are expected to pay. To preserve the integrity of bonds and stocks and mortgages the producer is being pauperized. The farmer of the West says he will fight before they shall take his home.

To-day I desire to speak to you particularly about the necessity of reducing the interest rate on his mortgages in order that the present avalanche of foreclosures shall be stopped and that the mortgages can be paid.

You people in the cities who are listening to me may not think that the plight of the farmer and his mortgage is any concern of yours. But you had better begin thinking about the farmers' plight, because his plight is now yours. His mortgages are in your savings banks and your life insurance companies to protect your savings. If the farm mortgages go to default and become worthless, your savings bank accounts and your life insurance policies will become worthless, too.

As I think over this complicated question, I see the paramount necessity of getting interest rates down at all costs, for all the Nation. I am convinced that a sound and lasting public policy can be worked out to provide for low interest rates at the same time that quickened and stimulated industry leads to a gradual reabsorption of the unemployed, and a gradual rise in commodity prices, and a gradual increase in the volume of traffic and trade. I am convinced that the key log in the jam will continue to be the farm-credit situation until we provide some comprehensive scheme for lowering rates on such a scale as will be calculated to fix the standard interest rates of the country for at least 8 or 10 years. And we will need that long to repair the damage and recover equilibrium.

We must get through this operation soon. Time is important in this matter. We must act quickly. Delay is fatal. It will not do, in my opinion, to start some elaborate process of revaluation. We have no William the Conqueror to ordain the preparation of a doomsday book, in which would be the revaluation of all land, farm or city, and all improvements thereon. Theoretically I accept the idea of revaluation of the capital structure of the Nation, but practically I find it quite impossible. There is now no foundation upon which to base values. No basis for valuation exists. We must stop liquidation and foreclosures at once and anticipate a return of values. I am prepared to take mortgages at their face value, and provide so low a rate of compensation upon the security we give for them as to reduce carrying charges by at least one-half. By so doing we preserve capital and savings at expense of income. By doing so I believe that we will

achieve much more than merely to solve the farm problem, serious and indispensable as this is. We hold down interest rates generally and contribute to make recovery possible upon a basis that does not involve too much mortgaging of future income for the Nation as a whole. We will loosen up billions of dollars of frozen assets. Writing down capital sums and letting interest take care of itself would probably lead to a scramble for funds and a very high interest rate. Holding down the interest rate, but leaving the capital unimpaired, would have the effect of freeing funds for industry without asking the farmer to carry a loan which in a few years might again paralyze his efforts.

These mortgages are in large part in savings banks and life-insurance companies where liabilities are held against them. If you write off their face value at 50 per cent, what becomes of your life insurance and savings in savings banks? If you preserve savings at face value at expense of income by giving a 50-year 2 per cent bond in exchange for a 6 per cent mortgage, you preserve the people's savings, restore confidence, and stop foreclosures and liquidation.

For the protection of life-insurance policies, savings-bank deposits, and to relieve the farmer of an interest burden that he can not pay and stay on the farm, I have introduced S. 5562. This bill is now before the Subcommittee of the Senate Banking and Currency Committee. Hearings have been held. This bill provides that the seven agencies created by the Federal Government loaning money to farmers shall be consolidated into one agency. This will eliminate duplication of administration, and, therefore, expense. Provision is made for the rewriting of farm mortgages to draw interest at 2¼ per cent a year. A rate of 1¼ per cent will be added for the purpose of paying off the principal of the loan. This small annual charge will pay off the mortgage in 46½ years. Two and a quarter per cent interest and 1¼ per cent payment on the principal makes a total charge of 3½ per cent a year. Thus the carrying charge to the farmer of his mortgage is reduced by 50 per cent. He now pays 6 per cent or more.

For the creditor the bill endeavors to save his capital at the expense of income. He sacrifices part of his income to save the face of his mortgage. Instead of getting 6 per cent he will get 2 per cent. Under the provisions of the bill he can exchange his mortgage for a 2 per cent Government bond due in 50 years. The Government agency will take in exchange for this bond the mortgage on the farm. This Government agency will then write a new mortgage under the terms I have previously outlined. This mortgage, as I said, will draw 2¼ per cent interest. The 2 per cent interest that the farmer pays will pay the interest on the Government bond. The one-fourth of 1 per cent interest will pay the cost of administration. The money already appropriated for these various agencies already loaning money will be withdrawn and what is needed will be appropriated for this new agency. Under this arrangement very little and possibly no new money will have to be appropriated. The Government merely lends its credit to give security and stability and a low rate of interest on farm mortgages. The carrying charge is so low it is expected the farmer can easily pay all costs involved and stay on the farm.

I expect that if this bill passes, liquidation of farm mortgages will cease; foreclosures will cease. The smashing of farm values will stop. Confidence will be restored, and billions of dollars of frozen credit will be loosened up. Time is important in this matter. Congress has for years delayed facing this issue. The descending avalanche of falling prices must be stopped. A depression is like an avalanche. If you are going to stop it you must have the speed and courage to get in front of the avalanche. You can not sit on the hind end of it and ride along with it. That is what we have been doing, and if we continue these policies the bottom is zero. Temporary measures and economic shots in the arm have only postponed the day of reckoning and aggravated the situation. Heroic action for a permanent policy of the kind outlined is now needed, and I hope this bill will have the support of the American people without regard to party politics. The number of the bill is S. 5562.

### MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were thereupon signed by the Vice President:

S. 188. An act for the relief of Tampico Marine Iron Works;

S. 222. An act authorizing adjustment of the claim of B. F. Hart;

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased;

S. 4339. An act repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma; and

H. R. 11461. An act for the relief of C. N. Hildreth, jr.

### VAN CAMP SEA FOOD CO. (INC.)

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 220) authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.), which was, on page 2, line 7, after "claim," to insert ": *Provided,* That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. WHITE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

### LINDLEY NURSERIES (INC.)

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3438) authorizing adjustment of the claim of Lindley Nurseries (Inc.), which was, on page 2, line 3, after "claim," to insert ": *Provided,* That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. WHITE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

### WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. COUZENS. Mr. President, I move that paragraph 4 of Rule XVI be suspended, according to the notice given on February 9, so that I may offer an amendment to House bill 14199 which is now lying on the desk.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the senior Senator from Michigan [Mr. COUZENS].

Mr. VANDENBERG. Mr. President, I want to recall the Senate now to the matter immediately before it, namely, the motion of my colleague, the senior Senator from Michigan [Mr. COUZENS], to suspend the rules for the purpose of considering the amendment which he has submitted to the pending War Department appropriation bill, for the purpose of caring for the itinerant youth of the country which has been driven by economic necessity to take to the road.

It will be recalled that I was holding the floor at the time of the recess on Saturday evening, and that I was addressing myself to the analogy partially existing between citizens' military training camps and the concentrations of itinerant young men at Army posts as is contemplated by the plans submitted under the pending amendment.

Mr. President, I want to pursue that analogy for a few moments, because I think it is fundamentally essential to a correct viewpoint of the possibilities inherent in the prospectus which now invites the Senate's approval.

I want to say again, as a basis for these observations, that I am a profound believer in the reserve system of the national defense, and I am a great believer in the citizens' military training camps. It seems to me that they inevitably produce better citizens. It seems to me that the results in terms of soldiery, while important in themselves,

are utterly secondary to the results achieved in terms of citizenship and character, and that these are the more important crops that are raised from these seeds.

It occurs to me that there is unusual opportunity in the proposal submitted by my colleague to broaden the advantages which we seek through our annual appropriations for these citizens' military training camps, that there is an opportunity here to broaden the scope and to broaden the influence of these great factors in character building and patriotism and manhood to which I have adverted. How important it is that these assets should be capitalized by us in respect to this itinerant young manhood of America in its hour of distress and disaster and woe. It seems to me that the opportunity is as appealing as it is urgent.

The purpose of the citizens' camps in the final analysis, so far as I am concerned, has always been not to make warriors but to make citizens. It is in terms of that analagous purpose that I contemplate a great public utility in the proposition submitted by my colleague. Therefore, since it has this public utility, it is lifted out of the ordinary scheme of relief proposals and comes to us with a character analagous to the precise thing which we are undertaking to do in that other section of the bill which again sets up citizens' military training camps.

Mr. President, I repeat, so there may be no misunderstanding, that there is no intention to induct these boys into the actual military service, and that there is no intention to bind them with a military commitment. Nevertheless, the door is open to bring them under all of these secondary influences which I insist are the prime benefits of citizens' military training camps. The door is open and the warrant is written in the amendment itself in this aspect of the adventure. I want to invite attention again to the precise language of the amendment, on page 2, referring to these itinerant young men who are now without home, without subsistence, without opportunity in life, without a fair chance in the presence of this terrific catastrophe of the present moment. I want to invite attention to the fact that when these young men are gathered into these camps and these military posts they enter under the following rule, and I quote from the proposal:

> Any person admitted to any military post pursuant to the provisions of paragraph 1 of this section shall, so far as practicable, be subject to the customary military discipline maintained at such post and shall participate in all forms of beneficial and healthful exercise.

Mr. COUZENS. Mr. President, will my colleague yield?

The PRESIDING OFFICER (Mr. DICKINSON in the chair). Does the Senator from Michigan yield to his colleague?

Mr. VANDENBERG. Certainly.

Mr. COUZENS. I want to modify the amendment before we vote on the question by adding, on page 2, at the end of line 10, after the word " exercise," the words " and vocational training so far as practicable with the available facilities," which I think will improve it.

Mr. VANDENBERG. The Senator adds one more exhibit to the bill of particulars respecting available resources that can be capitalized at the various posts for the benefit of this adventure.

The thing I was particularly emphasizing is the fact that beneficial and helpful exercise, using the language of the amendment, may properly include drills—may properly include the fundamentals which, I repeat, I find in these citizen's military training camps as being of prime advantage to the creation of citizenship and of fidelities of the Nation. These boys, in my conception of the thing which is proposed by my colleague, are invited analogously into the wholesome and useful atmosphere of citizens' military training camps.

Mr. President, I am very sure that if the Committee on Military Affairs of the Senate confronted a direct opportunity to expand the influences of citizens' military training camps to touch 90,000 additional young American lives it would be highly enthusiastic over the prospect. It would conceive that a contribution was about to be made not only to the fundamental defenses of the Nation but to the fundamental character of the United States. I submit that my colleague is proposing in net results precisely that thing.

The sympathetic use of the authority which is granted to the War Department and to the military post commanders who shall be over these concentrations of boys is bound to produce a régime which, while falling short of military training in the technical sense, can make better men and better citizens. At least it means subjection to discipline and order. These influences are of incalculable advantage to youth. Youth needs them in the process of molding dependable maturity. The citizenship of to-morrow is better and safer and wiser in proportion as these influences have been brought to bear in its development. It seems to me that these advantages to the Government and to organized society are inherent in the proposed program precisely as they are inherent in citizens' military training camps. I am speaking now solely of the public advantage adherent in the plan. I am not speaking at all as yet of our social responsibility to these itinerant young men. I shall advert to that in a moment.

But I submit that if public money spent upon building sound Americans in citizens' military training camps is justified, then so is public money spent under like auspices upon the emancipation of 90,000 itinerant American young men who to-day are at the mercy and disposition of utterly untoward and malignant influences as a result of the economic depression in which we find ourselves.

The boys about whom we are talking are not hoboes. This is a very important phase of the matter, because if we were simply proposing to deal with the well-known tramp the proposition would be of a totally different nature. That is not the type of young men who are involved in the problem which my colleague has brought to the bar of the Senate. We are not dealing with bums or hoboes in any sense of the word. The conclusive testimony available upon this subject is that by tens of thousands these boys are worth-while lads who are among the innocent victims of this economic debacle. Indeed, many of them have become nomads because they have so much character that they decline longer to burden their own distraught hearthstones with their unproductive presence. That is the type of young man whom it is proposed to save under this régime. Such a type is everlastingly worth while.

Now, let us be quite sure that that is so. I want to read briefly from page 92 of the Monthly Labor Review published by the United States Department of Labor for the month of January, 1933, an official Government document bearing the imprimatur of the Government:

> Type of boys on the road.

This is the paragraph which I read, and it is the boys on the road for whom my colleague is stressing his amendment. What is the type of boy on the road? I quote:

> There is much testimony that these boys, who come from practically every State in the Union, represent in the main substantial American families.

I repeat, not hoboes, not bums, not flotsam and jetsam, but the representatives of substantial American families.

> High-school students are not uncommon among them, and the class of professional wanderers is not conspicuous. Social workers, police, and railroad men who are in constant touch with these boys assert their belief that the overwhelming majority of them are young men and boys who would normally be in school or at work, that they are on the road because there is nothing else to do, sometimes because sheer pride will not permit them to sit idle at home, sometimes because support for the whole family came from a relief agency and was highly inadequate properly to feed the younger children, that they are on the whole not of the habitual hobo or criminal type.

This is the testimony of an official Government source. Now let us look a little further into the type of boys on the road.

Mr. REED. Mr. President, before the Senator does that will he yield for a question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Pennsylvania?

Mr. VANDENBERG. Gladly.

Mr. REED. What is there in the proposed amendment that confines its application to these migratory young men? What is to prevent any farm hand in Mississippi, for instance, giving up his work and going to live in a Government training camp?

Mr. JOHNSON. Mr. President——

Mr. VANDENBERG. I should think the thing that would prevent it would be a sympathetic administration of the proposal as it is submitted. It speaks for itself in its own language. I yield to the Senator from California.

Mr. JOHNSON. Mr. President, I was about to invite the Senator's attention to the language of the amendment.

Mr. VANDENBERG. Yes; it speaks for itself in its own language. It applies to—

> Any unmarried male person between the ages of 17 and 24, both inclusive, who is without means of support and who shall apply at any such Army post within one year after the date of the enactment of this act and give satisfactory evidence to the commanding officer thereof that he is unemployed at the time of application—

And so forth.

The persons admitted under the terms of the amendment as stated in the amendment thus fall under the complete discipline of the post. I suppose a literal translation of the language might qualify those of whom the Senator from Pennsylvania speaks.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BROOKHART. From my knowledge of the condition of the farm hands in Mississippi, and practically all the other States, I think that probably they could about all qualify as unemployed. They are practically unemployed, they are not getting enough for a decent living, and if we had enough Army posts I would be willing to take care of them all.

Mr. VANDENBERG. Mr. President, I dislike to be detoured into a discussion of the agricultural problem. If delimitation is necessary, in the language of the amendment, to determine more safely the boundaries to which it should be confined and to which obviously my colleague addresses his amendment, I am perfectly sure that there would be no objection to the limitation, because the objective is clear and obvious, and it is the precise objective which I have been discussing; it is the objective which has been described in all the addresses that have been made by my colleague the senior Senator from Michigan [Mr. COUZENS] upon this proposition. It is the boys upon the road, and it is particularly the character of the boys on the road which has challenged the interest that results in the introduction of the legislation; and I want to speak again about the character of the boys on the road.

I want to remind the Senate that out of a group of 1,140 boys who were contacted at Phoenix, Ariz., according to the testimony on page 178 of the hearings of the committee on the La Follette-Costigan bill—out of this group of 1,140 boys—22 had college training, 470 had high-school training, and 648 had training in the grade schools. That is not the hobo; that is not the bum or the tramp.

I want to read also from the same hearing, a sentence from Mr. Paul V. Robinson, superintendent of the Wayside Mission at Anderson, Ind., on page 164 of the testimony.

Mr. Robinson is speaking of a group of 400 transients, including about 27 per cent less than 25 years of age. I quote:

> Regarding the type of men who are on the road, this survey reveals that the cream of our American manhood and young manhood are on the road at the present time.

I repeat, "the cream of American manhood and young manhood are on the road at the present time."

> The more enterprising men and boys are on the road, and the more worthless stay at home and get local relief. Many boys leave home because that leaves more food at home for those who are at home.

Mr. President, the testimony available respecting the character of the boys who are on the road is the thing that primarily challenges my interest and my support for the pending proposition. If the language of the resolution is too broad to create and identify and maintain priority for those particular boys, the language can be changed; but there is——

The VICE PRESIDENT. The Senator's time has expired on the amendment. He has 15 minutes on the bill.

Mr. VANDENBERG. I will speak on the bill. If amendments to the pending proposal are desirable, let them be offered and determined upon their merits. But let us not dismiss the whole contemplation simply because we challenge some detail. The objective which we are seeking to reach is perfectly plain, and everybody knows what it is. It is to reach the type of boys on the road concerning whom I have been speaking. They are not hoboes as yet; they are not bums as yet; they are not tramps as yet. It remains to be seen whether or not their classification must change under the pummellings of circumstance in the difficult days which lie about us.

The Senator from Pennsylvania asked me on Saturday when we were debating this phase of the problem what I would do with a thousand boys of this character at Fort Myer on a stormy, bitter Saturday afternoon. Well, we discussed what might be done with a thousand boys at Fort Myer.

I am wondering, Mr. President, however, whether the question as to what could be done with a thousand boys gathered together under such wholesome auspices on such a bitter day is not utterly secondary in the purview of our responsibility to the much larger question of what would become of that same thousand boys if they have no Fort Myer at which to concentrate, if they have no shelter under which to gather, if they have no even meager subsistence except the "break of luck" upon the road in the cruelties of a bitter, cold, snowy afternoon. Since we are dealing with a type of boy who is inherently the good citizen of to-morrow I think the question is not so much what the commander of the military post will ultimately do in developing his responsibility under the pending amendment, because I have ample confidence in the military genius and imagination in control of these camps amply to answer that question successfully. I think the question is what happens to the boys if they have not these places to which to go. It seems to me that that is a question in government and in sociology which can not be ignored, nor is it one that can be subordinated to the mere contemplation of how the mechanics of this scheme shall operate after we have asked a competent Army to take charge of the situation.

Mr. President, there was a further implication involved in the inquiry made by the Senator from Pennsylvania a few moments ago which I would not want to avoid. Among other implications to be drawn from it is the implication that in this proposal we are invading the realm of local responsibility for the relief of those who are in distress.

The Senator well knows my view upon that subject; it is entirely and completely his own view. I am a believer in the theory that the American system requires reliance upon home resources in the home communities to the point of exhaustion before there is any responsibility either upon the State governments or ultimately upon the Federal Government; and the Senator from Pennsylvania will find me constantly defending that viewpoint upon this floor, as he always has found me voting consistently with it. But this, Mr. President, it seems to me, is the precise exception that proves the rule. There is an interstate responsibility upon the Federal Government, always acknowledged; there is an interstate responsibility which is an inherent part of our constitutional theory of government, and I submit that this itinerant and roving army of young men, homeless young men, jobless young men, moving up and down the country to-day presents an interstate problem inevitably, and that there is no violence done to the fundamental theory of things to which both the Senator from Pennsylvania and I subscribe when we undertake in this instance to acknowledge our interstate responsibility and serve it under Federal auspices.

The question of the cost of the proposal has been argued against it at some length, and I want to speak briefly about the question of cost. It is very essential to get a correct perspective in regard to the cost, precisely as it was essential to get a correct perspective in regard to what should be done with those thousand boys at Fort Meyer. Of course, it is necessary to assess the cost in money, though there is another cost to be assessed which is far more important; but even the cost in money, Mr. President, I can not believe, will remotely approach the figures that were submitted originally by the War Department on the basis of a possible population of 300,000 in these Army concentration camps.

I call the attention of the Senate to the fact that in making its reply and in submitting its estimate the War Department, while figuring upon 300,000 boys, indicated that it is already equipped to care for about 90,000 boys with existing facilities. When the War Department made the assessment as to what this adventure would cost, it estimated the cost not only in terms of 90,000 boys for whom facilities already are available, but also in terms of 210,000 boys, for whom no facilities whatever are available. Therefore, Mr. President, when we eliminate the 210,000, for whom no facilities are available, and when we propose to confine the enterprise to those boys for whom facilities are available, we inevitably eliminate the element of major cost, because the element of major cost must have been that element which attaches to the care of boys for whom entirely new facilities would have to be created. So the figure found in the War Department estimate, to wit, $109,000,000 for 300,000 boys, even when relatively broken down to $33,000,000 pro rata to care for 90,000 boys, unquestionably will become a substantially smaller figure because of the differential to which I have adverted. The actual cost of the adventure inevitably, I submit, would be infinitely less than the figures which were submitted by the War Department.

Mr. DICKINSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. VANDENBERG. I yield.

Mr. DICKINSON. If we limit the proposed legislation to boys for whom we have facilities, how can we bar the boys who are just on the outside of the group that can be cared for with existing facilities?

Mr. VANDENBERG. Mr. President, I should say that was a practical question which arises in respect to any undertaking upon which the Federal Government might embark in respect to its citizenship in times like these. I do not believe it is any argument against making the initial step with respect to a useful and sound experiment simply because it is impossible to embrace the entire field of service which might be prospectively involved. Neither do I think that there is any validity in the argument of the able Senator from Arkansas along the same line, as it was submitted on Saturday last to the Senate; namely, that the relief problem is so large that this particular contribution becomes, in turn, so small that it is scarcely worth while proceeding with it. I think it is worth while proceeding with any practical program which promises practical results. I do not subscribe to the "all or nothing" theory.

Now, I submit, Mr. President, as Exhibit A, that we face this particular problem, to wit, the boy on the road, and that it is essentially a Federal responsibility because it involves an interstate movement.

I submit as Exhibit B that it is practical to contemplate handling these boys as proposed by the pending amendment through the use of the unused military facilities of the Nation scattered up and down, North, East, South, and West, and available to all sections of the land.

I submit as Exhibit C that we have a right to believe, based upon what has happened in our citizens' military training camps, that the result of these contacts will be not only to relieve distress, not only to meet a difficult social problem, not only to answer an interstate responsibility which rests upon the Federal Government, but also to create better citizens in respect to those who are thus served.

So we are finally back again to the question of cost; and I submit that there is another and a larger cost problem than that which is involved in the mere mathematics submitted by the War Department in respect to the expenditures that would have to be made to implement this program. What would it cost not to do this thing; or, if this particular thing be not done, what will it cost except as we find some other and better alternative method in which to deal with the problem?

The larger cost problem is not the cost problem relating to doing the thing proposed by the amendment submitted by the senior Senator from Michigan. The major cost challenge is, What will it cost if we do not do it?

The VICE PRESIDENT. The time of the Senator from Michigan has expired.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. VANDENBERG. With an amendment pending, and a motion pending, and the bill pending, am I entitled to speak 45 minutes?

The VICE PRESIDENT. There is no amendment pending. There is a motion pending. Under that, the Senator would not be entitled to speak 15 minutes more at this time.

Mr. GRAMMER. Mr. President, I rose to ask the Senator from Michigan a question.

The VICE PRESIDENT. Will the Senator from Michigan answer the question of the Senator from Washington?

Mr. VANDENBERG. If I can answer it in the Senator's time. I have no time of my own.

Mr. GRAMMER. I rose merely to ask this question:

On the question of cost, which the Senator so recently discussed, has he taken into consideration what the potential cost might be in case those young men are taken under the wing of the Army of the United States for protection; for instance, in case of accident during that time which might cost life or limb, or in case of disease, and so forth, which might be contracted during that time, which might partially or permanently disable the young man? Will he come under the pension laws, and must he be taken care of during life because of the fact that he happened to be a ward of the Government during this particular 12 months or so? Has that phase of the matter been taken into consideration? If so, I should like to have whatever information the Senator has regarding it.

Mr. VANDENBERG. With the Senator's permission, and intruding upon his time, I reply as follows, if I can remember the complete question:

In the first place, the amendment specifically excludes any enlistment in the Army or any relationship to the Army which would create a basis for any such subsequent claim as the Senator has in mind.

In respect to the cost of caring for the young man in the event of disease or accident, evidently the War Department has contemplated that factor, because in the schedule of prospective expense submitted by the able Senator from Pennsylvania [Mr. REED] was included an item of $18 per man per year for medical attention.

I think that covers the cost questions which the Senator affirmatively submitted; and, if he will be good enough to permit me to say in his time what I was precluded from saying at the conclusion of my remarks, I should like to say to him that the larger cost which we are inevitably confronting in respect to this army of itinerant, homeless boys is the cost that is involved in the broken characters of to-morrow's citizens; the cost that is involved in broken physical and moral resistance; the cost that is involved in accidents and deaths upon the road; and the cost that is involved in crimes to-day, to-morrow, and as long as this heritage persists.

Those may seem to be abstract things. They are unrelated to precise mathematics; but the Senator is a heartful man, and he knows that there is reality in those exhibits, and that they do represent terribly tangible costs in the final analysis. My judgment would be, if I may conclude

my answer to the Senator, that the balance sheet will show in the Government's favor if we undertake to meet this problem as my colleague has suggested.

Mr. GRAMMER. I thank the Senator for his explanation of the matter about which I asked.

However, it occurs to me that there has not been fully taken into consideration an obligation which without question will come to the front in case of accident—and there will be accidents—in case of fire and that kind of thing, or, in some cases, explosion. In those cases the Government of the United States will recognize and accept that responsibility and pay for it. My question was based upon that idea, as to how much the Senator figured that portion of the cost would amount to. The $18 for medical attendance to which reference has been made, of course, would probably be sufficient to take care of the boarder, the young man, during the time he was actually receiving that assistance. Then, when the time comes that he must leave the protection of the Army, is that to be based upon the time limit that the hammer falls that day, and he must go out in the world without a job and with a condition prevailing that is not any better, or perchance even worse, than at the time when he entered the institution?

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Iowa?

Mr. GRAMMER. In just a moment.

There is another point which I should like to mention, and that is the qualifications for a young man to enter one of these training camps. He must be six months without employment—six months without employment. Perhaps a man has been without employment for several months, and he thinks, "Well, I am not going to take this job because I can go over to the military training camp if I remain idle for a little bit longer."

Senators, this legislation may be all right. I am not saying whether it is or not. There are young men who will not participate even though they qualify. Others will court participation, and they will partake of it as long as it is possible for them to do it, and they will malinger in every way to try to continue it as long as it is possible for them to do so. The question in my mind is whether or not it is possible for us to formulate laws that will cause men—some men, young men—to decide that they will start out with their own initiative, and try to make a living in this country for themselves, rather than throw themselves utterly upon the taxpaying people of the country for support.

We are talking about questions before this Congress that were not recognized a few decades ago. Questions are coming up here that are of such a socialistic nature that they would have surprised the Congress of the United States a few years ago.

I am not classifying this bill as purely socialistic; but, Senators, it is taking quite a step along that line. Our present form of government is not a socialistic government. Our present form of government is not a paternalistic government. If we are going to keep taking these steps within the socialistic field, ultimately it will be necessary for us to change entirely our form of government, and have a socialistic government with which these measures may square. They do not fit in our present form of government.

### FIVE PER CENT CUT IN DEPARTMENTAL EXPENDITURES

Mr. ROBINSON of Indiana. Mr. President, a few days ago the Senate passed the Treasury-Post Office appropriation bill, which is in conference. I intend to discuss the situation that now presents itself to the Senate and to the country as a result of the so-called Bratton amendment contained in that bill as it left the Senate.

Because of its importance, I am taking the liberty to use 15 minutes of time that ordinarily should be given to debate on the pending question. I shall not discuss that any more than to say that I am in sympathy with the purposes of the amendment and with what the distinguished Senator from Michigan [Mr. COUZENS] hopes to accomplish by the camps for boys.

Mr. President, perhaps it is a little late to discuss the so-called Bratton amendment and the general 5 per cent cut. Ordinarily I should think it would be; but the situation here is unique. It develops now that this amendment—this 5 per cent general cut—would practically annihilate the American Navy and reduce it to one of third-class power. Because of that fact, it is very important that all the facts be taken into consideration by the conferees in the conference between the two Houses to the end that the Bratton amendment may be eliminated from the bill before it is sent to the White House for signature.

Mr. President, I think much of the evil of that general 5 per cent cut has been brought to our attention through the medium of a letter written by my very able friend the senior Senator from Connecticut [Mr. BINGHAM] to the Secretary of the Navy, which elicited from the Navy Department a response which tells the story very eloquently and in a few words. With the consent of the Senator from Connecticut, I would like to have that letter incorporated in the RECORD, unless indeed the Senator from Connecticut may have some objection to such procedure, or unless he desires to have it incorporated himself.

Mr. BINGHAM. Mr. President——

The PRESIDING OFFICER (Mr. GRAMMER in the chair). Does the Senator from Indiana yield to the Senator from Connecticut?

Mr. ROBINSON of Indiana. I yield.

Mr. BINGHAM. The so-called Bratton amendment was not brought to the attention of the Economy Committee during our rather prolonged study of various measures of economy. Nor was it presented to the Committee on Appropriations when we had under consideration that part of the Treasury-Post Office bill which deals with amendments to the economy act.

As a conferee on the part of the Senate, of course, it is my duty to support whatever action the Senate took. In order to secure facts in regard to the effect of different parts of the bill, I have been endeavoring to post myself, and on February 9 I wrote to the heads of the various departments, among them to the Secretary of the Navy, this letter:

FEBRUARY 9, 1933.

The Senate has adopted the so-called Bratton-Costigan amendments to the Treasury and Post Office appropriation bill requiring the heads of departments to cut at least 5 per cent from the amount allowed them by their annual appropriation bills.

So many claims have been circulated regarding the impossibility of carrying out the Senate amendments without serious consequences, I am anxious to know what will be the effect on your department and the manner in which it will be possible to carry out the wishes of the Senate.

As a member of the conference on behalf of the Senate, I need this information in order to be able to explain to the House conferees the effect of the proposed amendments.

Sincerely yours,

HIRAM BINGHAM.

Mr. President, had the amendments been suggested to the Economy Committee before we concluded our recommendations to the Committee on Appropriations, we should have endeavored to secure from each department a statement of the probable effect on that department of the proposed 5 per cent cut. That was not done, and since I was appointed a Senate conferee, I felt that it was necessary to find out exactly what the results might be, so that there might not be any rumors in conference as to what the effect would be, and in order that the conferees might have the facts before them. Therefore I asked the departments for their views, as I have said in this letter, and in reply to the letter I have received a number of communications, all of which have been printed in a memorandum for the use of the conferees. Therefore I have no objection whatever to the Senator from Indiana referring to the letter, or using it in any way he sees fit to, since it was an effort on the part of the chairman of the Economy Committee to secure exact information for the use of himself and other conferees in presenting the case to the House.

Mr. ROBINSON of Indiana. Mr. President, that being the case, I take this opportunity to read the letter addressed to the Senator from the Secretary of the Navy, which in very

concise form gives figures which I think the country ought to have at this time, and certainly figures which should be brought forcibly to the attention of the conferees of the two Houses when they confer on the particular measure now pending before them.

The letter is dated February 10 and reads:

The Navy budget, now in the hands of the Appropriations Committee of the House, provides $308,669,562 direct appropriations. To make a 5 per cent cut with the least possible disaster, the Navy would be obliged—

1. To keep the fleet on the west coast; close certain east coast navy yards; slow down the work on ships now building and modernizing, at great loss of time and increase of cost. This would necessitate the discharge of about 4,500 civilians, and would save approximately $7,500,000.

2. Restrict reserve activities, at a cut of about $1,500,000; stop now further regular Navy enlistments, reducing Navy enlisted personnel by 9,000 men by the end of the fiscal year 1934, resulting in a cut of approximately $5,000,000. This would result in putting out of active commission additional ships, as shown by column 2 in the following table, which refers only to combatant troops:

| Total number ships in class | Number additional to be placed out of active commission | Ships already out of commission | Total to be kept out of active commission |
|---|---|---|---|
| 15 battleships | 3 | 2 | 5 |
| 4 aircraft carriers [1] | 2 | 0 | 2 |
| 15 heavy cruisers [2] | 4 | 2 | 6 |
| 10 light cruisers | 2 | 2 | 4 |
| 103 destroyers | 13 | 31 | 44 |
| 54 submarines | 6 | 12 | 18 |
| 4 light mine layers | 2 | 0 | 2 |
| 2 dirigibles [3] | 1 | 0 | 1 |
| | 33 | 49 | 82 |

[1] Includes 1 under construction.
[2] Includes 6 under construction.
[3] Includes 1 under construction.

This leaves in full commission about 66 per cent of the number of British and 56 per cent of the number of Japanese ships which are in full commission, or fully manned.

3. Reduce Marine Corps by about 1,150 men, resulting in a cut of about $1,000,000.

Our Navy is already 20,000 men short of the number necessary properly to man our ships in commission.

It is evident that this further cut of 10,150 enlisted men would cripple our national defense for years, seriously injure the morale of the service, and, taken together with the discharge of 4,500 civil employees, result in an increase of 14,650 unemployed.

Sincerely,

C. F. ADAMS.

Mr. President, that would bring about a most deplorable situation, of course. It would simply make us a third-class power. We would be 66 per cent as strong as Great Britain on the sea, and 56 per cent as strong as Japan, though we are supposed to sustain the ratio with the latter power as 5 to 3.

I am sure the Senate must never have comprehended just how far this 5 per cent general cut would take us. The situation in the world to-day is chaotic in the extreme. One never knows what a day may bring forth, and that is particularly true on the Pacific and in the Far East. We have an empire out there to safeguard, the Philippines, for instance, during the next 10 to 14 years, in any event. We have Guam, and American Samoa, and the Hawaiian Islands, to say nothing of Puerto Rico and the Virgin Islands in the Atlantic, with the Panama Canal Zone, and the canal itself; and, at a time like this, utterly to emasculate the Navy it seems to me would be unthinkable.

Then there is the additional fact that, instead of alleviating unemployment in the slightest degree, this 5 per cent general cut would increase unemployment all along the line. In the Navy Department alone it would increase unemployment to the extent of 14,650 persons. I submit that is not sane economy; it is economy gone wild. It seems to me that the conferees should give these facts, recently come to light, the most serious attention.

Mr. President, of course we do not desire war with any other nation. We have never desired war with any other land. Yet in the course of our history we have been engaged in 6 major conflicts, and I take it that in the next 150 years, unless human nature changes completely, we may be engaged in 6 additional major conflicts, whether we like it or not. So we must be prepared for emergencies, and especially in times like these; not for aggressive warfare, of course, since no nation has anything we desire. All we wish is to be let alone. But we must be able to defend ourselves and our institutions and our sovereignty if attacked from without, and this 5 per cent general cut would make it impossible for the United States of America to be able actually to defend herself in case of trouble with any other nation in the world.

Mr. President, I was impressed this morning by a statement in the Washington Herald attributed to my very distinguished friend, the senior Senator from Pennsylvania [Mr. REED], which upon inquiry he confirms, and I will read the statement. The Senator from Pennsylvania said:

While America has no hostile designs against any nation, I am afraid that is not true of the feeling of other nations toward us. So this cut may have grave consequences.

I submit that the Senator from Pennsylvania states the fact succinctly and in few words. We have nothing against any other nation, but from all the indications we can get, from the press and otherwise, other nations are not so amicably inclined toward us. Therefore we must look after our own interests.

The PRESIDING OFFICER. The Senator's time on the motion has expired. He has 15 minutes on the bill.

Mr. ROBINSON of Indiana. Mr. President, before I resume my seat I want to quote from another letter addressed to the senior Senator from Connecticut [Mr. BINGHAM]. That Senator is not here, but I assume it will be satisfactory to him for me to read excerpts from this letter. It is signed by the Secretary of War, and refers to the same 5 per cent cut about which I have been speaking. I quote from the first paragraph of the letter the following:

However, to anyone cognizant of the extent to which our preparations for national defense have been emasculated during the past two years the calamitous import of this undirected compulsory attrition is unescapable.

Again, the last paragraph of Mr. Hurley's letter is as follows:

A further arbitrary cut of 5 per cent is now proposed after everything loose in the Military Establishment has been thrown overboard. Only a few items are left to which such a cut could be applied without creating deficiencies, and these are of such vital importance to the military structure on which our system of national defense rests that successive reviewing authorities have preserved them despite the admitted necessity for cutting public expenditures to the bone. To destroy them at this time, when the larger nations are increasing their outlays for military preparedness, is to expose the Nation unjustifiably to the most serious of consequences.

That is signed by Patrick J. Hurley, Secretary of War.

Mr. President, I note a quotation this morning also from General MacArthur, which I read as follows:

We are already below the danger line in trained personnel—the most vital factor in the Army. We are short in everything—clothing, motors, horses. We'll be short of food if we aren't careful. We may be forced to go on depression rations for the Army.

I submit, Mr. President, that that suggests a grave situation which will ensue if this additional cut of 5 per cent should go into effect.

Consequently, I have taken these few minutes to try, if I may, to impress upon the Senate and the conferees, both of the Senate and of the House, the real gravity of the situation, trusting that they may agree to eliminate this general cut of 5 per cent.

There are additional reasons why it should be eliminated.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Ohio?

Mr. ROBINSON of Indiana. I yield.

Mr. FESS. I suppose the Senator's mail, like mine and probably like that of other Senators, brings many letters relating to this subject matter. Every citizen of the country, realizing how much we are running behind, is becoming almost hysterical about our inability to balance the Budget by avoiding any taxation and by merely reducing expenses. How does the Senator get the information to the average

citizen in Indiana that we can not possibly reach what he wants done by merely cutting the expenses?

Mr. ROBINSON of Indiana. All any Member of the Senate can do, so far as his constituents are concerned, with reference to any question they propound, is to give them the facts, the actual facts, and show them that under the situation at present obtaining it is impossible to balance the Budget by so-called economy measures. Other methods must be resorted to.

Mr. FESS. The average citizen is under the impression that it can be done by our dismissing or cutting the salaries of employees to the point he asks. I had several letters this morning inquiring, "Why keep loafers on the pay roll?" What does the Senator do in reply to a letter of that sort?

Mr. ROBINSON of Indiana. I would ask them to point out the loafers. I would not hesitate to ask them to do so. So far as my own knowledge goes, I could not agree that that is true. The Senator from Ohio doubtless would feel the same way about it. If he does, the only thing the Senator can say to his constituents is that it is not true and state the facts to his constituents, and trust and hope that they will understand the real situation.

Mr. FESS. Mr. President, will the Senator permit another question?

Mr. ROBINSON of Indiana. Certainly.

Mr. FESS. A Senator recently introduced a resolution to keep our appropriations within our income. Information of the introduction of that resolution was widely circulated all over the country. I am constantly being asked why the Government does not do what any other substantial business concern would do and that it is to cut our expenses in accordance with our income and not go beyond our income.

Mr. ROBINSON of Indiana. It seems to me the Senator should simply state the facts to his constituents, namely, that to keep up an adequate national defense in this country costs approximately $1,000,000,000, without waste; that to take care of the bonded indebtedness and interest and sinking fund requires more than $1,000,000,000 annually; and that it takes approximately $1,000,000,000 to take care of the disabled veterans of the various wars and their dependents, and that leaves only about $750,000,000 or $800,000,000 with which to pay the overhead, operating expenses of the Government. Consequently the Government is being economically managed at the present time, and it is impossible to take 25 per cent off of that figure, as everybody knew and as Mr. Roosevelt must have known at the time the suggestion was made, without putting the Government out of business entirely. It seems to me if the Senator would say that to his constituents he would but state the facts and that would end it.

Mr. FESS. If the Senator will permit me further, I dictated a letter this morning stating that the interest on the public debt and sinking fund amounts to about $1,250,000,000; that the services to the veterans amount to very nearly $1,000,000,000. I put the figure at $928,000,000. I said that the War Department and Navy Department appropriations would be less than $700,000,000, although we are cutting $106,000,000 out of the War Department appropriation bill, leaving about $648,000,000 to care for all proper expenses of administration, and that we would have to take the cuts about which we are talking out of the $648,000,000, unless we change our whole policy in regard to contracts.

Mr. ROBINSON of Indiana. A cut of 25 per cent would take out the entire $648,000,000.

Mr. FESS. I wondered how the Senator deals with these complaints. They are sincere and honest, but the whole country is suffering under a misapprehension.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Pennsylvania?

Mr. ROBINSON of Indiana. Certainly.

Mr. REED. It seems to me the country has not been sufficiently told of the economies which have been made. We have reduced the Department of Agriculture appropriations $200,000,000 this year under last year. Last year we appropriated for that department $300,000,000, and this year we are appropriating only $100,000,000. The country does not know that. Last year there was a reduction as against the preceding year.

In the War Department appropriation bill pending to-day we are appropriating $106,000,000 less than last year. The country does not know that. They think that the Army costs about $500,000,000 and the Navy costs about $500,000,000, but that is not so. The military activities of the War Department actually total approximately $276,000,000, a very great reduction under what it used to be. The country does not know it. All we can do is to tell the people the facts.

Mr. ROBINSON of Indiana. I agree with the Senator and am very grateful to him for his contribution to the discussion.

Mr. President, I assume that my time has about expired, but I wish to mention one other feature of the 5 per cent general cut, and that is that it would take away from the Veterans' Administration $47,000,000. So far as our hospital and hospitalization program for the disabled veterans is concerned, that would be a tragedy. It is impossible to bring about a cut of that extent without doing a grave injustice to the disabled veterans.

Finally, and because the facts are stated so well and so succinctly, I ask in connection with my remarks that an editorial appearing in the Washington Post of yesterday may be incorporated in the RECORD. It is entitled "Navy in Jeopardy."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington Post, Sunday, February 12, 1933]

NAVY IN JEOPARDY

Congress threatens to reduce the United States Navy to a position of hopeless inferiority to the naval forces of Great Britain and Japan and to add nearly 15,000 men to the ranks of the unemployed. It is well that Senator BINGHAM inquired of Secretary Adams what the proposed 5 per cent cut in all appropriation bills would mean to the Navy. Otherwise the Navy bill might have slipped through without the public becoming aware of the drastic change in policy which the Senate contemplates.

The proposed cuts would force the Navy to suspend enlistments and reduce the enlisted personnel by 9,000 men. It would be necessary also to reduce the Marine Corps by 1,150 men, and 4,500 civilians would have to be discharged. Such a program could not be justified on any ground in view of the fact that the Navy is already 20,000 men short of the number necessary to man the ships in commission. How can Congress think of such action when the Government is endeavoring to induce private establishments to retain their employees and avoid aggravation of unemployment?

What is still more important is the effect of this proposed reduction on the naval building program. It would be necessary, says Secretary Adams, to "slow down the work on ships now building and modernizing, at great loss of time and increase of cost." A number of navy yards on the Atlantic coast would have to be closed. Thirty-three more ships would have to be put out of commission, bringing the total of inactive naval vessels to 82. Instead of maintaining parity with Great Britain and a ratio of 5 to 3 with Japan, the United States would then have barely one-half as many ships in service as Japan and about two-thirds as many as Great Britain.

Economy can be realized without crippling the Navy, as the Bratton amendment would do. The Senate was evidently ignorant of what the measure would mean to the Navy when it voted for this mutilation. Congress should exempt the Navy from the provisions of the Bratton amendment.

Mr. ROBINSON of Indiana. Mr. President, I trust that the conferees of the two bodies will give careful consideration to the very grave problems which have arisen.

WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. LA FOLLETTE. Mr. President, I wish to make a brief statement prior to the vote on the motion of the senior Senator from Michigan [Mr. COUZENS] to suspend the rule. I shall vote in favor of the Senator's motion, but I do not wish that vote to be taken as an indication of my approval of the method which he seeks to employ to meet the problem of the transient youths. In order that I may indicate that many of the people who appeared before the subcom-

mittee of the Committee on Manufactures in connection with the hearings upon the bill introduced by the junior Senator from New Mexico [Mr. CUTTING], I wish to read briefly from testimony bearing upon the particular method which the Senator from Michigan seeks to employ as a means of solving in part the problem of the transient youth.

Miss Grace Abbott said:

Now, of course, if we say that it is a national responsibility the question arises as to whether the National Government itself should undertake direct care or whether it should do what it does in cooperation with the State or local community. It seems to me that it will be better done if it is done by the Federal Government in cooperation with the States.

There are several reasons for this. Of course, the first objective is that we should not encourage them to wander; we should not pull them out of their homes. Federal camps, agricultural camps, forestry or any other kind of work camps, if maintained by the Federal Government would, of course, get a great deal of publicity and attract many who would otherwise stay at home. Whereas, if the money is given to local communities through a responsible State agency, we would get more done with less publicity that might draw the boys away from their homes.

So it seems to me what the Federal Government can do is to supply the money and assist the States by making available to the State agencies information as to what is being done successfully in other States. It can cooperate in that way or occasionally lend personnel in developing plans, etc.

The testimony will be found on page 34 of the hearings. I also wish to invite attention to a statement made by Miss Judge, of Baltimore, connected with the Travelers Aid Society. She said:

Municipal aid, and even State aid, might well be given to those agencies to do this general type of care which from long experience they have been able to work out for this group, which means studying where they come from, if they can go back, and the State establishing them through agencies in those cities. If every possible extension of private agency and care will not give individualized care to all these groups, some camps of some sort or another may be necessary, but it seems to me that the extension of the social agencies which have been long experienced in this care is by far the most necessary thing to push to its utmost limits before we go over into the adoption of camps.

I also wish to quote briefly from the testimony of Mr. J. Prentice Murphy, of Philadelphia, who has long been connected with the activities of social agencies and the care of the underprivileged of that city. He said:

It has been suggested by some that the way to handle this problem is to put it on a country-wide basis under Army control as indicated, the probabilities being that the Army would use a number of large camp sites, the location being determined in part by weather conditions and centers of population. I have listened with amazement to some of the details of such a plan. If, for example, we were to set up camps of twenty or ten or even five thousand males between, as has been suggested, the ages of 17 and 25, we would instantly have created all of the problems surrounding military camps during the late war and we would instantly find ourselves lacking any of the technical training and education which would be required to conduct these camps on a civilian basis. If one will consider the different types of humanity which will be certain to present themselves for care, one can see that large scale or mass control, if continued beyond a very few days, would have disastrous effects on many of those in care.

There is a body of experience developed in the professional field of social work by those who have cared for children, both in and out of institutions, children of average conduct difficulties, and those presenting unusual conduct difficulties, which does have a bearing on this situation.

On the basis of any camp program, which thinks of the transients as simply in need of 6 or 9 or 12 months of care, and then dismissal, and assuming that these camps should, at the very outside, not exceed a capital of 500, I would have to tell you that there is not enough technical social-work ability and training in the whole United States which could be tapped for this job. These camps call for skilled personnel. The larger the camps, the greater the certainty of difficulties in the matter of training and discipline, the greater the certainty that large numbers of boys will be in danger of staying too long.

Further on he said:

The handling of the problems of social relations between camp inhabitants and the resident communities in which the camps are located will be profound and not easy of solution.

I wish to quote from a statement of E. L. Worthington, chairman of the farms committee of the Cleveland Employment Commission and president of the Cleveland Boys' Bureau. I may say in explanation that in Cleveland, under Mr. Worthington's direction, a conscientious effort has been made to meet in part at least, in so far as the funds were sufficient, the problem of the transient youth. Referring to experiments near Cleveland, Mr. Worthington said, among other things:

We believe that small farms or work units of this kind scattered around the country would be far more effective than centralized camps with their attending problems of demobilization and discipline, to say nothing of transportation of men to and from these camps.

I might say just the other day I had a talk with Mr. Newton D. Baker and he now seems to favor the small unit as opposed to the large concentration camp, fearing, just as we do, the problems of demobilization and discipline.

I wish to refer to the statement made during the course of the testimony by Gen. Pelham D. Glassford. It might be well to state that General Glassford, prior to his appearance before the committee, had traveled through many sections of the country, but particularly through the southeastern section of the United States, making a study of the type of men and boys who are "on the road" and endeavoring to gather information upon which to predicate the suggestion of a solution of this most distressing problem. I now quote from his testimony:

Senator CUTTING. Would you care to express any opinion about the size that those camps ought to be?

General GLASSFORD. Not over 750. I think a good average size would be around five or six hundred.

Senator CUTTING. That, I suppose, would vary largely with the conditions in the States.

General GLASSFORD. It would.

His testimony is found on page 131. In further explanation, it might be appropriate to suggest that the camps which General Glassford had in mind were camps composed solely of transient youth.

I refer to the testimony to be found on page 169 of Mr. Eric H. Marks, chairman of the Welfare Council of New York City, New York. Mr. Marks has had a great deal to do with the administration of the experimental camps in the Bear Mountain Park, to which men taken from the city lodging houses were sent so that they might work in the woods in that park. He testifies as follows:

Senator CUTTING. Under such a system, I suppose in New York you could provide camps of this same kind for transients?

Mr. MARKS. Yes; we could. We are hoping to be able to do so with the limited funds available. Mr. Hopkins tells us he thinks he can help us to take care of 1,000 men. When you figure there are over 15,000 homeless men in New York City alone every night, and we are taking 1,000 out of that list, you can see we are just beginning to make a dent in the whole problem.

We see no reason whatsoever why camps of this type can not be established far and wide.

Referring, of course, to the camp which I mentioned before quoting from his testimony. He continues:

We do not believe in large concentration camps. We do not think you can do the same type of work with the men in large camps. We feel that frequently the expense of getting men up to those camps is out of line with the amount of good you can do with the money in other ways. But, if you have a large number of camps in various communities where a public improvement can be accomplished, it costs very little more than feeding and housing the men. The men are paying back a good part of the wages for their maintenance and are delighted to do it. These men are paid for 12 hours a week work in the park. They are working on an average of seven to eight hours a day, and no question has arisen as to where the money is coming from, how much work they are doing, whether they should get more money or not. They are going out cheerfully and happily and are delighted.

I have cited excerpts from the testimony of those who are well informed concerning the problem of the care of transient youths and men, women, and girls because I wanted to indicate that there is not full approval among those individuals of the particular method which the Senator from Michigan seeks to employ as a solution of a part of the problem of destitution relief. But, Mr. President, I can not vote against the motion to suspend the rule proposed by the Senator from Michigan, for, after 69 or more days that this Congress has been in session, this is the first time that any legislation has come before this body which bears directly upon the suffering of millions of persons in the United States. I have endeavored since I have been a Member of the Senate not to make rash or exaggerated statements; but I say, after listening to the testimony of men and women who are in the front-line trenches of this

losing battle against human misery in the United States, that I am unable to find words in the English language adequately to picture the mass suffering on the part of innocent men, women, and children in the United States to-day. The cold wave which has just swept over the United States has added to the untold misery of millions in this country. Therefore, Mr. President, I shall vote for the motion submitted by the Senator from Michigan, because I want his proposal to be considered upon its merits. I wish to pay tribute to the Senator from Michigan for the sympathy which he has indicated in the solution of this problem. It is consistent with his actions not only as a public servant but as a private citizen in his own community and in his own State.

The bill introduced by the Senator from Colorado [Mr. COSTIGAN] and myself, seeking to deal with the entire problem of unemployment relief, is pending upon the calendar. I have waited patiently, day after day, in the hope that an opportunity would be presented whereby that measure could come up and be considered on its merits. I was encouraged on Saturday to hear the senior Senator from Arkansas [Mr. ROBINSON], the minority leader, state that the unemployment relief bill must be taken up by the Senate within a day or two.

I realize, Mr. President, that in a legislative body there must be some cooperation in evolving a program, and, therefore, I have endeavored to coperate with the leaders on both sides of the Chamber in facilitating the consideration of business pressing before the country and the Congress. However, I wish to state, upon my responsibility as a Senator, that I believe the failure of the present Congress to deal with problems directly affecting the welfare of the people of the United States is destroying the faith of those people in their Government.

The VICE PRESIDENT. The time of the Senator on the pending question has expired.

Mr. LA FOLLETTE. Then I will take additional time on the bill. If the present session of Congress shall adjourn, Mr. President, without the enactment of legislation for the relief of the millions of men, women, and children who are hungry, destitute, cold, and desperate, it will destroy the faith of millions of innocent victims of the depression in their Government.

The Senate of the United States should begin to meet regularly in night session in order that unemployment-relief legislation, legislation affecting the relief of agriculture, and legislation providing for relief in the way of establishing new procedures in bankruptcy cases in the courts may be given a hearing at this session.

We have spent all of the days of this session upon legislation which has no direct bearing upon the acute distress of millions of the people. We spent the first part of the session on the Glass bill. With many provisions of that measure I am in sympathy, but that bill, if enacted, will not put bread into the mouths of hungry children; it will not provide fuel to protect against cold.

In the city of Pittsburgh, for example—and Pittsburgh is not exceptional—fuel has been provided during the winter only once, and that was in the cold spell of last December. People are living in crowded quarters, without provision for fuel, and in many instances without provision for light or running water. We have spent the remainder of the time considering appropriation bills which do not take effect until the 1st of July next. It is high time that the attention of Congress should be turned to legislation designed to stop the spread of hunger, starvation, want, destitution, cold, and the breakdown of health in the United States.

I hope, Mr. President, that the leaders on both sides of the Chamber will agree shortly that the Senate must meet, as a regular procedure, in night session. I hope also that no further appropriation bills will be taken up for consideration by this body until some of the general legislation affecting the welfare of millions of men, women, and children in the United States shall be given a hearing. As I stated a moment ago, I realize that cooperation is necessary in formulating a legislative program. I shall go just as far as I can in the effort to cooperate; but the time will come, Mr. President, when we will have to raise the question as to whether or not the Congress is to adjourn without passing legislation affecting the welfare of the millions of helpless men, women, and children, and when that hour arrives I shall take whatever responsibility may be necessary in order to force the issue in this Chamber.

The VICE PRESIDENT. The question is on the motion of the Senator from Michigan to suspend the rule.

Mr. COUZENS. I suggest the absence of a quorum.

Mr. COPELAND. Mr. President, will the Senator withhold that motion?

Mr. COUZENS. For what purpose?

Mr. COPELAND. I wish to say a word about the matter.

Mr. COUZENS. Let us have a quorum first.

Mr. COPELAND. Oh, no.

Mr. COUZENS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Shipstead |
| Austin | Dale | Keyes | Shortridge |
| Bailey | Davis | King | Smith |
| Bankhead | Dickinson | La Follette | Smoot |
| Barbour | Dill | Lewis | Steiwer |
| Barkley | Fess | Logan | Stephens |
| Bingham | Fletcher | McKellar | Swanson |
| Blaine | Frazier | McNary | Thomas, Idaho |
| Borah | George | Moses | Thomas, Okla. |
| Bratton | Glass | Neely | Townsend |
| Brookhart | Glenn | Norris | Trammell |
| Bulkley | Goldsborough | Nye | Tydings |
| Bulow | Gore | Oddie | Vandenberg |
| Byrnes | Grammer | Patterson | Wagner |
| Capper | Hale | Pittman | Walcott |
| Caraway | Harrison | Reed | Walsh, Mass. |
| Clark | Hastings | Reynolds | Walsh, Mont. |
| Connally | Hatfield | Robinson, Ark. | Watson |
| Coolidge | Hayden | Robinson, Ind. | White |
| Copeland | Hull | Russell | |
| Costigan | Johnson | Schuyler | |
| Couzens | Kean | Sheppard | |

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

Mr. REED. Mr. President, it is always an uncomfortable part to play to oppose an amendment that is offered for the purpose of relieving distress. I feel it my duty, however, to oppose this amendment for reasons that I ought to be able to explain very briefly.

To begin with, every one of us must appreciate the sincerity and depth of feeling that inspires the Senator from Michigan [Mr. COUZENS] in proposing this amendment. By his own amazing private philanthrophies he has proven his interest in the young people of the country, and his desire to help them.

I share his feelings with regard to this group of young men who are rapidly becoming tramps. Whether or not the numbers are exaggerated, I have no means of knowing. It certainly must be that the same young men appear in the charity rolls in several communities, because they are migratory; they are demanding help first here, and then there; and it would give the impression that there is a larger number than actually exists. At the same time, there doubtless is a considerable number; and I am not inclined to be a stickler on the method that is adopted to help them.

I understand that the Senator from New York [Mr. WAGNER] has a bill pending for an appropriation to the States in aid of relief for this class of young men; and, while I do not know the details of that bill and have not had a chance to study it, my impression is that I will support it. I understand that the Senator from New Mexico [Mr. CUTTING] has introduced a somewhat similar bill, and I should not be a stickler when the question comes to voting on those bills.

Coming now, however, to the amendment that is before us, I desire to call the attention of the Senate to just what it provides:

That any unmarried male person may apply without enlistment to any military post of the United States; and, if he is between 17 and 24 years of age, and if he gives satisfactory evidence that he is unemployed and has been for six months, then he must be admitted.

Mark you, Mr. President, there is no limit as to number. There is no limit as to citizenship. These may be aliens who apply, and doubtless in our coast cities many of them will be aliens. There is no limit to the number to be taken in at each particular post, and we can readily imagine the flood of applicants that will show up at Governors Island, for example. There is no limit as to health; and under this amendment as it stands a young man with a contagious disease might apply and he would be bound to be accepted, and, of course, would immediately go into the military hospital, or else run the risk of spreading infection in the camp.

When they are admitted, there is nothing said as to their occupation or their discipline except the general statement that they shall "be subject to the customary discipline maintained at such post." That is very nice; but it is impossible to enforce it without more than that. Would they be subject to court-martial? Apparently they would not, because they would not be enlisted.

As for their occupation, all that is said in the amendment is that they "shall participate in all forms of beneficial and healthful exercise and vocational training as far as practicable with existing facilities."

Very well. Who is going to peel the potatoes? Who is going to scrub the floors? Who is going to cook the meals? Who is going to do all the police work of keeping their camps in order? It is not "beneficial and healthful exercise" to wash dishes, and it is not "vocational training" to scrub floors; and no method is provided for that.

It will be said that I am inventing difficulties. I am in full sympathy with almost everything that was said by the Senator from Michigan [Mr. COUZENS] and by his colleague [Mr. VANDENBERG]; but we are not called upon to vote on their speeches. We are called upon to vote on the amendment as it lies before us.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Michigan?

Mr. REED. I do.

Mr. COUZENS. Is it not a fact that if the rules are suspended, this proposal may be amended in any form?

Mr. REED. Surely.

Mr. COUZENS. I think the Senator is rather unfair to talk about the amendment as it is, when it may be amended, especially in view of the fact that his committee made no effort to amend the measure so as to make it more adaptable to the requirements.

Mr. REED. I shall explain in a moment just how the Senator's ends can be more properly attained, I think; but we have no text to speak to except the amendment as he has presented it, and I am offering my reasons for objecting to it.

I can not imagine anything more demoralizing in the Southern States than to tell the young boys, white and black, who live in those States that all they have to do is to stay idle for six months, and then the Government will take care of them and house them and feed them and clothe them, without any effort on their part except "beneficial and healthful exercise."

I was down in South Carolina for a few days at Christmas week, and I made some inquiries about the rate of wages that was prevailing there among the colored folk in the country districts. I heard of some who were working for as little as a dollar a week in cash, plus a bare cabin to live in and an occasional bushel of corn, worth down there about 25 cents. Imagine how it would appeal to youngsters of that group to be told that they are going to be taken into an Army camp, not have to work, and be maintained by the Government at a cost of $250 a year. I use that figure because I have an estimate from the Army this morning which says that if the number be limited to 88,000, as the Senator from Michigan indicated he would do, so that no new encampments would have to be constructed, the total cost of maintaining them would be about $250 per year, or about $22,000,000 for the 88,000 young men who would be taken in.

Imagine the problem, then, that would confront the commandant of each of these military posts. He would have more of these young boarders on his hands than he would have of enlisted men, because at the present time in continental United States there are only 83,000 enlisted men, and there would be 88,000 of these guests at the Army posts.

What would be the effect upon the military personnel of the Army of having this great group of practically idle young men visiting there at the post, not charged with any of the duties that go to make the life of the average enlisted man a fairly hard one? What would be the effect upon the young men themselves of that prolonged idleness at Government expense?

As was pointed out by the Senator from Washington [Mr. GRAMMER] a little while ago, many a youngster who had been idle three or four months, and who was offered a job, would refuse it in order to qualify with the six months of unemployment that is necessary to take advantage of this proposal.

Then the Senator from Washington also made an interesting suggestion with regard to pensions. When we remember that half of the American Army in the World War never got abroad, and that their average service in the Army was much less than a year, and when we remember the throng of them who now crowd our pension rolls and who are drawing compensation from the Government for diseases supposed to be connected with that short peaceful tenure of life in the Army, we can easily imagine that we will lay ourselves open to a host of similar applications from this group.

Mr. President, I have told what I do not like about the Senator's amendment. I am now going to offer some suggestions as to plans which would attain the same end in a better way, which I would be glad to vote for.

First. I would be glad to vote to provide that these young men might be taken in by regular enlistment in the Army so that they would be on a parity exactly with the enlisted men with whom they would associate at the Army posts. I would be glad to vote for an amendment seeking to bring that about, and the way to accomplish it would be to raise the amounts appropriated in this bill for pay of the Army, subsistence, and what not.

Mr. FESS. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. FESS. Would the Senator require the same qualifiations which are necessary now to enable one to enter the Army?

Mr. REED. Of course, we would. The process of enlistment to-day implies selection and strict examination, and those only are taken who appear to be of good moral character, and who appear to be physically fit and mentally fit. The pending amendment has in it no restrictions whatever like that. A man might take advantage of this amendment if he were feeble-minded, he might go in if he were far gone in tuberculosis. Of course, any such process of enlistment would have to be subject to the restrictions which now apply.

Mr. FESS. The Senator will understand that my inquiry is based on the suggestion of the duty of the Government to take care of the men from a humanitarian standpoint. That is why I was asking whether the Senator would include everybody, or just those fit.

Mr. REED. The Senator from Michigan proposes in his speech, though he does not say it in the amendment, to take care of 88,000 young men. Obviously, if we take care of 88,000 healthy young men, we will be doing just as much to relieve distress as if we took the least effective of this group to the same number. Eighty-eight thousand individuals would be taken care of either way. What I propose is that the Army shall be given 88,000 healthy ones, and not just 88,000 assorted individuals. That is the first thing I would be willing to agree to.

I realize perfectly well that neither the country nor the Congress would sanction an increase in the enlisted strength of the Regular Army of 88,000 men. At the present time our total enlisted strength, at home and abroad, is 118,750.

Obviously, 88,000 would be about an 80 per cent addition, and I doubt whether the country would stand for it. But if we want to take care of the young men in the right way, that is one way of doing it.

Mr. FESS. Mr. President, will the Senator yield again?

Mr. REED. I yield.

Mr. FESS. I have not made any study of the character of persons who are "floating," looking for work. What proportion does the Senator think would be cared for if it depended upon enlistment under the present Army regulations and with the discipline that would be required?

Mr. REED. Of course, a good many of them are tramps. A great many of them are not tramps; they are just youngsters who, with no occupation, are unhappy at home and may go out to see the world. I have no means of knowing the numbers. I have letters from social workers who tell me that they are not all admirable characters by any means, but I do not suppose they are getting any better leading this kind of a life. That is one of the reasons why the Senator from Michigan wants to take care of them, and very properly.

Mr. CUTTING. Mr. President, I may say to the Senator that the evidence submitted to the subcommittee of the Committee on Manufactures was that, on the whole, about 10 per cent belong to the so-called hobo or tramp type, and that about 90 per cent were genuine seekers for employment when they started out on their wanderings.

The PRESIDENT pro tempore. The time of the Senator from Pennsylvania upon the motion has expired. He now has 15 minutes on the bill.

Mr. REED. Mr. President, we must remember that this restriction of the amendment to these migratory young men is only in the speeches which have been made on it, and not in the amendment itself. There is nothing in the amendment which would prevent any youngster who is now living happily at home, if he has reached the age of 17, from picking up and going over to Fort Myer and saying, "I am here to stay." While the speeches refer to the migratory group, the amendment refers to every unmarried man in the United States between 17 and 24, provided he has been out of work six months. Both migratory and stationary citizens are included, and aliens as well.

The second way in which these young could be taken care of, if it is the will of the Congress that they should be, is by an extension of the citizens' military training camp principle, and while the Senator from Michigan said on Saturday that military training for these young men was not contemplated by him, his colleague said to-day that the improvement in citizenship which came from the citizens' military training camps was so great that he favored the application of that system to this group of young men.

Mr. President, I would cheerfully vote for that. That, too, involves the process of selection. A young man with a criminal record, a young man with a contagious disease, a young man who is feeble-minded, is not taken into the citizens' military training camp. He is not acceptable there. We do not want those healthy in body and mind to be thrown with those who are diseased in body and mind. Consequently, we take only the good ones to the citizens' military training camp, and reject the others.

If the Senator from Michigan would propose that, it would be very easy to accomplish what he desires. Let him simply add to the item in the pending appropriation bill for the citizens' military training camp. Under the national defense act there is ample authority to take in the young men to whom he refers, to house them, to feed them, to clothe them, and to give them military training.

Mr. COUZENS. For how long?

Mr. REED. The time is not limited. The national defense act prescribes no limitation of time whatsoever. That process, which would take care of the young men just as well as any other, would do it subject to such restrictions that they would not run the risk of being more harmed than helped. I would be glad to vote for an amendment looking to that end, and that is the way to do it, just add $22,000,000 to the bill, or $250 per man, to this appropriation, and, as far as the money goes, that group will be taken care of.

The citizens' military training camps are operated now for four weeks apiece, but there is nothing in the national defense act which prescribes that limit of four weeks. The Secretary of War would have power, under the present law, to operate the camps for 12 months, or 6 months, or whatever our wish or his decision should be, considering the best interests of these young men.

Mr. President, what I have suggested can be done. The system is in existence, the buildings are provided, and the War Department knows how to handle it.

Mr. HATFIELD. Mr. President, how many in number would the citizens' military training camps take care of?

Mr. REED. They have taken as high as 40,000 during the summer period. They have barracks and tentage sufficient to take care of 88,000, according to the War Department, and if the Congress wants to do it, and wants to do it in the best-established method, which is entirely satisfactory to these young men who do attend in the summer time—and I may say they are all enthusiastic about it—what I have suggested is the shipshape, workmanlike way to do it.

Mr. President, all the restrictions would apply which I have urged should apply. In the first place, only American citizens would be taken, and not aliens, as would be the case under the amendment. In the next place, only young men of good reputation would be taken, and that is the kind we want to save. In the next place, only those who are sound of mind would be taken, and the other kind belong in asylums and not in camps. Next, only those who are healthy of body would be taken. We do not want to spread contagion among these young people under the guise of helping them.

Mr. President, if the Senator would move to suspend the rules in order to increase the appropriation for the citizens' military training camps I doubt whether there would be a vote cast against it; but as to his amendment as it stands, I should feel it my duty to vote against it.

Mr. SHIPSTEAD. Mr. President, what would the Senator do with the other boys—those who would not qualify?

Mr. REED. Just what the Senator from Michigan would do with them; they would have to get such relief as they could at their own homes. Under any plan we could take care of only 88,000.

Mr. SHIPSTEAD. I thought the proposal of the Senator from Michigan assumed that the boys could not be taken care of at home.

Mr. REED. Of course, I do not mean at their own homes; I mean in their home communities. Those of unsound mind would have to be taken to the asylums, for example.

Mr. COPELAND obtained the floor.

Mr. JOHNSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from California?

Mr. JOHNSON. I did not know the Senator had the floor. I desire to address the Senate.

Mr. COPELAND. Mr. President, I shall not detain the Senate long, and I hope the Senator from California will go on with his remarks very soon.

I am very much interested in the plan proposed by the Senator from Michigan. I know the difficulties, and I realize the reluctance of the War Department and the reasons for that reluctance. I appreciate that it is embarrassing to military discipline to have in the same encampment soldiers and civilians.

I was a member of the subcommittee of the Committee on the District of Columbia which tried to devise some means of dealing with the bonus army when it came here and, as a member of that subcommittee, went to call upon the Secretary of War. We suggested to him that it might be possible to take care of the bonus marchers in some of the near-by military establishments. The Secretary of War pointed out, very properly, the difficulty he would have if there were a mixture of civilians with soldiers. He spoke of Fort Hunt, I think it was, which he said had been abandoned as a place of military occupation in the sense of having large

numbers of troops there, but which, he stated, was in the hands of caretakers. I do not quote what the Secretary said; but the impression I got was that in a place like that, with some hard-boiled Army sergeants to maintain discipline, civilians, probably those who had had military training—and that was the group we were discussing at the time—might be taken care of, or might take care of themselves.

Mr. FESS. Mr. President, in order that the Senator may be accurate, Fort Hunt has been discontinued as a military post, and has been turned over to Colonel Grant, the head of the National Capital Park and Planning Commission.

Mr. COPELAND. I am glad to be corrected.

Mr. REED. Fort Hunt has been abandoned by the War Department as an obsolete post.

Mr. COPELAND. That is the type of institution which I have in my mind at this moment. There are in my State several more or less abandoned Army posts, among others old Fort Ontario at Oswego, N. Y., Fort Niagara which has been recently restored, near Niagara Falls. I am not advised how many there are of such posts around the country, but I have no doubt there are a good many of them.

I think I share the feeling of the Senator from Pennsylvania regarding the difficulties involved in taking these young men into any establishment to which they might apply, but, Mr. President, we are dealing with a very critical situation in this country. I sometimes think we are so sheltered and sequestered here in the Senate that we fail to realize the physical sufferings of millions of our citizens. I was in New York on Saturday and yesterday. I saw thousands of men shoveling snow. Many of those men, I was told, had not had any work of any sort for a long, long time. Really, Mr. President, I felt ashamed of myself as I rode in a comfortable taxicab, wearing a warm overcoat and a pair of gloves, when I saw many of those men without overcoats and without gloves or mittens in the nipping air of New York yesterday morning; I was truly ashamed.

There is something about age, and perhaps that is one of the compensations of age, that hardens us physically and mentally to the deprivations of life. We come to expect these things. But youth has no such philosophy. Whence come the revolutions and the uprisings of history? Did they come from old men? Youth!

It is not a good thing for our country to have so many youths roaming the country. If I remember the record, I think the Senator from Michigan said there are 300,000 itinerant boys floating around the country to-day, 300,000 just at the turning point of life. These are the years when the nature of the men and their attitude toward life will be determined. They are at the age when they may become tramps and possibly criminals, but on the other hand, with proper encouragement, they might develop into citizens of the highest character and in the future might render great service to the country.

In Europe two or three years ago I saw marching clubs, great groups of young people were marching about the country. I believe in marching clubs so long as they march on peaceful errands. But I do not want to see grow up in our country revolutionary thoughts in the minds of our youth. That is why I have such sympathy for what the Senator from Michigan proposes, and why I hope there may be found a way to overcome the practical objections to the plan.

The Senator from Pennsylvania [Mr. REED] called attention to the defects of the proposal of the Senator from Michigan. I agree with him that there are serious defects, but the Senator from Michigan has suggested that if we give him the right to present the matter it can be perfected.

The Senator from Pennsylvania points out that no provision is made regarding the health of the men who are to go into these camps, the implication of his remarks being that they need to be men of prime physical make-up. Of course we differ always about things here. So far as I am concerned, the man who is lacking in food and emaciated and debilitated by reason of the poverty which he has suffered during the past two or three years, is the very kind of a man I want to help, and presents the very reason why I want him to be given the benefits of this plan. I would not have him go into camp with a specific disease or illness which might be passed on to the detriment of others, but so far as concerns the disabilities which are associated with lack of nourishment and lack of proper clothing and lack of shelter, we should take pride in doing what we can to restore the men to health.

Mr. FLETCHER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Florida?

Mr. COPELAND. I am glad to yield.

Mr. FLETCHER. It seems to me one of the very serious objections to the procedure is that there is no plan made whereby the boys may do any work. They ought to be busy at some occupation and trained in some vocation. They ought to be at work a little and not simply enjoying a vacation at the expense of the Government without doing anything at all, or without doing those things which would be really beneficial to them. That is what I am afraid of, as well as the objection about a rotten apple in a barrel of sound apples. We are liable to mix up some rotten apples with the good apples and do more harm than good and spoil the whole plan.

I was reading last night a very interesting book by Frederick Van Wyck, entitled "Recollections of an Old New Yorker." At page 267 of the book he said:

> From 1873 to 1879 the depression was in full force, although not called a depression. The bread line was long and men stood all night in the bitter cold in hopes of getting a morsel to eat, with no stockings on their feet, holes in their shoes, no underwear, no overcoats, many with only a shirt and a pair of trousers to cover them.

That was in the great city of New York in 1873 to 1879. That city seems to have survived and come through pretty well, everything considered.

> To-day you do not see one man without an overcoat—

That may not be entirely true, although he is speaking from personal knowledge.

> To-day you do not see one man without an overcoat, hat, underwear, and nearly everyone with a package of cigarettes in his pocket.

At another place he said:

> Young boys and girls by the thousands roamed the streets and slept in doorways or alleys huddled together to keep warm.

Continuing, he said:

> The financiers and bankers lost their heads, as they always do in case of panic.

They called it a panic in those days, and not a depression. It might be of interest to the Senator if he would read the book. These conditions obtained in those days, and yet they managed in some way without Federal aid, and I do not think they even had State aid to conquer the situation.

Mr. COPELAND. Mr. President, I thank the Senator from Florida. I agree with some of the suggestions he has made, but perhaps I disagree with others. Certainly when we compare the conditions of 1933 with the conditions of 1873 to 1879 mentioned by the author quoted, we are not dealing with two problems which are identical in any real sense. There was poverty in those days, and there is poverty in these days; but in my State of New York there are to-day 1,000,000 families being taken care of by charity—almost one-half the families in that State.

Never before in our history was there another situation such as this. I admit that it resembles the other one in one particular—that the bankers lost their heads then and they have lost their heads now. If we could get the bankers to resume activities and have the banks function as banks instead of pawnshops, we might hope for some recovery; but the bankers have hysteria. As the result of it their banks are not functioning. We have all sorts of schemes to inflate the currency, to lessen the amount of gold in the dollar, and all sorts of schemes to get more money.

But, Mr. President, we do not need more money in the banks. We need more money in circulation. Those schemes will not help to cure poverty.

The PRESIDENT pro tempore. The time of the Senator from New York on the amendment has expired.

Mr. COPELAND. Mr. President, I will continue on the bill.

The PRESIDENT pro tempore. The Senator from New York is recognized for 15 minutes on the bill.

Mr. COPELAND. The problem is to get the money into circulation. If I knew a doctor who had failed as miserably in the practice of medicine as the bankers have failed in the practice of banking, I would appear against him myself in court and hope to have him sent to jail for 10 years for malpractice. I agree with the Senator from Florida about the bankers.

But, Mr. President, we are talking about opening camps to these young men. I agree with the Senator from Florida that we must not make them idlers in the camps. If they go into these camps they must go there to maintain and observe the same routine that the soldiers observe. I would have them do practically everything in the camps that the soldiers do. I think I would be willing to have them drill even with wooden guns. I do not care about that part of it. But I would have them peel the potatoes and do the serving and that sort of thing. At the same time I would give them setting-up exercises and guard their health and try to restore them to vigorous manhood. There is nothing that causes a man to think straight except to have a straight and healthy body. Unless good red blood courses through the veins of these men they can not think straight.

I hope that we will give the Senator from Michigan an opportunity to have his measure perfected in order that it may be presented to the Senate in a form which will be acceptable.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. I agree with the Senator. I think the Senator from Michigan ought to be given an opportunity to present the amendment on its merits; but in connection with the amendment, it seems to me the key to a successful dealing with the question presented is to find something for these boys to do while they are in control of the Government, some activity in which they would take some interest. When that difficulty shall be worked out to a reasonable degree, I shall be heartily in favor of the pending proposal.

Mr. COPELAND. I thank the Senator for what he has said. This is my thought about it; and I would like to say this to the Senator from Pennsylvania [Mr. REED], because he knows better than most of us here about the practical difficulties. I have thought that if we would give permission to the Senator from Michigan to present the subject so that it could be dealt with in connection with the bill we might then perfect his amendment as best we may on the floor; and then in conference, with the officials of the War Department present, there might be worked out a practicable plan. The Army men are wise; they have learned how to keep men in camps happy and contented and engaged in physical activities which make for health and vigor; and I believe it would be possible to work out a plan here which would do what the Senator from Florida and also the Senator from Idaho have in mind, namely, put these men in Army camps not as loafers but to accomplish something in the way of education and development which would make them better citizens by reason of their experience in the camps.

Mr. REED. Mr. President, will the Senator from New York yield to me?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Pennsylvania?

Mr. COPELAND. I yield.

Mr. REED. What the Senator from New York suggests may very easily be done by enlarging the amount appropriated and applying the restrictions which govern the citizens' military training camps. There we have the element of selectivity; the unfit, the "rotten apples," about which the Senator from Florida spoke, are excluded. Nobody has a vested right to enter the citizens' military training camps; only boys of sound mind and body, with good reputations, are accepted. I do not mean to say that they have to be physical giants, by any means, because they do gain weight, they are all built up physically, by attending these camps.

The way to do then, the way to provide that selectivity, the way to insure the power of discipline, which is necessary, the way to exclude aliens, and all that, is to follow the citizens' military training camp example, which has been tested and proved to be successful. The way to accomplish it is to increase the item of appropriation on page 59, line 12, by $22,000,000. That is what the War Department now estimates it would cost to take care of 88,000 young men.

Mr. COPELAND. To what page did the Senator refer?

Mr. REED. I referred to page 59, line 12, where the appropriation is made for the citizens' military training camps.

It will be objected that the practice is to limit those camps to one month during the summer, but I have just refreshed my recollection by looking at the national defense act, and I find that that limitation is not statutory; and, if the appropriation is increased in the way I suggest, the War Department will have authority to keep those camps open 12 months in the year; the money thus appropriated will provide for them, and the established system will furnish all the precautions we need.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. I desire to ask the Senator from Pennsylvania [Mr. REED] a question in the time of the Senator from New York. What kind of work or mental entertainment or mental exercise would these boys have? Would it be confined entirely to military discipline and training?

Mr. REED. Oh, by no means. The citizens' military training camps have classes in government, classes in a number of subjects about which all citizens ought to know. Their class work is nearly as important as is their physical drill. They have time for sports, but not too much time; they have time for drill or are given drill, but not too much drill. The effort is to turn them out as rounded citizens when they leave the camps.

Mr. BORAH. If a boy had a desire or a taste for a particular vocation, to equip himself for a particular vocation, is the latitude such that he might be able to do so?

Mr. REED. I should think that could easily be arranged. Of course, they are not perfect trade schools, but if a boy wants to learn anything that the Army has facilities for teaching, I am sure they will be glad to teach him.

Mr. COPELAND. Mr. President, just one word.

Mr. WAGNER and Mr. SMITH addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from New York yield further; and if so, to whom?

Mr. COPELAND. I shall yield in just a moment. The only objection I have to the regulations of the citizens' military training camps is that I think they require too much on the physical side for the men we have in mind, but I suppose that matter could be arranged by the regulations of the Army itself.

Mr. REED. Quite so. After all, we are only planning to take care of 88,000 young men, and it does not matter which individuals out of that group we take.

Mr. WAGNER. Mr. President——

Mr. COPELAND. I now yield to my colleague.

Mr. WAGNER. If the Senator will yield, I wish to make the suggestion that to employ the selective system would be to exclude the very men who most need this aid. We all know that in the case of most of these men and boys there has been a deterioration, both moral and physical, in process, and we want to arrest that deterioration. Those of the

younger men who need this aid most are those whose deterioration has extended furthest.

Mr. REED. If the senior Senator from New York will yield to me to answer that suggestion, let me say that the Army is not a reform school and never will be, and it would be a great injustice to the better ones of the group to take in men of criminal tendencies. We could not undertake to do that.

Mr. WAGNER. I am not speaking about men of criminal tendencies; I would not make such a reflection upon these men. I am speaking of the men who, because they have been out of employment for several years, wandering around the country, have become physically debilitated; they have undergone physical hardships and have deteriorated.

Mr. REED. They are undernourished.

Mr. WAGNER. They are undernourished.

Mr. REED. Undernourishment is not going to exclude anybody.

Mr. WAGNER. Those are the men who mostly need this aid, and that is the type of individual we are trying to reclaim who would be excluded by the selective process.

Mr. REED. The Senator has not understood me. I think when we get on common ground we will agree. Surely the Senator will agree with me that we ought not take individuals far gone in tuberculosis, we will say, and put them into barracks, sleeping in close contact with healthy boys. That is all I mean.

Mr. WAGNER. Of course, there would have to be a restriction in that aspect of the matter.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Maryland?

Mr. COPELAND. I yield.

Mr. TYDINGS. Does not the Senator think that we should limit the membership in these camps to boys who are not economically self-sufficient? In other words, instead of limiting it to healthy boys who may have parents in a position to provide for them, the intent of the Senator from Michigan is limited to that class of young men who are forced out of their homes through economic disaster?

Mr. REED. I have no doubt in the world that after the debate that has gone on here the Secretary of War would feel himself obliged to use this money in exactly that way.

Mr. TYDINGS. Would not the Senator feel that, without being too rigid, we should provide a definition in the amendment and make certain that the boys who go into these camps are the class of boys who have no families or who, for one reason or another, are wanderers, rather than to allow to enter these camps boys who have homes?

Mr. REED. We might exclude some deserving cases if we provide such a limitation unless the language was very carefully guarded.

Mr. COPELAND. Mr. President, I want to say just a word further. I am sure my colleague realizes that I am in the fullest accord wtih him regarding the admission to these camps of men who may be physically unfit from a military standpoint, for such a restriction would be calamitous. I think it would be absurd to open our camps for men who are so fit as to meet the military standard; but we should admit to the camps men who have become deteriorated through years of distress, not men with tuberculosis or physical diseases, of course, but men who are simply undernourished by reason of the lack of food and the distressing conditions under which they live.

Mr. President, we are so close together in this matter that I think it would be a pity, indeed, if we did not permit the Senator from Michigan to present the amendment in perfected form in order that we may get final action.

Mr. JOHNSON. Mr. President, it is a matter of very deep regret to those who hold views similar to my own that until this time in the present session we have not in reality dealt with any bill which is designed to relieve human distress. We have been very ready and alert to deal with the banking situation; we have dealt, indeed, with other problems that have been confronting us; but until now, Mr. President, we have not in any respect dealt with just human misery; and, sir, to me that is not only the most absorbing but is the most important problem with which legislatures ought to be concerned. Now, sir, we have presented for the first time a measure that touches at least a problem of grave consequence to us, and touches it in a fashion that affects the hearts of all of us, for we are dealing with boys, boys who, without fault on their part, have been compelled to go forth upon the highways and the byways, from dire necessity seeking some way in which they may merely exist; and that problem, appealing as it is, though it presents itself in a form which may not be acceptable to all of us, even though in an amendment to which all of us could object upon certain specified details, is nevertheless a problem that we ought in some way endeavor to solve.

I had hoped that by this time in this session the La Follette-Costigan bill or the Cutting bill or the Wagner bill—to me all important measures, with which I am in sympathy—would be before this body and we would act upon them. I had hoped, as was suggested by the Senator from Wisconsin [Mr. LA FOLLETTE] in the speech he made to-day, that there would have been time in this session to have dealt with problems of that sort. I can not feel any optimism as to Congress dealing with them in the remaining days of the present session. We have, if you will recall, Mr. President, the realism of this particular situation, two weeks more of this session. We follow, as I understand the program that has been agreed upon, the pending measure with a measure involving the prohibition law. If anybody here labors under the delusion that the measure in reference to the prohibition law will be finished in 15 minutes or in 15 hours, he has, it seems to me, "another think coming," for we will then be dealing with something as to which our experience has taught us we can not reach a conclusion in any brief period.

So here in reality is the first and here is the last opportunity that this Congress has to deal with the question of human misery in this land. I will deal with it in any way, and I will take almost any chance in the endeavor to relieve a bit of the distress that now afflicts the youth of our country.

I do not care whether it is a serious problem for the military authorities or not; I readily concede that it is; but they must have their problem in this time, as all the rest of us have our problems and as these young men have their problems; and there is no more important problem confronting the people of the United States to-day than the problem of relieving want and cold and starvation and hunger and destitution; and that problem comes to us now in this particular measure.

Mr. WAGNER. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from New York?

Mr. JOHNSON. I yield.

Mr. WAGNER. I am a little bit apprehensive because of the description by the Senator of the hopelessness of the situation. Does not the Senator feel that there is ample time left in this session if we are determined to deal with this grave problem of relief for the destitute and employment for the unemployed?

Mr. JOHNSON. I hope so; but, sir, my experience has taught me that my hope will be quite in vain, because it is obvious to the Senator that with but two weeks more of this session remaining and with the prohibition measure to come before us next it will be well nigh impossible to put over a real measure dealing with the problem of human distress and have it passed by the other House and become a law; and perhaps there are other reasons, too, with which the Senator is familiar, which will preclude the possibility of laws like he and I have been advocating upon this floor from becoming actualities and becoming laws of the land. And so, Mr. President, having presented to us this problem to-day, let us solve it as we can.

The debate has been of inestimable value. It is not now a question wherein there is a very marked diversity of opinion, for the Senator from Pennsylvania [Mr. REED] readily and kindly and generously concedes that he is ready

to go forward in any fashion that may be appropriate in order to accomplish the desired result. So we may start with the premise, in any discussion of what we are dealing with now, that all admit the necessity for action; that all admit that there is a problem of superlative importance to be dealt with by us; that all want to solve that problem; and it may be that we are required to take the old Roosevelt ian theory of trial and error. If that be so, let us take it, and let us try; and if we err, well and good. The problem requires and demands the particular effort.

I became conscious of this problem some time ago, and I began to investigate it as best I could. In the State of California, from which I come, the idea of camps for transients has been in operation now for more than a year. It is true those camps are not in large units, and there are but 4,000 or thereabouts that are accommodated in the camps; but they do exist, and they have done a most remarkable work there.

All of the fears that the communities near by might have felt concerning those camps have been dissipated by the experience respecting them. Young men and old, it is true, are taken into those camps. It is quite true that they provide employment of a certain sort—sometimes 2 days a week, sometimes 4 days a week, of 6 hours a day. No salaries are paid; but the men who are in those camps have grown happy in them, and they have been prevented from starving in a land of plenty.

The camps were rendered necessary in our State because of the ability of those men to come quickly into the State and because they found there at times not the same rigors of climate that they had in the places from which they came. From every State in the Union over the line, during this terrible time, have they come. They have come in such numbers that it is estimated on actual count that about 1,200 a day have come during certain periods. Of these transients the best records have been kept that were available, and 20 per cent of them are under 21 years of age.

There has not been an instance of disorder, there has not been an instance of crime in the camps; and the work that has been done there has been well done, efficiently done, and has saved those who came within them.

Last October I saw in the photogravure section of the New York Times—a very great newspaper but for its editorial page [laughter]—pictures of itinerant boys who have gone about in this country, taken in East St. Louis. They were singularly instructive and remarkably appealing. Some of us are old enough to have grandchildren of the age of these boys. I can not imagine anything more tragic than for a parent to see those whom he loves and those for whom he can not provide going out upon the highways, little lads—that is all they are—and there hiking along, subjected to influences to which under ordinary circumstances they never would be subjected, misfortune being their only fault, the poverty of their parents their only crime. These lads, to the number of 300,000 or more, going about in this country, present an appealing subject for legislation by this body at the only time in this session it has had the opportunity to legislate for human beings at all.

Here are the pictures as described in this paper:

A tragic aftermath of the days of prosperity: The army of homeless boys now roaming the country.

Youthful victims of a calamity which has spread throughout the world: Boy wanderers, one of the many flitting groups from a pathetic army of more than a quarter of a million lads under 21, having dinner at a Salvation Army relief station in East St. Louis, Ill.

Look at those pictures! You can not look at them without a heart throb, and you can not look at them without feeling that if we can do anything in their behalf in this day it ought to be done; and here is the only mode presented to us. Not the best mode, perhaps; I grant you that. Not the only mode, perhaps; I grant you that. But it is the one mode that is before us now; and the Senator from Pennsylvania, with a generosity that does him infinite credit, says that he is willing this bill shall be amended so that these lads may be taken care of either in the citizens' military training camps of the country or in the Army itself.

I do not care how we take care of them. I realize the objections that there are upon this floor to increasing the Army appropriations and the difficulty that the Senator from Michigan [Mr. COUZENS] will have in accomplishing that result. I realize what may be said about putting them in the citizens' military training camps, and I realize that those difficulties may be almost insuperable. But whether they are or whether they are not, let us try for some relief for these young men; and that many of the objections are merely fanciful I think the amendment that is presented here demonstrates beyond a doubt.

First, it is declared in this amendment that any person admitted to any military post pursuant to the provisions of paragraph 1 shall be subject to the customary discipline maintained at such post. Therefore you have him under discipline.

Secondly, you have the right in the Secretary of War, authorized directly by this amendment, to make such rules and regulations as he may deem necessary to carry out the provisions of this section. Under that provision he can make such rules and regulations as may be essential to protect the Regular Army, to prevent any of the ills that have been suggested here, and generally to execute and administer, in the fashion that we care to have it administered, this particular law.

Problem it is for the Army; but it is our problem, too. Problem it is for the commandant, as is suggested by the Senator from Pennsylvania—admitted; but it is our problem, too. The problem that is presented to-day to our legislative assembly here is whether we will do what lies in our power at the moment, in the only way that is suggested to us, to remedy an evil—an evil that none of us would tolerate in times of prosperity, and that is due solely to the economic crisis confronting us to-day.

So, let us act—act upon the only bill dealing with human misery and with want and suffering and hunger and destitution that has come before the Senate in this whole session. Let us act, and let us try even though we fail to provide a wholly adequate remedy.

Mr. CUTTING. Mr. President, as the sponsor of an alternative measure dealing with this problem, I desire to associate myself with the remarks just made by the Senator from California [Mr. JOHNSON].

The Senator perhaps is aware that the legislature of his own State unanimously indorsed the proposal which I introduced in the Senate dealing with this particular problem.

Everyone who has been a Member of this body for any length of time will realize that the easiest way to defeat any worthy cause is to induce the proponents of that cause to quarrel among themselves on questions of method.

The proposition which I have made is that the Federal Government should appropriate a sum of $15,000,000 to be granted to the States, first, upon the showing of need, and, secondly, upon the showing that each State has a definite plan for dealing with the problem.

If these two proposals—the one made by the Senator from Michigan and the other which I have proposed—were on the floor of this body to be pitted against each other, I should be very glad to show, from the evidence of the witnesses who appeared before the subcommittee of the Committee on Manufactures, what I conceive to be the superior merits of my proposal. Some of them, I believe, were taken up to-day by the senior Senator from Wisconsin [Mr. LA FOLLETTE].

The main argument of these witnesses was that each one of these transient young men and young women—for there is a large number of itinerant young women whose problems are equally grave—constitutes an individual problem. They have to be handled as individuals. It is very difficult to treat them in such large units as would be necessary under the present proposal.

I think there is force in many of the objections made by the Senator from Pennsylvania; but I must say that when

the Senator from Pennsylvania proposes to have the problem handled through the citizens' military training camps he is simply, to my mind, adding to the difficulties before us.

The Senator from Pennsylvania has stated that by his plan it would cost $22,000,000 to take care of 88,000 cases, a very small proportion of the total number of cases with which we are going to have to deal.

The proposal made by me, which is now a part of the Costigan-La Follette bill, and is on the Senate Calendar—and the same thing applies to the proposals embodied in the bill of the Senator from New York [Mr. WAGNER]—deals with the problem as a whole and not with any one special angle of it, and deals with that problem at very much less cost than has been suggested by the Senator from Pennsylvania.

I feel, furthermore, Mr. President, that the Army is not ideally suited to take care of a problem of this kind. We have seen in the past the difficulties involved in allowing the Army merely to present a course in American citizenship at these citizens' military training camps, and how unsatisfactory that has been in many ways. I do not think the Army can handle the problem. I do not think it can handle more than one small bit of the problem. But I do agree with the Senator from California that, when this is the only proposal before us, we ought to suspend the rules, give the Senator from Michigan a chance to bring his proposal onto the floor of the Senate, and then perhaps amend it so that it will be more satisfactory to the majority of the Senate membership.

Mr. President, as the question stands it is not a problem of one of two methods; it is a problem of getting the question before the Senate.

I can not add to the very graphic picture which the Senator from Michigan drew on Saturday of the conditions in the country. The problem is one of enormous magnitude. It can hardly be overstated. The statistics which have been furnished are not accurate, they are largely a matter of guesswork; but when we consider that the testimony of these expert witnesses placed the number of transients, at the minimum, at 800,000, and, at the maximum, in figures away up in the millions, we realize that the problem has to be handled in one way or another at this session of the Congress.

Mr. President, these transients are not members of the tramp or hobo class. Ninety per cent of them are the best of the youth of the country. By delaying we are developing the 90 per cent who started out with the intention of getting jobs into a generation of hoboes.

For that reason, Mr. President, I think we should sink any personal differences involved and vote to suspend the rules and bring the proposal of the Senator from Michigan onto the floor of the Senate.

The VICE PRESIDENT. The question is on the motion of the senior Senator from Michigan [Mr. COUZENS] to suspend the rules.

Mr. ROBINSON of Arkansas. Mr. President, I think we should have a quorum present. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Shipstead |
| Austin | Dale | Keyes | Shortridge |
| Bailey | Davis | King | Smith |
| Bankhead | Dickinson | La Follette | Smoot |
| Barbour | Dill | Lewis | Steiwer |
| Barkley | Fess | Logan | Stephens |
| Bingham | Fletcher | McKellar | Swanson |
| Blaine | Frazier | McNary | Thomas, Idaho |
| Borah | George | Moses | Thomas, Okla. |
| Bratton | Glass | Neely | Townsend |
| Brookhart | Glenn | Norris | Trammell |
| Bulkley | Goldsborough | Nye | Tydings |
| Bulow | Gore | Oddie | Vandenberg |
| Byrnes | Grammer | Patterson | Wagner |
| Capper | Hale | Pittman | Walcott |
| Caraway | Harrison | Reed | Walsh, Mass. |
| Clark | Hastings | Reynolds | Walsh, Mont. |
| Connally | Hatfield | Robinson, Ark. | Watson |
| Coolidge | Hayden | Robinson, Ind. | White |
| Copeland | Hull | Russell | |
| Costigan | Johnson | Schuyler | |
| Couzens | Kean | Sheppard | |

Mr. CUTTING. I desire to announce that the Senator from South Dakota [Mr. NORBECK] is absent on official business.

The VICE PRESIDENT. Eighty-five Senators having answered to their names, there is a quorum present. The question is on the motion of the senior Senator from Michigan [Mr. COUZENS] to suspend the rules.

Mr. COUZENS. Mr. President, I ask unanimous consent to lay the motion aside temporarily while I offer an amendment to the bill in the form of a substitute.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Michigan is recognized.

Mr. COUZENS. Mr. President, I offer as an amendment, to overcome some of the objections which have been stated to my proposal, on page 59, line 12, to strike out "$2,500,000" and to insert in lieu thereof—

> Twenty-four million five hundred thousand dollars, of which $22,000,000 shall be available only for camps of at least 12 months' duration in which applicants are accepted only if over 15 years and under 21 years of age, and if unemployed at the time of application and for six months previous thereto.

Mr. BORAH. Mr. President, I do not rise to object to this proposed amendment, but I would like to know what we can expect from the administration of the appropriation in the way of giving these boys something to do.

Mr. REED. Mr. President, I did not hear the whole of the Senator's question.

Mr. BORAH. I should like to know what we may expect in the way of rules and regulations which will really give the boys something to do after they are taken into these camps. Of course, I would rather have them in the camps than out on the road, no matter what they were doing; but I think it is highly important that those who are to administer the appropriation have in mind that this body expects them to make the administration broad enough to give the boys something to do in the way of mental occupation, some activity that will enable them to improve themselves in that respect, as well as the physical training and discipline.

Mr. REED. Mr. President, I think the best assurance that that will be the attitude of the Army is in the experience with the camps heretofore established. I have never heard any criticism from any parent of the course of study that was given in these citizens' military training camps. On the other hand, I have had many letters from fathers and mothers of these young men saying that their boys had been improved, that they had learned a great deal outside of the narrow military discipline and military tactics, and I think that the best evidence of what they will do is in what they have done.

I agree with the Senator that to take these young men in and spend 12 months teaching them how to do squads right would be a waste of time and Government money, and a waste of a great opportunity to better these youngsters in every way.

Mr. BORAH. Secondly, if these boys go into the camps, as would be permitted under the amendment, would they be held there in opposition to their wishes?

Mr. REED. Not at all. If one of them desires to go home for any reason, or if he finds employment, or has any other reason for leaving, he will be free to do so at any time.

The VICE PRESIDENT. Is there objection to the present consideration of the amendment?

There being no objection, the amendment was agreed to.

The VICE PRESIDENT. Does the Senator from Michigan wish to withdraw his motion to suspend the rule?

Mr. COUZENS. I ask unanimous consent for leave to withdraw the motion to suspend the rule.

The VICE PRESIDENT. Is there objection? The Chair hears none, and without objection the motion to suspend the rule is withdrawn. The bill is still open to amendment.

Mr. BINGHAM. Mr. President, I would like to ask the Senator from Pennsylvania [Mr. REED] whether any provision was made to take care of the situation in the library at West Point?

Mr. REED. Yes; an amendment was offered by the Senator from New York [Mr. COPELAND] to provide that a retired officer might be retained or engaged there as librarian.

Mr. BINGHAM. I thank the Senator.

Mr. FRAZIER. Mr. President, on page 60 of the bill, I move to strike out, beginning with line 11, the balance of that page, all of page 61, and down to and including line 9, on page 62. That means striking out the appropriation for the civilian instruction in rifle practice. The total amount, as I understand it, is $188,215, in a way a trifling amount and yet a saving should be made in every way possible.

I will say that I had intended to move to strike out the citizens' military training camp appropriation, but inasmuch as an amendment has been adopted to include the plan of the Senator from Michigan [Mr. COUZENS] I shall be very glad to see that put into operation.

We are spending more money than should be spent for war purposes, in my estimation. I want to read a short article for the benefit of those present and also for the RECORD. It is under a release headline of January 6, 1933, being an authentic statement by Roger W. Babson, "How the Federal Budget Could Be Balanced," under date line of Washington, D. C., January 6, 1933. It is copyrighted 1933 by the Publishers Financial Bureau and reads as follows:

No one realizes more keenly than I the necessity for balancing the Federal Budget. The credit of the United States must and will be kept intact, because upon it rests the whole confidence of our financial and business structure. I do not, however, agree with the crazy methods advocated by the "econo-maniacs" of the National Economy League and similar organizations who are attacking earnest and conscientious employees engaged in necessary Government work. First of all, let me say that the real cost of government is not $3,929,000,000 (as people say) but only $678,098,000. This is demonstrated by analyzing the Budget for the fiscal year to end June 30, 1933.

WHERE THE TROUBLE REALLY LIES

The Federal Budget for the fiscal year ending June 30, 1933, is approximately $3,929,000,000. This amount is divided as follows:

| | |
|---|---|
| (1) Interest and sinking fund on public debt | $1,136,700,000 |
| (2) Cost of veterans, etc | 928,000,000 |
| (3) Cost of Army and Navy | 648,300,000 |
| Total | 2,713,000,000 |
| (4) Remaining expenses of entire United States Government | 1,216,198,000 |

Of the $1,216,198,000 remaining expenses there is a $538,100,000 expenditure for public works, which can not be properly charged to regular operating costs of government. These public works are important unemployment relief measures. Deducting them from the total remaining costs:

| | |
|---|---|
| Remaining expenses | $1,216,198,000 |
| Public works | 538,100,000 |
| | 678,098,000 |

This leaves only $678,098,000 actual running expenses of Government departments, concerning which everybody is shouting "economy."

Mr. David Lawrence figures that the present tax on tobacco, cigars, and cigarettes will bring in $500,000,000, which is three-fourths of the $678,000,000 ordinary cost of running the Government. The customs duties are bringing in another $290,000,000. In other words, the tobacco tax and customs duties alone would more than take care of the entire regular expense. Do you wonder that I decry the foolish talk about economy of Government and "technocracy of management"? The real trouble lies in three things: (1) Enormous interest and sinking-fund charges on Federal debt; (2) the cost of past wars; and (3) the preparation for future wars. Also, remember that the Federal debt is almost wholly the result of wars! That is where your heavy income and profits taxes, your estate taxes, your gasoline taxes, and all of the big taxes are going. That's where some people now propose to throw in a general sales tax.

WHAT CAN BE DONE ABOUT IT?

Now let us analyze these three big expense items: First, interest and sinking fund on debt, $1,136,700,000. This can be cut only by defaulting on interest and sinking fund, or by revaluing gold, or by some conversion plan which would reduce interest charges. Something may be done along one or more of these lines, but how much can practically be done is a moot question. Second, cost of veterans' aid, $928,000,000. Of course there may be inequalities and abuses in this matter. If so, they should be corrected. Yet how can cutting the veterans improve business? In most cases reducing Federal aid to veterans would result in increasing local aid to their families. Third, cost of the Army and Navy, $648,300,000. This can be cut only through disarmament plans; but can we ever bring about disarmament by raising tariffs, fighting about debts, and making ourselves generally hated abroad? With the present antiforeign attitude on the part of Congress we are headed for another world war instead of world peace.

This all means that the hullabaloo about "economy" is like a dog barking at the moon. It doesn't get us anywhere. It may be well to consider reduction of aid to veterans, but why not say so? Why beat about the bush and persecute honest, hard-working Federal employees, many of whom are habitually underpaid? Why is the Budget out of balance? Because of war. About $3,000,000,000 of our $4,000,000,000 Budget for 1933 goes to pay for past wars and to prepare for future wars. Hence our real job is to get behind the peace societies instead of economy leagues. Elimination of war is the only way the world can ever hope to balance its budgets. That must be the real aim, even though it requires time. Meanwhile, until we have a more unselfish world spirit the only sane and worthwhile way of balancing the Budget is to improve general business. This means increasing purchasing power. If the Federal Government would spend only 2 per cent of its Annual Budget on a sane publicity campaign to increase purchasing power from the ground up it would have no trouble balancing the Budget.

The last paragraph is one that I think will be agreed to and approved by a great many people:

CHRISTIANITY, NOT ECONOMY, NEEDED

In other words, there are two things necessary to balance the Budget and keep it balanced. The first is to start a great national advertising campaign, paid for by the Federal Government, to create a demand for goods and to bring business back to normal. This would have been impossible before now because the deflation was necessary, but now such a campaign would work. The second is to substitute international good will for war. Reduction in world budgets is awaiting a substitution of the Christ spirit of tolerance, good will, and righteousness in place of the present-day spirit of hate, nationalism, and selfishness. It's not economy nor technocracy the world needs to-day, but, rather, simple Christianity.

Business as registered by the Babson chart now stands at 15 per cent below a year ago.

Mr. President, that is a sentiment expressed by Roger W. Babson. He is supposed to be one of the best authorities we have in the country on business conditions and business interests. It is rather an amazing statement. According to his figures, approximately 20 per cent of the appropriations for the fiscal year ending June 30 next, after we deduct the amount for public works, go for the actual running expenses of the Government. The 80 per cent is for war purposes—past, present, and future. We have been working here for days and days trying to cut the 20 per cent of actual expenses of running the Government. When it comes to the War Department bill, it is true there is a little cut under last year's appropriation, but nothing like a sufficiently large reduction. In fact, the Senate Committee on Appropriations has increased the amount as carried in the bill as it passed the House by about $1,660,000.

Mr. FESS. Mr. President, may I suggest that we just now added $22,000,000 more?

Mr. FRAZIER. Yes; that is true. In my opinion, the last addition may bring about some good results in relieving the present deplorable unemployment situation. But there are many other items in the bill which in my opinion are not only absolutely useless, but the money is practically wasted, and wasted at a time when there is great need for curtailment of expenses and great need for money being expended for other purposes.

Mr. President, I ask unanimous consent to insert in the RECORD, as a part of my remarks, a statement from the New York Times of February 6 of this year headed "Five Peace Groups Join at Philadelphia in Plea to Instruct Geneva Delegates." It is in reference to a letter to President Hoover from the five peace groups.

The VICE PRESIDENT. Without objection, that order will be made.

The statement is as follows:

[From the New York Times, February 6, 1933]

ASK HOOVER MOVE TO DISARM WORLD—FIVE PEACE GROUPS JOIN AT PHILADELPHIA IN PLEA TO INSTRUCT GENEVA DELEGATES

PHILADELPHIA, PA., February 5.—President Hoover is asked to instruct the American delegates to the Geneva conference "to propose a multilateral treaty for immediate total disarmament" in a joint message sent to him to-day by five peace organizations and made public here by the Pennsylvania Committee for Total Disarmament.

Pointing out that the present Geneva conference, like its predecessors, aims "only to limit, not to eliminate, warfare," the message warns that such efforts "are foredoomed to fail."

"The bridge," it says, "must be built not half way but all the way across the abyss of war."

The signers of the message, in behalf of their organizations, are Dr. William I. Hull, chairman of the Pennsylvania Committee for Total Disarmament; Mildred S. Olmsted of the National Board, Women's International League for Peace and Freedom, United States section; John Nevin Sayre, executive secretary of the Fellowship of Reconciliation; Anne E. Gray, director of the Women's Peace Society; and Mary B. Orr, director of the Women's Peace Union of New York.

The statement reads, in part, as follows:

"On February 6, 1932, a great petition for total world disarmament, signed by millions of men and women in many countries, was presented to the disarmament conference in Geneva.

"A year has passed. These petitioners, with other millions all over the world who demand from their governments international disarmament and peace, have watched the long sessions of the Geneva conference, and with profound disappointment have seen its failure so far to achieve any degree of actual disarmament. Four conferences for the reduction of armaments have been held in the last 10 years. These conferences failed even to stop the growth of world armaments.

"Vigorous effort and leadership must break the strangle hold of national armaments, the international traffic in arms, and armed alliances which are making for war. Four precious weeks of office remain to you. The solution can not be delayed.

"Mr. President, we ask you now to instruct your delegates at the Geneva conference to propose a multilateral treaty for immediate total disarmament. Proposed by the United States, such a treaty would revivify the conference and be an invitation which governments would find it hard to disregard in the face of world-wide unrest."

The VICE PRESIDENT. The Senator from North Dakota has one minute remaining on the amendment.

Mr. FRAZIER. Very well; I will continue on the bill.

The VICE PRESIDENT. The Senator is recognized for 15 minutes on the bill.

Mr. FRAZIER. From a report of Gen. Douglas A. MacArthur, Chief of Staff of the War Department, I want to quote a brief paragraph, as follows:

To sum up, governmentally we have to-day, from the standpoint of national strategy and policy, the strongest possible organization for war. It seems almost incomprehensible that this organization, which incidentally has been the envy of soldiers, sailors, and statesmen abroad, should be tampered with in the major elements in favor of a highly speculative experiment.

That is a quotation from Gen. Douglas A. MacArthur admitting that we have the largest war-purpose forces we have ever had in peace times. Although we talk about world peace and disarmament, yet we have the largest preparations for war that we have ever had in peace times in both the Army and the Navy.

I have an editorial which was published in the Brisbane column of the Washington Herald of February 9 last, which I desire to read, as it is along the same line:

Stalin, in Russia, drafts tens of thousands from the cities, peasants from farms, sends them into the cold Arctic to cut trees and provide lumber that the second 5-year plan calls for. Our "best minds" shake their heavy heads and say, "How horrible, to force tens of thousands of men to cut down trees in Arctic weather."

They didn't shake their heads when our Government forced 3,000,000 men to go to Europe into a quarrel not our own. To stand around in trenches is less pleasant than cutting wood in cold weather.

Stalin's men cutting wood will produce wealth.

Our men were gassed, some of them shot, and the bill in pensions, bonus insurance, and hospitalization, involved in their enforced absence abroad, their heroism, and patriotism, will cost taxpayers of the United States $50,000,000,000 before the bill is all paid.

Some countries are more foolish than Russia, and some kinds of stupidity worse than drafting men to cut lumber.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. FRAZIER. I am glad to yield to the Senator from Illinois.

Mr. LEWIS. Will the able Senator from North Dakota let me interrogate him upon a matter for information?

Mr. FRAZIER. Certainly.

Mr. LEWIS. Recognizing the Senator as an authority upon all questions affecting agriculture and particularly the needs of the farmers of the Northwest I should like to ask the Senator this question: Under the amendment by the Senator from Michigan [Mr. COUZENS] and adopted in the sense which we understand it to have been adopted, providing for the care in Army camps of a vast number of young men who may be found here and there unemployed, does the Senator from North Dakota feel that that will draw men from the farms of the Northwest? Will they leave the farms and their cultivation in order to avail themselves of the privilege accorded under that amendment, and go to the Army posts and camps there to live and leave their work upon the farms?

Mr. FRAZIER. Mr. President, I should not say that that would be the effect at all; I do not feel the amendment, if enacted into law, will have that effect. As a matter of fact, at the present time there is not very much farm employment; the farmers can not afford to hire anyone; they can not get enough money for their products to enable them to pay their running expenses, let alone hiring help; and so they themselves are doing what work they can and are not hiring men. The amendment, if it shall finally become effective, may take some of the young men from cities who normally would go to the farm and work there during their vacations during the summer, but I do not believe it will take very many, and practically none, from the farms themselves.

Mr. LEWIS. Let me, Mr. President, anticipate. In the Senator's judgment, will the sons of the owners of the farms, members of farmers' families, remain on the farm to do farming work, with this opportunity afforded, or will they leave their households and their homes to live at Army posts and camps under the provisions of the amendment referred to?

Mr. FRAZIER. Of course, there are a few of the farm boys who now go to citizens' military training camps just as a summer vacation, and I presume more may go under the provision referred to than have gone in the past; but I do not know about that.

Mr. LEWIS. What would the Senator say, Mr. President, would be the effect upon the farm work in getting out the crops if those who are members of farm families should leave the farm and enter Army camps as suggested? How does the Senator think that would affect the planting and harvesting of crops among those who are so poor as not to be able to employ outside help?

Mr. FRAZIER. We have an oversupply of farm products, anyway, and if it is cut down, according to economists, it will relieve the situation so that perhaps the farmers may get better prices for their products. However, I am not worrying about the lack of workers on the farms, even if farm work shall be neglected and the quantity of commodities produced cut down.

Mr. LEWIS. I thank the Senator for his suggestion.

Mr. FRAZIER. Mr. President, in my opinion an amazing situation confronts the Congress. As I have stated from the Babson article, only 20 per cent of the money actually expended this year for governmental purposes of all kinds goes for the actual ordinary running expenses of the Government. If that 20 per cent could all be wiped out entirely, our present revenue would not be sufficient to pay the balance of the 80 per cent expended for war purposes past, present, and future, and for the deficit that now exists. I repeat, we have an amazing situation confronting us. I do not know what the outcome is going to be. We have millions out of employment; we have farmers by the thousands going broke and out of business. We have read in the newspapers during the last few days about farmers organizing throughout the country to prevent themselves and their neighbors from losing their farms and their property by foreclosure sales. I have a clipping here from the Washington News of February 9, which shows a picture taken in the great old State of Ohio. Under the picture is the following statement:

Three thousand of Ohio's militant penny-bidding farmers burned communist literature, unfurled the American flag, hung up two nooses in a barn, and paid $1.90 for a neighbor's chattels that were mortgaged for $800. Here is a part of the crowd saluting the flag after chasing communists away. The two tractors in the background were bid in for 17 cents. The Ohioans returned his goods to Walter Crozier, Haskins farmer, defeating another foreclosure.

That occurred in the old, conservative, sane, and sensible State of Ohio. In the newspaper there is another story right under it:

Farmers hold United States official and force mortgage action.

This incident happened in the great old State of Michigan. The dispatch is dated Ithaca, Mich., and reads:

ITHACA, MICH.—A crowd of 1,000 angry farmers held a Federal official prisoner near here late yesterday while they were bidding $3.80 for the mortgaged livestock and farm tools of Roy Marzolf.

The farmers seized Peter A. Holman, 40, United States Treasury official and receiver of the defunct Ithaca National Bank, holder of the mortgage, when he arrived on the Marzolf farm 3 miles from Ithaca.

After the sale they compelled him to accept the $3.80 and sign a release of the $9,000 mortgage. When Holman informed them the mortgage note was in the bank the farmers forced A. A. Borsum, clerk, to get it from the vault and turned it over to Marzolf.

Sheriff Jacob D. Helman, of Gratiot County, an auctioneer himself, started the sale with the announcement he had a sealed bid of $400 from George Davis, auto dealer. Davis withdrew the bid when the irate farmers threatened to boycott him.

Attempting to sell the property separately, the sheriff asked for $10 to start the bidding on a grain binder. A farmer bid 2 cents. Holman announced the sale would be postponed 10 days. The farmers countered by seizing Holman, who was in the crowd.

Resuming his rôle as auctioneer, the sheriff accepted bids of 15 cents for the binder, 20 cents for an auto, and 25 cents for a cow. One farmer bought a wagon for 10 cents.

Holman said to-day he is reporting the attack on his person to the United States Comptroller of Currency in Washington. He will await a reply, he said, before taking action against the farmers.

That incident occurred in the great old State of Michigan.

Mr. COUZENS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. FRAZIER. I yield.

Mr. COUZENS. I could tell the Senator worse stories than that about conditions in the State of Michigan.

Mr. FRAZIER. That one is bad enough.

Mr. COUZENS. And I assume the Senator from North Dakota could likewise tell some pretty bad ones about conditions in his State.

Mr. FRAZIER. This one is bad enough. So it seems that even in States like Michigan and Ohio farmers are organizing and taking the law in their own hands to prevent the sale of their mortgaged property. After all, Mr. President, self-preservation is the first law of nature, and always has been, and these farmers are taking the law in their own hands to prevent the loss of their property.

There is a rather encouraging note in this situation, and that is that when the American farmers become sufficiently well organized they are going to have power enough, in my opinion, to demand from the United States Congress the legislation they want, and to get it, too. They are the people who produce the food with which to feed the Nation; they control the very lifeblood of this Nation, and when they become well organized they will bring about a change.

Mr. President, the expenditures for military purposes should be reduced. I hope that the few thousand dollars proposed to be appropriated for civilian training in rifle practice may be cut out of this bill and that the amount may be saved. There are numerous other items that should be cut out of the bill, that might be cut out just as well as not, in my opinion; but I am not going further to take up the time of the Senate. I trust, however, that the amendment which I have offered may be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. FRAZIER].

### PAYMENT IN SILVER OF NEXT BRITISH DEBT INSTALLMENT

Mr. PITTMAN. Mr. President, I propose by a bill which I shall introduce to-day to make it possible for Great Britain to pay in silver its interest installment amounting to $74,950,000 due the United States June 15, 1933.

The bill authorizes the President to accept from Great Britain silver not to exceed $100,000,000 in value at the market price of silver at the time of acceptance as a payment upon the British war debt.

The Government of India owes Great Britain approximately $85,000,000. It has been reported with some authority that the Government of India is desirous of paying this debt to Great Britain with silver. The acceptance by the United States of $74,950,000 worth of silver at the world market price of silver of approximately 25 cents an ounce, which is probably lower than it ever will be again, would not only be profitable to the United States but advantageous both to the United States and Great Britain.

Under such a settlement the United States would receive 299,800,000 ounces of silver at the present market price of around 25 cents an ounce. Under the provisions of the bill our Government out of such silver would coin 74,950,000 standard silver dollars. It would deposit such standard silver dollars in the Treasury, and issue and circulate against them $74,950,000 in silver certificates similar to those now in circulation in the United States.

As it requires only seventy-eight one-hundredths of an ounce of silver in the coinage of standard silver dollars, there would remain therefore in the Treasury, in addition to such 74,950,000 standard silver dollars, 241,339,000 ounces of silver to be held in the Treasury as additional security for the maintenance of a parity of the silver certificates so issued.

The issuance of $74,950,000 in silver certificates would not overbalance our silver currency as against our gold currency in circulation. In fact, even with this addition, our silver currency in circulation in the United States would be proportionately less to gold than it was in 1913. There has not been in this century any threat of depreciation of our silver currency, although during all that time, except for the years 1920–1923 when silver currency was temporarily reduced by sales to India, there has been in circulation in the United States silver currency in the form of silver certificates, standard silver dollars and subsidiary coinage in amounts varying from $648,000,000 in 1900 to $850,000,000 in 1930. The only addition to our silver currency during the present century has come through subsidiary coinage.

The currency so issued would be in no sense fiat money, as there would be supporting it a sufficient amount of silver to insure at all times the intrinsic value of the silver certificates issued, while at the same time it would meet to a certain extent the growing demand in this country for an expansion of currency circulation available for our domestic trade.

The consummation of the plan proposed in the bill would relieve Great Britain from a further burden upon her gold reserves in the payment of her interest installment on June 15 and at the same time relieve her credit situation pending results of intergovernmental conversations and the coming international economic conference.

It would also enable the Government of India to carry out its fixed policy of disposing of three or four hundred million ounces of its Government silver without further pursuing the practice of dumping such alleged oversupply of Indian silver upon the markets of the world, which has been and is now so destructive of the exchange value in international trade of silver currencies throughout the world. There is little doubt, from the statement made by the Government of India, that with the disposal of such an amount of silver the practice put in effect by the Government of India, based upon the policy of 1926 of melting up Indian silver coins and selling the silver derived therefrom on the markets of the world, would be abandoned.

The bill requires, as a condition of the acceptance of such silver by the United States, that the Governments of Great Britain and India shall agree not to debase or melt up silver coins for a period of five years. As India is now practically the only country pursuing the policy of debasing and melting up silver coins, the abandonment of such policy by India would restore the price of silver, as the market would then be based on normal mine production and normal demand.

The return to normal mine supply and normal demand would undoubtedly restore the price of silver to between 60 and 70 cents an ounce, where it remained stable for many

years, and thus raise and stabilize the exchange value of silver money in international trade.

May I at this point, for the benefit of some of our citizens who are not familiar with the definition of the terms, state what I mean by the "exchange value of money or currencies in international trade"? The exchange value of all currencies in international trade is measured by the amount of gold for which such currencies may be exchanged. Our country, for instance, is on the gold standard. Our dollar may be exchanged for so many grains of gold. When the currency of another government can not be exchanged for as much gold as called for under the terms of issue we term that currency "depreciated," although it may circulate at its nominal or par value in the country of issue.

Returning to the question of the value of the silver proposed to be accepted: It is true that the demand for silver has to a certain extent decreased, owing to the debasement and melting up of silver coins, and also to the stagnation of international trade. Yet, on the other hand, the stagnation in trade, particularly in respect to copper, lead, and zinc, has decreased mine production of silver throughout the world from 261,511,985 ounces in 1929 to 160,000,000 ounces in 1932. The reason for this is readily understood when we are informed that 70 per cent of the silver produced in the world is a by-product of the mining of such metals. This natural fact provides an automatic control of the mine production of silver.

While there are probably 12,000,000,000 ounces of silver in existence, it was estimated by Mr. Francis H. Brownell, chairman of the board of directors of the American Smelting & Refining Co., at a recent hearing before the Committee on Coinage, Weights, and Measures of the House of Representatives, that a substantial rise in the price of silver would not bring into the markets in excess of 350,000,000 ounces of silver. The reasons for this estimate were very definitely given by Mr. Brownell, whose company has been buying and selling silver in all parts of the world for over 30 years.

While there are probably 12,000,000,000 ounces of silver in existence, it must be remembered that most of this silver has been hoarded by the people of China and India throughout the ages. They do not acquire and hold it for the purpose of speculation. They give their labor and products for it, and they hold it as long as possible as the most valuable of all things and as the measure and reservoir of their wealth. The people of these countries have always purchased, and are even now purchasing, two-thirds of all the silver produced. While the Government for India was selling silver, the people of India were buying it. The rise and fall of the price of silver has had little effect upon this habit of the people of India and China. For instance, in 1920, when silver was selling in the world's markets at $1.38 an ounce, which is above the parity price of silver with gold in our own country, and in fact in all countries, the people of China and India were not selling silver, but were buying more than their customary quantities.

Our bankers and business men, and in fact our citizens generally, have commenced to understand the destructive effect upon our trade and commerce of the depreciation of the exchange value of the currencies of those countries that have gone off the gold standard. They do not seem to realize, however, that the silver currencies of China and of other countries, embracing over half of the people of the world, have depreciated 56 per cent since 1928. They do not seem to realize that this depreciation in the exchange value of such silver currencies is due to the depreciation of the price of silver.

In 1928 China could exchange two of her silver dollars for one of our dollars with which to purchase our products. To-day she must exchange five of her silver dollars for one of our gold dollars with which to buy our products. In December, 1928, the low price of silver was 57.5 cents an ounce. At the present time it is around 25 cents an ounce.

The effect on our exports to China since 1928 is definitely disclosed in the report of the Department of Commerce issued February 11 of this year. The report says:

> Compared with 1929, total imports showed a slump of 75 per cent, and exports 60 per cent, while they were 34 and 43 per cent, respectively, below the average imports and exports for the years 1915 and 1919, inclusive.

The report further says:

> This decline shows the effects of prevailing economic conditions at home and abroad, of fluctuating exchange rates, and the reduced purchasing power of the masses in most oriental countries.

The statement "reduced purchasing power of the masses in most oriental countries" means, of course, purchasing power abroad—that is, purchasing power in countries of a higher money standard, such as ours, because the purchasing power of the masses of the orientals in their own countries has remained practically unchanged. In other words, a Chinaman receives the same amount of money for a day's labor or for his products to-day as he received in 1929. He buys as much in his own country with his money to-day as he could buy in 1929. It is only when he buys in foreign countries where the value of his money is measured by gold that his purchasing power has decreased.

We have suffered since 1928 from the depreciation of the silver currencies of China and other silver-using countries. We have suffered only since September, 1931, from the depreciation of currencies of other governments that were formerly on the gold standard. We will probably find it quite difficult to discover means to aid in the restoration of the depreciated currencies of those governments that went off the gold standard; but it is obvious to me that it will be quite simple for our Government successfully to aid in the restoration of the depreciated currencies of China and other silver-using countries.

The restoration of the exchange value of such currencies will restore our normal trade with those countries and greatly accelerate its increase. I need cite but one illustration in support of this assertion. It will be remembered that in November of 1931 silver suddenly rose in price from 26 cents an ounce to 36 cents an ounce in response to a general belief that our Government intended to take steps to restore the price of silver. As no action was taken by our Government, the price of silver immediately fell. Here is what the Department of Commerce says with regard to that incident. I quote from page 29 of the China Monthly Trade Report for December, 1931, issued by our Department of Commerce, as follows:

> The rapid rise in the price of silver during the earlier part of November brought the price in American raw cotton in local currency to still lower levels than it was previously and resulted in large sales of the American staple. Arrivals during the month are estimated to be larger than any previous month, and importers state that December arrivals will be still greater. Many Chinese mills are reported to have purchased or contracted stocks sufficient to last them for many months in the future. In certain instances it is believed that stocks sufficient for two years operations have been contracted.

What the statement says with regard to "bringing to lower levels" does not mean that the price of cotton actually fell to lower levels, but that it was lower to the Chinese by reason of the increase in the exchange value of their currency.

It will also be observed that the Chinese, anticipating a rising market, laid in supplies of our product to meet their needs for many months. This, to my mind, and in the opinion of experts with whom I have conferred, leads to the conclusion that any action by our Government tending toward the restoration of the exchange value of silver currencies will start immediately large purchases in our country by peoples using silver currencies.

I call attention to the fact that this bill, like the bill heretofore introduced by me for the purchase of American silver at the market price of silver with silver certificates, approved by the Banking and Currency Committee and now pending in the Senate, will in no way disturb our gold standard system, while accomplishing the restoration of the exchange value of the money of our customers in silver-using countries.

Mr. President, I ask unanimous consent at this point to introduce the bill which I have described, and ask that it

may be printed in the RECORD as a part of my remarks and referred to the Committee on Banking and Currency.

The VICE PRESIDENT. Without objection, that order will be made.

The bill (S. 5636) to authorize payment of foreign debts in silver under certain limitations, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That the President of the United States is authorized to accept silver in amounts not to exceed in value in United States currency $100,000,000 in payment of the whole or any part of any amount of principal or interest due from Great Britain or her dominions or dependencies on account of any indebtedness to our Government, such silver to be accepted at the market price in the United States as determined by the United States Treasury Department as of the date when the President shall notify such foreign government of such acceptance: *Provided*—

(a) That such market price shall not at the time of such acceptance exceed the price of 45 cents an ounce, and (b) that such foreign government so making such tender shall, before the acceptance thereof by the President as herein authorized, agree and bind itself in a manner satisfactory to the President not to debase or melt up its own silver coins or permit the debasement or melting up of such silver coins except for the purpose of recoinage by such government or its dominions or dependencies for their circulation, during a period of five years from and after the acceptance by the President of such silver.

(c) That the authority of the President to accept silver as herein authorized shall be limited to a period of not to exceed five years from the passage of this act.

SEC. 2. The silver bullion purchased under the provisions of this act shall be subject to the requirements of existing law and the regulations of the mint service governing the methods of determining the amount of pure silver contained, and the amount of the charges or deductions, if any, to be made; but such silver bullion shall not be counted as part of the silver bullion authorized or required to be purchased and coined under the provisions of existing law.

SEC. 3. The silver accepted and received under the provisions of this act shall be deposited in the Treasury of the United States, to be held. used, and disposed of as in this act provided.

SEC. 4. The President shall cause silver certificates to be issued in denominations of $1, to the total number of dollars for which such silver was accepted in payment of debts. Such silver certificates shall be used by the Treasurer of the United States in payment of any obligations of the United States.

SEC. 5. The silver so accepted under this act shall be coined into standard silver dollars and subsidiary coins sufficient, in the opinion of the Secretary of the Treasury, to meet any demands for redemption of such silver certificates issued under the provisions of this act, and such coin shall be retained in the Treasury for the payment of such certificates on demand. The silver so obtained and deposited under this act, except so much thereof as is coined under the provisions of this act, shall be held in the Treasury for the sole purpose of aiding in maintaining the parity of such certificates as provided in existing law. Any such certificates or reissued certificates, when presented at the Treasury, shall be redeemed in standard silver dollars, or in subsidiary silver coin, at the option of the holder of the certificates: *Provided*, That, in the redemption of such silver certificates issued under this act, not to exceed one-third of the coin required for such redemption may in the judgment of the Secretary of the Treasury be made in subsidiary coins, the balance to be made in standard silver dollars.

SEC. 6. When any silver certificates issued under the provisions of this act are redeemed or received into the Treasury from any source whatsoever, and belong to the United States, they shall not be retired, canceled, or destroyed, but shall be reissued and paid out again and kept in circulation; but nothing herein shall prevent the cancellation and destruction of mutilated certificates and the issue of other certificates of like denomination in their stead, as provided by law.

SEC. 7. The Secretary of the Treasury is authorized to make rules and regulations for carrying out the provisions of this act.

During the delivery of Mr. PITTMAN's speech—

The VICE PRESIDENT. The Senator's time has expired, but he has 15 minutes on the bill.

Mr. PITTMAN. I thank the Chair.

After the conclusion of Mr. PITTMAN's speech—

## WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

Mr. THOMAS of Oklahoma. Mr. President, in support of and justification for the compromise just agreed to, I desire to call the attention of the Senate to a news item appearing in to-day's New York Times. This is on the first page. It is under the heading:

Danger of revolt cited by farmers in pleas for relief. Letters to Senators tell fear of chaos unless "unbearable" burden is eased soon. Inflation demands grow. Idea that this is salvation mingles with call for debt moratorium. "Suffering amid plenty." Some denounce eastern bankers and Congress—Urge for a "new deal" is insistent.

This story evidently has been prepared by Mr. Russell Owen. It is a special dispatch; and I ask unanimous consent that the article under the heading as indicated may be printed in connection with my remarks.

The VICE PRESIDENT. Without objection, that order will be made.

The matter referred to is as follows:

[From the New York Times of Monday, February 13, 1933]

WASHINGTON, February 12.—The demands for inflation, mortgage moratoriums, and reduced taxes, which have been made in Congress in recent weeks, have their strongest roots in the middle and far western regions of the country. There is probably no more accurate mirror of the people's thought than mail received by Congressmen, and in the last two or three months the tone of these letters has changed radically.

From being argumentative, suggestive, and full of mildly phrased panaceas for national ills, they have become violent, denunciatory, and more often pathetic in the picture they sketch of conditions in the agricultural sections of the United States.

In an effort to learn just what farmers and those associated with them are thinking, to learn what causes these ordinarily law-abiding people to resort to extra-legal methods to prevent tax sales and mortgage foreclosures, hundreds of letters to several western Senators have been read. They have been taken at random from the mail of the last few months. They are from men who are not normally radical in their viewpoint—from formerly prosperous farmers, small-town bankers, lawyers, real-estate men, insurance agents, heads of mortgage and loan companies, and merchants. Most of those selected were typewritten on business letterheads.

A few months ago there was in the minds of the people who wrote these letters only a sad bewilderment at the financial swamp in which they were sinking, appeals for help, and angry protests. But now the predominant emotion in them is fear—fear of greater economic and business chaos, fear of revolution. That word was seldom used until two or three months ago; now it bobs up repeatedly in letters from the western farming communities. It is not a threat, but a specter which they have conjured up and from which they shrink. They fear trouble, fear revolt, but seldom threaten it.

### CURRENCY INFLATION DEMANDED

The most insistent demand found in these letters is for currency inflation. The writers do not care much what kind of inflation, whether a reduction in the gold content of the dollar, free silver, bimetallism, or straight inflation of the currency. They don't particularly care what happens to industry and to the wage earner as the result of inflation. They want something with which to pay their debts, for they see themselves as a people living in the midst of plenty but with absolutely no money to meet their bills.

The idea that inflation may save the farmer has spread with startling rapidity in the last two months. It is advocated from Indiana, where it has most recently appeared as an issue which must be considered, all the way to the Pacific. One Senator went so far as to say that he did not believe any man could be elected west of the Mississippi in the next election unless he were for inflation.

The pressure of taxes, taxes which they can not meet, and which take from them their farms and homes, is also uppermost in their minds. They demand economy, demand that the ever-growing burden of taxation be lifted from them; and if inflation will help, so much the better. Government abuses which have crept into the administration of the farm loans, the lack of discretion which permits a land bank to exact the last dollar from a farmer who needs it for his spring planting, have aroused tremendous indignation among the western people.

### BELIEVED CONGRESS SHOULD ACT

Anger at Congress for its do-nothing attitude, and past fumbling of the farm problem, is mingled with a fear that any remedy which may now be evolved will come too late to relieve the situation. There are suggestions that distribution of wealth should be forced by Congress, that eastern bankers should be made to "disgorge" the gold which the farmer believes has been hoarded. It was this feeling which reacted against the branch banking provision of the Glass bill, for the farmers believe that branch banks would merely aggravate their troubles and withdraw more money—if that were possible—from the agricultural communities.

They are violently opposed to cancellation of international debts, due to the conviction that the United States has been more solicitous of her foreign creditors than of the farmers and small business men. The farmer points out that he has been facing the depression for 10 years, that he was the original victim of inflation for the benefit of industry. There was no heed paid to his demands for relief so long as industry was booming, the westerner argues, and now he does not see why anyone should balk at inflation, which would help him, even if the rest of the country suffered. A small part of the money loaned abroad would immediately rehabilitate agriculture and restore its buying power, he says, and he thinks it is the duty of Congress to give it to him.

If relief is not forthcoming, writes one man, the bonus expeditionary force will look like a "sideshow" compared with the farmers' march on Washington.

LETTER ABOUT CANCELLATION

The attitude toward cancellation is shown in this letter from a lawyer in South Dakota:

"If you want real heat just mention cancellation of the debts owing our Government by European countries. The ordinary farmer doesn't know much about financing as conducted by international bankers, but he does know what it means to pay debts, and if anybody owes the American Government anything he wants it paid, the same as he has to pay. The average fellow in this country [meaning South Dakota] thinks we have already given too much. If capacity to pay is any measure, the farmers feel they ought to have the same chance as foreign governments and not lose most of their hide in the process.

"There has got to be a change for the better soon, or an awful lot of people will be ready to scrap the Constitution and everything else. A hungry belly hasn't much conscience and no pride in the existing order of things. You can't argue economics, supply and demand, world markets, and such like with a fellow who is hungry and is willing to work to supply his hunger and be unable to get the job. The same holds true with the farmer who has sweat for years to get somewhere, and then have it all change to chaff.

"HUEY LONG says we are headed for the bow-wows if we don't wake up and do something about it. It hasn't been so long ago that I would have been with the majority and scoffed at his statements, but now I am not so sure. I honestly believe that if some tangible target was offered to the people of this country they would be a bunch of raging wolves out for blood. If there is anything to this alleged concentration of wealth and bossing of the Government by and for the advantage and privilege of a few, Heaven protect and be ready to receive them when the rank and file come to fully realize it, and that goes for whoever is President and whatever party is in control.

SUGGESTS NEW DEAL ALL AROUND

"Better to tumble the whole economic structure into chaos and then oblivion and start from the ground up on a new deal all around than to continue the way we have been going. This may sound awful extreme, radical, and bolshevik, but is what is going on in the minds of tens of thousands of our people over the country, if what our own people say is any measure at all."

That letter represents the great majority, but there are contrasting expressions, which show a courage and fortitude which explains why events have been no worse in the Western States. Take this man, for instance, who has a few dollars left:

"Inclosed find the second $50 payment on my loan. I very much thank you for your personal interest in me. I was surprised land banks were so human; and believe me, I won't fail to tell my friends what real men you are. I think lots of things would be better if we knew each other better and had a chance at the other fellow's point of view. And it surely is right that all we farmers need is a price for what we have to sell. But land knows when we will ever get that again. So we must just plug along together as well as we can and take the longer way up the hill, and we'll make it. Surely our forefathers handed us down that much grit."

To a bank: "I am going to let you foreclose on the farm, as I do not have any way of raising the money to meet the payments and taxes. I thought maybe the bank with the second would try and carry me over until I could realize something out of the crop, but they have not done so. With two short crops in 1930 and 1931, where I had to use other money to keep up on the payments and the taxes, and you getting this crop, which will not make the payments at present prices.

"I am not laying down on the payments or the crop on account of hard feeling toward you, but because I am unable to do otherwise. I know what condition you are in."

WRITERS TELL OF STRAITS

But letters like the last two are relatively few. Most of them read as do the following, written by men in various walks of life:

Real-estate man: "You know I am not an alarmist, but conditions are growing worse and there would be desperation now if it was not for the hope held out for relief. I seldom write, but I can see and feel a real uprising if the prices of farm and ranch products are not advanced. It looks as if many of our lawmakers want to continue 'fiddling while Rome burns,' [a phrase often used]."

Real-estate man: "The increase in our circulating medium is the greatest necessity for our recovery from the pitiable condition in which producers of every class find themselves at this time. We have all the minerals, farm products, raw material of every kind, and labor in abundance, but lack of necessary medium of exchange to make the country prosperous. I trust you will continue to battle for an adequate increase in the currency and banking system that does not take away from the local communities and place in the hands of giant institutions the control of the local banks."

Lawyer: "We feel that the only way that times can be helped is to put more money in circulation, and when that is done I am sure that the present condition will be much relieved. It seems as though we have everything else that we had in prosperous times except money, and the price of a dollar has been raised so much that the commodities the people have to sell and the property will have to be sacrificed to realize anything on them."

Banker: "Next in importance is the inflation of the currency. The importance of this is being strikingly manifested in different localities all over the country, where communities are issuing their own 'wooden money' and using it as a medium of barter and exchange. A continuation and an increase of foreclosures is going to lead to trouble, and it might become more serious than any of us would like to see. These farmers are not willingly going to give up their homes under these conditions."

BURDENS CALLED UNBEARABLE

Lawyer: "The people can not bear their burdens, and they will not bear them in peace. The American citizen is not going to work 365 days a year for many more years and give every dime of the proceeds of that labor to support his State and Federal Government, leaving nothing for himself and his family. I am writing this letter as a red-light signal to let you know there is danger ahead, and it is so close that it really makes me tremble. Any man in the United States at this time who will hold out for his own selfish motives and personal gain is the greatest traitor who lives in this country. This letter is written for the sake of America and American citizens, for the sake of my two children who come after me, and for the sake of common justice and right to mankind."

Small business man: "Our so-called banking system is a high-powered machine gun wherewith legalized robbers collect at regular intervals twice the value of their loans. Gold as money is almost as obsolete as wampum. Eggs, butter, clothing, steel, and a thousand other commodities lie useless because Eastern bankers are hoarding gold or its equivalent. Think of it—a people hungry and ill clad, surrounded by good things to eat and warm clothing to wear which they can not buy because some human parasites have been hiding gold. How long shall we trust our well-being to a commodity that's so scarce it rises in value every time some of it is taken out of circulation? You are right. 'If not reflation, then revolution.' I see no immediate relief for industry. If the farmers of this country can not be saved, God help America. Our money problem can only be solved by clear thinking; but if home owners lose their stake in America, it will be hard to convince hungry men that hot lead won't help."

Storekeeper: "It is imperative that politics be laid aside, that ability and judgment be used to solve the grave problems now confronting the American people. The uncertainty is creating unrest, making people lose faith in their representatives and in their Government. This should not be allowed to gain any momentum, for there is no telling where it will end, should a Hitler rise up and say, 'Let's go to Washington a million strong; make the rich divide with the starving poor.'"

INSTANCES OF DISTRESS

Here is the sort of thing which brings about letters such as the above:

Farmer: "My father came to Dakotas in 1873. In 1882 I homesteaded, married, and reared four children. We managed to give them all a good education. When the World War came on I was asked to buy Liberty bonds, which I did. I had no ready cash and so borrowed $2,500 and gave a mortgage on a half section of land. I paid 9 per cent interest and received only 4 per cent from my Government bonds. In 1922, after years of sacrifice and hard work, mother and I retired. We sold the homestead and built us a modern home. We had 800 acres of good farm land, 61 shares of stock in the State bank, and had a nice income each year.

"But in 1931 the crops were short and the prices low; in 1932 the prices were still lower. We were obliged to borrow $350 from the bank. I have been looking for a loan on the same half section that I mortgaged in 1917 and paid off in 1922. I have 800 acres of good North Dakota farm land, about $8,000 in bank stock, notes for about $2,500. My only indebtedness is the note for $350 above referred to. All of our property will have to be sold for taxes unless we get help."

Farmer: "Now, our original loan was $9,500, $500 of which was stock. We are behind on our interest and taxes approximately $1,600. But we have given them all the crop the last two years. In 1931 we raised nothing. In 1932 had fair crop. But no price since making this loan. Federal land bank just laughs at us when we mention the Federal aid given them last winter. Their agent in this district is ———, and his attitude is to hell with you and the Government. Is there no help for us? Must we in our old age see our property taken from us?"

GOVERNMENT AGENTS ASSAILED

Influential South Dakota farmer: "And the question was how to get rid of the burden of the feed and seed loans which farmers can not pay at these prices of farm products. And these Government agents or collectors that are located around different towns are watching the farmers so they can't sell a bushel of grain or a cow or hog unless they are there to take over the check. The farmer can get along without anything. Over the line in the next county a farmer sold a load of barley so as to get a little money so as not to starve and freeze to death for a little while. And they had him arrested, and he was poor and couldn't put up bonds, so they keep him in jail to serve his time until the proper time comes for his hearing.

"And one of my nearest neighbors took a truck load of cattle to Sioux Falls, and he did not have no seed loan, but he borrowed a little money from the Government so he could raise a bunch of hogs and feed his stuff through last spring. And when the cattle were sold the Government held the money for the whole truck load, and they only had mortgage on a little better than

half the load, and the rest of them did not have no mortgage on, and this was a man who always paid his accounts in full.

"These agents must be instructed to watch the farmer worse than the devil watches the soul. The way the farmers are tied up they can not sell a bushel of grain or a cow, which is not worth much if they could spare it, to get hold of a dollar to get a plow lay sharpened or a bolt for the drag, or any other necessary expense to put in the next crop, without saying anything about food, fuel, and clothing, as people out in the cold Northwest, a lot of them, got to get along with very little clothing and slim feeding.

"It seems like the people are not going to stand for this situation much longer. It will not surprise me that revolution may break out at any time, which I hope will never happen."

WARNING OF "OMINOUS" SITUATION

President of a mortgage company: "Business is at a standstill; it is paralyzed. Revolt against government is occurring daily. Decrees of court are being physically opposed. Owners of equities do not propose to be divested of their farms even if they are compelled to resort to physical violence. The militia of this State will not fire to kill when called upon to suppress these disorders. This revolt is spreading like a prairie fire."

Business man: "The growling of the frantic taxpayer out here in the Middle West is becoming ominous. Heretofore there have been feeble protests against conditions, but they are rapidly assuming almost revolutionary proportions. Farmers, especially, faced with losing farms on which they have labored for a half century, are demanding a drastic reduction in taxes, not a mere shifting of the burden from one shoulder to the other. Foreclosure sales and deficiency judgment sales are being halted daily by threatening groups.

"One of the sore points is the terrific expenditures of the Veterans' Bureau, especially in the matter of hospitalization for injuries and disabilities not incurred in line of duty. Another is the inequality of pay for Government clerks, etc., when compared to the earnings of the average small-town man or woman.

"The present lame-duck session is the laughing stock of the country. And the horrors of inflated currency are being dinned in our ears by the daily press, although every one knows that some form of inflation will be necessary if this country ever hopes to pull through this crisis."

WEST "DRIVEN TO DESPERATION"

Minister: "The West has been driven to desperation and if the East does not awaken to the peril, the time may be near when the great agricultural States will be compelled to use means to relieve the situation without Congress. During the time of the war men deliberately inflated our currency and then they deflated it and left this immense debt on our hands without medium with which to meet obligations. I am a minister of the gospel, but know that all those who made money out of the blood of the young men who were killed during the war will have to give it up again, and the sooner they do it the safer it will be for them, for if this hatred that is being cultivated because of injustice is not righted, I fear that many of those men will lose their lives in the conflagration that is being kindled."

Minister: "We wonder if the East has any conception of what is going on here. Was in the office of the sheriff of this county to-day and heard the deputy sheriff speak of the manner of selling foreclosures. They do it by subterfuge. Representatives of the mortgage holders meet in the sheriff's office. They are not seen by the farmers nor any one else if it can be prevented. The deputy goes to the steps of the courthouse, mumbles awhile, then comes back and accepts, in his office, the bid of the representatives of the mortgage holder at such figure as may be offered, who then goes on his way, and a deficiency judgment is entered by the judge sitting. This procedure permits the mortgage holder to ask for a receiver, who takes charge during the redemption year, who can hold the crops, take the personal property, and so clean out the farmer of all he has."

"GENERAL UPRISING" REPORTED

Farmer: "The farmers and the townspeople are losing their homes by the hundreds, meetings are being held behind closed doors and the townspeople are joining the farmers in a general uprising. If this continues, this whole country will go down a mass of ruination and wreckage."

Banker: "A man drove out to a farm sale with the intention of buying farm equipment, as he is planning on starting farming this spring. When an article was sold he placed a bid, but was immediately tapped on the shoulder and told not to place any bid. He thought they were bluffing, and the auctioneer called for bids, but he raised the bid that was already placed and he does not know what hit him, but he was laid out cold and needed the doctor's care. Shall these lawless parties go unmolested by our law or what course should be pursued? People are desperate these days; they say Congress talks beer while people are more interested in their homes and enough to eat."

Lawyer: "An insurance man came out here a while ago to sell a farm. He went out and looked over the stock and equipment and went into the barn. Hanging from a beam there was a rope with a noose in it. He said, 'What's that for?' They told him that it would probably be used later and he left in a hurry. Later his lawyer, who was to have met him there, came out, and he was shown the noose and told that the sale would take place right away and he would act as clerk. So he did, and the sale was made for $60, and then he was told to go home, that the sale was over, and not to come back."

"PENNY SALES" DESCRIBED

State legislator: "I told you in my other letter that there were symptoms of an uprising among the farmers. You are probably aware of the fact that not only in Iowa but in all parts of Nebraska the farmers are gathering in numbers where there are farm foreclosures and chattel mortgage sales, and they have been stopped. In the chattel mortgage sales if they weren't stopped, they didn't have but one bid on property put up. Cows selling for 10 cents a head, horses 50 and 75 cents a head, the property afterwards turned over to the family. I feel quite sure, with the temper of the people, that had they been resisted it would have been disastrous to the person insisting on going through with the sale."

Business man: "The plight of the farmers is growing worse and worse as time goes on. It is surely time that America takes some definite steps to save its agriculture from utter destruction. People are not always going to starve in a country where its producers are providing food in abundance and losing their homes and farms in the process, while 80 per cent of the national wealth finds its way into the hands of 4 per cent of the people. America should bow its head in shame in the face of such a situation. To say that America can not protect and foster its basic industry and feed its willing toilers is to abjectly confess the bankruptcy of American statesmanship and admit that democracy itself is a dismal failure. It is time to act. Agriculture has suffered miserably for 10 long years at the hands of its own Government. Largely from this cause this Nation is in perilous times. Things are going from bad to worse until the temperament of the people is becoming ominous."

These letters could be duplicated by the hundred. They are typical of what the farming communities are now writing to the representatives in Congress. There is almost no demand for a change in government, although some people question the present system—for the most part they believe that some method can be found through legislation to relieve distress and they are still hoping for positive action.

Mr. BROOKHART. Mr. President, I desire to speak briefly upon the amendment offered by the Senator from North Dakota [Mr. FRAZIER] at this time.

I think the Senator from North Dakota is not entirely familiar with our systems of training in the United States. The part of the bill he is seeking to strike out pertains to civilian training, the most desirable kind of training in our country. It is the most historic training. It was the riflemen of Lexington who opened the Revolutionary War in a vigorous contest with the regular-trained English soldiers. It was the riflemen of Morgan who defeated Tarleton and the riflemen of other generals who made the resistance to the English Army effective later on in the Revolutionary War.

Coming on down to the War of 1812, it was the riflemen of Andrew Jackson at New Orleans who drove back the conquerors of Napoleon. In the Mexican War the same story was repeated, and in the Civil War the most effective military training was that of the riflemen, the squirrel shooters, as it were.

Then a new idea came into the minds of those in control of the Regular Army of the United States, came into the minds of the General Staff, and took possession of the War College. It was found in the firing school at Fort Sill, in the military school at Fort Leavenworth, the strangest of all ideas, and it was about like the idea of the Senator from North Dakota for striking out this amendment. That idea was that a poor shot gets more hits in battle than a good one.

Mr. President, it may seem incredible to the ordinary mind that the highest military authorities in our country would ever conceive such an idea, and then that they would systematically teach it in all the Army schools; but such was the case for a whole generation.

When I came to train my company of the Spanish-American War, I was issued 30 rounds of ammunition per man to train that company. At that time I knew nothing particularly about rifle training. I had only had the experience of the ordinary farmer boy in shooting rabbits and squirrels and things of that kind. But instinctively I knew that you could not train a man to defend his life with 30 rounds of ammunition.

In addition to that those rounds of ammunition had to be fired under these peculiar conditions. A man stood up and fired 10 rounds at a target 200 yards away. The possible score would be 50. If he made 34 out of the 50, he was permitted to move back to 300 yards, and there he would kneel and fire 10 rounds more at the same target. If he

made a score of 32, he was then permitted to move back to 500 yards, and in a prone position fire 10 shots on a larger target. Then his training was complete. If at the 200-yard stage the man made a score of only 33, instead of 34, his training was completed at that point. In other words, the poorer he was, the less training he got. Likewise he was halted at the 300-yard point if he made only 31 instead of 32.

Mr. President, that idea prevailed in the Regular Army, never in the National Guard, never in the civilian rifle clubs, never among those who knew anything about shooting a rifle, but it did prevail with the biggest generals of the Army, and was in the textbooks. I myself helped to get it out of some of them, in part at least, although it is not yet entirely removed.

Mr. President, that idea prevailed right up into the World War, and it was on the 21st of October, 1917, after we had been nearly six months in the war, that General Pershing found out that that theory was not working in battle. He had been over in France nearly six months before he learned it. He sent a cablegram, then, demanding that some attention be given to marksmanship training.

Later, on an amendment I propose to offer myself after the pending amendment is disposed of, I shall discuss matters as they occurred during the World War. I want now to review these items in this bill, all of which are very meager and very inadequate, all of which have been in the bills for many years, and all of which are for civilian training.

I think the principal reason why the theorists of the General Staff evolved that other theory of marksmanship was this—that marksmanship training is an individual matter, and if one becomes efficient and expert in marksmanship he does not do it under orders. The military idea is to do everything under orders, and even in their training to-day, as far as possible, they keep every act and every movement of the man they are training under orders.

The civilian idea of marksmanship is to teach and train the man to do it himself so that he will be independent and able to take care of himself under all conditions, and I think that was the fundamental dividing line in this matter of training. Therefore marksmanship was dropped out of the Army practically for a whole generation, and it came back only during the World War after a year's experience. We had been 13 months and over in the war before the first efficient school was established in the Army for the training of instructors in marksmanship. I want to say that outside of the Marine Corps, which never held to that idea, and which has really efficient training, we sent but few troops to France who were adequately trained in marksmanship.

Mr. President, we often hear that our losses in the World War were due to unpreparedness. There is no more offensive part of that unpreparedness than this false theory of the Regular Army itself, and of the General Staff of the Regular Army, in reference to marksmanship. I think I can say, and I think I can take the details and convince any reasonable man, that two-thirds, perhaps three-fourths of the losses in the Battle of the Argonne could have been avoided by proper training in rifle marksmanship. The marksmanship of the Artillery was better, the marksmanship of the machine gunners even was better, but the old theory sent millions of our men to France, many of whom did not even know how to load a rifle, let alone shoot it. Our school started, as I said, after we had been 13 months in the war, and it trained 7,000 instructors for all the divisions of the Army, but the war was over before they could get into efficient action.

When the school was discontinued at Camp Perry, about the latter part of September, I myself went out to the Nineteenth Regular Division to train them in marksmanship and was with them about 30 days. There were in that division two of the oldest Regular regiments in the United States, the Second Infantry and the Fourteenth Infantry, and they needed the training as much as any troops I found during the war, and I had been special instructor of a National Army division and of a National Guard division, in addition to being chief instructor of the Camp Perry school and the Camp Benning school.

Mr. President, what does the Senator from North Dakota propose to do by this amendment? At the present time our farmers, the common people of our country, have little opportunity to learn rifle marksmanship. There is not a spot in the State of Iowa where one can fire a high-power rifle without danger of killing somebody, unless there is a prepared rifle range, a military range, as it were, and I doubt whether there are many of them even in North Dakota. So our people are getting away from their traditions, because the opportunity for learning marksmanship has been taken away from them.

Therefore, I strongly oppose striking out the meager amount for training civilians in marksmanship. Here is the District of Columbia. Of course, the Government should pay that expense. That is like a State controlling its National Guard or militia. Then we get $31,465 for the director of civilian marksmanship office. He is the contact officer for the civilian rifle clubs all over the country and encourages them in every way he can and in some way keeps up the tradition of American marksmanship. There is provided altogether $125,000, reduced by the Senate committee from $150,000, for the National Board for the Promotion of Rifle Practice, and so on, in connection with the encouragement of rifle practice. That is a small amount. It is a trifling amount, in fact, for the whole United States. It is only keeping the American tradition alive in a small way in a few communities, but it is spread out into all the States of the Union. It is national in its scope.

The Senator from North Dakota [Mr. FRAZIER] has proposed to strike out these items. I am quite sure he would criticize the vagaries of professional militarism as I would, and I think I criticize them quite as severely as he does; but I do it somewhat with a technical knowledge of the way in which they should be criticized.

I think there is something radically wrong about the leadership of the American Army. The present Chief of Staff has more common sense than most Chiefs of Staff we have had, but the Army still has a lot of vagaries that need to be corrected. Army officers go to the War College and to other schools and for 20 years they plan imaginary wars and fight imaginary battles. Senators who are lawyers, let me call your attention to this situation. Suppose you should go to school for 20 years and would practice law in a moot court before imaginary judges with imaginary cases, what kind of lawyers would you be at the end of that practice? There is very much of professional militarism that is in the same condition of mind as a lawyer would be if trained in that way. It needs to be tempered and changed and modified by civilian training. It was the civilian soldier who won the World War.

There were 17 National Guard divisions, civilian soldiers, who all got ready and went over. I trained one National Guard division in marksmanship. I am fully convinced that if they had not been handicapped by some of the vagaries of military training, they could have prepared themselves and been ready in half the time they did get ready and would have been better prepared.

The PRESIDENT pro tempore. The time of the Senator from Iowa has expired.

Mr. BROOKHART. I desire my other time on another amendment later.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from North Dakota [Mr. FRAZIER].

The amendment was rejected.

The PRESIDENT pro tempore. The time of the Senator from Iowa has expired.

Mr. BROOKHART. I desire my other time on another amendment later.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from North Dakota [Mr. FRAZIER].

The amendment was rejected.

Mr. COUZENS. Mr. President, in sending my other amendment to the desk I overlooked the fact that part of the money should be immediately available, because it will be four months before the bill will become effective. I therefore offer the following amendment: After the numerals "$22,000,000" in the amendment previously agreed to insert in parenthesis the following: "(Of which $5,000,000 shall be immediately available.)"

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Michigan.

The amendment was agreed to.

Mr. BROOKHART. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. Let the amendment be stated for the information of the Senate.

The CHIEF CLERK. On page 61, after line 6, insert:

NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE, ARMY NATIONAL MATCHES

For the national matches and other competitions and the Small Arms Firing School, in accordance with the provisions of the act approved May 29, 1928 (U. S. C., Supp. III, title 32, secs. 181a, 181b), $450,000.

Mr. BROOKHART obtained the floor.

Mr. REED. Mr. President, will the Senator yield to me?

Mr. BROOKHART. Certainly.

Mr. REED. This would institute a new item of appropriation in the bill. It is clearly in violation of Rule XVI. I feel that I shall have to make the point of order against the amendment.

Mr. BROOKHART. Mr. President, the point of order is debatable.

The PRESIDENT pro tempore. Does the Senator address himself to the point of order?

Mr. BROOKHART. Yes. There is an existing law mandatory in its nature directing that these matches be held annually. I have a copy of the law here. The appropriation is to carry out that law. Under Rule XVI the amendment is in order. If the Senator from Pennsylvania has any doubt about it I will show him the law.

The PRESIDENT pro tempore. Does the Senator from Pennsylvania desire to be heard on the point of order?

Mr. REED. The language of the rule is to "add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session."

If the words "previously passed" apply to the nouns that precede, then it must be an existing law passed by the Senate at this session. I am not sure that that construction has ever been adopted, however.

The PRESIDENT pro tempore. The Chair is of the opinion that the amendment proposed by the Senator from Iowa is designed to carry out the provision of existing law, namely, a statute approved May 29, 1928.

Mr. REED. I am inclined to think it does not violate that part of Rule XVI.

The PRESIDENT pro tempore. The Chair is therefore of the opinion that the point of order made by the Senator from Pennsylvania must be overruled. The Senator from Iowa is recognized in connection with the amendment.

Mr. BROOKHART. Mr. President, I think the national rifle matches constituted the most important item of military training in the United States before the World War, as they have since that time. I have already given some description of the situation up to the time of the World War. At the beginning of the World War the riflemen of the National Guard were all left at home. Not one of us was ordered into the service. In fact, in the service down on the Mexican border in 1916 our commissions were canceled and we were sent home after a short period of service. Congress restored those commissions. When the war broke out the General Staff of the Army still had its prerogative to exercise, and did not order us into the service. For 15 years I had been fighting, as a member of the national board and otherwise, for the national matches and for adequate marksmanship training in the Army and in the National Guard. The last big fight before the war was before Secretary of War Garrison, with General Mills, who was then head of the Militia Bureau. After an all-day discussion, Secretary Garrison decided the matter on every point in favor of the national matches and of marksmanship training.

A little while after that Secretary Garrison resigned and Newton D. Baker became Secretary of War. When he became Secretary of War a memorandum was sent over to him by various officers of the General Staff and War College, in which they said the thing that most needed the attention of the new Secretary was a reorganization of the National Board for the Promotion of Rifle Practice. That was the board that had charge of the national matches. They pointed out that Congress had increased the appropriation up to $300,000, and that it needed big, broad-minded men to administer the fund. They suggested the men. They suggested the officers who had fought against the appropriation and left off all of us who had fought for and obtained the appropriation from the Congress of the United States. The result was that Secretary Baker removed all of us from the board and put the other crowd on the board.

Then the war came on. We were not ordered into the service, as I have already said. The United States entered the war on the 6th of April. It was on the 21st of October that General Pershing cabled demanding attention to marksmanship. He did not stop with one cablegram. He sent another one the next week, and then every week. There had been a constant fight over the contention that it is the poor shot who gets more hits in battle than the good one, aggravated by the fact that I had condemned 3,000 rifles that had been worn out in the Regular Army in cleaning, not in shooting, but they had been rubbed out by abrasives in cleaning for inspection purposes. Under the rule of the Army the rifle must be so clean that the white glove of the inspecting officer may be rubbed over it without showing any dirt on the glove. Of course, the real rifleman likes to find rifle grease on his gun, because that means the preservation and proper care of the rifle. But the military system of the regular service wants all the grease removed. I had condemned 3,000 of those rifles. They would not hold on a target at 300 yards. They would shine all right; they were beautiful inside. General Crozier came down to the border to see about the condemnation, but they stood condemned when the tests were made. They were not serviceable because they had been rendered absolutely useless.

But all of that put me in bad and I headed the black list in the Ordnance Department. I was not ordered into the service at the beginning of the war. Finally, the Chief of the Militia Bureau was changed and an old rifleman, Col. Ira L. Reeves, a regular, became assistant chief of the bureau. He found this black list. That is how I know it was not a theoretical black list. It was an actual black list. My name had the honor place at the head of it. As soon as he found that, he wrote an order calling me into the service and included a couple of other officers so as to camouflage it somewhat, and then submitted it as an emergency matter to the Assistant Chief of Ordnance. He waited until the chief was out of the city. The assistant signed the order directing me to report for service. Colonel Reeves did not report that to the personnel section, and the first the personnel section knew of it was when I reported. Even after that General McLean, then Adjutant General of the Army, tried to interfere and stop me from coming into the service. The Judge Advocate General ruled against that procedure, and I was in. After I was in, it was harder to put me out than it was to keep me from coming in.

I was first sent to the Winchester plant to study the new rifle, a folly on the part of somebody which led to our adopting the Enfield English rifle, which we copied in part and brought over here. It was not as good a rifle all through as our Springfield rifle. Then I was sent out to join the Eighty-eighth National Army Division to train them in marksmanship. I only had 30 days in which to train them

with a complement of a thousand extra officers, and it was midwinter, being in January, 1918.

Then, under orders, I came back to Washington. A new Chief of Ordnance, General Wheeler, had assumed office in the meantime. He talked this matter over with me fully and gained a real understanding of the purpose of military rifle training. He then had me prepare and submit a report concerning my tour of duty with the Eighty-eighth Division. That was done, and he laid the report on the desk of Secretary Baker, who ordered me to report to him. He had removed me from the national board a year or so before, and I did not know what to expect from him, but I was ready for the interview anyway, and went to his office. He started in very nicely, and asked why this marksmanship training was so inefficient in the Army. General Pershing was sending cablegrams every week about it. I told him of the old theory which was taught in the Army schools—that a poor shot got more hits in battle than a good one, and I explained how they proved it, and all that. He then began asking me about the generals. They were the same generals who had blacklisted me, and so I did not hesitate to give my opinion of them. Well, one of them four days later was removed and sent to Panama where he enforced the prohibition law and was a very good officer down there. Within 10 days the Secretary of War removed a second one from the position of chief of the War College and sent him out to command the Western Department at San Francisco. Nobody reported to the Western Department, and the department commander there had nothing to do but to keep his feet on the desk. In a couple of weeks more the Secretary of War removed another general from the national board and put me back on it. That is the way I got out of that mess.

Then, Mr. President, the Secretary of War asked me to suggest a plan for training the Army in rifle shooting. I told him we had been then in the war for nearly a year; that the training ought to have started the first day of the war but at that late date there was only one feasible plan, and that was to establish a central school somewhere and to send there details of officers, the higher their rank the better, who should be trained as instructors for all the Army divisions. I asked him to send for Colonel Mumma, of the Regular Army, a famous rifleman, who was then on the General Staff, whose offices were right across the hall from his office. I told him he would get very much the same set of facts from Colonel Mumma that he had obtained from me but in different language, because Colonel Mumma was disciplined, while I was not. While referring to certain generals, I had mentioned the National Board for the Promotion of Rifle Practice, and the Secretary then seemed in a way to remember something about it. He asked me, "Are you on the national board?" I said, "No, sir; one of the first things you did as Secretary of War was to remove me from the national board." He wanted to know how that happened. Then I told him. I said, "You have organized that board a second time in the last few days; you have good men. Colonel Reeves is on it now and also Colonel Mumma; some of those on the board are not right but the majority are all right, and I have no objection to the board." He was not satisfied with that explanation and wanted to know more about it. Then I told him how the War College and the Adjutant General's Office and other bureaus had sent these memoranda over to him as soon as he was appointed Secretary of War. He remembered that, and there was then a mad Secretary of War, because evidently those memoranda had concealed the real truth from the new Secretary of War.

I presume that is the reason why those generals were afterwards removed so suddenly. There was their own evidence that stood against them. So he asked me how we should train the Army. I told him we would have to establish a central school. He asked me where we would get the staff for such a school. I told him there were 50 or 100 riflemen who had been trained by participating in the national matches through all the years, the foremost riflemen and the greatest instructors in the world, who, like myself, had not been ordered into the service; and that we could make up the best training staff of riflemen the world ever knew without disturbing any organization that he had set up for the prosecution of the war. He then said, "I get your idea." Before being dismissed I asked him to send for Colonel Mumma. He did so; ordered the school to be established at Camp Perry, Ohio, and then went away to France.

Mr. President, after the issuance of that order the War College sent for me. I was then a very welcome guest there. Of course, the War College had some new leaders, and they were very well pleased to be the new leaders. So we prepared a memorandum for this school. We started it up through the General Staff. The system prevailed of requiring every order to go the rounds of all the various bureaus, and, if any one general disapproved, that killed the order. It got up to General Graves, who subsequently commanded the American Army in Russia. I may digress to say that I hope all Senators who have not done so will read the book on Russia written by General Graves; it is a magnificent book and tells the whole truth. General Graves did not know what the order was all about; so he marked it "disapproved." However, the Assistant Secretary of War had been ordered to establish this school, and he sent for General Graves and told him that the Secretary of War had ordered that the school be established. All General Graves wanted then was a little change in some administrative features of the school. So we took the order back to the War College, revamped it to suit General Graves, and started it through the mill again.

General March had just returned to Washington to be Chief of Staff, and, as the newspapers said, he was the selection of General Pershing. General Pershing sent a cablegram every week requesting that something be done regarding training in marksmanship. So we expected no opposition from General March. But, Mr. President, after the memorandum had been clear through the various offices of the General Staff I saw it marked "Disapproved, Peyton C. March, major general, Chief of Staff." That was just before his promotion to general. Mr. Crowell, Assistant Secretary of War, then sent for General March and told him that the establishment of the school was one of the things that was to happen in the course of human events. General March then erased the word "disapproved" and marked the order "approved." The school was then established. Mr. President, it was on the 10th day of May, 1918, after we had been in the war for over 13 months that this school was opened. When it was opened it had a class of 1,100 officers from all the divisions of the Army who were to be trained as instructors of marksmanship in the Army.

Outside the Marine Corps—the Marine Corps are well trained in marksmanship—the only efficient training the Army got in marksmanship came from the officers who had learned the whole theory and system of marksmanship training in the national matches.

The PRESIDENT pro tempore. The time of the Senator from Iowa has expired.

Mr. BROOKHART. Has my whole 30 minutes expired?

The PRESIDENT pro tempore. The time of the Senator on the amendment only has expired. The Senator may now have 15 minutes on the bill.

Mr. BROOKHART. That is what I thought.

The PRESIDENT pro tempore. The Senator is recognized for 15 minutes on the bill.

Mr. BROOKHART. Mr. President, after this school was established and began training 1,100 officers a month it became the most popular school of the Army; in fact, General March gave out some statement expressing great approval of the establishment of this school. When the fall came, it was decided to send us South during the winter so that we could work all winter. There was an intermission of about a month, when I went out with the Nineteenth Regular Division, of which I have spoken. Then I was ordered to Camp Bennings, Ga., to establish the new firing school there. That was just a few days before the armistice was signed.

Mr. President, the national matches broke down the old theory of the Regular Army; they changed the whole system. When I reached Bennings the commandant of that school was the author of the book on the Rifle in War, that had taught the theory that the poor shot gets more hits in battle than the good one. He entirely reversed his position. I never had an argument with him while I was down there, and we went ahead with the marksmanship training at Bennings very much as it had been carried on at Camp Perry. I may say, however, that since then a good many of the things that make for efficiency in marksmanship training have been eliminated from the training.

Following the war there was no trouble about providing for the matches until last year; but the General Staff is still not favorable to the national matches, because it reaches out into civilian training, and they want the training to be solely professional; they do not want a civilian really to know that he can become an efficient marksman. The Congress, however, has always stood by the national matches. Last year there was nothing said about them, and the item was cut out, under the promise that it would be restored this year; but this year it is again left out. So I have offered this amendment to restore the item so that the national matches may be continued. Under the economy rule that has been followed, I have reduced the amount 10 per cent and ask only for $450,000 instead of $500,000. I think it is the best spent of any of the money used for military training; it is real American training; it is worth the money in every particular, and I think it will hold its place in the future as well as it has in the past.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa.

Mr. FRAZIER. Mr. President, I can not agree with my good friend from Iowa. The $450,000 which he proposes to put into this bill for national rifle matches might better be used, in my opinion, to pay off forty-five $10,000 mortgages for farmers and home owners out in his State, and there are many more than that who need their mortgages paid off.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Iowa.

Mr. FRAZIER. I yield.

Mr. BROOKHART. If the Senator will secure an amendment making such provision as he suggests, I will agree to it.

Mr. FRAZIER. I will vote for it; but I can not, I am afraid, secure such an amendment. There would be objection to an amendment of that kind, but I think such an amendment should be made.

Mr. President, I wanted to state that several times when the Army appropriation bill has been before the Senate I have offered an amendment to prohibit the use of any of the funds for compulsory military training in land-grant colleges. I do not intend to offer such an amendment this year, as I feel it would be futile; but I do wish to call attention to an incident that occurred at the University of Maryland last fall. A young man entered that university but refused to take military training on the ground that, from religious principles, he was opposed to war and military training. The authorities at the university, after considering his refusal, expelled him, or would not allow him to continue his classes. He went into court, and a few days ago the court held that the authorities of the University of Maryland had no right to bar the young man from attending the university because he refused to take military drill on the ground of religious conviction. I understand the case has been appealed to the Supreme Court.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa [Mr. BROOKHART].

The amendment was rejected.

Mr. REED. Mr. President, I ask unanimous consent that if and when this bill shall pass it may be printed with the amendments of the Senate numbered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCHUYLER. Mr. President, I desire to submit an amendment very simple in character but in the interest of justice.

I direct the attention of the Senate to page 11, lines 16 to 19, by which it is provided—

> That no appropriation contained in this act shall be available for the pay and allowance of any commissioned officer convicted of felony and which conviction has been confirmed by an appellate court.

I seek to strike out line 19 and insert the words "has been finally confirmed."

It will be realized upon a moment's reflection that an officer who has been convicted, and whose conviction has been affirmed by an appellate court, yet has open to him under the law certain other appellate procedure by way, first, of petition for rehearing in the appellate court which has affirmed the conviction, and beyond that, an appeal for writ of certiorari to the Supreme Court, the court of last resort.

It does not seem consonant with justice that an officer who has been faithful as a military officer, but has been convicted of some felony, should be deprived of his pay midway in the battle for his vindication.

I feel that my amendment clarifies the intention of the proviso; and I sincerely trust that the Senator from Pennsylvania and the Senate will find the amendment acceptable.

Mr. REED. Mr. President, may I make a suggestion to the Senator?

Mr. SCHUYLER. I shall be pleased to receive it.

Mr. REED. It seems to me the language in lines 18 and 19 is not very lawyerlike. Conviction is never the subject of an appeal. It is the sentence which is appealed.

Mr. SCHUYLER. Yes; that is true.

Mr. REED. The action of the appellate court does not confirm a sentence. It affirms it.

Mr. SCHUYLER. The Senator is quite right.

Mr. REED. Would the Senator be willing to change that language?

Mr. SCHUYLER. Yes, indeed—"and which sentence has been finally affirmed." I welcome that suggestion, Mr. President.

Mr. REED. I have no objection.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Colorado.

The amendment was agreed to.

Mr. CLARK. Mr. President, I desire to offer an amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 48, line 15, after the word "Guard," insert the following: "or Organized Reserves."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Missouri.

Mr. REED. Mr. President, I do not think the amendment is necessary, because the Senator will find at the bottom of page 52, line 23, that there is exactly the same provision there for the Organized Reserves.

Mr. CLARK. I had overlooked that, Mr. President. I withdraw the amendment.

The PRESIDENT pro tempore. The bill is still before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

## AMENDMENT OF THE CONSTITUTION—REPEAL OF PROHIBITION

Mr. BLAINE. Mr. President, I move that the Senate proceed to the consideration of the Senate Joint Resolution 211, proposing an amendment to the Constitution of the United States.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Wisconsin.

Mr. McNARY and Mr. LA FOLLETTE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Oregon?

Mr. BLAINE. I yield to the Senator from Oregon.

Mr. McNARY. Mr. President, I hope it is not the intention of the able Senator from Wisconsin to press his motion to-night. I should like to have a recess taken now, and have the motion pending in the morning. I think that will be satisfactory to the Senator.

Mr. BLAINE. The request of the Senator from Oregon is agreeable to me.

RECESS

Mr. McNARY. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Oregon.

The motion was agreed to; and (at 5 o'clock and 33 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, February 14, 1933, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate February 13 (legislative day of February 10), 1933*

PROMOTIONS IN THE NAVY

MARINE CORPS

First Lieut. William P. Kelly to be a captain in the Marine Corps from the 25th day of December, 1932.

Second Lieut. William W. Benson to be a first lieutenant in the Marine Corps from the 21st day of January, 1933.

Corp. Eustace R. Smoak, a meritorious noncommissioned officer, to be a second lieutenant in the Marine Corps, revocable for two years, from the 9th day of February, 1933.

POSTMASTERS

CALIFORNIA

Richard M. Wood to be postmaster at Thermal, Calif., in place of W. P. Rouse, resigned.

CONNECTICUT

Arthur N. Johnson to be postmaster at Darien, Conn., in place of C. W. Brage, removed.

FLORIDA

Emma M. Cromartie to be postmaster at Reddick, Fla., in place of E. M. Cromartie. Incumbent's commission expired January 8, 1933.

IDAHO

Theodore Turner to be postmaster at Pocatello, Idaho, in place of A. B. Bean, deceased.

ILLINOIS

John H. Wehrley to be postmaster at Beecher, Ill., in place of J. H. Wehrley. Incumbent's commission expires March 2, 1933.

Paul R. Beebe to be postmaster at Forreston, Ill., in place of P. R. Beebe. Incumbent's commission expired February 5, 1933.

Earl L. Longfellow to be postmaster at Rock Falls, Ill., in place of E. L. Longfellow. Incumbent's commission expires February 28, 1933.

William C. Nulle to be postmaster at Union, Ill., in place of W. C. Nulle. Incumbent's commission expires March 2, 1933.

INDIANA

George H. Griffith to be postmaster at Fremont, Ind., in place of G. H. Griffith. Incumbent's commission expires February 18, 1933.

KANSAS

Emil Dolecek to be postmaster at Holyrood, Kans., in place of Emil Dolecek. Incumbent's commission expired December 8, 1932.

Neva F. Van Dolah to be postmaster at Preston, Kans., in place of N. F. Van Dolah. Incumbent's commission expires March 2, 1933.

KENTUCKY

Annie C. Justice to be postmaster at Allensville, Ky., in place of A. M. Coleman. Incumbent's commission expired February 27, 1932.

Rebecca Green to be postmaster at Barbourville, Ky., in place of Rebecca Green. Incumbent's commission expires February 28, 1933.

LOUISIANA

Amy B. Griffin to be postmaster at Gilbert, La., in place of A. B. Griffin. Incumbent's commission expired January 19, 1933.

MARYLAND

Lewis J. Williams to be postmaster at Bel Air, Md., in place of L. J. Williams. Incumbent's commission expires March 2, 1933.

Aubrey R. Cole to be postmaster at Linthicum Heights, Md. Office became presidential July 1, 1932.

MICHIGAN

Blanche Bowen to be postmaster at Augusta, Mich., in place of J. N. Kart, deceased.

Otto R. Lund to be postmaster at Michigamme, Mich., in place of G. J. Murray, resigned.

MINNESOTA

Nels E. Berg to be postmaster at Cokato, Minn., in place of N. E. Berg. Incumbent's commission expires February 25, 1933.

Charles A. Morse to be postmaster at Elk River, Minn., in place of C. A. Morse. Incumbent's commission expired March 29, 1932.

Richard C. O'Neill to be postmaster at Graceville, Minn., in place of R. C. O'Neill. Incumbent's commission expires March 2, 1933.

Ferdinand J. Reimers to be postmaster at Stewart, Minn., in place of F. J. Reimers. Incumbent's commission expires March 2, 1933.

MISSISSIPPI

Virginia B. Duckworth to be postmaster at Prentiss, Miss., in place of V. B. Duckworth. Incumbent's commission expires March 2, 1933.

MISSOURI

Sallie F. Duncan to be postmaster at Dearborn, Mo., in place of S. F. Duncan. Incumbent's commission expired January 13, 1932.

Earl M. Brittain to be postmaster at Guilford, Mo., in place of E. M. Brittain. Incumbent's commission expires March 2, 1933.

Walter A. Rankin to be postmaster at Tarkio, Mo., in place of C. H. Duncan. Incumbent's commission expired May 26, 1932.

MONTANA

Joseph F. Dolin to be postmaster at Medicine Lake, Mont., in place of J. F. Dolin. Incumbent's commission expires March 2, 1933.

NEW JERSEY

Charles A. Britton to be postmaster at Frenchtown, N. J., in place of C. A. Britton. Incumbent's commission expires February 28, 1933.

Charles Carter to be postmaster at Mount Ephraim, N. J., in place of Charles Carter. Incumbent's commission expired February 8, 1933.

NEW MEXICO

James A. Lewis to be postmaster at Alamogordo, N. Mex., in place of O. G. Cady. Incumbent's commission expired March 1, 1930.

Clotilde C. Montes to be postmaster at Bernalillo, N. Mex., in place of C. C. Montes. Incumbent's commission expired April 20, 1932.

OHIO

Katherine M. Crafts to be postmaster at Mantua, Ohio., in place of K. M. Crafts. Incumbent's commission expires February 25, 1933.

OKLAHOMA

Nellie S. Hall to be postmaster at Canton, Okla., in place of N. S. Hall. Incumbent's commission expires March 2, 1933.

Maude S. Chambers to be postmaster at Jenks, Okla., in place of M. S. Chambers. Incumbent's commission expired May 26, 1932.

Clark Moss to be postmaster at Wagoner, Okla., in place of E. B. Foster. Incumbent's commission expired February 10, 1931.

PENNSYLVANIA

Harry D. Stevens to be postmaster at Folcroft, Pa., in place of H. D. Stevens. Incumbent's commission expires March 2, 1933.

Anna R. Parker to be postmaster at Kulpmont, Pa., in place of A. R. Parker. Incumbent's commission expired January 9, 1933.

Eleanor Niland to be postmaster at West Brownsville, Pa., in place of Eleanor Niland. Incumbent's commission expired February 12, 1933.

SOUTH CAROLINA

William H. F. Faddis to be postmaster at Clearwater, S. C. Office became presidential July 1, 1932.

TENNESSEE

Homer W. Black to be postmaster at Bolivar, Tenn., in place of H. W. Black. Incumbent's commission expired February 12, 1933.

TEXAS

Sylvan S. McCrary to be postmaster at Joaquin, Tex., in place of S. S.. McCrary. Incumbent's commission expired December 18, 1932.

WEST VIRGINIA

William O. Crawford to be postmaster at Cabincreek, W. Va., in place of W. O. Crawford. Incumbent's commission expires February 28, 1933.

Monroe Burns to be postmaster at Cairo, W. Va., in place of Monroe Burns. Incumbent's commission expires February 28, 1933.

James R. Wratchford to be postmaster at Moorefield, W. Va., in place of J. R. Wratchford. Incumbent's commission expires March 2, 1933.

Thomas A. Jones to be postmaster at Mount Hope, W. Va., in place of T. A. Jones. Incumbent's commission expired February 13, 1933.

WISCONSIN

Fred Hennig to be postmaster at Bowler, Wis., in place of Fred Hennig. Incumbent's commission expires February 28, 1933.

Jessie M. McGeorge to be postmaster at Stone Lake, Wis., in place of J. M. McGeorge. Incumbent's commission expires February 25, 1933.

Arthur Heins to be postmaster at Tigerton, Wis., in place of Arthur Heins. Incumbent's commission expires February 28, 1933.

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# HOUSE OF REPRESENTATIVES

## MONDAY, FEBRUARY 13, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Spirit Divine, Thou dost prefer before all temples a pure and an upright heart. Instruct us, for Thou knowest; illuminate us, that Thy ways to the world may be justified. Thou hast provided for us One who stands for us in the moral gap of sin. With all our hearts may we love and know Him; bless us with the peace of a perfect trust. Thy Holy Word is with us: "A man shall be as a hiding place from the tempest and a refuge from the storm; as rivers of water in a dry place and as a shadow of a great rock in a weary land." O God, in this hour especially, make our lives strong, helpful, and beneficent; how this old earth is mourning for such. Arouse us with unflinching powers and influences that shall deliver our country out of the valley of distress and revive an emancipating hope and faith everywhere. Amen.

The Journal of the proceedings of Saturday, February 11, 1933, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the bill (H. R. 7716) entitled "An act to amend the radio act of 1927, approved February 23, 1927, as amended (U. S. C., Supp. V, title 47, ch. 4), and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COUZENS, Mr. WATSON, Mr. FESS, Mr. SMITH, and Mr. DILL to be the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the amendment of the House to a bill of the Senate of the following title:

S. 4339. An act repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2148) entitled "An act for the relief of Clarence R. Killion," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REED, Mr. CUTTING, and Mr. FLETCHER to be the conferees on the part of the Senate.

EQUALIZATION OF TARIFF DUTIES

Mr. SCHAFER. Mr. Speaker, I call up the bill (H. R. 8557) to equalize tariff duties by compensating for depreciation in foreign currencies, on the calendar of motions to discharge committees.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Wisconsin is recognized for 10 minutes and the gentleman from Mississippi [Mr. COLLIER] for 10 minutes.

Mr. SCHAFER. Mr. Speaker, I yield myself two minutes.

Mr. Speaker, this is a vote for or against the consideration of legislation which has for its purpose the protection of American markets from invasion and destruction by floods of importations from foreign countries whose currencies have depreciated.

This is a vote that should not be approached from a party standpoint but from a truly American standpoint, as it provides simply for consideration of legislation to protect American industry, American workers employed therein, and the products of the American farms from unfair foreign competition. A vote for the motion really is a vote for America and American products first and foreign nations and foreign products second. Every country has an inherent and prior right to its home markets. We should defend those markets and hold them for our own nationals as a matter of right, just as we would defend our soil against the invasion of an enemy alien army.

I particularly call upon the progressive Republicans who, with me in 1923, supported the discharge rule and claimed we had won a great victory when it was incorporated in the rules of the House.

I call upon the Democratic progressives and the Republican progressives to join with us to-day and vote for this motion in order to bring before the House for consideration this important legislation which has been chloroformed in committee and grant the opportunity desired by 145 Members who signed the discharge petition. Let your actions confirm your promises.

Mr. Speaker, I now yield one-half minute to the gentleman from Iowa [Mr. CAMPBELL].

Mr. CAMPBELL of Iowa. Mr. Speaker, ladies and gentlemen of the House, I am one of those who voted against the Hawley-Smoot tariff bill. I did so for the reason that although I am a firm believer in a protective tariff I feared

the consequences of retaliatory tariffs; however, the question before us to-day is whether or not we are to consider the great influx of goods which are coming into this country by reason of the depreciated currency abroad.

If it is true that the great portion of these goods are crippling our manufacturers by the sale of merchandise far below the cost of production, then the present tariff is not even a competitive tariff, so far as such goods are concerned.

It ought to at least be carefully considered on the floor of this House. I am one who wishes to hear the arguments on both sides with an open mind. Ten minutes' debate on each side is a joke. Bring the Crowther bill on the floor, subject to amendments, produce the proper statistics, grant plenty of time for debate, and let us consider the matter in the way that all important measures should be considered in this Congress.

Mr. SCHAFER. Mr. Speaker, I reserve the balance of my time, as we have only one speech on this side.

Mr. COLLIER. Mr. Speaker, I have 10 minutes, and I have promised to yield 5 minutes of the time to the gentleman from North Carolina [Mr. DOUGHTON]. I now yield myself two minutes.

Mr. Speaker, of course, in this limited time it is impossible to go into a discussion of the merits of this question. I may simply say that I shall not make the charge that the Hawley-Smoot bill is responsible for the depression we are in, but I do make the charge, without fear of successful contradiction, that the prohibitive rates in the Hawley-Smoot tariff bill have done more to aggravate and continue this depression than any other one thing. Furthermore, it was an active issue in the last campaign, and the American people have repudiated it.

Mr. BURTNESS. Will the gentleman yield?

Mr. COLLIER. I can not yield in two minutes, and the gentleman should not expect me to.

I may say in regard to the gentleman from New York [Mr. CROWTHER] we were engaged in hearings on the Hill bill, which is similar to his bill, and we had the experts from the Tariff Commission, as well as other men of national prominence, waiting to be heard when this bill was taken from the committee by the rule to discharge; and I may say further that the gentleman from New York [Mr. CROWTHER] has never asked the chairman or, as far as I can learn, any other member of the committee for a hearing on his bill. The first intimation I had that the gentleman from New York had a bill was when the gentleman from Wisconsin brought in a motion to discharge.

The chief economist of the Tariff Commission, who is also a great political economist——

Mr. CHINDBLOM. Will the gentleman yield?

Mr. COLLIER. The gentleman knows I can not yield in two minutes for a legal discussion from my good friend from Illinois.

[Here the gavel fell.]

Mr. COLLIER. Mr. Speaker, I yield myself one-half minute more.

Mr. CHINDBLOM. If the gentleman will permit——

Mr. COLLIER. The gentleman will not permit.

Mr. CHINDBLOM. We had hearings on the Crowther bill before the committee in May of last year.

[Here the gavel fell.]

Mr. COLLIER. Mr. Speaker, I yield myself one-half minute more.

Mr. Durand, the chief economist of the Tariff Commission, said that the Crowther bill was an embargo against all the world.

Every man who votes for this motion of the gentleman from Wisconsin is not only voting to indorse the Hawley-Smoot Act, but is indorsing it with an increase of anywhere from 25 to 50 per cent and as much as 800 per cent against some countries, and, according to the chief economist of the Tariff Commission is also voting for a bill which is an embargo against the world.

Mr. Speaker, I yield the balance of five minutes to the gentleman from Kentucky [Mr. VINSON].

Mr. VINSON of Kentucky. Mr. Speaker, this bill, H. R. 8557, introduced by the gentleman from New York [Mr. CROWTHER] has for its title, "To equalize tariff duties by compensating for depreciation in foreign countries."

Strictly speaking, this is not a vote on the measure itself, but is upon a motion to discharge the Committee on Ways and Means from its consideration and place it upon immediate passage. The motion involved is an extraordinary one. Some may say that they are opposed to discharging the committee under the admitted facts that it has in no sense been recreant of its duties toward this legislation. In the last session hearings were had upon the identical bill before the whole committee. With the party lines broken, the committee voted against reporting it out 16 to 9. Last spring, before the election, when this measure was considered on its merits, three of the Republican members voted against reporting it from the committee, one of whom was the distinguished gentleman who just made his interrogation, the gentleman from Illinois [Mr. CHINDBLOM]. [Applause.]

However, it is not necessary to hide behind the parliamentary situation in opposing this motion. The bill is a vicious one and actually defeats, in many instances, the laudable purpose claimed for it by its sponsors. As a matter of fact, it is simply a political gesture out of which our Republican friends hope to secure some solace.

We direct our attention to the bill itself and the result that would flow from it if it were enacted into law:

First. Propaganda claims that the country is flooded with importations from the depreciated-currency countries. This is conclusively refuted in the fact that imports into this country for the first 11 months of 1932 were less than the imports for a similar period in 1931. The official figures are as follows: $1,424,473,000 for 1932, and $2,199,611,000 for 1931. Dutiable imports for 1932, $466,192,000, as against $743,280,000 for like period in 1931.

The official figures from the Tariff Commission show that there was a decrease for this period in 1932, over like period in 1931, of 33 per cent in value and 20 per cent in volume.

Further, it is unquestioned that the exports from this country to the depreciated-currency countries in each particular instance, exceeds the imports from those countries during the past year. Another statement might be significant—the value of all our dutiable imports for 1932 are slightly over $500,000,000. The value of all imports for the year 1929 is $4,399,361,000. The proponents of this bill are in a ridiculous position when they say that this country is being flooded with imports when a few short months ago they were proclaiming that the Smoot-Hawley tariff bill was protecting American farmers, and laborers, and industry from this very evil. Then, the value of all imports for the last year is one-third of the imports of 1929, the last year before the Smoot-Hawley tariff.

Second. This bill creates a tariff upon every article imported from a country that has depreciated its currency. When the Smoot-Hawley tariff bill was written, the articles placed upon the free list certainly were articles that should have been placed thereon. Now, without rhyme or reason, without an effort for matured deliberation, the proponents of this measure would place every such article on the dutiable list.

As a matter of fact, many of the larger articles concerning which most propaganda has been concerned are articles on the free list. Newspaper print and wood pulp have been on the free list for many, many years. This measure would automatically put a tariff of different proportions upon this commodity, as well as others now on the free list.

Third. The date fixed in the bill for determining when the depreciation of currency occurred is October 1, 1931. Many nations had depreciated their currency prior to that time. France, who cut the franc 80 per cent in value, yet remained on the gold standard, would not be affected by this measure. Without doubt, France, the defaulter, would be given marked preference over our neighbor Canada, and our kinsman, Great Britain, who met the promised payment on her debt.

Fourth. Upon Saturday, the distinguished leader of the minority, Mr. SNELL, in colloquy with me, had this to say relative to the Crowther bill:

Mr. VINSON of Kentucky. Does not the gentleman realize that the nations who depreciated their currency prior to the date fixed, whether it be October 1, 1931, or some date in 1932, will have an advantage over those countries that have depreciated their currency subsequent to the date fixed in the bill.

Mr. SNELL. I want to use them all alike, I want to use them exactly the same. I want to see to it, in other words, that imports coming from those countries at the present time shall come in under what is practically American valuation.

This measure does not "use them all alike" or "use them exactly the same"; it does not substantially give similar treatment, nor does it permit imports from the countries affected to "come in under what is practically American valuation." The things that the distinguished gentlemen from New York wants can not take place under this scheme. There would be manifold discriminations. American valuation would not be involved. The language of the bill excludes that. The different nations have depreciated their currency at different times, in different amounts, and with different rates. Japan, for instance, has depreciated her yen 50 per cent; England depreciated her pound practically 25 per cent; France depreciated her franc 80 per cent before the date set forth in the bill, and as stated, is now on a gold basis. Any increase in the rate of any commodity shipped by these three countries would penalize England and Japan and benefit France—all without benefit accruing to American industry or the American people. France would get the benefit of the market which would be taken from the less-favored nations.

Mr. SNELL again said, as late as last Saturday, on the floor:

I would like to change a lot of things in the bill myself and I am not going to get in an argument about the details of the bill.

My friends, it is striking indeed that no argument was made by the gentleman from New York in favor of this particular bill. This is the bill to be considered. The proponents talk in pleasing generalities. In my opinion they have no hope of its consideration and are merely making effort to secure some supposed political advantage in the situation.

For instance, the gentleman from Ohio [Mr. COOPER] made a very sincere speech on the floor of the House last Saturday. He was lamenting the tragedy of our industrial communities. Most of his discussion dealt with the importation of Belgian skelp, which is fabricated into steel pipe. He charged that after it was so fabricated, it was sold on the American market in competition with the products of our own steel industry. Then, he referred to the fact that steel bars, tin, and pig iron were being imported into the country from foreign lands. Then he asked the gentleman from Arkansas how he could stand for and justify the importation of such products into our country, which is taking business and work from our American industry and American labor.

Now, I would not be harsh with the gentleman from Ohio, because he is a very distinguished and capable Member of this House, and I can join with him in my desire to see American labor and American industry fairly protected in the onslaught on it from other lands. But the gentleman need not worry about the effect of Belgian skelp imported into this country. In fact, there is such a small amount of it that we have been unable in the limited time to segregate it from other imported articles. However, the Tariff Commission gives us the information that all of the boiler and plate and skelp, together with all other articles described in paragraph 307 of the Smoot-Hawley tariff bill, aggregated 752 tons in the year 1931, with a valuation of $32,306; that the same imports for 1932 totaled 409 tons, with a value of $9,088. There is some skelp that was imported under paragraph 308 of the Smoot-Hawley Act, together with other steel products. In 1931 all of the articles in paragraph 308 totaled 10,827 tons, or a valuation of $416,147. In 1932 all of these commodities, including skelp, aggregated 3,931 tons, with a value of $100,681. The Tariff Commission gives us the information that very little skelp is imported into this country. It is plain to see that the total tonnage and the total values are infinitesimal as compared to the total steel production. And if by any stretch of the imagination any effect is felt from their importation, there has been a decrease of 45 per cent in the tonnage of imports under paragraph 307 in 1932 as compared to the preceding year, and a decrease of more than 70 per cent in the value of such imports for like period. With reference to the skelp contained in paragraph 308, supra, we see a reduction of practically 60 per cent in tonnage and almost 80 per cent in value for 1932 over 1931.

The same decrease, both in tonnage and value, which must mean decrease in competition with American products, is found with reference to steel bars. In 1931 steel bars had a value of not over 3½ cents per pound, showing a tonnage of 46,759 tons, valued at $1,009,223. In 1932 tonnage was reduced to 29,628 tons, with a value of $488,696. For steel bars valued at 3½ cents and more in 1931 tonnage was 3,259 tons, valued at $522,393. For 1932 this tonnage had reduced to 1,493 tons, with a value of $233,058. So by no stretch of the imagination can any condition of the steel industry or any unemployment connected with it come from the depreciated currency of foreign countries.

The quantity and value are clearly indicative that it could not be of material effect upon the steel industry of this country; but if it were, Belgian skelp would not be kept out of this country, nor tariff upon it increased, because Belgium is one of the nations that is on the gold standard and, consequently, is not affected by this bill. This situation obtains with relation to all steel products from Belgium, France, Germany, and other nations who have not depreciated their currency.

We have received a tremendous amount of propaganda relating to rubber shoes. The industry is at low ebb which is blamed on the depreciated currency of other nations. This competition comes from Japan and Czechoslovakia. The record shows that Japan has depreciated her currency while Czechoslovakia has not. Then, the Tariff Commission, just a few days ago, under the flexible provision of the tariff act, increased the tariff on the rubber goods imported from all nations, rather than attempt to set up tariff rates affecting separate nations and different conditions.

With the exception of wood pulp, upon which there is no tariff, and rubber shoes, upon which the Tariff Commission has acted, the imports of tuna fish have been used as a typical case of the effect of depreciated currency in foreign lands. To hear one side of the story, only one conclusion could be reached and that was the depreciation of Japan's yen has spelled the doom of the American canned-tuna-fish industry. But there are other conditions which have entered into and caused the loss of this business to American industry. The demand was created in this country for white tuna fish; our industry purchased it in bulk from Japan; it was shipped here in frozen state and canned by American labor and sold by American industry. Now, here is what happened. Japan is canning her own tuna fish; she is shipping the product that the American people want—the white tuna—in cans. The American industry can not secure white tuna; the best they can do is to get the striped tuna in the Mexican waters and offer it in competition with the preferred article. So, it is apparent that the controlling reason for the disappearance of white tuna as an American product is due to the change in policy by Japan.

Under date of November 30, 1932, Mr. Dow, Commissioner of Customs, wrote the Secretary of Treasury a letter on the depreciated-currencies situation. Incorporated in said letter was a table showing "Comparison of value of imports from countries which have discontinued using the gold standard with those from countries remaining on the gold standard, January to August, 1931 to 1932." This letter was filed in the recent hearings as an exhibit appended to the testimony of Mr. Dow.

To my mind, this is a very descriptive picture of the import situation affecting gold-standard countries, countries off the gold standard, and the other nations of the world. I insert it herewith.

*Comparison of value of imports from countries which have discontinued using the gold standard with those from countries remaining on the gold standard, January to August, 1931 and 1932*

| | Total | Dutiable | Free |
|---|---|---|---|
| Actual value of imports taken as sample, January to August, 1931: | | | |
| 20 countries off gold standard | $661,036,708 | $145,522,167 | $515,514,541 |
| 11 countries on gold standard | 276,906,254 | 154,031,961 | 122,874,293 |
| Actual value of imports from remaining countries, including those imports from above 31 countries which were not taken as a sample | 510,346,278 | 194,237,918 | 316,108,360 |
| Total | 1,448,289,240 | 493,792,046 | 954,497,194 |
| Actual value of imports taken as sample, January to August, 1932: | | | |
| 20 countries off gold standard | 421,076,901 | 86,435,641 | 334,641,260 |
| 11 countries on gold standard | 182,506,842 | 95,834,442 | 86,672,400 |
| Actual value of imports from remaining countries, including those imports from above 31 countries which were not taken as a sample | 313,717,213 | 113,624,570 | 200,092,643 |
| Total | 917,300,956 | 295,894,653 | 621,406,303 |
| Percentage of decrease, January to August, 1931–32: | | | |
| 20 countries off gold standard | 36.3 | 40.6 | 35.1 |
| 11 countries on gold standard | 34.1 | 37.8 | 29.5 |
| Remaining countries | 38.5 | 41.5 | 36.7 |
| Total | 36.7 | 40.1 | 34.9 |

Summing up, we are thoroughly convinced that the proponents of this measure have utterly failed to make their case.

Mr. COLLIER. Mr. Speaker, I yield the balance of my time to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, this extraordinary procedure on a discharge petition in the closing hours of this Congress in an attempt to discharge the Committee on Ways and Means from further consideration of H. R. 8557, the subject of which was being considered by a subcommittee of the Committee on Ways and Means in the ordinary way, is, in my judgment, nothing more nor less than a dying effort on the part of the outgoing administration to embarrass the incoming administration.

If we adopt this discharge rule, you might as well abolish the standing committees of the House. This bill was being considered in the ordinary way. Now we only have 10 minutes to consider one of the most important matters that has or will come before this Congress.

Mr. Speaker, the contention before our subcommittee was to the effect that the imports from countries with a depreciated currency would deluge our country, whereas in 1932 the balance of trade was in our favor and our exports exceeded our imports by $192,000,000.

If this policy is adopted and carried out, the inevitable result will be the loss of our foreign trade. Not only that, but we will get the ill will of all countries by this narrow, selfish policy.

This proposed legislation is nothing more nor less than an embargo. Another thing, it will greatly cripple American industry, American agriculture, and American labor. It is a narrow and selfish policy. We have already lost much of the friendship of other countries by the iniquitous Smoot-Hawley bill, and we hardly have a friend left in the world.

In 1932 the falling off in imports from countries with depreciated currencies was 6 per cent greater than for those countries on the gold standard. This is one of the most important questions that ever came before Congress, and this is a merely partisan effort or a partisan attempt in the last hours of the Congress to play cheap politics.

Every time the tariff subject is considered or mentioned the gentleman from New York [Mr. CROWTHER] goes into paroxysms. He favors an embargo against the importation of all goods from all countries.

If we are being flooded or overrun with imports from countries with depreciated currencies, as contended, then those same countries are being deluged or trampled under foot by the exportation of goods from our country.

What is behind this unusual move on the part of the minority in the House? Did those responsible for the petition to discharge the Committee on Ways and Means from further consideration of H. R. 8557, the Crowther bill, entertain the slightest hope that legislation of this character could possibly be enacted into law during the present session of Congress? They did not. It is nothing more nor less than the dying effort, conceived in narrow partisanship, of a discredited Republican administration to embarrass the incoming Democratic administration.

I say this is an unusual procedure, because the minority Members of this body, carrying out the orders of one of their masters, held a conference and agreed upon this program even before the Committee on Ways and Means had begun hearings on this far-reaching proposition, a proposal that is fraught with the gravest consequences not only to many of our own industries but to our international trade as well. Such action is a reflection on the Committee on Ways and Means, which in good faith was preparing to consider the proposed legislation in an orderly way and give it the consideration that such an important question warrants.

Whether the discharge rule is a wise one or not does not enter into the present discussion, but I want to say and warn the House that if such a move as this succeeds, we are establishing a dangerous precedent and we might as well abolish the standing committees of the House and legislate hereafter by petition.

What must Doctor CROWTHER, author of the bill that has been made the vehicle to get this matter before the House, think of this reflection on his well-known embargoism? Is it possible that his colleagues on the Republican side of the House have lost confidence in this high priest of protection and were mistakenly afraid that the evidence brought out in the hearings on this question would cause him to see the light and the inevitable blighting effect such legislation would have on our export trade and international relations?

Mr. SCHAFER. Mr. Speaker, I yield the remainder of my time to the gentleman from New York [Mr. CROWTHER]. [Applause on the Republican side.]

Mr. CHINDBLOM. Mr. Speaker, will the gentleman from New York yield?

Mr. CROWTHER. Yes.

Mr. CHINDBLOM. Mr. Speaker, the gentleman from Kentucky [Mr. VINSON] was correct when he said that I voted against reporting out this bill (H. R. 8557) last year. At that time I believed, as many people believed, that the depreciated currencies in Europe would result, as usual, in a rise in prices and wages, so that there would be an equalization, ultimately, to compensate for the lower basis or standard of the circulating medium. However, that has not occurred, and there is no sign that it will occur, and I believe now that we should pass this legislation at once.

Mr. Speaker, in extending my remarks, let me add that one of the surprising developments of the present extended deviation from the gold standard of a large part of the civilized world is the continued maintenance of the same level of prices and wages that prevailed before this change occurred. That has resulted in a constantly growing advantage for sales in our markets to the producers of raw materials and the manufacturers of commodities in other countries whose costs of production were below ours even before their debased currencies gave them increased opportunities for successful competition with us. The danger of this competition is not lessened by comparatively diminished imports in some lines. The effect of those imports is to be measured, and has been vastly enlarged by the continued decrease of production and particularly of purchasing power in the United States. There are those who would counteract these effects by a debasement of our own currency. That would be a dangerous and ultimately ruinous stimulation, not a cure. Of course, a theoretical increase of prices, by a lowering of the standard—the American dollar—would not enhance values. It is like making a child believe that it is wealthier having 5 pennies than having only 1 nickel. Two 50-cent dollars are worth no more than one 100-cent dollar.

Mr. Speaker, instead of debasing our own currency, instead of competing with Europe in lowering our standard of

value, let us maintain our higher standard, let us preserve our domestic American markets for our workers, our own farmers, our own producers, our own capital, and our own labor. Therein lies our salvation.

Mr. CROWTHER. Mr. Speaker, ladies and gentlemen of the House, if by any method we could have included a preferential rate in this bill for mohair from Angora goats and rice from Arkansas, we would have had more favorable consideration of this bill from the Democratic side of the House, because I know that the distinguished Speaker of this House is a protectionist at heart. Of course he could not say anything about it in the last campaign. He did not go out with the show-boat troupe for fear that he might rock the boat.

The gentleman from Arkansas [Mr. RAGON] appears to be the spokesman for the opponents of this legislation. At least he acted in that capacity last Saturday. I have a very high regard for his intellectual attainments and legislative capability, but sometimes I fear, as I watch him in action, that he is misled and mistakes perspiration for inspiration. One wonders when he has time to think. My friend from Arkansas finds great solace and comfort in quoting the statements of Chairman O'Brien, of the Tariff Commission, against this policy. Even if the entire Democratic membership is so comforted it does not lessen the asininity of Mr. O'Brien's statements the fraction of a degree.

The gentleman from Arkansas says that we are placing a shroud on the poor old Republican Party. Oh, yes; the party is old, and just at present we are poor, but we are not yet ready for a shroud. There has been no count of 10 following the knockout blow in November last, and we are here ready to fight for the retention of the policy of a protective tariff as part of our national economic program. [Applause on Republican side.]

The theory advanced by the opponents of this bill is that American prices have been so reduced that an adjustment of tariff rates based on par value of foreign currencies would raise the rates to an unwarrantable degree. The Secretary of Commerce states that:

> In no instance has the increase in foreign wholesale prices, in terms of foreign currency, been sufficient to offset the effects or depreciation in exchange, even making allowances for the decline of United States prices.

The Hawley-Smoot rates were written as competitive rates. They never were highly protective, and under existing conditions they are not now even competitive. No scaling ladders are necessary to get over our tariff wall. Depreciated currencies have opened the gates wide, and as a reception committee in the receiving line you find the Democrats and the importers and the international bankers all saying, "Welcome, little stranger," to the freight liners that bring in the commodities that ought to be now made by our own people in our own factories in the United States. [Applause on the Republican side.]

Depreciated currencies have brought about a condition in this country that the Democrats do not dare to try to develop by keeping their promises of reducing tariff rates which they made in the last campaign.

The gentleman from Arkansas said the other day that the Democrats won the campaign on the tariff issue. They never won a campaign in this country directly on the tariff issue. It was won by capitalizing the misery of the unemployed, by promising a job to 10,000,000 unemployed after March 4, by promising to repeal the eighteenth amendment, by promising to bring back beer and light wines immediately, and not on the tariff issue. If the campaign had been fought out solely on the tariff issue, the Democrats never would have reached first base.

The distinguished leader on the Democratic side [Mr. RAINEY] said on the floor of this House on January 9, 1932:

> We do not want this country flooded with the products of cheap labor in other countries.

How will your action to-day square with that statement of his? My Democratic friends seem to have lost interest in American workmen. Any reference to the policy of protection to American industry and labor is studiously avoided in the Democratic platform. "A competitive tariff for revenue" is your declaration. "Avaunt protection! and quit our sight" is the entrance cue for the "new deal."

It is the same old Democratic Party, gentlemen, demagoguing its way through the pages of history, forever carrying water in a sieve, always rolling a stone uphill, always disappointed in its hopes, because it has not the integrity to be honest with itself nor the capacity to keep faith with the American people. [Applause on the Republican side.]

The SPEAKER. The question is, Shall the Committee on Ways and Means be discharged from the further consideration of the bill H. R. 8557?

Mr. SCHAFER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 174, nays 212, answered "present" 2, not voting 39, as follows:

[Roll No. 159]

YEAS—174

| | | | |
|---|---|---|---|
| Adkins | Crail | Jenkins | Sanders, N. Y. |
| Aldrich | Crowther | Johnson, Wash. | Schafer |
| Allen | Culkin | Kading | Seger |
| Andresen | Curry | Kahn | Selvig |
| Andrew, Mass. | Darrow | Kelly, Pa. | Shott |
| Andrews, N. Y. | Davis, Pa. | Ketcham | Simmons |
| Arentz | De Priest | Kinzer | Sinclair |
| Bacharach | Doutrich | Knutson | Snell |
| Bachmann | Dowell | Kopp | Snow |
| Bacon | Dyer | Kurtz | Stalker |
| Baldrige | Eaton, Colo. | Lankford, Va. | Stokes |
| Barbour | Eaton, N. J. | Leavitt | Strong, Kans. |
| Beck | Englebright | Lehlbach | Strong, Pa. |
| Beedy | Erk | Loofbourow | Stull |
| Biddle | Estep | Lovette | Summers, Wash. |
| Bohn | Evans, Calif. | Luce | Swanson |
| Bolleau | Foss | McClintock, Ohio | Swick |
| Bolton | Frear | McFadden | Swing |
| Bowman | Free | McLeod | Taber |
| Brand, Ohio | Freeman | Maas | Taylor, Tenn. |
| Britten | French | Manlove | Temple |
| Buckbee | Garber | Mapes | Thatcher |
| Burdick | Gibson | Martin, Mass. | Thurston |
| Burtness | Gifford | Martin, Oreg. | Timberlake |
| Cable | Goodwin | Michener | Turpin |
| Campbell, Iowa | Goss | Millard | Underhill |
| Campbell, Pa. | Hadley | Moore, Ohio | Wason |
| Carter, Calif. | Hall, Ill. | Mouser | Watson |
| Carter, Wyo. | Hall, N. Dak. | Murphy | Weeks |
| Cavicchia | Hancock, N. Y. | Nelson, Me. | Welch |
| Chindblom | Hardy | Niedringhaus | White |
| Chiperfield | Hartley | Nolan | Whitley |
| Christopherson | Hess | Parker, N. Y. | Wigglesworth |
| Clague | Hill, Wash. | Partridge | Williamson |
| Clancy | Hogg, Ind. | Perkins | Withrow |
| Clarke, N. Y. | Hogg, W. Va. | Pittenger | Wolcott |
| Cochran, Pa. | Holaday | Pratt, Harcourt J. | Wolfenden |
| Cole, Iowa | Hollister | Purnell | Wolverton |
| Colton | Holmes | Ramseyer | Wood, Ind. |
| Connery | Hooper | Ransley | Woodruff |
| Connolly | Horr | Reed, N. Y. | Wyant |
| Cooke | Houston, Del. | Rich | Yates |
| Cooper, Ohio | Hull, William E. | Robinson | |
| Coyle | James | Rogers, Mass. | |

NAYS—212

| | | | |
|---|---|---|---|
| Abernethy | Chavez | Eslick | Hull, Morton D. |
| Allgood | Christgau | Evans, Mont. | Jacobsen |
| Almon | Clark, N. C. | Fernandez | Jeffers |
| Amlie | Cochran, Mo. | Fiesinger | Johnson, Mo. |
| Arnold | Cole, Md. | Fishburne | Johnson, Okla. |
| Auf der Heide | Collier | Fitzpatrick | Johnson, Tex. |
| Ayres | Collins | Flannagan | Jones |
| Barton | Condon | Fulbright | Keller |
| Beam | Cooper, Tenn. | Fuller | Kelly, Ill. |
| Black | Corning | Fulmer | Kemp |
| Bland | Cox | Gambrill | Kennedy, Md. |
| Blanton | Cross | Gavagan | Kennedy, N. Y. |
| Bloom | Crowe | Gilchrist | Kerr |
| Boehne | Crump | Gillen | Kleberg |
| Boland | Cullen | Glover | Kniffin |
| Boylan | Davis, Tenn. | Goldsborough | Kunz |
| Briggs | Delaney | Granfield | Kvale |
| Browning | DeRouen | Greenwood | LaGuardia |
| Brunner | Dickinson | Gregory | Lambertson |
| Buchanan | Dickstein | Griffin | Lambeth |
| Bulwinkle | Dies | Griswold | Lamneck |
| Burch | Dieterich | Guyer | Lanham |
| Busby | Disney | Haines | Lankford, Ga. |
| Byrns | Dominick | Hare | Larrabee |
| Canfield | Douglas, Ariz. | Harlan | Lea |
| Cannon | Douglass, Mass. | Hart | Lewis |
| Carden | Doxey | Hastings | Lichtenwalner |
| Carley | Drane | Hill, Ala. | Lindsay |
| Cary | Drewry | Hoch | Lonergan |
| Castellow | Driver | Hope | Lozier |
| Celler | Eagle | Howard | Ludlow |
| Chapman | Ellzey | Huddleston | McClintic, Okla. |

| | | | |
|---|---|---|---|
| McCormack | Norton, N. J. | Reilly | Sutphin |
| McDuffie | O'Connor | Rogers, N. H. | Swank |
| McGugin | Oliver, Ala. | Romjue | Tarver |
| McKeown | Oliver, N. Y. | Rudd | Taylor, Colo. |
| McMillan | Owen | Sabath | Thomason |
| McReynolds | Palmisano | Sanders, Tex. | Tierney |
| McSwain | Parker, Ga. | Sandlin | Underwood |
| Major | Parks | Schneider | Vinson, Ga. |
| Mansfield | Parsons | Schuetz | Vinson, Ky. |
| May | Patman | Shallenberger | Warren |
| Mead | Patterson | Sirovich | Weaver |
| Miller | Peavey | Smith, Va. | West |
| Milligan | Pettengill | Smith, W. Va. | Whittington |
| Mitchell | Polk | Sparks | Williams, Mo. |
| Mobley | Pou | Spence | Williams, Tex. |
| Montet | Prall | Stafford | Wilson |
| Moore, Ky. | Ragon | Steagall | Wingo |
| Morehead | Rainey | Stevenson | Wood, Ga. |
| Nelson, Mo. | Ramspeck | Stewart | Woodrum |
| Nelson, Wis. | Rankin | Sullivan, N. Y. | Wright |
| Norton, Nebr. | Rayburn | Sumners, Tex. | Yon |

ANSWERED "PRESENT"—2

Crosser Doughton

NOT VOTING—39

| | | | |
|---|---|---|---|
| Bankhead | Gilbert | Johnson, Ill. | Selberling |
| Brand, Ga. | Golder | Johnson, S. Dak. | Shannon |
| Brumm | Green | Larsen | Shreve |
| Cartwright | Hall, Miss. | Magrady | Smith, Idaho |
| Chase | Hancock, N. C. | Maloney | Somers, N. Y. |
| Davenport | Haugen | Montague | Sullivan, Pa. |
| Finley | Hawley | Overton | Sweeney |
| Fish | Hopkins | Person | Tinkham |
| Flood | Hornor | Pratt, Ruth | Treadway |
| Gasque | Igoe | Reid, Ill. | |

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hawley (for) with Mr. Doughton (against).
Mr. Selberling (for) with Mr. Crosser (against).
Mr. Magrady (for) with Mr. Brand of Georgia (against).
Mr. Hopkins (for) with Mr. Shannon (against).
Mr. Fish (for) with Mr. Green (against).
Mr. Shreve (for) with Mr. Cartwright (against).
Mr. Reid of Illinois (for) with Mr. Maloney (against).
Mr. Treadway (for) with Mr. Montague (against).
Mrs. Pratt (for) with Mr. Bankhead (against).
Mr. Smith of Idaho (for) with Mr. Igoe (against).
Mr. Golder (for) with Mr. Larsen (against).
Mr. Haugen (for) with Mr. Hornor (against).
Mr. Davenport (for) with Mr. Hancock of North Carolina (against).
Mr. Person (for) with Mr. Gasque (against).
Mr. Brumm (for) with Mr. Sweeney (against).
Mr. Johnson of South Dakota (for) with Mr. Overton (against).
Mr. Tinkham (for) with Mr. Somers of New York (against).
Mr. Sullivan of Pennsylvania (for) with Mr. Flood (against).
Mr. Finley (for) with Mr. Gilbert (against).
Mr. Chase (for) with Mr. Hall of Mississippi (against).

Mr. JOHNSON of Oklahoma. Mr. Speaker, my colleague, Mr. CARTWRIGHT, is unavoidably absent. If present, he would vote "no."

Mr. RAINEY. Mr. Speaker, I wish to announce that the gentleman from Florida, Mr. GREEN, is unavoidably detained on account of illness in his family. If present, he would vote "no."

Mr. CROSSER. Mr. Speaker, I have a pair with the gentleman from Ohio, Mr. SEIBERLING; but if I were permitted to vote I would vote "no."

Mr. DOUGHTON. Mr. Speaker, I have a pair with the gentleman from Oregon, Mr. HAWLEY. If present, the gentleman from Oregon would vote "aye," and if I were permitted to vote I would vote "no."

Mr. BRITTEN. Mr. Speaker, my colleague, the gentleman from Illinois, Mr. REID, is unavoidably detained. If present, he would vote "aye."

Mr. FRENCH. Mr. Speaker, my colleague the gentleman from Idaho, Mr. SMITH, is detained from the Chamber on account of illness. If present, he would vote "aye."

The result of the vote was announced as above recorded.

On motion by Mr. COLLIER, a motion to reconsider the vote by which the bill was rejected was laid on the table.

EQUALIZATION OF TARIFF DUTIES—EXTENSION OF REMARKS

Mr. ANDREW of Massachusetts. Mr. Speaker, this measure has to do with one of the most serious obstacles to world recovery. The abandonment of the world's common standard of value by some thiry-odd countries has brought a factor of uncertainty and instability into all international trade. But worse than that the depreciation of foreign currencies has cut us off from many profitable foreign markets for our raw materials and manufactures. As the gold exchange value of their currencies has declined, foreign prices translated into gold have declined and the profit of our export trade has been wiped out. In consequence, our exports have diminished and the unemployment situation in this country has grown steadily worse. There is no legislation that we can adopt which will remedy this curtailment of our foreign market.

But an even more disastrous consequence of the foreign currency situation has befallen us in our own markets, where products of foreign origin are enabled to be sold at greatly reduced prices, without reducing the profits of foreign competitors in terms of their local currencies. This situation, which is driving many American undertakings to the wall, and depriving hundreds of thousands of our people of their usual means of livelihood, can be remedied by such legislation as is proposed in the Crowther and Hill bills, and we shall be negligent of our trust as representatives of the American people, if we refuse to consider it.

There can be no question that in many lines of industry, every vestige of protection hitherto provided by the Congress has been more than offset by this plague of depreciating exchange. In Japan the currency has depreciated by nearly 60 per cent, in England by 30 per cent, in the Scandinavian countries by similar percentages. This means that whatever protective tariffs we have established have been rendered wholly ineffective, and that the products of these countries can be dumped in our market at prices reduced by a third or a half below their former level, and yet their sale yields the foreign producers the same profits as before.

I want to speak particularly of the fishing industry, of which I can speak from personal knowledge, as the majority of the people in the community where I live have for three centuries drawn their living from the sea. At first glance it may seem strange, but it is none the less true, that the fishermen of New England find themselves to-day in dire straits because of the falling value of the yen in Japan, the krone in Norway, and the pound in Great Britain.

The New England fishermen have been hard hit by this situation. It has made it possible for Japanese swordfish to be frozen and shipped across the Pacific, through the canal, and landed in Boston at far less than half the normal American market price. The Gloucester sword fishermen have thus been practically driven out of business by the fall of the Japanese yen. Similarly, boneless codfish packed in Japan is being sold throughout the Middle West at little more than half its cost of production in Gloucester. Despite a protective tariff, kippered herring from England is being sold in our own market at less than the Gloucester cost of production. Likewise sardines from Norway and Portugal are driving the Maine canneries to the wall. In a word, because of depreciated currency abroad, our fishing industry to-day is far worse off than it would be if we were operating under free trade under normal currency conditions. What is true of the fishing industry is true of many other of our New England industries, notably the manufacture of cutlery, rubber footwear, wood pulp, electric-light bulbs, and many of our textiles.

While we can not protect our export trade against the declining profit due to foreign depreciation, we can do something to protect our domestic market from abnormal competition due to this cause. The Hill bill and the Crowther bill point the way. They do not seek to increase tariff duties but to prevent these duties from being completely wiped out in a moment when our own people particularly need and are entitled to see them maintained. The element of time is of the highest importance. Every week that we delay sees American industries driven out of existence and American workmen forced into the ranks of the unemployed for the sole benefit of foreign competitors. The party that assumes the responsibility of delaying or estopping the consideration of these measures at this time must bear a heavy load of blame. For it evidences its willingness to sacrifice the people of the United States for the advantage of those of Great Britain and the countries of continental Europe and the Orient in one of the gravest periods of our history.

Mr. HAUGEN. Mr. Speaker, under leave to extend remarks in the RECORD, I desire to offer a few observations on depreciated currency, and its effect on the tariff. There has recently been brought to my attention a statement by Mr. Fred H. Sexauer, president of the Dairyman's League Cooperative Association, relative to depreciated currency and the effect on butter prices in the United States, which appeared in the January edition of the Creamery Journal, part of which I quote as follows:

So long as England and other European countries remain on a monetary system wherein their money unit comparable to the American dollar is of lower gold value than that of the United States, butter can not attain a price much higher than 25 cents on the New York market. * * *

Just why the English monetary system, which at present values gold on a ratio of about 14 grains to $1, as against the United States 23.22 grains per dollar, should so affect butter prices in this country may not be evident to the casual observer. However, it was well illustrated just recently when it checked an upward movement of butter prices and broke the market. * * *

A situation existed that was promising for the dairy industry. Suddenly the upward movement was checked and prices broke. New Zealand butter, which had not been entering the United States, was suddenly able to jump the 14-cent tariff wall and come into competition with the domestic product. The New Zealand butter shipper, who had been selling in England at about 19 cents on the English money basis, equal to 12 cents on the United States gold basis, found it more profitable to ship to this country despite the tariff. * * *

In other words, because of the difference in quantity of gold between the present monetary systems of England and the United States, the country's dollar increases in value to about $1.47 when converted into English money. Thus New Zealand was able to sell butter on the Pacific coast at a price that paid the tariff, covered shipping, and left a larger profit than if the product had been shipped to England. * * *

This entry of New Zealand butter quickly broke the market for domestic butter. It is evident that so long as the gold value of England's money and that of the United States continue at the present wide difference butter prices can not advance here. Anytime such prices do increase the New Zealand product will again be attracted.

The letter of transmittal also has the following statement:

In order to bring agriculture back to a pre-war basis it will become necessary for us to do something to adjust the value of money. This article shows that even with a 14-cent tariff on butter, it is not working at the present time, because of the variation in valuation of money between the different countries. * * *

The depreciated currency of the 28 nations that have gone off the gold standard has had a most damaging effect on American industries. It has enabled the competitors to buy on the world market, paying for the commodities with depreciated currency of less than two-thirds the value of the United States currency based on gold. The foreign depreciated dollar, which at present values gold on a ratio of about 14 grains to $1, as against the United States 23.22 grains per dollar fine gold (25.8 grains of gold, nine-tenths fine), has enabled the importer to exchange two American dollars for better than three depreciated dollars, and to buy three times as much butter than if payment of our standard dollar were required, and thus enables him, as stated, to jump over the 14-cent tariff wall and come into competition with our domestic product. Hence, it has not only destroyed the value of European currency but the price of their commodities as well. The depreciation by more than one-third in the value of the currency, as pointed out by Mr. Sexauer, has enabled the importer to jump the 14-cent tariff wall, thus lowering the price of butter, as well as other commodities, to the extent of one-third the value of the dollar. Not only that but it has demonstrated the value of the protective tariff to American industry. At present, with depreciated currency, the tariff is ineffective to the extent of the difference between 19 cents English currency and 12 cents in United States currency, or 7 cents a pound. It is needless to say, if—as stated by Mr. Sexauer, New Zealand butter can come into our markets and sell in competition with domestic products, even after paying 14-cent tariff—if it were not for the 14-cent tariff, it could be laid down in New York at 14 cents less than the price of 19 cents in European currency, equal to 12 cents in United States currency, plus 1½ cents freight, net 13½ cents f. o. b. New York, instead of, as stated by Mr. Sexauer, the price now being 19 cents European currency, equal to 12 cents American currency plus 14 cents tariff, or 26 cents. In other words, it would reduce the current price of butter approximately one-half.

By all means legislation should at least be enacted to collect the difference at the customhouse as a surtax or countervailing tax on the imports of the difference between the par value and the depreciated value on the day of entry, rather than chop off one-third or more of the standard gold dollar, which would give us more dollars, but unfortunately of more than one-third less value, and as a result the many millions of dollars payable in gold, which would unless one-third or more of the obligation is to be discounted, it would require more than $3 to discharge the obligation of $2. According to world quotations foreign and domestic producers operating under depreciated currency receive no more dollars than do domestic producers, as stated by Mr. Sexauer, "New Zealand butter selling in England at about 19 cents in English money, equal to 12 cents in United States," as compared with from 17 cents to 23 cents during the last few months here at the creameries, or as stated by Mr. Sexauer, "at the top price of 26 cents in New York."

Producers of wheat in Canada sell their wheat, much of it, at 10 cents a bushel less than producers on the American side. The Canadian dollar of to-day is quoted at 84.2045. This matter was brought vividly to my attention last October when disposing of 47 bushels of wheat grown in North Dakota, only a few miles this side of the Canadian line, which sold at 42½ cents, or $19.97. According to quotations in the Chicago Daily Tribune on October 1, 1932, the price on the Canadian side was a trifle above 29 cents. Over there my 47 bushels of wheat would have brought only $13.63, less Canadian exchange of $1.36, net $12.23, or $7.77 less than the amount, or approximately 16½ cents a bushel less than what I received on the American side. In paying my taxes in Canada, amounting to $57.15 on a piece of land, I paid by draft of $52.72. On these small transactions my gain in selling on the American side on the wheat was $7.77, and my gain in paying taxes in Canada with American currency was $4.53.

Mexico is on the silver basis. Its dollars are worth only one-half as much as ours. A recent foreign exchange quotes it at 28.5833. I recall many years ago exchanging $100 in American currency and receiving $404 in Mexican dollars, and dollars containing more silver than ours.

Considering quotations and experience in foreign countries with depreciated currency, although the cheap dollar might discharge obligations not payable in gold and buy as much of the commodities as our good dollars, it seems to me that to permit the payment for agricultural commodities or the payment of debts by cheap dollars is on the border line of repudiation.

Section 311 of the Code of Laws of the United States provides for the continuance of the parity in value of the coins of gold and silver and the equal power of every dollar at all times in the market and in the payment of debts. Section 314 provides that the standard dollar, consisting of 25.8 grains of gold nine-tenths fine, shall be the standard unit of value and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity. Section 408 provides that the United States notes, Treasury notes, and so forth, when presented to the Treasurer for redemption shall be redeemed in gold coin of the standard fixed.

The question is, Can the suggested dollar of 14 ounces of gold be made to equal the value of the one containing 25.8 grains of gold nine-tenths fine, and be made of equal power in the payment of debts without impairing existing contracts? The Constitution provides that no person shall be deprived of life, liberty, or property without due process of law, and the fifth amendment provides that private property shall not be taken for public use without just compensation.

Can Congress cut off one-third of the gold of the present gold dollar and declare it to be on a parity and of equal value with the former dollar containing one-third more gold with impunity?

I can not become reconciled to the fact that if I borrowed from my neighbor 100 bushels of wheat of 60 pounds to the bushel, or 6,000 pounds, that by Congress changing the standard to 40 pounds to the bushel, that I would be discharging my obligation to my neighbor by tendering to him 4,000 pounds. Or if I borrowed $100 based on 23.22 grains of gold, that by Congress changing the standard to 14 grains that I would be discharging my obligation by tendering $100 containing one-third less gold. One thing I do know—were I permitted to melt $100 gold containing 23.22 grains of gold to the dollar and run it through the mint I would be approximately $35 ahead or long on gold, and my neighbor would be just that much short.

One thing is certain, that in the absence of a protective tariff to protect American industry and labor against importation of foreign products, it would place the American producer and labor on a level with foreign labor and producers. Considering it all, it seems to me that rather than to substitute cheap dollars for good dollars, the better way out of the difficulty would be to require the collection of the difference at the customhouse as a surtax, or as a countervailing tax on the imports of the difference between the value of our dollar and the depreciated value of the depreciated currency, or to raise the tariff or, if need be, set up an embargo.

Fortunately, we are and have been enjoying the highest standard of living in the world. Personally, I believe in maintaining it. One way of maintaining our high standard of living is by protecting our markets from flooding by products produced at a lower cost and under lower standards of living. In my opinion, the practical way of maintaining our high standard of living and high wages is to insure employment and protection to American labor and American producers and every worthy and legitimate enterprise against the importation of products produced by underpaid labor under lower standards of living—in short, a tariff for the common good of all American people.

However, bearing in mind that in the case of a surplus in excess of the domestic requirements the tariff is ineffective and the price obtained for the surplus on the world market establishes the price of the whole production. It is needless to say that the tariff, by all means, must be also made effective. For example, notwithstanding the tariff already fixed by the Tariff Commission is 14 cents on butter, as stated by Mr. Sexauer, butter is still being imported. The Hawley-Smoot bill increased the tariff on livestock of less than 700 pounds from 1½ cents to 2½ cents; over 700 pounds, from 2 to 3 cents; beef was increased from 3 to 6 cents; swine was increased from ½ cent to 2 cents; hams and bacon and shoulders were increased from 2 to 3½ cents; milk from 2½ cents to 5½ cents per gallon, and cream was increased from 20 cents to 56.06 cents per gallon.

Cattle are coming across the Canadian line in large numbers, and Canadian hams and bacon, advertised as such, are now served at medium-class restaurants in Washington. Certainly the Iowa farmer, tilling his farm valued at many times the price of foreign highly productive soil, and paying high wages, can not compete with products produced by underpaid foreign labor on lower-priced land equal in productivity, much of it selling at one-quarter to one-tenth of the American price, nor can the American wage earner, receiving the highest wage in the world, measured by the purchasing power of from two to six times more than those of the European countries, compete with foreign labor, nor can the American farmer, with existing disparity in prices of agricultural commodities, employ labor at an American wage, pay taxes and debts, even with deflated currency, nor can it, under the present conditions, be done even by cutting the interest rate in two. As everybody knows, there are millions of farmers at present who are unable to pay their taxes, much less interest, even though the rate be lowered. Certainly it can not be done by lowering their prices and standard of living to that of Russia and other nations with lower prices and standards of living.

My contention has been, and I still adhere to it, that the most effective way of starting not only the farmer, but labor and every worthy and legitimate industry back on the highway of prosperity, is to first protect American industry and labor against the importation of foreign products, made at lower cost and under lower standards of living, by a tariff; and second, by making that tariff effective so as to establish and maintain advantageous domestic markets, as provided in the McNary-Haugen bill, passed two times by the Senate and House, or if the tariff is not made the yardstick, the ratio price, a ratio price equivalent to the pre-war prices for the years 1905 to 1914, or as suggested by some, the cost price plus a reasonable profit would afford well-deserved relief. In other words, to rehabilitate agriculture, through the redemption of the often repeated party platform pledges to restore equality between agriculture, labor, and industry. If so, we shall have restored confidence in men and party platform pledges.

Then, and not until then, will hunger, privation, and agony, and the heart-rending worry over the loss of the old homestead, so near and dear to young and old, the closing of banks, the receivership of railroads and long-established worthy and legitimate enterprises, and the deflation process and demand for depreciated currency be stopped.

Mother Earth is the producer of new wealth. The only way I know of creating new wealth is through the application of energy and labor to bring forth the treasures of Mother Earth. The farmer by his labor affords the opportunity for the sun, rain, and soil to bring into existence the essentials of life—the food we eat and the clothes we wear. With railroads rusting from idleness, factories and mills crumbling, and millions of men and women out of employment, it must be clear to all with absolute finality that the stability, growth, and greatness of our Nation depend upon the prosperity of the tillers of the soil.

It is needless to say that if the party platform pledges are redeemed, and when the existing disparity is overcome and parity is restored, there will be no need for 50 or 60 cent dollars; if so, tax receipts will be substituted for tax deeds, satisfaction of mortgages will be recorded in place of sheriff's deeds, pay checks will be substituted for meal tickets, rent receipts will take the place of eviction notices, teachers will be the proud possessors of certified checks instead of warrants indorsed "refused on account of no funds;" ministers' salaries will be paid in currency instead of in promises, banks will honor checks presented, merchants will receive orders for and payment for goods, and although late, better late than never; tranquillity, cheer, happiness, and jollification meetings will take the place of sheriff's sales and protest meetings, farmers' and laborers' strikes, evictions, bread lines, and the call for charity.

Mr. REILLY. Mr. Speaker, on many occasions prior to and since the election I have expressed the judgment that tariff duties should be levied on imports into our country to offset whatever advantages a depreciated currency may give to industry in countries that have gone off the gold standard.

In the recent Democratic House caucus held for the purpose of considering my party's attitude regarding the Crowther bill, designed to increase existing tariff rates on articles imported into this country from countries having a depreciated currency, and also to levy a tariff duty on articles now on the free list imported from such countries, I asked for and got permission from the caucus to differ from the majority of my colleagues in the House and to vote in favor of the consideration of the Crowther bill when it should come before the House on the petition to discharge the committee from further consideration of the bill, in the event my study of the bill and the hearings should justify me in so voting.

As a result of my study of the Crowther bill and the hearings on the bill, I have come to the conclusion that the bill should not be approved by the House.

The Crowther bill provides for the levying of additional tariff duties on articles imported into our country from countries having a depreciated currency of more than 5 per cent, the tariff duties to be equal to the percentage of depreciation of the currency in the exporting countries.

This bill also provides for the levying of similar tariff duties on articles now on the free list imported from countries having a depreciated currency.

On the hearing on the Crowther bill before the Ways and Means Committee, three members of the Tariff Commission, including Mr. O'Brien, the chairman of the commission and a high-tariff Republican, appeared and opposed its passage.

Mr. O'Brien testified that our imports to-day are at a very low ebb, both in quantity and price; that there is still a very heavy balance of trade in our favor, both in quantity and value. All the members of the Tariff Commission testified that there was no flooding of our market from countries operating under a depreciated currency, and that a depreciated currency gave no advantage to the industries in countries off the gold standard as regards their exports into our country, except a temporary advantage that speedily adjusts itself.

Last October President Hoover ordered the Tariff Commission to investigate the matter of increased importations into our country from countries off the gold standard.

The Tariff Commission reports that imports to our country are falling off; that the imports during the fiscal year 1932 from countries off the gold standard decreased in a greater percentage than the imports into our country, during the same period, from countries on the gold standard.

One of the functions of the Tariff Commission is to investigate trade conditions for the purpose of recommending to the President changes in tariff rates when in the judgment of the commission such changes are necessary.

Since last October the commission has been investigating the question of an effect of depreciated currency on imports into our country, and only recently the commission ordered an increase of tariff duties on rubber goods coming from countries on and off the gold standard. The commission is still at work on this line of investigation.

Doctor Durand, chief economist of the Tariff Commission, says that the Crowther bill would raise a tariff embargo in our country against all the world.

Sixty-seven per cent of our imports are now on the free list. The passage of the Crowther bill would put thousands of these articles on the dutiable list and would raise our tariff wall from about an average rate of 16 per cent to more than double that rate.

I can not vote for the consideration of this bill for the reason that I must take the findings and judgment of the Tariff Commission as to the wisdom and necessity of such legislation, and for the further reason that I am not willing to attempt to frame on the floor of this House a tariff bill automatic in its operations, that would result in tariff rates, that would put the rates of the Hawley-Smoot bill to shame.

The passage of this bill would result in our country levying different tariff rates on the same article exported from different countries, a situation that might lead to international misunderstandings, and to feeling on the part of some countries that we were discriminating against them through the levying of tariff duties.

France a few years ago depreciated her franc 80 per cent. France to-day is on the gold standard and her exports to our country under the pending bill would not be subject to any raise in tariff duties, while England and Canada, two of our best customers, would have to pay higher duties.

The pending bill is an unscientific and unworkable measure, designed to fix tariff rates without any regard to the cost of production, the only scientific basis upon which to write a tariff bill.

Again, from the testimony of the Tariff Commissioners, it would appear that our industries, if they are threatened to-day with disastrous foreign competition, that threat is just as great, if not greater, from countries operating on the gold standard as from countries having a depreciated currency, yet this bill would give no relief from imports coming from countries on the gold standard.

Many communications have come to my desk regarding the pending bill, particularly as its terms would affect wood pulp. About half of these communications declare that if a tariff is not placed on wood pulp the wood-pulp plants will have to close, and the other half insist that if a tariff is placed on wood pulp the paper mills will have to close.

Such advice, to say the least, is confusing to a lawmaker, and as a result I feel obligated to follow the judgment of the Tariff Commission.

It is possible that because of changing economic conditions at home and abroad, it may become necessary to levy higher tariff duties on articles now dutiable, and to levy new duties on articles now on the free list, but Congress is in no position to enter upon such tariff changes until it has the information upon which to base such legislation, and that information should come from the Tariff Commission.

Mr. LANKFORD of Georgia. Mr. Speaker, I am opposed to the motion to discharge the Ways and Means Committee from the consideration of H. R. 8557, known as the Crowther bill. I do not favor exercising the harsh discharge rule except in extreme cases. I certainly am opposed to its exercise in this case.

I feel that the Ways and Means Committee should be allowed to make a most exhaustive study of this bill and its far-reaching provisions. In fact, I am opposed to the bill in its present form. I feel that this entire matter should be worked out by a bill dealing with the tariff in its entirety.

To my mind this bill if enacted into law would not help our people as a whole. It is not such a bill as should be passed under whip and spur and without the most careful consideration.

I would much prefer to pass at once a bill to inflate our own currency, both in volume and amount, to offset the effect of the inflation of currency in other countries instead of attempting to get this result by the passage of the Crowther bill.

I can not at all subscribe to the proposition that either the present bill or a general tariff bill or any other similar measure will bring back real permanent prosperity until there is a proper inflation of the circulation of our currency both in volume and amount. This accompanied by a proper adjustment of the indebtedness of our people and a real farm-relief program will usher in real and permanent prosperity.

Let us remove the causes of the depression and the effects will improve. All the bad effects of the depression, though, can never be fully overcome any more than all who die in an epidemic of physical disease can be brought back to life. This is why I have been so anxious all these months and years for Congress to pass some legislation to stop loan foreclosures, help our farmers get better prices, save the homes of our people, and give them another chance in life's battle.

### UNITED STATES GEORGIA BICENTENNIAL COMMISSION

Mr. COX. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 518) establishing the United States Georgia Bicentennial Commission, and for other purposes, and I ask that the Clerk may read the joint resolution for information.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

House Joint Resolution 518

*Resolved, etc.*, That there is hereby established a commission, to be known as the United States Georgia Bicentennial Commission, for the purpose of participation by the United States in the observance of the two-hundredth anniversary of the founding of the Georgia Colony, such commission to be composed of 21 commissioners, as follows: Nine persons to be appointed by the President of the United States; 6 Senators to be appointed by the President of the Senate, and 6 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The members of the commission shall serve without compensation, and shall select a chairman from among their number.

SEC. 2. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, the sum of $5,000, or so much thereof as may be necessary, to be expended by the commission established by this resolution for actual and necessary traveling expenses and subsistence while discharging its official duties outside the District of Columbia.

With the following committee amendment:

Strike out section 2.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. SNELL. Reserving the right to object, Mr. Speaker.

Mr. PURNELL. Reserving the right to object, I wish to get some information about this. Is the gentleman asking unanimous consent to pass the resolution?

The SPEAKER. The gentleman asks unanimous consent for the immediate consideration of the joint resolution.

Mr. STAFFORD. Reserving the right to object.

Mr. SNELL. Reserving the right to object, I want to get a little information in regard to the resolution. I am not sure whether I shall object to it or not. I want to make my position clear to the House. I have at all times opposed legislation of this character, and it does seem to me that to bring up a resolution establishing a commission of 21 members to prepare for a celebration down in Georgia at this time is a needless expense to the Government. If there is not to be any expense connected with this, why is it to be done under the authority of the United States commission? We have been through this several times. The same statement has been made on the floor of the House that "We want the Government to take supervision of this, give its name and influence to it, but we are not going to ask for any appropriation." That has been done time and time again, but after we have assumed responsibility for it, then the people who are connected with the celebration come here and ask the Government to appropriate money. They say, "The Government must do this. The Government has assumed responsibility, and they must make some appropriation to carry out that work." I think the Speaker of the House has always taken the same position on this proposition that I have. I dislike to object to the resolution offered by the gentleman or the consideration of it, but I want it definitely known that this is no time to start any new celebrations at the expense of the American people. [Applause.]

The SPEAKER. Will the House permit the Chair to make a statement? The Chair has taken this matter up with the gentleman from New York, and the gentleman from New York has stated the position of the Chair exactly. Two or three gentlemen from Georgia, however, have stated they would not ask for any additional appropriation aside from the $1,000 contained in the resolution passed by the Senate, and that the celebration is to end next September. Those gentlemen have given assurance that they will not ask for any additional appropriation. They are Members of this Congress, and they are Members of the next Congress. Taking that for granted, the Chair thought he could recognize them under the circumstances just stated.

Mr. PURNELL. Reserving the right to object, as I remember the statement made by the gentleman from Georgia [Mr. Cox] before the Committee on Rules, even the sum of $1,000 was not to be requested.

Mr. COX. The Committee on Rules struck out section 2, which carried an appropriation of $5,000.

Mr. PURNELL. So that as the resolution is now before the House, it carries no appropriation?

Mr. COX. The Senate had previously passed Senate Joint Resolution 223, which carried an appropriation of $1,000. I did state to the Rules Committee that the Georgia delegation would not ask for any appropriation whatsoever. I can appreciate the fact that the objection to resolutions of this character is that they usually call for money out of the Public Treasury.

The SPEAKER. Is it the purpose of the gentleman from Georgia to ask unanimous consent to consider the Senate resolution, if permission is granted to consider the resolution at all?

Mr. COX. I intended to ask unanimous consent that Senate Joint Resolution 223 be substituted for House Joint Resolution 518, with the understanding that section 2 would be stricken out.

Mr. SNELL. Reserving the right to object, I want a little further information. I appreciate what the gentleman has said and I have no doubt he does not intend to ask for any appropriation, but I know what the pressure will be on the Georgia delegation by the people back home as soon as this is adopted to get some appropriation from the Congress to meet the expenses.

Who is going to pay the expenses of this commission of 21 members?

Mr. COX. If there is any participation the commission will have to pay its own expenses. I may say in answer to the gentleman's inquiry that I know a majority of the House delegation have stated they would not ask for any appropriation whatsoever. Speaking for myself, I shall oppose any effort to get any appropriation of any character in connection with this commission.

Mr. SNELL. Can the gentleman give us that assurance on behalf of the Georgia delegation in the next session of Congress?

Mr. COX. I am sure I can.

Mr. VINSON of Georgia. The gentleman is speaking for this member of the Georgia delegation also.

Mr. SNELL. If I have correctly stated the understanding, I shall not object.

Mr. VINSON of Georgia. That is the understanding, that the commission will not ask for any appropriation.

Mr. PARKER of Georgia. Mr. Speaker, I am the author of this resolution. No Member from Georgia will ask for any appropriation, either of this Congress or the next.

Mr. PURNELL. And I may add further, no opposition was voiced to the resolution in the Committee on Rules.

Mr. COX. That is very correct.

Mr. SCHAFER. Mr. Speaker, reserving the right to object, in view of the fact this resolution apparently complies with the Democratic program in reference to expenditures for funerals and commissions, I do not think there should be objection to this resolution.

Mr. CONNERY. Mr. Speaker, reserving the right to object, I think the gentleman from New York is needlessly disturbed about this, because a similar commission participated in the celebration of the Battle of Bennington; and although the resolution provided for the expenses of the commission, the members of the commission paid their own expenses.

Mr. SNELL. The gentleman from New York has had considerable experience in seeing such commissions started, and I think he knows what he is talking about.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I ask unanimous consent to substitute a similar Senate joint resolution (S. J. Res. 223), with the understanding that section 2 thereof will be stricken out.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

*Resolved, etc.*, That there is hereby established a commission, to be known as the United States Georgia bicentennial commission, for the purpose of participation by the United States in the observance of the two hundredth anniversary of the founding of the Georgia colony, such commission to be composed of 21 commissioners as follows: Nine persons to be appointed by the President of the United States, 6 Senators to be appointed by the President of the Senate, and 6 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The members of the commission shall serve without compensation and shall select a chairman from among their number.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, or so much thereof as may be necessary, to be expended by the commission established by this resolution for actual and necessary traveling expenses and subsistence while discharging its official duties outside the District of Columbia.

Mr. COX. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cox: On page 2, line 4, strike out all of section 2.

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution was laid on the table.

EXTENSION OF REMARKS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on the discharge motion.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may we be informed what business will be considered during the balance of the day?

The SPEAKER. This is District day. District bills will be considered as long as the House desires to consider them.

LINCOLN AND DEMOCRATIC INSTITUTIONS

Mr. RAYBURN. Mr. Speaker, this is the day the Nation is celebrating the birthday of a great American. I think the House of Representatives should make some recognition of the fact. I, therefore, ask unanimous consent that the gentleman from Pennsylvania [Mr. BECK] be allowed to address the House for 30 minutes on the life and public service of Abraham Lincoln. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECK. Mr. Speaker, I am indebted to the courtesy of the House for this opportunity to make a brief and inadequate reference to the one hundred and twenty-fourth anniversary of the birth of Lincoln. Time would not permit me, and in any event it would be unnecessary, to summarize his life from its cradle in a Kentucky log cabin to its Calvary in Ford's Theater.

When the French people sepulchred their greatest warrior and ruler in his tomb in the Invalides, it was their fine conception that Napoleon's fame was so universal and permanent that it was not necessary to inscribe his name upon his porphyry tomb. Similarly, it did not require a Greek temple and a Jove-like bronze effigy to perpetuate the timeless fame of Lincoln, for his true monument is in the hearts of the plain people of all nations.

My only purpose is to make some observations that may be pertinent to the present critical hour, which have been suggested by the life of Lincoln. His career should have an especial interest for this body, for he was once a Member of this House, and it may be some comfort to those of us who, in moments of disillusion, feel that our labors are so largely futile, to realize that the career of Lincoln in the House of Representatives seemed also to him wholly futile. Indeed, it may be of some comfort to many of our colleagues, whose smiling faces we shall greatly but temporarily miss after March 4, that Lincoln, too, was once a "lame duck," and then regarded his political career as definitely ended. Let us hope that, among those whom a misguided people have temporarily furloughed, some, like Lincoln, will return to Washington to accept even greater official responsibilities.

I am greatly complimented by the fact that our colleague, and my greatly valued friend, the gentleman from Texas [Mr. RAYBURN], paid me the compliment of asking the House to give its consent to this address.

I mention this not merely to acknowledge a gracious compliment paid to me by a colleague on the other side of the aisle but because this courtesy is symtomatic of a present condition in American politics, which in a time of stress and anxiety should give us encouragement as to the future of democratic institutions.

No nation can be a true democracy, however wise its form of government, unless its people are inspired by a kindly tolerance of differences of opinion. It was for this reason that Washington, in his Farewell Address, warned all succeeding generations against the excesses of partisan strife.

There is no more striking an illustration of this fact than is now observable in Germany, where one of the most finely educated people in the world find it impossible to make democratic institutions function because of the bitter rancor between men of opposite political faiths. Next March Germany will have had its fifth nation-wide election within 12 months, and each one has been accompanied by general and continuous disorder and much bloodshed.

Contrast this with the moving spectacle of our people, who, after a presidential campaign of unequaled intensity and in a period when the very sufferings of men might have produced violence, yet went to the polls last November in peace and quiet, and when the vote was counted men of both parties acquiesced in the result. Victors and vanquished united in a common feeling of good will for the historic party that is soon to assume the reins of power.

It was not always so. Prior to the Civil War there was the same intensity between the political parties as is now observable in Germany, and in three different crises the Union was on the point of disintegration. The same spirit of personal animosity was observable in the Congress, and the aisle of the Senate was not infrequently the pathway to the dueling field. It was natural that this spirit of feverish partisanship and intense antagonism continued for nearly two decades after the Civil War, during the dark and tragic days of reconstruction—a deplorable period which might never have been if Abraham Lincoln had lived.

As a native Philadelphian I take some pride in the fact that this most tragic period of our history ended when North and South met in Philadelphia to celebrate the centennial anniversary of the Declaration of Independence. Thus, meeting in May, 1876, in a lovely park, whose vernal flowers made it a new and noble field of the cloth of gold, North and South clasped hands in—as we fondly hope—a lasting amity. Since then, notwithstanding the acute differences of opinion between the two great political parties, there has been nothing but good will between them and a common and dominant desire to serve the Republic which we all love so well.

I can not but think that this is due in no small part to the influence of Abraham Lincoln. When the war was nearly ended, Lincoln, in his second inaugural, used the memorable and prophetic words:

> With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds, to care for him who shall have borne the battle, and for his widow and orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations.

This was not with Lincoln a mere flourish of rhetoric, for in the few remaining days of his life his one purpose was to discountenance all talk of punishment or reprisals. He had fought to preserve the Union, and he felt that it would be an idle form unless the Southern States, which had fought so bravely, were welcomed back into the family of the Union with all their rights and privileges. He said:

> We must extinguish our resentments if we expect harmony and union. There is too much desire on the part of some of our very good friends to be masters, to interfere with and dictate to those States, to treat the people not as fellow citizens; there is too little respect for their rights. I do not sympathize in those feelings.

And it is obvious that, had he been spared, the bitterness that divided the sections after Appomattox would have been short-lived.

To me Lincoln's great service in preserving the Union is not more notable than his spiritual conquest of mankind, and it was a signal vindication of the words of the apostle which, literally translated, say:

> Faith, hope, and kindliness; and the greatest of these is kindliness.

His fine faith in the potency of this greatest force in the world was suggested in that noble passage of the first inaugural, when he predicted, in the darkest hour of the Republic:

> The mystic chords of memory, stretching from every battlefield and patriot grave to every living heart and hearthstone all over this broad land, will yet swell the chorus of the Union, when again touched, as surely they will be, by the better angels of our nature.

His example of tolerance has profoundly influenced human affairs until this day. It is noteworthy that two American Presidents, Theodore Roosevelt and Woodrow Wilson, both stated that, in the most trying hours of their respective administrations, they tried to solve difficulties by asking

themselves what Lincoln would have done under like circumstances, and perhaps it was only a reflection of the same spirit which prompted a later President to forgive his enemies. I refer to an incident that happened in the administration of President McKinley, of which I heard at the time, when I had the pleasure of serving under him. There had been a bitter attack upon his Secretary of War, and one day in Cabinet that official, with a great deal of feeling, brought to the attention of the President that a certain officer of the Government had bitterly attacked him. President McKinley listened thoughtfully and then he quietly said:

"Mr. Secretary, if these reflections of which you complain were a criticism of you, they were equally a criticism of me as Commander in Chief of the Army and Navy of the United States."

The Secretary, encouraged by this statement, quickly said: "What, then, Mr. President, do you propose to do?" To which McKinley replied, "Well, I think I will forgive him," and there the incident ended.

I recognize that we are not always in our political struggles as tolerant of criticism as were Lincoln and McKinley. In the heat of political strife we often say the things which we would gladly unsay and leave unsaid the due appreciation of our opponents to which we should give fitting utterance. But, disregarding these temporary instances of intemperate expressions, the fact remains that the two great political parties, in the spirit of Lincoln, try to observe, so far as the frailties of human nature permit, that fine maxim of the medieval church:

In essentials, unity; in nonessentials, liberality; in all things, charity.

So world-wide is the spiritual conquest of Abraham Lincoln that I should not be surprised to learn that the statesmen of England, after the South African war, in which they had poured out the blood of their youth, were influenced by the spirit of Lincoln when they voluntarily granted to South Africa the home rule for which the Boers had fought. This may not be true, but it is significant that in Parliament Square, over against the great House of Parliament in London, where England's greatest men are commemorated in marble or bronze, facing the mother of parliaments and the cradle of democracy, stands a statue of Abraham Lincoln.

It is an infinite pity that the spirit of Abraham Lincoln did not prevail in the councils of Versailles in 1919. The ghastly consequences of the World War and the resentments to which it gave rise made this difficult, if not impossible; and yet the world would not to-day be in a state of such unprecedented wreckage if the spirit of Abraham Lincoln had prevailed in that misguided council of the nations.

There was something of Lincoln's spirit in Woodrow Wilson's ideal of a "peace without victory." It was bitterly criticized at the time, and I was one of the critics, but the present condition of the world now gives proof that the principle of vae victis, or "woe to the conquered," can never produce a lasting peace. At the time it was uttered it was an impracticable ideal, for, as the combatant nations had poured out the blood of their youth as water, a compromise peace was then as impossible as would have been a similar peace in the midst of the Civil War.

A nobler interpretation of President Wilson's famous saying may be that after the victory had been won a fine and magnanimous spirit should be shown by the victors to the vanquished. Unhappily, this, too, was impracticable in 1919, for the civilized world had been shell shocked and was incapable of rational measures. If the same spirit which Lincoln showed in 1865 to the vanquished States had been shown by the allied nations to their prostrate foes the world would not to-day be in a state of almost cureless ruin.

Lincoln reached the height of his fame at Gettysburg. His now classic address was very brief. Numbering only 367 words, it must have been spoken in about two minutes.

Webster once said that the three essential requisites of a great speech are the man, the subject, and the occasion, and the Gettysburg speech, which so cultivated an English statesman as Lord Curzon declared the noblest speech in the English language, had all three requisites. Spoken on another occasion or by another man, it might not have gained the universal acclaim which has been its exalted portion. The subject was the preservation of a democratic union; the occasion the dedication of a sacred area in which were newly buried the soldiers who had died for the Union; and the speaker was one who had borne upon his shoulders the weight of a great Nation, and who, standing within the shadow of his approaching martyrdom, was as that other Man of Sorrows, who was "acquainted with grief."

The speaker chose the occasion to reaffirm his faith in government "of the people, by the people, and for the people." There was a significance in this reaffirmation, which is sometimes forgotten. Before Gettysburg the European nations had become increasingly unfriendly to the Union, and the courts of Europe were even then exchanging notes for a joint intervention to destroy the American Republic, because it was to some of them a menace to the autocratic pretensions of their dynasties. To this challenge of democracy Lincoln proudly said that popular government "shall not perish from the earth." It was America's answer to a Europe still dominated by the reactionary councils of the Congress of Vienna.

The next half century was marked by the onward march of triumphant democracy. Nation after nation yielded to its imperious demands, and when President Wilson led the American Republic into the greatest war in history it was under the inspired battle cry that the world must be "made safe for democracy." This was a fitting echo of Lincoln's speech at Gettysburg.

It is, however, of profound significance that, so far as we can now measure with our limited vision, the present effect of the World War has arrested the onward march of democracy and resulted in a portentous retrogression to autocracy. It is true that when this greatest war of history had ended and the roar of the last gun on the long battle line had died away in distant echoes, it seemed for a little time that "government of the people, for the people, and by the people" had been vindicated, and that the world had been made safe for democracy.

Never in a thousand years had there been such a dissolution of ancient forms. Crowns had fallen "thick as autumnal leaves that strew the brooks of Vallombrosa." Ancient dynasties had perished and kingdoms and empires of a thousand years vanished into thin air.

And then a mighty change came over the world's dream of democracy. A reaction, swift and terrible, against parliamentary government, through which democracy alone can function, swept over the world like the shadow of a huge eclipse. Russia destroyed the rule of the czars but rejected democracy in accepting a class tyranny infinitely worse than the rule of the worst of the Czars. China became a republic in form, but is now in the welter of anarchy. Italy accepted the rule of a dictator, who, however beneficent his autocratic rule may be, loses no occasion to flout democracy. Spain accepted for a time the rule of a military dictator; democracy yielded to a dictator in Greece—the very land that gave us not only the idea but the very word "democracy."

Seventy years after Lincoln's vindication of democracy, popular government in the greater part of the world seems to be in more serious danger than at any time since Jefferson, like Chanticleer, proclaimed the "reddening morn" of democracy.

Human progress moves in a constant series of ascending and descending curves; or, to change the metaphor, its forces are at times centipetal and at times centrifugal. Man has, throughout all history, passed through a ceaseless cycle of integration and disintegration. Every age that has been marked by the concentration of power in the hands of a few has been followed by a redistribution of that power among the many; and, in turn, every democratic movement, when it has spent its force, has been succeeded by a period of integration.

No present fact is more significant than the reaction in many nations against democracy and in favor of one-man power. It matters not whether the one man be called a

czar, emperor, king, or dictator—the essential fact is his power. To-day half of the oldest nations of Europe are in the grasp of dictators. The revolt is not against democracy as a social ideal, but against the inefficiency of parliamentary institutions.

At no time within the memory of living man has Lincoln's ideal of a government "of and by and for the people" been more openly denied and flouted. If the parliamentary system, which we call democracy, is ineffective, resort will inevitably be had to the more ancient forms of power. The World War has revealed, as in a vast illumination, the fact that democracy is not workable unless there be a people politically capable of self-government. The founders of our Nation recognized this. Washington, Franklin, and Hamilton all said that the success of popular government depended less upon its form than upon the moral and intellectual capacity of the people. If they fail to take an intelligent interest in their government and if they are unprepared to show the spirit of self-restraint, which I have elsewhere called "constitutional morality," there can be no successful democracy.

It is easy for a people to be content with popular government when prosperity is general. Let there be in this Nation a prolonged period of adversity, and our institutions will be brought to a real test; and the prophecy of Lord Macaulay, voiced nearly 70 years ago, may have a terrible vindication.

Let us not lay the "flattering unction to our souls" that we have finally and completely solved the great problem of popular government. It is still, to use the words of Lincoln, "an unfinished task," and to it the living, from generation to generation, must still dedicate themselves. Our institutions are not static, but always in a state of flux.

A democracy can only function through party government. I like the spirit of our mother country, which calls the majority in Parliament "His Majesty's Government" and the minority "His Majesty's Opposition." It expresses a truth that both parties serve the sovereign people, even when they differ as to the policies of the nation. To us the American people is "His Majesty." The large majority which the Democratic Party will have in the next Congress will be "His Majesty's Government," and the small minority, to which I belong, will be "His Majesty's Opposition," both playing different parts in a common symphony, but we will both serve the public by debating conflicting policies, for a fair and frank expression of opposite views often results in one of those compromises which are often a necessary ingredient of true statesmanship.

During my short service in Congress I have often regretted that, under the stress of our complex problems, this House becomes less and less a great forum for discussion. Debate serves a great purpose, and when the next Congress convenes I shall venture to suggest to the majority leaders a modification of our rules under which there shall be set aside each month two days—say the first and third Tuesday of each month—to be called the "State of the Union" day, and on those days two or more speeches shall be made by men of both parties, to be selected by the floor leaders, respectively, upon some issue of general importance.

This would have the advantage of concentrating debate upon some vital question and would attract far more attention than the unrelated speeches which are made in general debate when the House sits as a Committee of the Whole. On these days the House would again become a great national forum, and if this idea were adopted I believe the American people would follow the debates with more interest than I fear they now do.

The sound instinct of the American people still accepts democracy. In determining its merits, as in every other problem, regard must be had for the ponderables and the imponderables. Judged by the former only, our faith in democracy would be weakened, for its inefficiency in great crises can not be doubted. But the American people believe in it because of the great imponderable, that it is the only form of government consistent with the self-respect of a proud people, that it gives hope to the masses and raises them in intellectual and moral stature. The average man, even when plunged in the "slough of despond" of an inefficient and at times corrupt government, sees beyond the "delectable mountains" and he struggles out of the morass and presses onward. Such was the spirit of Washington and Lincoln, and it is this invincible faith, triumphing over fear, that has made them the two great leaders of the American people. As long as democracy can produce two such leaders it vindicates itself.

It must also be remembered that the comparative success of popular government in America is due in large part to the Constitution of the United States, which is not wholly democratic nor wholly undemocratic. That great charter of government rejected the idea that the majority ruled by divine right.

Abraham Lincoln devoutly believed that the Constitution was the whole "law and the prophets" of popular government. His faith in that Constitution has been amply vindicated, for in all the violent storms of the last 25 years, in which all forms of government have been shaken to their very foundations, the most stable has been that of the Constitution of the United States. To-day it is the oldest comprehensive written form of government in the world. "We, the people," ordained it, and "We, the people," must preserve it.

Our Republic, however, can not be perpetuated by words written on parchment, even though they form so wise a document as the Constitution. The essential spirit of a Republic, without which it can not lastingly survive, is the faith of the American people in its wisdom and justice.

It is therefore unfortunate that the American people indulge in so much indiscriminate abuse of their form of government, and especially of its legislative branch. I imagine that each of my colleagues is the recipient, as I have been, of almost daily letters in which there are the most bitter and unreasoning criticisms of Congress. There is no adequate recognition of the earnest effort of Members of Congress to solve the difficult and often insoluble problems with which we are confronted from day to day.

Our critics fail to realize that the Nation has long since grown too great for its political machinery. There is reason to fear that our Government is a giant with feet of clay. We are constantly reminded how inferior we are as a body to the Congresses of a century ago; but our critics fail to recognize that an indulgent posterity remembers their achievements but casts the veil of oblivion over their deficiences. There never was a time when the Congress was not a disappointment to the American people. The difficulty is that the impossible is expected of us.

Let me recall a picture of other times, which was drawn by a master:

> If I were to be called upon to draw a picture of the times and of men from what I have seen and heard and in part know, I should in one way say that idleness, dissipation, and extravagance seem to have laid fast hold of most of them. That speculation—peculation—and an insatiable thirst for riches seem to have got the better of every other consideration and almost of every order of men. That party disputes and personal quarrels are the great business of the day, whilst the momentous concerns of an empire—a great and accumulated debt, ruined finances, depreciated money, and want of credit (which in their consequences is the want of everything)—are but secondary considerations and postponed from day to day, from week to week, as if our affairs wear the most promising aspect.

This is certainly a dark picture of another age of the Republic, and it is interesting to add that I have quoted one of the most courageous of men, George Washington. If he had his moments of despair, the present generation may be excused for some pessimism. The Republic survived the dark days to which Washington referred and the critical days through which Lincoln lived.

In a time when even thoughtful men are despairing as to whether democratic institutions can survive, we may well recall the memory of Lincoln as a great democrat. I use the word in its broadest and most catholic sense. He was a man of the people, and he loved and believed in the people. Nothing could shake his faith, and he poured out his heart's blood to preserve the noblest democracy in recorded history.

The two great democrats of American history are Franklin and Lincoln. Each was a self-made man and from the depths of poverty reached the heights of an undying reputation. With little education each became a supremely wise man, and yet each had something that is finer than ordinary wisdom and that is common sense. Each had a sense of humor, which not only confirmed his faith, but made him tolerant of human error. Each, despite his lack of early education, became a master of style, and each drew his inspiration from the Bible and Shakespeare. Franklin laid the foundations of the American Commonwealth, Washington erected the superstructure of the Constitution, and Lincoln preserved it.

It is natural that in this critical age men should despair of democracy as of all human institutions, but as long as a democracy can produce such men as Franklin, Washington, and Lincoln, we need not despair of its future. Our form of government may change from generation to generation in its ceaseless adaptation to new social changes, but as long as the spirit of Franklin, Washington, and Lincoln remains, we can believe in the rule of the people.

A great moralist once said:

> The life of Lincoln should never be passed by in silence by young or old. He touched the log cabin and it became the palace in which greatness was nurtured. He touched the forest and it became to him a church in which the purest and noblest worship of God was observed. His occupation has become associated in our minds with the integrity of the life he lived. In Lincoln there was always some quality that fastened him to the people and taught them to keep time to the music of his heart.

My colleagues of the House, as we stand upon the threshold of a new administration, in one of the most critical periods of our history, let us be inspired by the spirit of Franklin, Washington, and Lincoln, who shine forever in the firmament of fame, as the luminous and steadfast Pleiades. [Applause.]

WHAT WOULD LINCOLN DO?

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER pro tempore (Mr. CULLEN). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I have listened with a great deal of interest to the eloquent address of the distinguished gentleman from Pennsylvania [Mr. BECK] on the life and character of Abraham Lincoln.

I wish to address you for a moment on the subject, "What Would Lincoln Do if He Were President To-day?"

As you know, I am a southern Democrat. I have often been referred to as an unreconstructed rebel. My people fought in the Confederate Army and suffered as a result of the devastating effects of the Civil War. Necessarily, my viewpoint differs from that of a great many Members of this House. But I have never been so partisan or so sectional that I could not recognize the sterling qualities of the man who occupied the Presidency of the United States during the trying years of that unfortunate conflict.

Whatever else may be said of Abraham Lincoln, by friends or foes, we must admit his sympathetic consideration for the masses of people from whom he sprang, and his courage to translate his sympathies into action whenever the occasion required.

What would Lincoln do if he were President of the United States now, under the terrible conditions through which we are passing, and have been passing for the last three years? In my opinion, he would do just what he did do under similar circumstances during the Civil War. When a financial crisis came on and it was necessary to do so, he swept aside, with a wave of his hand, those mercenary influences that were attempting to control the finances of the Republic for their own special benefit and forced an expansion of the currency to supply the necessary funds with which to carry on the conflict as well as to guarantee reasonable commodity prices and maintain the purchasing power of the people.

If Abraham Lincoln were President of the United States to-day, judging by his action then, we are forced to the conclusion that he would again scourge the money changers from the temple, and wrest this country from the control of those greedy interests and individuals who are responsible for the policies that are now squeezing the lifeblood from the American people. He would turn a deaf ear to the insidious appeals of the minions of concentrated wealth. He would refuse to be guided in his policies by the advice of selfish interests, or selfish individuals, who would perpetuate this panic and wreck the Republic in order to rise upon its ruin.

On the other hand, he would hear the pleas of the bankrupt business men of the Nation. He would hear the appeals of the distressed farmers, who are now seeing their homes swept away for debts or sold to pay their taxes. He would see the tears and hear the cries of the suffering women and children who have been made homeless and penniless as a result of the concentration of wealth and the contraction of the currency, coupled with the hoarding of money by the very ones who have profited most as a result of the ruination their policies have wrought.

Mr. Speaker, in my humble opinion, if Abraham Lincoln were President to-day, or if he had been President for the last three years, he would long since have recommended and secured the passage of the necessary legislation to provide for a controlled expansion of the currency, such as we are appealing for to-day, to bring back farm commodity prices, and restore the purchasing power of the American people, melt away our bread lines, start our factory wheels to turning, furnish work for our unemployed, bring new hope and new life to the American people, and cause us to move forward into a new era of prosperity. [Applause.]

AMENDMENT OF CHARTERS OF CERTAIN ORPHAN ASYLUMS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 4673) to amend an act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown, and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874.

I may say, in explanation of this measure, it simply removes the limitation placed by the act of incorporation on the amount of annual income allowed the orphanages mentioned herein.

The Clerk read the bill, as follows:

> *Be it enacted, etc.*, That section 3 of the act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown, and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874 (relating to the amount of annual income from property belonging to the trustees of either of said corporations), is amended by striking out "to a sum not exceeding $25,000 per annum" and inserting in lieu thereof "and such clear annual income of each of said corporations shall be applied to and for the purposes for which it was incorporated."

Mr. STAFFORD. Mr. Speaker, will the gentlewoman from New Jersey yield for a question?

Mrs. NORTON. Gladly.

Mr. STAFFORD. Can the gentlewoman from New Jersey inform the House the reason why any limit whatsoever was heretofore placed on these individual institutions as to the amount of income they could receive and dispense?

Mrs. NORTON. The gentleman from Maryland [Mr. PALMISANO] would like to answer that question.

Mr. PALMISANO. Of course, this is an old charter granted by the Congress. It seems that at that time it was customary to place a limit on all charitable institutions; and, as the gentleman from Wisconsin will recall, we had a similar bill in the last session in reference to the Acacia Insurance Co., which is under the Masonic order. They were also limited in a certain way.

Mr. STAFFORD. That bill was originally vetoed by President Harding because this organization was seeking to gain business under the name of a Masonic insurance company and thereby more or less inveigle the people generally into the belief that they had some authority in connection with a highly esteemed secret society. Thereupon, after the

bill was returned with a veto, this private organization which sought to have the advantage of doing business with others than those connected with the Masonic fraternity changed the name and adopted the Masonic name, I believe, Acacia.

At that time there had been other bills of similar import introduced, and I was wondering why that company, like other companies, could not avail itself of the general privileges under the incorporation laws of the District of Columbia.

In the last Congress we had another instance, where the order of Knights of Pythias sought to gain certain advantages that were not extended generally to corporations incorporated in the District so as to avoid having certain inspections made by the superintendent of insurance.

I am not in sympathy with these laws that seek to grant special favors, when there are general laws in the District of Columbia which would permit them to avail themselves of these privileges.

Mr. PALMISANO. I may say to the gentleman from Wisconsin that we have taken the position in the District of Columbia Committee that we will refuse national charters to private corporations.

Mr. STAFFORD. I wish to commend the action of the committee in taking that stand.

Mr. PALMISANO. In a case of that kind, here are two orphan asylums created by act of Congress. They have received certain benefits. Under the general law they may lose those benefits if they amend the charter, and this is the only way they can obtain those benefits that they have derived.

Mr. STAFFORD. I think the gentlemen sets forth a good reason why the bill should be passed.

Mrs. NORTON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

PAYMENT OF TAXES ON FAMILY DWELLING HOUSES IN QUARTERLY INSTALLMENTS

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 14392) to authorize the payment of taxes and assessments on family dwelling houses in the District of Columbia in quarterly installments, and for other purposes. I move that the House resolve itself into Committee of the Whole House on the state of the Union for its consideration, and I ask unanimous consent that debate be limited to 20 minutes, one-half to be controlled by myself and one-half by the gentleman from Texas [Mr. PATMAN].

The SPEAKER pro tempore (Mr. CULLEN). Is there objection to the request of the lady from New Jersey?

There was no objection.

The motion of Mrs. NORTON was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. DOXEY in the chair.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, it is farthest from my thought to consume 10 minutes, but I wish some member of the committee would furnish information as to whether any other municipality in the country has adopted the proposal sought here for the payment of taxes quarterly? That is to me a departure from any existing system of tax collection. I am heartily in sympathy with the other provisions of the bill, the deferment of the collection of taxes for this year, but I query whether any city in the country has adopted the method of quarterly payments?

Mr. PALMISANO. Let me say to the gentleman that Baltimore City has adopted the quarterly installment plan for three years. That was done in order to help small property owners to pay in small sums so that when the end of the year comes they would not be met with the necessity of getting the whole amount.

Mr. STAFFORD. Does the gentleman know of any other city where that method has been adopted?

Mr. CHIPERFIELD. It has been adopted in the city of Chicago.

Mr. STAFFORD. That is on account of conditions in that corrupt suburb of Milwaukee. In Milwaukee we have not found it necessary or proper for the payment of taxes quarterly. There has been a deferment of taxes for six months or even a year because of the financial embarrassment of property owners. It is a bill providing for all time, whether the conditions are exigent or not.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CHIPERFIELD. I am sorry to destroy the theory of the gentleman concerning the depraved condition of Chicago, and do not care to dissent from him, but that system of the payment of taxes arises under the laws of the State of Illinois at the present time.

Mr. STAFFORD. Anyone who is but slightly acquainted with the conditions of Chicago knows that they have been outrageous, and that the trouble which besets Chicago is due to its corrupt local government.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. WHITTINGTON. In answer to the gentleman's query, I might state that the State of Mississippi and the municipalities of that State now for the second year are trying and, I think, quite satisfactorily, the quarterly payment of taxes. The plan follows the payment of income taxes, taxes being collected for the next fiscal year, and I see no reason why the taxpayer should not retain those funds and pay them quarterly rather than that the banks should hold them.

Mr. STAFFORD. In Mississippi, as I understand the gentleman, it is being tried out.

Mr. WHITTINGTON. No; it is being tried for the second year.

Mr. STAFFORD. But it is not permanent law; it is a temporary arrangement.

Mr. WHITTINGTON. No. I said that we are now trying it for the second year, and it is quite satisfactory.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. GOSS. My understanding is that the District of Columbia can not borrow money. Most municipalities borrow money in anticipation of the collection of taxes; and in view of the fact that the District of Columbia can not borrow money in anticipation of taxes levied and collected, it seems to me that a quarterly payment might be considered from a different viewpoint than in other municipalities.

Mr. STAFFORD. The gentleman will notice in the report that there is no reference whatever as to whether this has been submitted to the Commissioners of the District for their approval.

Mrs. NORTON. Mr. Chairman, the District Commissioners are in entire accord with the bill. A year ago this bill was suggested, and they were not then in accord with it, but since that time they have come to realize that it is going to mean a very much easier method of payment for the people of the District on account of our present conditions, and they have heartily indorsed the bill.

Mr. STAFFORD. We can all agree that by reason of the exceptional conditions prevailing they may not oppose it as a temporary measure, but do they approve it as a permanent law?

Mrs. NORTON. I may say to the gentleman that it is my understanding they are willing to approve it as a permanent law. If conditions change, I presume they would have the right to come to Congress and ask for a change in the law if they so desire.

Mr. STAFFORD. As I understand the other provisions relating to the deferring of payments, those who are asking the privilege will be obliged to pay 6 per cent interest on the remaining amount.

Mrs. NORTON. Yes. I understand that is the prevailing rate of interest.

Mr. STAFFORD. Mr. Chairman, I yield back the remainder of the time.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I have no objection to the part of the bill permitting taxes to be paid quarterly. The part of the bill that I object to is requiring the assessor of the District of Columbia to furnish the owners of property in the District with an itemized statement of the taxes that will be due. I have never heard of any municipality, county, or State government being required to furnish itemized statements of taxes in advance of the day of collection. The people generally know when they have to pay taxes. They keep up with it themselves. It is all right to furnish an itemized statement when the owner requests it, and under the present law the assessor of the District is so required to furnish such an itemized statement, but I can not understand why as a condition precedent to the collection of taxes the assessor must first furnish an itemized statement of the amount of taxes due, to the owner of the property.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. FITZPATRICK. In the city of New York by leaving your name and address they notify you in advance of the amount due.

Mr. PATMAN. Under the present law they will do so here upon request.

Mr. FITZPATRICK. Just by leaving your name and address every year.

Mr. PATMAN. Why make it a requirement that you must first notify the property owners before you can collect the taxes? The District will be in all kinds of lawsuits as a result of it.

Mr. PARKS. Would it not serve the same purpose if the bill said, "on request of the taxpayer"?

Mr. PATMAN. That is the present law.

Mrs. NORTON. Mr. Chairman, I should be glad to accept an amendment to that effect.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. GOSS. It is not mandatory as I read the bill. Is the gentleman talking about section 5?

Mr. PATMAN. No. The bill says "shall send."

Mr. GOSS. But it reads:

The assessor shall send an itemized statement of such taxes to the owner upon request made by the owner and filed with the assessor not later than—

Mr. PATMAN. Those are the subsequent statements. I am referring to the first part of section 1 where it reads:

The assessor of the District of Columbia shall send to the owner of each family dwelling house occupied by such owner an itemized statement of the taxes payable with respect to such dwelling house not less than 30 days prior to the time when the first installment of real-estate taxes for such fiscal year becomes due and payable.

In other words, in order to collect the taxes, in any delinquent tax proceeding, it would be necessary under the law to first show by the assessor that prior to 30 days he had sent the owner of the property an itemized statement of the taxes due. Unless he could show that, he could not foreclose on the property.

Mr. HOLMES. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOLMES. The assessor at the present time sends an itemized statement to every man who owes the District personal taxes. This is no more than what the District could expect or require of the assessor, to give them an itemized statement of their property.

Mr. PATMAN. If the gentleman will pardon me, my time is very limited. I think this law will cause the District of Columbia additional expense.

Mr. HOLMES. Not a great deal.

Mr. PATMAN. In the first place, there must be additional people employed to send out these notices. Under the law, any person who wants an itemized statement can get it. Why send it to people who do not want it? The chairman of the committee has already agreed to accept the amendment.

Mr. HOLMES. I have no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That each fiscal year, commencing with the fiscal year ending June 30, 1934, the assessor of the District of Columbia shall send to the owner of each family dwelling house occupied by such owner an itemized statement of the taxes payable with respect to such dwelling house not less than 30 days prior to the time when the first installment of real-estate taxes for such fiscal year becomes due and payable. Such statement shall include all real-estate taxes which are due and payable in such fiscal year and all installments of special assessments which have been levied, charged, or assessed prior to, and are due and payable in, such fiscal year, with respect to the family dwelling house occupied by the owner. Such taxes and assessments shall be payable, at the election of the taxpayer, in four equal installments, in the months of September, December, March, and June, and no interest shall be payable with respect to any such installment unless it is unpaid after the time it is due. Any real-estate tax or special assessment or any installment thereof with respect to any family dwelling house occupied by the owner thereof not included in such statement shall not be due or payable during the fiscal year for which the statement is sent; and any such tax or assessment or any installment thereof otherwise chargeable, assessable, or payable during such fiscal year shall be included in the statement for the next succeeding fiscal year.

Mr. PATMAN. I offer an amendment, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 1, line 6, after the word "owner," insert the words "upon written application therefor," and on page 1, line 7, after the word "house," insert a period and strike out the words "not less than 30 days prior to the time when the first installment of real-estate taxes for such fiscal year becomes due and payable."

Mr. STAFFORD. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. STAFFORD. I have some difficulty in bringing myself to subscribe to the second substantive proposal of the gentleman's amendment, striking out. It is my opinion that the assessor of the District should be obligated not less than 30 days prior to the time to furnish the respective owners of dwelling houses a statement of the taxes owing.

Mr. PATMAN. I thoroughly agree with the gentleman that he should furnish a statement but should not be restricted to within 30 days. If they want a statement within 30 days, he should be required to furnish it. He should be required to furnish it immediately at any time, without reference to any 30 days' time.

Mr. STAFFORD. Oh, the gentleman knows that the assessor is not in a position to furnish a statement of taxes at all times.

Mr. PATMAN. I think the gentleman will find we have a very efficient office in the District of Columbia, and that they can furnish such statements immediately. It has been the custom to furnish them immediately.

Mr. STAFFORD. It is absolutely impossible for the assessor of taxes to furnish a statement before the taxes are levied. It takes time. The gentleman is destroying the very purpose of the bill by striking out those words.

Mr. PATMAN. I have no objection to a provision like this going into the bill if it is understood that in the collection of delinquent taxes the District will not have to show first that this statement was furnished 30 days prior to the time the taxes were due. I do not want that as a condition precedent to the collection.

Mr. STAFFORD. The very wording of the clause which the gentleman seeks to strike out, "not less than 30 days," makes the act inoperative. We should give leeway to the administrative officers to furnish a statement of the taxes.

Mr. PATMAN. I realize the force of the gentleman's argument, and I will not insist on that if no other member of the committee desires to insist on it.

Mr. STAFFORD. Then I ask for a division of the amendment, Mr. Chairman.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to withdraw the latter part of the amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GOSS. Mr. Chairman, may we have the amendment again reported as modified?

The Clerk read as follows:

Modified amendment offered by Mr. PATMAN: Page 1, line 6, after the word "owner," insert the words "upon written application therefor."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. After the date of enactment of this act no family dwelling house occupied by the owner thereof shall be sold for delinquent personal or real estate taxes or special assessments unless notice has been personally served upon such owner or sent by registered mail, addressed to him at such dwelling house, not less than 30 days prior to the date of such sale.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

I wish to inquire of some member of the Committee on the District of Columbia what the prevailing practice is as to requiring notice to be furnished to the owner when taxes are delinquent. This section prescribes that no sale shall take place unless notice has been personally served or sent by registered mail, addressed to him at such dwelling house. Is that the prevailing practice?

Mr. PALMISANO. I think so. It is a sort of summons. In Baltimore there is a law to that effect.

Mr. STAFFORD. I do not want Baltimore to be too potent in determining the policy for the District of Columbia. Conditions are entirely different. Baltimore can raise funds to meet current expenses by making loans from the banks. The Commissioners of the District of Columbia can not.

Mr. PALMISANO. I think it is a good law. It is to protect the individual from the forced sale of his property. Sometimes a person may feel he has paid his taxes and then if he does not receive notice, the property is put up and sold without him receiving any notice at all.

The pro forma amendment was withdrawn.

The Clerk concluded the reading of the bill.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with an amendment with the recommendation that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and Mr. CULLEN, the Speaker pro tempore, having resumed the chair, Mr. DOXEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 14392, directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mrs. NORTON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to find passage.

The previous question was ordered.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

SALE OF GOVERNMENT PROPERTY

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 11504) authorizing the sale of certain Government property in the District of Columbia, and ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Commissioners of the District of Columbia, in their discretion, be, and they are hereby, authorized to sell for cash, under such rules and regulations as they may prescribe, lot 801, square 5990, comprising 97 feet, more or less, in rear of 3204 Brothers Place SE., Washington, D. C.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDMENT OF THE REVISED STATUTES

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 13378) to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia, and ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I wish to ask the gentlewoman from New Jersey the effect of striking out $100 and inserting in lieu thereof $500 in line 6, on page 1, of the bill.

Mr. STAFFORD. Mr. Speaker, if the gentlewoman will permit, the bill purposes to increase the amount that may be administered without going through the intricate machinery of law.

Mr. BLANTON. That explains the whole situation. I have no objection to the bill.

Mrs. NORTON. I may say to the gentleman from Texas that an explanation of this item appears further down in the report.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 416 of the Revised Statutes relating to the District of Columbia be amended by striking out the word "fifty" where it occurs in said section and inserting in lieu thereof the words "one hundred."

SEC. 2. That section 417 of the Revised Statutes relating to the District of Columbia be amended so as to read as follows:

"SEC. 417. All property, except perishable property and animals, that shall remain in the custody of the property clerk for the period of six months, with the exception of motor vehicles, which shall be held for a period of three months, without any lawful claimant thereto after having been three times advertised in some daily newspaper of general circulation published in the District of Columbia shall be sold at public auction, and the proceeds of such sale shall be paid into the policemen's fund; and all money that shall remain in his hands for said period of six months shall be so advertised, and if no lawful claimant appear shall be likewise paid into the policemen's fund."

With the following committee amendment:

Page 1, line 6, strike out the words "one hundred" and insert in lieu thereof the words "five hundred."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMATEUR BOXING

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 6292) to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes, and ask unanimous consent that it may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That whoever shall in the District of Columbia voluntarily engage in a pugilistic encounter shall be imprisoned for not more than five years. By the term "pugilistic encounter," as herein used, is meant any voluntary fight by blows by means of fists or otherwise, whether with or without gloves, between two or more men for money or anything of value except a suitably inscribed wreath, diploma, banner, badge, medal, or timepiece not exceeding the value of $35, or upon the result of which any money or anything of value is bet or wagered, or to see which an admission fee of more than $2 is directly or indirectly charged.

SEC. 2. (a) There is hereby created for the District of Columbia a boxing commission, to be composed of three members appointed

by the Commissioners of the District of Columbia, one of whom shall be a member of the police department of the District of Columbia. No person shall be eligible for appointment to membership on the commission unless such person at the time of appointment is and for at least three years prior thereto has been a resident of the District of Columbia. The terms of office of the members of the commission first taking office after the approval of this act shall expire at the end of two years from the date of the approval of this act. A successor to a member of the commission shall be appointed in the same manner as the original members and shall have a term of office expiring two years from the date of the expiration of the term for which his predecessor was appointed, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The members of the commission shall receive no compensation for their services. The Commissioners of the District of Columbia shall furnish to the boxing commission such office space and clerical and other assistance as may be necessary.

(b) Subject to the approval of the Commissioners of the District of Columbia, the commission shall have power (1) to cooperate with organizations engaged in the promotion and control of amateur boxing; (2) to supervise and regulate amateur boxing within the District of Columbia; and (3) to make such orders, rules, and regulations as the commission deems necessary for carrying out the powers herein conferred upon it.

(c) No person shall hold a boxing exhibition in the District of Columbia without a permit from the commission, but the commission shall not issue any such permit except to a club, university, college, school, or other organization or institution which the commission finds is interested in the promotion of amateur athletics. Each such permit shall be limited to a period of one day, except that in case of any interscholastic boxing meet or similar contest a permit may be issued for the duration of such meet or contest. No such permit shall be issued to any person unless such person agrees to accord to the commission the right to examine the books of accounts and other records of such person relating to the boxing exhibition for which such permit is issued, and such permit shall so state on its face. A permit may be revoked at any time in the discretion of the commission.

(d) No individual shall engage in any boxing exhibition in the District of Columbia without a license from the commission. Such license shall entitle the licensee to engage in amateur boxing exhibitions in the District of Columbia for the period specified therein, but the commission shall not issue any such license to any individual if the commission finds that such individual has at any time or place engaged in any professional prize fight or in any boxing exhibition for which he received money as compensation or reward, and the commission shall revoke any such license if at any time, after notice and hearing, it makes such finding in respect of the licensee, and may revoke any such license at any time for violation by the licensee of any order, rule, or regulation of the commission, or for other cause.

(e) Any permit or license issued by the board shall not be valid for the purpose of holding or engaging in, respectively, any boxing exhibition which does not conform to the following conditions: (1) Such exhibition may consist of one or more bouts, but no such bout shall continue for more than four rounds; (2) no round shall exceed three minutes; (3) there shall be an interval of one minute between each round and the succeeding round; and (4) each contestant shall use gloves of not less than 8 ounces each in weight.

(f) The commission may charge for permits and for licenses such fees as will, in its opinion, defray the cost of issuance thereof and other necessary expenses of the commission.

(g) Any person who (1) holds any boxing exhibition in the District of Columbia without a permit valid and effective at the time, or (2) engages in any boxing exhibition in the District of Columbia without a license valid and effective at the time, or (3) violates any lawful order, rule, or regulation of the commission shall, upon conviction thereof, be fined not more than $1,000 or imprisoned not more than one year, or both.

(h) The term "person," as used in this act, includes individuals, partnerships, corporations, and associations.

Mrs. NORTON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

### AMENDMENT OF THE DISTRICT OF COLUMBIA CODE

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 14204) to amend section 653 of the Code of Law for the District of Columbia and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, may the bill be read for information?

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the provision of section 653 of the act of Congress, approved March 3, 1901, entitled "An act to establish a Code of Law for the District of Columbia," as amended by the act of Congress approved August 15, 1911, which said provision reads: "Every such company or association shall pay to the collector of taxes for the District of Columbia a sum of money, as tax, equal to 1 per cent of all moneys received from members of policy or certificate holders within the District of Columbia, said tax to be paid on or before the 1st day of March of each year on the amount of such income for the year ending December 31 next preceding," is hereby amended to read:

"Every such company or association shall pay to the collector of taxes for the District of Columbia a sum of money as taxes equal to 1½ per cent of its net premium receipts from business done in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of such income for the year ending December 31 next preceding, in lieu of all other taxes, except taxes upon real estate and any license fees provided for in sections 654 and 655; and upon the failure of any company to pay said taxes before March 1, as aforesaid, the license of said company shall be revoked and a penalty of 8 per cent per month shall be charged against said company which, together with said taxes, shall be collected before said company shall be allowed to resume business."

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask the gentlewoman from New Jersey a question. Under the present law the insurance companies pay 1 per cent tax on all receipts, and under the proposed amendment they will pay 1½ per cent on net premiums. Does this bill come from the Commissioners of the District of Columbia?

Mrs. NORTON. Yes.

Mr. BLANTON. It was prepared by them and sent to the gentlewoman's committee with the request that she introduce it?

Mrs. NORTON. Yes; I introduced the bill by request.

Mr. BLANTON. And the commissioners are proposing it?

Mrs. NORTON. Yes; they are sponsoring the bill.

Mr. BLANTON. Has the gentlewoman from New Jersey investigated to find out whether or not this is relieving corporations of a tax that they ought to pay?

Mrs. NORTON. I may say to the gentleman from Texas that this measure was referred to the subcommittee of the gentleman from Ohio [Mr. HARLAN], and he is prepared to answer that question.

Mr. HARLAN. The difference, I will say to the gentleman from Texas, is that both sections 650 and 653 apply to premium incomes and are on the same subject. There is an apparent conflict to this extent——

Mr. BLANTON. Will the gentleman answer the question I asked as to whether or not it relieves them of present liability and whether or not their tax will be greater or less than it is now?

Mr. HARLAN. It increases the tax to the extent of $100,000 a year.

Mr. BLANTON. Is the gentleman sure of that?

Mr. HARLAN. I am absolutely sure of it.

Mr. BLANTON. Does the gentleman know where the influence came from that caused the commissioners to be interested in this matter?

Mr. HARLAN. I can answer that if the gentleman will let me continue.

Mr. BLANTON. There are only certain things I want to know, and if the gentleman will answer my questions so that I may get definite answers, I may not take up any time at all on the bill. I want to know what outside influence there was, if any, that caused the commissioners to get interested in this change.

Mr. HARLAN. They want to collect the additional $100,000 a year which, apparently, the insurance companies are willing to pay to avoid future litigation growing out of the conflict in these two sections.

Mr. BLANTON. Then it is the commissioners' idea and not the idea of the insurance companies?

Mr. HARLAN. Yes.

Mr. STAFFORD. Mr. Speaker, under reservation of objection, I regard this bill as rather important and I would like to have some explanation of the measure, particularly, as to this phase. Under the substitute amendment it is pro-

posed to relieve these insurance companies of all other taxes except taxes upon real estate.

Mr. HARLAN. And license fees.

Mr. STAFFORD. For this privilege of increasing the tax one-half of 1 per cent.

Mr. HARLAN. I will say that at the present time there are no other taxes and the tendency toward insurance companies is not to increase taxes. The effect of this will simply be to carry out what the insurance companies are actually paying at the present time and make both of these sections conform.

Mr. STAFFORD. Further reserving the right to object, how does the rate, as recommended by the committee, conform with the rates as paid in the States by insurance companies privileged to do business in those States?

Mr. HARLAN. It is very similar. The rates in the different States run about this way. I may say a number of them do not go as high as 1½ per cent, but there is this difference in the District of Columbia. Insurance companies pay no fee and are put to no expense in the District of Columbia for their annual examinations, which are made here free, and even though this rate of 1½ per cent is a little higher than in some jurisdictions, the rate is acceptable to the companies.

Mr. STAFFORD. Has the gentleman any information as to what the rate is in Ohio or Michigan or New York for doing business along this line?

Mr. HARLAN. I could not state that. At the time we had the hearings on this matter I had a representative of the corporation counsel at the hearing and also a representative of the insurance commissioner's office, and in my statement about the rates being substantially the same throughout the country, I am repeating what was given there by these gentlemen. I have not looked up any particular State and at the moment I can not give the gentleman what Ohio charges.

Mr. STAFFORD. I assume the gentleman is in sympathy with my idea that we should not give a preferential rate to insurance companies doing business here so as to invite insurance companies of other States to change their domicile in order to get the protecting arm of the local government.

Mr. HARLAN. There is no chance of that. I may say that section 650, which has been the law under which all insurance companies have been operating in the District and which is the law they all recognize, was passed in 1901. The only purpose of this act is to make section 653 conform to section 650. I think I can give the gentleman the history of this in just a moment. In 1901 these two sections were originally passed in the Code of the District of Columbia.

Mr. STAFFORD. I may say, parenthetically, that that was one year before I began service here and I am not acquainted with the legislation.

Mr. HARLAN. The history of it is short. I presume it is the only thing the gentleman can not remember. Section 653 as originally passed applied only to assessment life-insurance companies. Then in 1911 it was amended in an effort to make it apply to industrial insurance. The gentleman is familiar with that. The amendment was drawn in such broad terms that instead of being limited to assessment insurance and to industrial insurance, it was drawn so that it might be construed to cover all forms of life insurance. However, the insurance companies have not attempted to take advantage of this until just recently an opinion was asked of the commission, and the corporation counsel handed down an opinion that in all probability section 653 applied to life-insurance companies.

Mr. STAFFORD. Mr. Speaker, I withdraw the reservation of objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

### SALE OF PROPERTY NO LONGER REQUIRED FOR PUBLIC PURPOSES IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 14340) authorizing the sale of certain property no longer required for public purposes in the District of Columbia, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

Mr. STAFFORD. Reserving the right to object, I have an amendment that I think will be acceptable to the committee. It is line 5, after the word "sale," to insert "at such time," the purpose being to leave it discretionary with the commissioners as to when the property shall be sold. In these times they might not be able to get the purchase price.

Mrs. NORTON. The committee will accept the amendment.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered to sell and convey to the highest bidder, at public or private sale, as in their opinion may be most advantageous to the District of Columbia, the old Potomac School property, lot 802 in square 327, containing 5,837 square feet of land, more or less. The proceeds from such sale shall be deposited in the United States Treasury to the credit of the District of Columbia.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

In line 5 after the comma following the word "sale," insert the words "and at such time."

Mrs. NORTON. Mr. Speaker, I yield to the gentleman from Georgia [Mr. CASTELLOW] five minutes.

Mr. CASTELLOW. Mr. Speaker and Members of the House, several weeks ago there was some discussion before the House involving, to some extent at least, a consideration of the conditions and practices in the chain gang and penitentiary of Georgia.

It was not my intention to enter into this discussion and I would not except for the fact that I have just received a bit of evidence, rather persuasive, and in consideration of its high character and unprejudiced source should be convincing. It is in the form of a letter written by a man who has honored with his services as governor the splendid State of Michigan, but who resides at present in Georgia, the Hon. Chase S. Osborn. I quote from his letter as it appeared in the Wiregrass Farmer, a newspaper published in Ashburn, Ga.

Chase S. Osborn, former Governor of Michigan, in a recent letter to Gov. William A. Comstock, of Michigan, said: "There is no more reason to criticize the prison system in Georgia than in Michigan.

"For many years I have frequently visited Georgia chain-gang camps. I have gone especially on Sunday to hold services. I have observed the chain-gang system in all of its applied connections. In my opinion it is far better than keeping men at indoor labor. The only time there has been any roughness is where incorrigibles are concerned. The men are well fed, comfortably housed, and almost never manacled in the daytime. When camps are moving from place to place to do road work they do convey prisoners in portable cells which look like cages. There is no more reason to criticize the system in Georgia than in Michigan. Now and then there are human abuses in all the States.

"No man e'er felt the halter draw,
With good opinion of the law."

Mr. Osborn also inclosed a copy of a letter addressed to Patrick O'Brien, attorney general of Michigan, in which he added:

I have known convicts to commit crime so as to return to the chain gang where life for them has been more comfortable than so-called freedom.

The treatment of desperate criminals is perhaps kindlier in Georgia than in Michigan. Georgia compares with any State in the Union in the treatment of its prisoners. This may not be saying a great deal, but it does mean that Georgia ought not to be singled out in its penalogical policy. The convicts are not overworked. In the daytime they are in the pleasant open air and are well fed. At night they are comfortably housed.

Except for the fact that this distinguished gentleman has come to reside among us he, too, might have shared the erroneous idea that a State which contributed Button Gwinnett, Lyman Hall, and George Walton in the early days of our history to the cause of liberty and later did its part in formulating that matchless document, the Constitution of

the United States, had so forgotten its traditions and become so negligent of its duty to civilization as to play the rôle of an oppressor of the weak and a torturer of the unfortunate. Though the extent of our country is great and its inhabitants numerous, we have a common interest and cherish a common hope. In order that these may be promoted it behooves every State to cooperate for the enforcement of the law for the promotion of commerce and the reestablishment of prosperity within our borders. This is a herculean task, impossible of attainment without the hearty cooperation of a united people. It is, therefore, imperative that each State lend its support to the accomplishment of this purpose, thereby contributing as much as possible to a common cause. [Applause.]

The amendment of Mr. STAFFORD was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LINCOLN'S BIRTHDAY

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by our colleague the gentleman from Tennessee [Mr. TAYLOR] at Nashville, Tenn., on Abraham Lincoln.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ADDRESS OF HON. J. WILL TAYLOR, OF TENNESSEE, AT THE ANNUAL LINCOLN DAY BANQUET, MAXWELL HOUSE, NASHVILLE, TENN., FEBRUARY 11, 1933

Mr. Chairman and fellow Republicans, this is our fourth consecutive observance of the anniversary of the birth of the founder of our party, and it is, indeed, encouraging to note such a large attendance and such enthusiasm, despite the intemperate weather and the fact that we have just passed through the greatest ordeal in our party's entire history. Our heads may be bloody, my friends, but thank God "they are unbowed." We fought a clean fight, we kept faith with the American people, and our escutcheon is free from the stain of deception or misrepresentation.

We went before the country on a record of 12 years of honest, arduous, and constructive service, without apologies and without any effort to resort to the art of hocus-pocus or demagoguery. Our standard bearers courageously and unflinchingly faced the economic situation and demonstrated to those who were not distraught by partisan bias or hysteria that the Republican Party has met every exigency with fortitude and ability and has dealt with them with practical statesmanship instead of by art of legerdemain.

In my previous addresses on similar occasions I have devoted the major part of my remarks to our immortal patron saint. I shall not do so on this occasion, because this commanding figure in the world's history needs no encomiast. The marvelous and magnificent work of his heart and hand and brain, the innumerable volumes that have been written chronicling his imposing greatness, and the tons of bronze and marble statuary throughout the earth amply attest his place in history.

My remarks to-night will be confined to an effort to beguile you from the dismal wreckage of the last campaign to arouse your party interest and morale, and shall be in the nature of an exhortation to you to return to your tents and gird yourselves for the battle of the future.

Of course, we have suffered a most humiliating defeat. We were smitten "hip and thigh," as it were, by the enemy; but we should not be downcast or discouraged. There are worse things than defeat, my friends. Craven surrender and supine cowardice are far more dishonorable.

Every fair-minded person knows that extraordinary economic conditions, plus a campaign of wholesale misrepresentation and demagoguery of a type and magnitude hitherto unknown in this country caused our defeat. Conditions which every one knows were not of our making and for which we could not honestly be charged with responsibility, and which, as a matter of fact, had their origin in a Democratic administration, were so manipulated and exaggerated and dramatized by our opposition as to make it impossible for us to win. In addition to these unfair and reprehensible tactics on the part of our adversaries, they literally promised the earth and "the fullness thereof," and unfortunately the American people have been famous for their credulity and gullibility. Many years ago that great circus wizard, P. T. Barnum, discovered this trait in American character and cashed in on it; but even Barnum in his palmiest days was a piker compared with some of the Democratic spellbinders of the last campaign.

But, my friends, the day of reckoning is at hand and it is now up to these political Houdinis to deliver. They boasted that their miracle man would immediately devise means to end unemployment in this country. God knows that in his efforts to this end Mr. Roosevelt shall have the unqualified sympathy and support of every patriotic American citizen; and yet, what concrete plan has he or his party suggested up to this good hour to bring about this much-desired objective?

They sold the country on the theory that most, if not all, of our ills are attributable to the Smoot-Hawley tariff law; and yet since the election not one of them has had the courage to advocate a downward revision of existing tariff schedules. In the face of their campaign declaration for free trade or its equivalent we recently beheld the spectacle of a Congress controlled by Democrats championing and passing a bill in the House of Representatives which absolutely places an embargo on many of our leading commodities. Verily, verily, I say unto you, the sophists of olden times certainly had nothing on these modern exponents of the gentle art of hokum and ballyhoo.

Notwithstanding the fact that that great idol of the Democratic Party, Andrew Jackson, recognized the logic of an effective and adequate protective tariff, the Democrats of to-day, who never tire singing the praises of Old Hickory, don't seem to have profited very much by the vigorous stand of this rugged old statesman on this vital American doctrine. Speaking in the United States Senate, of which he was a distinguished Member more than a hundred years ago, this great Tennessean, in discussing a tariff measure, thundered as follows: "It is time, sir, we should become a little more Americanized and, instead of feeding the paupers of England, feed our own people, or else in a short time we will be paupers ourselves."

But, Mr. Chairman, the man whose memory we revere to-night, in his usual quaint and homely style, gave perhaps the best example of the beneficence of a protective tariff. Being interrogated on the subject of tariffs, Abraham Lincoln is said to have replied that he knew very little about the tariff, but that he knew enough to know that when we bought steel rails abroad the foreigner had the money and we had the rails; but when we bought steel rails in America this country had the rails and the money also.

My friends, the necessity for a virile protective tariff was never more obvious than it is to-day, and the Democratic Party, with characteristic delinquency, is just beginning to react to the problem. Due to depreciated currencies in European and Asiatic countries, along with starvation wages paid their labor, our tariff wall has been practically nullified and destroyed. It is now generally known that unless immediate steps are taken to restore our tariff barriers, our country will become the dumping ground of cheap goods manufactured in foreign lands, which will inevitably result in the closing of thousands of American factories and the swelling of our already tremendous unemployed columns. Mr. Owen D. Young, that gallant knight of Democracy, declared during the campaign that the tariff was a dead issue and should be so considered. Recently, however, I understand that Mr. Young has been abruptly disillusioned, since the General Electric, of which he is the guiding spirit, has been forced to close two of its largest plants due to the importation of a flood of electric bulbs from Japan, where the yen has depreciated almost half in value and where labor can be had for 10 or 15 cents a day.

American financiers were horrified sometime ago when England and a number of other European countries went off the gold standard. Our financiers wondered why this drastic step was taken. But in the light of recent developments the reason is very apparent. It has been established that these nations went off the gold standard and debased their currency with the deliberate purpose of subverting and circumventing American tariff laws, and the success of the conspiracy is attested by the daily closing of American industries and incident idle machinery, smokeless stacks, and increased numbers of unemployed.

It seems to me that it ought to be apparent to everybody—even to "the wayfaring man, though he be a fool"—that in the face of foreign depreciated currencies, the Ottawa agreement between England and her dependencies, the quota system of France and the trade bars and restrictions of practically all of the European countries, in self-defense Uncle Sam must not only rebuild his tariff walls but must embark on a 100 per cent "buy American" policy.

In the Democratic convention which met in Chicago last spring, a platform was adopted emphatically declaring against a cancellation or reduction of the debts owed us by foreign governments, and Democratic orators during the campaign employed this plank in their platform with great facility and grandiloquence. These debts were negotiated by a Democratic administration, a large part of the loans being made without Congressional sanction and after the war was over. These obligations were contracted out of money derived from the sale of Liberty bonds to a confiding and patriotic American public, these bonds being outstanding to-day as a charge against our Federal Treasury.

What's going to become of these foreign obligations? Every taxpayer in the United States is interested and has a right to make this inquiry, because their cancellation or reduction means a corresponding burden upon the backs of an already overloaded taxpaying public.

Recently three or four of the debtor nations, with considerable reluctance, met their installments to Uncle Sam, but a number of others, including France, refused to meet their obligations, and in effect defaulted. Think of France refusing to pay her installment of $19,000,000 on the ground that she could not afford it, and a few days later loaning to Austria $14,000,000. Appropos of this action of the French Republic, one of her leading newspapers made this remarkable and significant comment: "Did we refuse our millions to the United States, to whom we owed something, if only gratitude, to give them to Austria, to whom we owed nothing except the shells she fired at us during the World War?"

My friends, I believe patriotism should always take precedence over partisanship. I am an American before I am a Republican. I want to see Mr. Roosevelt succeed in all of his laudable and legitimate undertakings, and I shall be the last person to throw any obstacles in his way. However, there is a feeling throughout the Nation that somebody or some influence, under cover and in some sinister and mysterious manner, is trying to juggle our foreign debts. European diplomats are very astute and clever, and it is said they do not stand back on scruples when the welfare of their country is at stake. Early in the Roosevelt administration a debt conference has already been scheduled. These foreign debtors are not sending their emissaries here to perform an idle or perfunctory ceremony. They expect results either in the form of outright cancellation, reduction, or indefinite suspension. Certainly it is perfectly proper for our Government to extend the courtesy of a conference to those debtor nations that had the honesty and the moral perspicuity to meet their obligations, but I think it amounts to downright stultification if we extend the same consideration to those nations now in default. The whole country is anxiously waiting to see if Mr. Roosevelt will do this.

Mr. Chairman, America stood aghast a few days ago when Mr. Roosevelt invited the Hon. Sir Ronald Lindsay, ambassador of Great Britain, for a conference at the Nation's temporary capital at Warm Springs, Ga. Many American people are wondering if Mr. Roosevelt is trying to emulate extraordinary and melancholy example of his distinguished predecessor, Mr. Wilson, who assayed the rôle of both President and ambassador. The American people will not soon forget what happened at Versailles in 1919, when President Wilson, with a gorgeous entourage, and as his own self-appointed ambassador, went to France and undertook to commit this country to the unholy and nefarious League of Nations. With bated breath the American people are wondering if Mr. Roosevelt is undertaking a similar stunt.

Mr. Chairman, the ethics of international diplomacy are quite well defined. Diplomatic correspondence and conversation are supposed to be carried on through chancelleries and departments of state with the knowledge and sanction of the executive. What would you think of our minister to the great Court of St. James taking up a diplomatic matter direct with King George, to the exclusion of the Hon. Ramsay McDonald? Of course, no one can criticize Ambassador Lindsay. He was invited by our President elect to our "southern capital," and it would have been a grave breach of the proprieties had he declined. It is interesting to note, however, that just as soon as the conference had concluded at Warm Springs the British ambassador took the first boat for London. We wonder just what message he transmitted from our President elect to His Majesty King George.

Stripped of its persiflage and its trappings, the naked proposition is this, Shall this eleven billion indebtedness be transferred from the shoulders of England, France, Italy, and the other debtor nations to the backs of the American taxpayer?

I do not particularly censure these debtor nations for their devious maneuvers in attempting to escape this burden if they can. This is simply human nature. Charity begins at home, and self-preservation is the first law of creation. Their attitude, however, reminds me of the story of the white man and the negro who went hunting. They killed a wild turkey and a buzzard, and at the end of the hunt they sat down to divide the spoils of the chase. The white man said nonchalantly: "Well, Rastus, I want to be perfectly fair with you. I'll take the turkey and you can have the buzzard, or you can have the buzzard and I'll take the turkey." Rastus, somewhat confused, said: "How's that, white folks?" The white man said again: "I'll take the turkey and you can have the buzzard, or you can have the buzzard and I'll take the turkey." After the proposition had been repeated several times, old Rastus finally said: "See here, white folks, how comes you never have said turkey to me?"

Mr. Chairman, I am among those Americans who contend and shall insist that these debtor nations say "turkey" to Uncle Sam at least half of the time.

And now, my friends, I desire to say in conclusion that I have thoroughly enjoyed every moment of this occasion. I always feel that I am a better Republican after attending a Lincoln dinner and after associating with those who never tire of paying tribute to the memory of our illustrious dead. Four times I have journeyed over 700 miles to pay my homage and respect to this sentiment, and in the interest of party solidarity and party success I want to see these annual ceremonies continued.

I would like to remain over a few days and visit with you and plan with you our future course of action, but on next Monday a tariff measure will come up in the House, and I want to be on hand to cast another vote for American labor, American industry, and American independence. I thank you.

### MERGER OF STREET-RAILWAY CORPORATIONS, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up Senate Joint Resolution 248, to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up Senate Joint Resolution 248 and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

Senate Joint Resolution 248

*Resolved, etc.*, That paragraph "Second" of the preamble of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, is hereby amended to read as follows:

"Second. The new company shall be incorporated under the provisions of Subchapter IV of Chapter XVIII of the Code of Law of the District of Columbia and pursuant to an act of Congress entitled 'An act to permit the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved March 4, 1925, with power subject to the approval of the Public Utilities Commission to acquire, construct, own, and operate directly transit properties within the District of Columbia and either directly or through subsidiaries in adjacent States, including the power to acquire, own, and operate the properties to be conveyed to the new company in accordance with this agreement, and to acquire and own the stock and/or bonds of said companies and of any other company or companies engaged in the transportation of passengers by street railway or bus in the District of Columbia and adjacent States with the power to mortgage its property, rights, and franchises, and to conduct such other activities as may be useful or necessary in connection with or incident to the foregoing purposes, including the power to buy, sell, hold, own, and convey real estate within and without the District of Columbia. Said new company when incorporated shall become and remain subject in all respects to regulation by the Public Utilities Commission of the District of Columbia or its successors to the extent of the jurisdiction now or hereafter vested in it or them by law over corporations engaged in the transportation of passengers by street railway or bus within the District of Columbia: *Provided*, That before they are recorded, the articles of incorporation and/or any amendments thereto shall be approved by the Public Utilities Commission."

SEC. 2. That Congress hereby expressly reserves the right to alter, amend, or repeal this resolution.

Mrs. NORTON. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I have called attention several times to the fact that the charters of both of these street-railway companies provide that they shall never charge the people of Washington more than 5 cents car fare. There was a time when they obeyed those charter provisions. There was a time when they sold six tickets for a quarter; and when they were selling six tickets for a quarter and obeying their charter provisions they were making money. Every car that was sent out of the barn was filled up most of the time before it ever reached its other terminus and people were hanging onto straps in the cars. I have seen carload after carload pass down the Avenue so full that there was not standing room in them, and so have others who have been here for a long time.

A bill was pending before the Zihlman committee—I do not know whether I ought to mention the Zihlman committee because the reputation of the District Committee has improved wonderfully in the last few years—to require those street-railway companies to stay within their charter provisions and to go back to a 5-cent fare. The street-railway companies came there and fought the bill and killed it, and killed it year after year. We told them then, when they had their general attorneys present, as well as the presidents of their companies and some of their big stockholders, that if they just had business sense enough to quit charging the people of Washington 8 cents, and 7½ cents when they bought tokens, and would go back to a 5-cent fare with six tokens for a quarter, they would double their revenue; and we told them further that if they did not do it, sooner or later, they would find themselves losing business here in Washington, and that prediction has come true. I got on one of the street cars the other night at the House Office Building and there was not a soul on it except the motorman and the conductor. I rode all the way to the Raleigh Hotel on Pennsylvania Avenue before another passenger got on the car.

It is because they have been mulcting the people here with a 7½-cent car fare that the people of Washington quit riding the street cars and have gone to the taxicab.

That is the reason you find such a fight being made on cheap taxicab service. Four women, working in a department, or four men, for that matter, although I mention the women, because it is of more interest to them, can get in a taxicab at their homes and go to their offices to work and it costs them 20 cents, 5 cents each, and they can get a taxicab after they quit work to take them to their homes for 5 cents apiece. That is the reason they have quit riding on these street cars at 7½ cents. They can get a taxicab to take them right to their homes from their place of work for less money. Any person on earth with a grain of common business sense here in the city of Washington, except the management of these street-railway companies, can see at a glance that if they would go back to their charter provisions and grant a 5-cent fare as they ought to do, with six tokens for a quarter as they used to, they would double and treble their present patronage, and thereby increase, almost double, their present income. Why they do not do that, and why they can not see that, I do not understand.

But I rose really to talk about the taxicab situation here in the city of Washington. There are several thousand taxicabs in Washington, and there are 1,500 ex-service men who for the last year and a half have been driving taxicabs, who have been making enough to support their families, not in luxury, but to support them, to furnish a roof over their heads, something that they did not have for two or three years before that time, and to furnish their wives and little children with food and clothing, sufficient to keep them from suffering. Does not that mean something?

However, there is a deplorable situation existing here as to accidents. I want you to bear in mind that I am one of those who have been fighting for these independent taxicabs. I am one of those who believe that no monopoly like the old Black and White or the Yellow taxicabs should be permitted to run men off the streets and keep them from making an honest living.

We have a deplorable situation here with several thousand taxicab drivers. Many of them are irresponsible. Not a single move has been made here to require them to protect the safety of the riding public with liability insurance.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TAYLOR of Tennessee. I am in entire sympathy with the gentleman's position, and I think it is entirely logical. How do these street-railway companies escape these charter obligations?

Mr. BLANTON. The authorities here permit them to do so. I went to the Public Utilities Commission, to Chairman Patrick, and I said to him, "General, why don't you require taxicabs to take out liability insurance?" He said that he could not do it without an act of Congress. He said he had to have an act of Congress to give him authority to do it. I do not believe that, because I think that he has authority now to do it, but he will not exert that authority without an act of Congress.

I hope the gentleman from New York [Mr. BLACK], the gentleman from Ohio [Mr. HARLAN], the gentleman from Maryland [Mr. PALMISANO], and the chairman of the District Committee the lady from New Jersey [Mrs. NORTON] will not let 10 days pass before they report a proper bill from their committee and pass it which will give the Utilities Commission the power and authority to require proper liability insurance on every taxicab that operates in the District of Columbia.

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. I yield.

Mrs. NORTON. I will be glad to grant a hearing to the gentleman on any bill he desires to submit.

Mr. BLANTON. I do not want a hearing. I am not going to spend my time at any such hearing. I am too busy. It ought to appeal to the committee just as it appeals to me. If they think it is proper or right, all my good friend has to do is to phone down and have the commissioners send up a proper bill, and it could be passed with the help of these gentlemen in about two hours' time.

Mrs. NORTON. Will the gentleman yield further?

Mr. BLANTON. Certainly.

Mrs. NORTON. I understood that power was entirely in the hands of the Public Utilities Commission.

Mr. BLANTON. But General Patrick says he has not the power. He says the corporation counsel has told him he has not the authority. He wants to do it. The commissioners want to do it, but they say they need a bill from Congress.

Permit me to call attention to another thing. Do you know there is not a taxicab company in the city that is responsible? Name one.

Mrs. NORTON. The Diamond, I think, is.

Mr. BLANTON. Possibly the Diamond is.

Mrs. NORTON. I understand they are.

Mr. BLANTON. That is just one. How about the Black and White, and Yellow? They are not. There are some Members of Congress who have good, valid claims against them who can not collect a dollar. They have been threatening to go into bankruptcy whenever they start to push their claims. I am informed there is not a single one in Washington, except possibly the Diamond, upon which you could collect a $5,000 judgment. I am not sure. Possibly the Diamond Co. may be, but is it not a terrible situation when there are about 4,000 taxicabs in the District of Columbia, many of them operated by irresponsible people, that there is only one company that is responsible?

Let us admit the Diamond Co. is responsible, for the sake of the argument. Why should not the rest of them be responsible? Why should not everyone that operates be responsible, so that if they run over some little child or some old man or some decrepit woman they can be made to pay for it? They ought to be made to pay for it. So why do we not give proper authority to the Public Utilities Commission? Let me tell you what happened the other day. This matter appealed so to our subcommittee which was preparing the bill on the District of Columbia appropriations that the subcommittee agreed to require that.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mrs. NORTON. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. BLANTON. We had a proper amendment prepared in the general counsel's office. We agreed on such an amendment in the subcommittee and we agreed we would put it in the bill, to authorize General Patrick, chairman of the Public Utilities Commission, to provide for certain liability insurance for every taxicab. It came out in the papers, and the taxicabs made such a hue and cry and the papers began to fight it before it ever got started, and they killed it. They brought so much pressure to bear on that question that that provision was taken out of the bill. Why? Because the taxicab companies did not want it. Do you know there are three Members right now who have just claims amounting to $5,000 against these taxicabs and they can not collect a 5-cent piece? Did you know that? Their claims are on account of serious accidents, and they can not collect a 5-cent piece. Did you know that? There are accidents happening every day caused by irresponsible cab drivers. They say it will put some of them off of the streets if we require insurance. Well, what if it does? I want cheap taxicab service, but I want safe taxicab service first for the people. I want that service to be safe so that it does not threaten and menace the life of every little child and every old woman and every decrepit old man in the District. If it will put them off the streets, let them be put off. Make them give a proper liability bond before they can drive on the streets of the National Capital and cripple and maim and murder innocent people.

Mr. HARLAN. Will the gentleman yield?

Mr. BLANTON. I yield. Is the gentleman going to help us?

Mr. HARLAN. I am going to do the best I can, but there are a number of objections that I do not think the gentleman from Texas has thought about. In the first place, in the last appropriation bill the gentleman from Texas introduced an amendment preventing the District Commis-

sioners from compelling taxicabs to adopt a reasonable rate that would pay them to put in meters.

Mr. BLANTON. Now, wait a moment. I want to answer that first.

Mr. HARLAN. I have not come to the point of my question yet.

Mr. BLANTON. Well, I want to answer that first. In the first place, I did not introduce that amendment. In the second place, it was introduced by the chairman of the committee the gentleman from Tennessee [Mr. BYRNS]. In the third place, it was adopted unanimously by the House, and in the fourth place, the only thing on earth it did was to prevent General Patrick from putting a meter system in Washington that would put the Black and White, and Diamond, and Yellow monopolies on the streets, and run out of business every other taxicab operator, and permit the Black and White, and Yellow, and Diamonds to charge, under their meters, for going from here to the Washington or the Raleigh or the Willard Hotel $1.50 instead of 20 cents. And we would not stand for it. That, however, does not keep us from providing for the public a safe, proper, liability policy, which does not cost them very much.

I am forced to keep two cars here—one a small work car and one for my constituents. I carry liability insurance on both of them. I think the insurance on my Cadillac car costs $85 a year and on my Ford car it costs $24 a year. If either one of my cars hurts a person, regardless of my personal responsibility, my policy protects him. I would not let a car of mine be driven anywhere that was not covered by proper liability insurance to protect an individual should he be hurt by it.

In the District of Columbia we ought to require every taxicab to be properly insured. The cost of this insurance would not be so very much. I hope the committee will give favorable consideration to this suggestion.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Speaker, will the gentlewoman from New Jersey yield me five minutes?

Mrs. NORTON. I shall be pleased to. I wish to announce at this time that we have a great many bills to be considered. I do not wish to be considered arbitrary but I shall be compelled to object to further requests for time.

Mr. STAFFORD. Were it not for the conversion of the gentleman from Texas to the need of some regulation of the taxicab situation in the District of Columbia, I would not arise at this moment to take the time to discuss the taxicab situation.

I believe even the person most casually acquainted with the taxicab situation here will agree that there is need of regulation. The gentleman from Texas advocates placing them under surety liability. This is not sufficient. This will not curtail to any extent the many taxicabs that are now floating on the public highways without regulation.

I think the gentleman from Ohio should be commended in his efforts at the last session of Congress to try to inaugurate the meter system applicable to all taxicabs in operation in the city.

Further, as to the question of surety liability, I may acquaint the gentlewoman from New Jersey, if she wishes to occupy any time in its consideration in the few remaining days of the session, with the fact that in the last Congress the gentleman from Illinois [Mr. REED] introduced a bill placing all taxicabs under surety liability. It was not brought up for consideration. There is urgent need for more regulation than simply placing them under surety liability. They should be placed under the control of the Utilities Commission. The Public Utilities Commission should have control of the operation of the taxicabs. We should not let every Tom, Dick, and Harry run cabs, and these names are applicable to the operators of the many, many taxicabs now in operation in Washington. There is no regulation of them to-day. They are preoccupying the thoroughfares of the city, mowing down life recklessly without any regard to the human equation. There is urgent need now to have them placed under some regulation of the Utilities Commission.

Mr. Speaker, I yield back the balance of my time.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

GEORGE N. NICHOLSON

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 13867) to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District, and ask that a similar Senate bill (S. 5289) be substituted therefor, and ask that the Senate bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered, in their discretion, to reappoint George N. Nicholson as a member of the Metropolitan police department of the District of Columbia, and his compensation to commence from the date of such reappointment, no pay or compensation to be paid the said George N. Nicholson from the date of his dismissal from the Metropolitan police department to the date of any such reappointment.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill was laid on the table.

TEACHERS' SALARIES

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 12595) to amend the teachers' salary act of the District of Columbia, approved June 4, 1924, as amended, in relation to establishing the Wilson and Miner Teachers Colleges on a basis comparable with recognized standards for accredited institutions of like kind; to raising the trade or vocational schools to the level of junior high schools, and for other purposes, and ask that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, will the gentlewoman explain the real purpose of the bill? It is a rather lengthy bill and fixes the respective salaries of various teachers, principals, librarians, and the like. Wherein does it change existing law?

I may say, and I do not say this in any desire to criticize, that nearly every bill that has been presented for consideration here to-day is vacuous so far as containing any recommendation from the District Commissioners. The Members of the House, without making specific inquiry in each instance, do not know the attitude of the District Commissioners with regard to the respective measures.

Mrs. NORTON. I may say to the gentleman from Wisconsin that I introduced this bill at the request of the Commissioners of the District; and I may further say that in every instance I have submitted our bills to the commissioners to get their reports, and when the report has been against the bill I have not submitted the bill to the House. I have been very careful about this.

Mr. STAFFORD. I may say to the gentlewoman from New Jersey that it has been customary for the clerk of the committee making these reports to append thereto the letter containing the views of the commissioners.

A moment ago we had up the question of changing the taxing policy of the District of Columbia, but there was nothing in the report to show the views of the commissioners in respect thereto, and their views were not developed until we got into the discussion of the bill.

In this case there is nothing to show what the views of the Commissioners of the District are.

Mrs. NORTON. I may say to the gentleman from Wisconsin that this bill was introduced at the request of the

Commissioners of the District. Therefore, of necessity, they must approve the bill.

Mr. STAFFORD. Yes; but those communications from the commissioners usually contain an argument that is influential in shaping the opinion of the House on various legislation.

Mrs. NORTON. I think if the gentleman will consult the report he will find that there is contained therein indirect approval by the commissioners. They referred the bill to the board of education, who in turn submitted approval to this committee.

Mr. STAFFORD. What change is made in the bill?

Mrs. NORTON. As I understand this bill, its purpose is to bring these business high schools up to the level of the junior high schools; it is simply conforming to the accepted thought of the school system in practically every large community in the country.

Mr. STAFFORD. Are we to understand that the present so-called teachers colleges are now being administered under different laws than those which now apply to our junior high schools, so far as salaries are concerned?

Mrs. NORTON. Yes; that is my understanding; and this bill is intended to bring them up to the same level with the junior high schools of the District of Columbia.

Mr. STAFFORD. Are the principals in these teachers colleges under civil service?

Mrs. NORTON. I do not know.

Mr. GOSS. Will the gentlewoman yield?

Mrs. NORTON. Yes.

Mr. GOSS. Section 13 states:

The appointments, assignments, and transfers of teachers, principals, and presidents authorized in this act shall be made in accordance with the act approved June 20, 1906.

Does that take these teachers out of civil service?

Mrs. NORTON. I do not think so. The gentleman from South Carolina [Mr. GASQUE] held hearings on this bill, and it is most unfortunate that he is not here to-day, as he could probably answer all questions much better than I.

Mr. GOSS. Are you familiar with Public, No. 254? That is in section 13. My only point is whether they are now under civil service.

Mrs. NORTON. I understand that that has to do solely with the teachers' salaries.

Mr. GOSS. It says it has to do only with salaries and not the qualifications.

Mrs. NORTON. That is my understanding.

Mr. STAFFORD. Mr. Speaker, as this relates to the District and every one of the commissioners favors it, I am not going to offer any opposition to its consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That it is the purpose of this act to establish the Wilson and Miner Teachers Colleges in accordance with recognized standards for accredited institutions of like kind, as to salary schedule, library staff, library facilities, and the secretarial and clerical staff of the central office; to raise the trade or vocational schools from the present elementary-school level to the rank of junior high schools, as to salary schedule; and to provide other necessary legislation relating thereto.

SEC. 2. That on and after July 1, 1932, the salaries of teachers and presidents of the Wilson and the Miner Teachers Colleges shall be as follows:

CLASS 3—INSTRUCTORS

Group A. A basic salary of $1,800 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,800 per year is reached.

Group B. A basic salary of $2,900 per year, with an annual increase in salary of $100 for three years, or until a maximum salary of $3,200 per year is reached.

CLASS 11—ASSISTANT PROFESSORS

A basic salary of $3,200 per year, with an annual increase in salary of $100 for five years, or until a maximum salary of $3,700 per year is reached.

CLASS 12—PROFESSORS

A basic salary of $4,000 per year, with an annual increase in salary of $100 for five years, or until a maximum salary of $4,500 per year is reached.

PRESIDENTS

A basic salary of $5,000 per year, with an annual increase in salary of $200 for five years, or until a maximum salary of $6,000 per year is reached.

SEC. 3. That on and after July 1, 1932, the salaries of teachers and principals of the trade or vocational schools shall be as follows:

CLASS 1—TEACHERS

Group A. A basic salary of $1,400 per year, with an annual increase in salary of $100 for eight years, or until a maximum salary of $2,200 per year is reached.

Group B. A basic salary of $2,300 per year, with an annual increase in salary of $100 for three years, or until a maximum salary of $2,600 per year is reached.

CLASS 2—TEACHERS

Group A. A basic salary of $1,600 per year, with an annual increase in salary of $100 for eight years, or until a maximum salary of $2,400 per year is reached.

Group B. A basic salary of $2,500 per year, with an annual increase in salary of $100 for three years, or until a maximum salary of $2,800 per year is reached.

Group C. A basic salary of $1,800 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,800 per year is reached.

Group D. A basic salary of $2,900 per year, with an annual increase in salary of $100 for three years, or until a maximum salary of $3,200 per year is reached.

CLASS 8—PRINCIPALS

A basic salary of $3,500 per year, with an annual increase in salary of $100 for five years, or until a maximum salary of $4,000 per year is reached.

SEC. 4. That on and after July 1, 1932, the salaries of librarians in the teachers college shall be as follows:

CHIEF LIBRARIAN

A basic salary of $3,200 per year, with an annual increase in salary of $100 for five years, or until a maximum salary of $3,700 per year is reached.

ASSISTANT LIBRARIAN

A basic salary of $1,800 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,800 per year is reached.

LIBRARY ASSISTANTS

A basic salary of $1,400 per year, with an annual increase in salary of $100 for eight years, of until a maximum salary of $2,200 per year is reached.

SEC. 5. That the board of education is hereby authorized, empowered, and directed to classify and assign the teachers and presidents in the service in the teachers colleges on July 1, 1932, to the salary classes and positions in the foregoing salary schedule for said teachers colleges, in accordance with such rules as the board of education may prescribe, and also to classify and assign the teachers and principals in the service in trade or vocational schools on July 1, 1932, to the salary classes and positions in the foregoing salary schedule for said trade or vocational schools in accordance with such rules as the Board of Education may prescribe.

SEC. 6. That the Board of Education is hereby authorized, empowered, and directed to establish such new positions in the teachers colleges, in addition to those hereinbefore specified, as may be considered necessary by the Board of Education for the proper operation of the teachers colleges and to assign any such new position to one of the salary classes hereinbefore provided.

SEC. 7. That the Board of Education is hereby authorized, empowered, and directed to employ in the teachers colleges, under and within appropriations made by Congress, such part-time employees in addition to the regular faculty as may be considered necessary by the Board of Education for the proper operation of the teachers colleges; and to establish the qualifications, terms of service, and salaries to be paid such part-time employees.

SEC. 8. Professors and assistant professors are hereby classified as teachers, and their salaries shall be paid in 10 monthly installments as provided in Public Act No. 139, Sixtieth Congress, approved May 26, 1908.

SEC. 9. The Board of Education is hereby authorized to confer appropriate degrees on those persons who, in the judgment of the respective faculties and the Board of Education, satisfactorily complete the prescribed course of study in the Wilson and Miner Teachers Colleges.

SEC. 10. That the Board of Education is hereby authorized to appoint, in the manner prescribed by law, the necessary stenographic and clerical staff in the central office of the Wilson and the Miner Teachers Colleges, in accordance with at least the minimum standards established for accredited teachers colleges.

SEC. 11. That the Board of Education shall submit annually to the Commissioners of the District of Columbia estimates of appropriations necessary to maintain the libraries and the stenographic and clerical staff in the Wilson and Miner Teachers Colleges, at least at the minimum standards established for accredited teachers colleges.

SEC. 12. That the Board of Education is authorized and empowered to establish occupational schools on the elementary-school level for pupils not prepared to pursue vocational courses in the trade or vocational schools; and also to carry on trade or vocational courses on the senior high-school level or in senior high schools.

Mr. STAFFORD. Mr. Speaker, I move to strike out the last word to call attention to the authority vested with the Board of Education by section 12. Is it intended by this section to allow the Board of Education to establish such occupational schools as they may deem needed?

Mrs. NORTON. I believe that is the intention.

Mr. STAFFORD. I am not sufficiently versed with the condition of our school system here to know whether there are any occupational schools in the District of Columbia. I question whether here in the capital, where we do not put a premium on industries or trades, there would be need of occupational schools.

Mrs. NORTON. We have such a school here in the District of Columbia—the McKinley Technical School.

Mr. STAFFORD. That is not really an occupational school. That is a manual training school and there are many manual training schools throughout the country, but an occupational school, as I understand the term, is a school where they teach the youth trades and the like. They are usually schools which are given over to instruction of children after their work hours, sometimes prescribing one day every week when they are to be employed in such occupational training as printing, plumbing, and the like. I know in my home city we have a very large occupational school attended by the thousands. I was not acquainted, from following the District of Columbia appropriation bills, with any school similar to this here in the District. I suppose the purpose of this section is to authorize the Board of Education to establish such an occupational school.

Mrs. NORTON. I think it is the intention to authorize such a school. It has been found necessary, I understand, here in the District.

Mr. BLANTON. Mr. Speaker, I rise in opposition to the pro forma amendment merely for the purpose of asking some questions to get the legislative intent with respect to these basic salaries. For instance, on page 2, line 19, in providing basic salary for professors, the basic salary is fixed at $4,000 per year, with an annual increase in salary of $100 per year for five years. To get the legislative intent in the RECORD, it is understood that, to get the benefit of this $100 per year, they start in at a basic salary of $4,000 and must teach one year before they are entitled to another $100.

Mrs. NORTON. Yes.

Mr. BLANTON. In other words, before they can get this $500 additional they must teach five years from the date this bill becomes law.

Mrs. NORTON. That is my understanding of the bill.

Mr. BLANTON. They can not compute their years of teaching which they have had prior to the enactment of this bill as increasing their basic salary.

Mrs. NORTON. Oh, no.

Mr. BLANTON. This is true with respect to all the other teachers and true with respect to the president, where the basic salary is fixed at $5,000 per year with an annual increase of $200 for five years. He must act as president for five years after this bill becomes law before he is entitled to this maximum salary.

Mrs. NORTON. That is my understanding of the bill.

Mr. BLANTON. Further, to get the legislative intent, with regard to the librarians, we provide for a chief librarian at $3,200, with an annual increase in salary of $100 for five years, making the maximum $3,700. We provide for assistant librarian at $1,800 with an annual increase of $100 for 10 years, making the maximum salary $2,800 a year. We provide for other library assistants, with a basic salary of $1,400, with an annual increase in salary of $100 for eight years, making a maximum salary of $2,200. In order to express the legislative intent here, it is understood that in passing these bills they must serve these extra years before they get these extra allowances and they can not compute their previous service as librarians anywhere in getting these increases. This is understood, is it not?

Mrs. NORTON. Yes.

Mr. BLANTON. Is it not true that the sum of $3,700 a year is a pretty high salary for the librarian of a school?

Mrs. NORTON. I think it conforms with the salaries in other cities of the same size.

Mr. BLANTON. I have made some investigation of similar salaries that are paid all over the United States. Does the gentlewoman from New Jersey realize that there are many librarians serving in Carnegie libraries in cities for $1,800 and less a year?

Mrs. NORTON. Oh, yes.

Mr. BLACK. And they are generally considered to be underpaid.

Mr. BLANTON. Some of the best women in the world are serving as librarians in Carnegie libraries in the large cities. If you can get a splendid woman who is trained as a librarian to serve as a librarian in a Carnegie library for $1,800, why should you pay a librarian in one of these schools here $3,700 a year, and this is just one of the many similar schools here in Washington.

Mr. BLACK. Generally speaking, I think it is a shame the way the librarians of the country have been treated. There is no finer type of mind needed than that required of a librarian, to do selective work in helping the readers and students, and it is a crime that they are so underpaid. However, I agree with the gentleman on the general proposition that if this is the schedule generally we should not go above it.

Mr. BLANTON. I doubt the wisdom of making these salaries as large as they are. I am against it. I want my friend from New York and the gentlewoman from New Jersey to go to the Congressional Library, one of the greatest libraries in the world, and investigate the measly little starvation salaries that most of the splendid employees of that institution work for now.

Mr. BLACK. We agree with the gentleman about that.

Mr. BLANTON. I know some splendid women who have been working in that library for a number of years who are not now getting more than $1,200 a year. When we permit this in the Congressional Library, I think it is out of line to pay the librarians in one of these schools as much as $3,700 a year.

Mrs. NORTON. May I say to the gentleman that I think the qualifications required are quite different and this probably accounts for the difference in salary.

The pro forma amendment was withdrawn.

The Clerk completed the reading of the bill as follows:

SEC. 13. The appointments, assignments, and transfers of teachers, principals, and presidents authorized in this act shall be made in accordance with the act approved June 20, 1906, as amended (Public, No. 254).

SEC. 14. This act shall take effect on July 1, 1932.

The Clerk read the following committee amendments:

Page 2, line 4, strike out the figures "1932" and insert "1933."
Page 7, line 5, strike out "1932" and insert "1933."

Mr. STAFFORD. Mr. Speaker, I rise in opposition to the amendment. The thought occurs to me that by the enactment of this bill at this session these teachers will be exempt from the congressional cut carried in the economy bill. I want to ask the legal adviser of the committee what is his opinion about it?

Mr. PALMISANO. I may say——

Mr. STAFFORD. I am not referring to the gentleman from Baltimore, who is the liquid adviser, but I am referring to the gentleman from Ohio, the dry adviser on legal matters. [Laughter.]

Mrs. NORTON. I do not think this has anything to do with the economy act.

Mr. STAFFORD. That is it; it has nothing to do with the economy act, but all the other officers are leveled down 8⅓ per cent.

Mrs. NORTON. I think that all the cuts will apply to this bill.

Mr. HARLAN. That would depend upon the wording of the economy act.

Mr. STAFFORD. This is a later act fixing the salaries. I am glad to have the opinion of the legal adviser that the economy act would not apply to these salaries.

Mr. HARLAN. I would not be sure of it.

Mr. PALMISANO. There may be something to the contention of the gentleman from Wisconsin, this being a subsequent act to the economy bill. It may be that it may not apply.

Mr. STAFFORD. I think the opinion of the legal adviser is worth more than the liquid adviser. [Laughter.]

The amendments were agreed to.

Mrs. NORTON. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NOTICE OF DAMAGE CLAIMS

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 13750) to regulate the bringing of action for damages against the District of Columbia, and for other purposes, and ask unanimous consent that it be considered in the House in Committee of the Whole.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That no action shall be maintained against the District of Columbia for unliquidated damages to person or property unless the claimant shall allege and prove that within 30 days after the injury or damage was sustained, he, his agent, or attorney gave notice in writing to the Commissioners of the District of Columbia of the time, place, cause, and extent of such injury or damage.

With the following committee amendments:

Page 1, line 5, strike out the words "shall allege and prove that" following the word "claimant."

Page 1, line 5, strike out the words "30 days" following the word "within" and insert in lieu thereof the words "six months."

Page 1, line 8, after the words "of the District of Columbia of the," insert the word "approximate," so that the line will read "of the District of Columbia of the approximate time, place, cause, and."

Page 1, line 9, strike the first word "extent" and insert in lieu thereof the word "circumstances."

Page 1, line 9, at the end of the bill and after the word "damage," strike out the period and insert in lieu thereof a colon and add the following: "*Provided, however*, That a report in writing by the Metropolitan police department in the regular course of duty shall be regarded as a sufficient notice under this act."

Mr. STAFFORD. Mr. Speaker, will some member of the committee inform the House as to the reason for extending the time for giving notice from 30 days to 6 months? I believe it is customary to have a much more limited time than six months in which to give notice of action to the municipality.

Mr. PALMISANO. Mr. Speaker, as I understand it at the present time it is unlimited. The District was recently sued on an accident which happened about five years ago. The commissioners came in and asked that a 30-day notice be required. I objected to that, and inserted 6 months, and also a proviso that a regular report by the Metropolitan police would be a sufficient notice to protect the District. I had in mind, in extending the time from 30 days to 6 months, the interest of the person who would not be familiar with the law, and who might be in the hospital for 6 months, and by adding the provision that a report of the police department would be sufficient notice, that would also protect the unfortunate who might be compelled to go to a hospital, because I believe in all those cases the police do make a report, and that would also protect the District.

Mr. STAFFORD. Mr. Speaker, directing attention to the subsequent proposal just referred to, that a report in writing by the Metropolitan police department shall be regarded as sufficient notice, or that it shall be equivalent to a notice served by the claimant, if there happens to be some report by a police force, would that be sufficient so that the claimant would not be obliged to give any notice at all?

Mr. PALMISANO. That is right.

Mr. STAFFORD. Let us consider that for a moment. I do not think that you are protecting the District in that way. Suppose a police officer makes a casual report of a crossing accident. The claimant may allow years to go by before he begins his action. Certainly the gentleman does not wish to allow a claimant that much leeway. The whole purpose of this type of legislation is to force the claimant to begin action within a certain limited time.

Mr. BLACK. This is not a statute of limitations proposition; it is simply a notice proposition.

Mr. STAFFORD. Yes; it is a matter of a limitation. The bill provides that no action shall be maintained for damages unless the claimant within six months from the injury shall give notice in writing, and so forth.

Mr. BLACK. This is purely a notice proposition. It makes no difference where the notice comes from. It is much better for the District that it comes from the police department because it would be more authentic.

Mr. STAFFORD. I am not informed in respect to the statute of limitations prescribed by the District, in which to begin such actions, but in the State of Wisconsin it is prescribed that the action must be begun within a year.

Mr. BLACK. This is not a limitation proposition.

Mr. STAFFORD. I am inquiring whether there should not be a limitation.

Mr. BLACK. They have to put the District on notice as to the accident, and, after having given notice, it may be that no action may be brought.

Mr. STAFFORD. But when a policeman makes a casual report of a crossing accident there is no intimation given to the commissioners that action is going to be begun, whereas if the person injured within the 6-month period gives notice it is presumed that he intends to follow it up by suit.

Mr. BLACK. On the contrary, if the person injured relies on the policeman's report and does not begin suit within the terms of the bill, he is out of court.

Mr. STAFFORD. Where is there anything of that kind in this bill? It reads:

*Provided, however*, That a report in writing by the Metropolitan police department——

Mr. BLACK. Shall be notice. Notice of what? Of time and place—not a casual report that an accident happened but an adequate notice to the District.

Mr. STAFFORD. Where is the word "adequate"?

Mr. BLACK. Adequacy in time and place.

Mr. STAFFORD. The word "adequate" is not in the bill.

Mr. BLACK. I am reading the word "adequate" into the element of time and place. The corporation counsel prepared this bill and it is in the form that the commissioners want it.

Mr. STAFFORD. I doubt if it is in the form that the District Commissioners want it, because the vitals have been cut out of it by the proviso.

Mr. PALMISANO. The proviso was agreed to by the corporation counsel. He prepared it.

Mr. BLACK. They would be glad to have any legislation.

Mr. STAFFORD. I think the District is going to suffer by reason of this suggested proviso and that it would be far better to have it limited to six months and have the claimant give notice of the injury, which presupposes that he intends to follow it up with action in court.

The SPEAKER pro tempore. The Clerk will report the first amendment.

The Clerk read as follows:

Page 1, line 5, after the word "claimant," strike out the words "shall allege and prove that within 30 days," and insert "within six months."

The amendment was agreed to.

The Clerk read as follows:

Page 1, line 9, at the beginning of the line, insert the word "approximate," and strike out the word "extent" and insert the word "circumstances."

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, after the word "damage," insert "*Provided, however*, That a report in writing by the Metropolitan police department, in regular course of duty, shall be regarded as a sufficient notice under the above provision."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MERGER OF THE GEORGETOWN GAS LIGHT CO.

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 13853) to authorize the merger of the Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes, and I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole House on the state of the Union.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Public Utilities Commission of the District of Columbia is given jurisdiction and power to permit and authorize the Georgetown Gaslight Co. and Washington Gas Light Co. to consolidate or merge upon such conditions as may be approved by the said commission, provided the said commission shall determine that such consolidation or merger will be in the public interest; and upon such consolidation or merger said the Georgetown Gaslight Co. shall thereby and thereupon, without further proceedings, be and become forthwith dissolved and merged into the said Washington Gas Light Co., and all the property of every kind, character, and description, rights, privileges, and franchises of said the Georgetown Gaslight Co. shall, subject to encumbrances or liens thereon to secure the bonds or other securities issued by said the Georgetown Gaslight Co., and to the payment of any and all other valid claims against or indebtedness of the Georgetown Gaslight Co. existing at the time of such merger, pass to and unto and become and be vested in the said Washington Gas Light Co. as its property, with all the powers, rights, privileges, and franchises now possessed by either or both of said companies, including the right in the said Washington Gas Light Co. to institute and prosecute in its own name any action or actions in connection therewith: *Provided, however*, That pending actions against the Georgetown Gaslight Co. may continue against the Georgetown Gaslight Co. until the merger of said companies. Actions or claims against said the Georgetown Gaslight Co. filed after the said merger shall be brought against the Washington Gas Light Co.

Washington Gas Light Co., after such merger, shall have the right and franchise to lay and construct, and to extend, maintain, renew, replace, relocate, remove, and/or repair, whether now or hereafter laid or constructed, gas pipes and mains, together with all appurtenances, connections, attachments, and appliances, in, under, along, and/or across the streets, avenues, roads, alleys, lanes, and other public places and ways in all parts of the District of Columbia for the transmission, distribution, and/or sale of gas within and/or through the limits of the District of Columbia for heat, light, refrigeration, fuel, power, and any other purposes for which gas or any by-product thereof is now or may hereafter be used; subject, however, to the provisions of the act of June 11, 1878, entitled "An act providing a permanent form of government for the District of Columbia"; to the provisions of the act of March 3, 1893, entitled "An act making appropriations for the expenses of the government of the District of Columbia for the fiscal year 1894"; of section 8 (public utilities law) of the act of March 4, 1913; and any other laws or regulations applicable thereto.

SEC. 2. For the purpose of enabling Washington Gas Light Co. to provide for extensions to its distribution system, for additions, betterments, and improvements, and for other corporate purposes, the Public Utilities Commission of the District of Columbia is given jurisdiction and power to permit and authorize said Washington Gas Light Co. to increase, from time to time, the amount of its capitalization by the authorization and issuance of capital stock, common or preferred, or both, with or without par value, in such amounts and for such considerations—and in respect of stock preferred as to dividends or assets, with or without voting rights, or with limited voting rights, and having such terms, qualifications, conversion privileges, or conditions—as may be approved by the commission. The commission is likewise authorized to permit the said Washington Gas Light Co. to change all of the shares of its capital stock now authorized, issued, and/or outstanding into the same or a different number of shares issued pursuant to the provisions of this act.

All shares of capital stock of Washington Gas Light Co. hereafter issued for which the agreed consideration shall have been paid or delivered to the company and all shares of capital stock of the company heretofore issued, as well as shares into which such shares heretofore issued may be changed, shall be deemed and taken to be fully paid and nonassessable and not subject to further call or assessment, and there shall be no liability to the company or to creditors of the company on the part of any subscriber to or holder of such shares.

Said Washington Gas Light Co. may, subject to the approval of the Public Utilities Commission, amend its charter so as to make any or all of the above changes and/or increase or increases and/or classification or reclassifications, by following the same procedure and complying with the same requirements as are now prescribed in section 639a of subchapter 4 of chapter 18 of the Code of Law for the District of Columbia, as amended to June 7, 1924, in respect of a change of name by a corporation, and thereupon its charter shall be deemed to be so amended without any further or other act or procedure.

SEC. 3. All charters, statutes, acts, and parts of acts, laws, ordinances, and regulations inconsistent with or repugnant to the provisions of this act, but only so far as inconsistent herewith or repugnant hereto, are hereby repealed.

SEC. 4. The right to alter, amend, or repeal this act or any part thereof is hereby expressly reserved in Congress.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' LEGISLATION

Mr. LANKFORD of Virginia. Mr. Speaker, I ask unanimous consent to address the House for five minutes out of order.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. LANKFORD of Virginia. Mr. Speaker, we are going to be compelled to consider this question sooner or later, and I want to direct attention to it for a moment.

I have just introduced the following bill, and I ask your most careful consideration of it:

*Be it enacted, etc.*, That on and after the passage of this act no pension, bounty, disability, or allowance save and except insurance benefits on which adequate premiums have been paid, and hospitalization under existing law, shall be paid or allowed to any veteran of any war in which the United States has engaged for any disease, disability, or injury not incurred while in the service of the United States or resulting from such service: *Provided, however*, That the provisions of this act shall not apply to a veteran of any war who is permanently and totally disabled either as a result of service or otherwise, and not as a result of his own misconduct, nor to a veteran who has attained the age of 65 years, and whose gross annual income is less than $3,000, nor to dependents of deceased veterans entitled to benefits under existing law.

All acts or parts of acts in conflict with the above act are hereby repealed.

I feel very keenly that this question should be brought before the country for consideration, and I shall make every effort in my power to secure consideration of this measure before the committee and the House.

During the last campaign the most effective appeal of candidates was an appeal to give them a chance to reduce Government expenditures and relieve a distressed people from the crushing burden of taxation. Those who have prepared their income-tax forms for the current period have had the increases brought sharply to their attention. Many militant candidates for office were clamoring for an opportunity to reduce Government expenses by 25 per cent, but I have only heard vague references to this since the election. Economy has been suggested in most every Government department and bureau, even to drastic economy in our harassed and much needed national defense in this time of world unrest, yet no effort has been made to bring before Congress for its determination the most generally discussed economy measure, which is non-service-connected veterans' pensions. The country is entitled to a hearing on this, and I propose to give it to the country if it is in my power to do so.

I have no patience with excuses—we are judged by our failure or success, and not by excuses. I feel, however, like apologizing to my constituents and my country for not offering an amendment to the veterans' bill which would have brought this question to a vote several days ago. In explanation to them, I wish to say that I understood that an amendment similar to this was to be offered to the independent offices' bill. The veterans' program was the last item in this bill; I had no amendment prepared, and the bill was concluded and immediately acted on with no effort made to bring this question up. I accept the censure and criticism personally, acknowledge my default, and offer no defense but this explanation.

My bill saves hospitalization for the non-service-connected veteran in these distressing times. It is wrong in principle; but the hospitals have been provided and the staffs assembled, and untold suffering and distress can be avoided during the emergency by continuing this relief, but it should be repealed as soon as normal times are restored.

My bill also preserves the award to totally and permanently disabled non-service-connected cases and to veterans who have reached 65 years of age. I have seen many of these hopeless, bedridden sufferers, and, right or wrong, I can not consent to take from them this gift of their country in their utter helplessness. I believe the country can and will gladly assume this burden if it knew the cases as Members of Congress do.

My bill does not disturb the relief for injury or disease incurred by veterans in the service, nor would I vote to take a penny from them.

For the non-service-connected cases drawing disability, short of total and permanent, I sincerely believe that to reduce the crushing burden of taxation and assist business, industry, and commerce to their feet will restore them to useful, self-respecting work, which would be infinitely better for them than the pittance doled out to them as pensions—a pittance to the individual, but a staggering sum in the aggregate to their country.

In principle, this thing is wrong. With the millions of men required in modern warfare, no country, however rich and prosperous, can for 60 or 70 years after a war provide hospitalization for every man and woman in it and a pension as well for every infirmity that afflicts mankind in no way even remotely connected with the service. No country can afford to defend itself at such a price.

In a period of 60 years we can easily visualize three or four different groups of veterans of three of four different wars, each numbering many millions of men and women.

Who is going to pay the enormous sums which will be required for this purpose? It will bankrupt any country that attempts it.

The fear of this expensive aftermath may, and no doubt will, seriously affect our foreign relations, and may occasion a policy of timidity and side-stepping when courage and determination are needed.

I hope I shall never see the day when our country will be forced, through fear of the demands of its uninjured defenders, to adopt this policy.

It takes only a slight stretch of the imagination to conceive of a day when we would say to an aggressor nation, we will pay you a billion, two billion dollars to avoid the expense of defending ourselves. God forbid. This thing is wrong; now is the time to stop it, and by this bill I am offering the Congress and the country an opportunity to do so. [Applause.]

The SPEAKER. The time of the gentleman from Virginia has expired.

### AMENDMENT OF KIDNAPING LAW—DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 4694) to amend section 812 of the Code of Law for the District of Columbia.

The Clerk read as follows:

*Be it enacted, etc.*, That section 812 of the act entitled "An act to establish a Code of Law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, title 6, sec. 36), is amended to read as follows:

"SEC. 812. Whoever shall be guilty of, or of aiding or abetting in, seizing, confining, inveigling, enticing, decoying, kidnaping, abducting, concealing, or carrying away any individual, by any means whatsoever, and holding or detaining, or with the intent to hold or detain, such individual for ransom or reward, shall, upon conviction thereof, be punished by imprisonment for life or for such term as the court in its discretion may determine. This section shall be held to have been violated if either the seizing, confining, inveigling, enticing, decoying, kidnaping, abducting, concealing, carrying away, holding, or detaining occurs in the District of Columbia. If two or more individuals enter into any agreement or conspiracy to do any act or acts which would constitute a violation of the provisions of this section, and one or more of such individuals do any act to effect the object of such agreement or conspiracy, each such individual shall be deemed to have violated the provisions of this section."

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

### TERMS OF PRESIDENT AND VICE PRESIDENT OF THE UNITED STATES AND MEMBERS OF CONGRESS

The SPEAKER laid before the House a communication from F. B. Balzar, Governor of the State of Nevada, stating that the legislature of that State had agreed to the amendment of the Constitution of the United States fixing the commencement of the term of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JOHNSON of Illinois on account of illness.

### ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 11461. An act for the relief of C. N. Hildreth, jr.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 188. An act for the relief of Tampico Marine Iron Works;

S. 222. An act authorizing adjustment of the claim of B. F. Hart;

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased; and

S. 4339. An act repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma.

### BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 311. An act to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai;"

H. R. 3033. An act for the relief of Ida E. Godfrey and others;

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929;

H. R. 6733. An act for estimates necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska;

H. R. 7503. An act to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor;

H. R. 7506. An act to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone;

H. R. 7508. An act to provide for the inspection of vessels navigating Canal Zone waters;

H. R. 7514. An act in relation to the Canal Zone postal service;

H. R. 7515. An act to provide for the establishment of a customs service in the Canal Zone, and other matters;

H. R. 7523. An act to amend sections 7, 8, and 9 of the Panama Canal act, as amended;

H. R. 9166. An act for the relief of William E. B. Grant;

H. R. 9385. An act authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, to construct, main-

tain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 13974. An act granting the consent of Congress to Bonner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint in the State of Idaho;

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill.; and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.;

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; and

H. J. Res. 597. Joint resolution to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 14, 1933, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

934. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the fiscal year 1933 and prior years for certain executive departments amounting to $604,941.13 (H. Doc. No. 550); to the Committee on Appropriations and ordered to be printed.

935. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the District of Columbia for the fiscal year 1933 and prior years, amounting in all to $650,990.08, and a draft of proposed provision pertaining to the appropriation "Buildings and grounds, public schools, District of Columbia, 1933" (H. Doc. No. 551); to the Committee on Appropriations and ordered to be printed.

936. A communication from the President of the United States, transmitting supplemental estimates of appropriations pertaining to the legislative establishment, United States Senate, for the fiscal year 1933, in the sum of $68,600 (H. Doc. No. 552); to the Committee on Appropriations and ordered to be printed.

937. A communication from the President of the United States, transmitting estimates of appropriations submitted by the Commissioners of the District of Columbia to pay claims and suits which have been settled by them amounting to $113,027.61 (H. Doc. No. 553); to the Committee on Appropriations and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 14411. A bill to extend the time for the construction of a bridge across the Rio Grande at Boca Chica, Tex.; with amendment (Rept. No. 2012). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 14460. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.; with amendment (Rept. No. 2013). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 14480. A bill to extend the times for commencing and completing the reconstruction of a railroad bridge across the Little River at or near Morris Ferry, Ark.; without amendment (Rept. No. 2014). Referred to the House Calendar.

Mr. HOCH: Committee on Interstate and Foreign Commerce. H. R. 14500. A bill to extend the time for completing the construction of a bridge across the Missouri River at or near Kansas City, Kans.; without amendment (Rept. No. 2015). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 14602. A bill to revive and reenact the act entitled "An act granting the consent of Congress to the Highway Department of the State of Alabama to construct a bridge across Elk River between Lauderdale and Limestone Counties, Ala.," approved February 16, 1928; without amendment (Rept. No. 2016). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANKFORD of Virginia: A bill (H. R. 14655) restricting relief to veterans; to the Committee on World War Veterans' Legislation.

By Mr. NORTON: A bill (H. R. 14656) to provide an additional tax on income from personal services in certain cases; to the Committee on Ways and Means.

By Mr. McDUFFIE: A bill (H. R. 14657) to extend the times for commencing and completing the construction of a railroad bridge and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD: A bill (H. R. 14658) to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes; to the Committee on Indian Affairs.

By Mr. KENNEDY of Maryland: A bill (H. R. 14659) authorizing the Chesapeake Bay Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County in the State of Maryland; to the Committee on Interstate and Foreign Commerce.

By Mr. McLEOD: A bill (H. R. 14660) to authorize the Reconstruction Finance Corporation to make loans to aid in financing projects for the construction of garbage and refuse disposal plants and sewerage systems or sewage-disposal works; to the Committee on Banking and Currency.

By Mr. BEEDY: Resolution (H. Res. 378) providing for the consideration of S. 417, an act to provide a government for American Samoa; to the Committee on Rules.

By Mr. CHRISTOPHERSON: Joint resolution (H. J. Res. 599) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Council of the City of Minneapolis, memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

Memorial of the Legislature of the State of Wyoming, memorializing Congress to take favorable action on Senate bill 36; to the Committee on Roads.

Memorial of the Board of Supervisors of San Francisco, memorializing Congress to set aside and apart February 15 for the national observance of the birthday of Susan B. Anthony; to the Committee on the Judiciary.

Memorial of the Legislature of the State of South Carolina, memorializing Congress to enact House Joint Resolution No. 191; to the Committee on the Post Office and Post Roads.

Memorial of the Legislature of the State of Texas, indorsing the appointment of Hon. W. E. Lea on the United States

Shipping Board; to the Committee on Merchant Marine, Radio, and Fisheries.

Memorial of the Legislature of the State of Wisconsin, memorializing Congress regarding legislation to secure the farmers their cost of production; to the Committee on Agriculture.

Memorial of the Legislature of the State of Wisconsin, memorializing Congress to enact a law which will aid farmers and home-owners to retain their farms and homes; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Wisconsin, memorializing Congress to confine all contracts to be let for work on the Hoover Dam and other Federal construction projects to American firms and corporations; to the Committee on Expenditures in the Executive Departments.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII,

Mr. YATES introduced a bill (H. R. 14661) granting a pension to Sarah Ann Jarvis, which was referred to the Committee on Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10389. By Mr. CROWTHER: Petition of citizens of Montgomery and Schenectady Counties, N. Y., opposing legalization of alcoholic liquors stronger than one-half of 1 per cent; to the Committee on the Judiciary.

10390. By Mr. GARBER: Petition of citizens of Alva, Okla., urging enactment of the stop-alien-representation amendment to the Constitution; to the Committee on the Judiciary.

10391. Also, petition of Roy Hoffman Camp, No. 8, United Spanish War Veterans, Chandler, Okla., protesting against attitude toward veterans' relief and activities of the United States Chamber of Commerce, the National Economy League, and certain individuals to further limit benefits provided by law; to the Committee on Ways and Means.

10392. Also, petition of Los Angeles Chamber of Commerce, urging protective legislation against importations from foreign countries with depreciated currencies; to the Committee on Ways and Means.

10393. By Mr. HOOPER: Petition of members of Women's Missionary Society, of Battle Creek, Mich., favoring the enactment of a law to regulate the motion-picture industry and support of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

10394. By Mr. KVALE: Petition of the Young Women's Christian Association Council, Minneapolis, Minn., urging enactment of Senate Resolution 170 and Senate bill 1079; to the Committee on Interstate and Foreign Commerce.

10395. Also, petition of Woman's Club, Litchfield, Minn., urging enactment of Senate Resolution 170 and Senate bill 1079; to the Committee on Interstate and Foreign Commerce.

10396. By Mr. LAMNECK: Petition of the Frances Willard Branch, Franklin Woman's Christian Temperance Union, of Columbus, Ohio, petitioning Congress to establish a Federal motion-picture commission for the regulation of the motion-picture industry, and the passage of Senate bill 1079 and Senate Resolution 170; to the Committee on Interstate and Foreign Commerce.

10397. By Mr. LEWIS: Resolution of the Chamber of Commerce of Bethesda, Md., opposing any reduction in salary reductions to Federal employees; to the Committee on Expenditures in the Executive Departments.

10398. Also, resolutions of the Chamber of Commerce, Bethesda, Md., favoring a sales tax as a means of balancing the Budget; to the Committee on Ways and Means.

10399. By Mr. LINDSAY: Petition of W. A. Simpson, president, Los Angeles (Calif.) Chamber of Commerce, favoring prompt legislation to correct inequalities caused by depreciated currencies; to the Committee on Ways and Means.

10400. By Mr. PARKER of Georgia: Memorial of the citizens of Montgomery County, Ga., in mass meeting assembled, submitted by John Underwood, secretary, protesting against the repeal of the eighteenth amendment to the Constitution of the United States of America; to the Committee on Ways and Means.

10401. Also, resolution adopted by the Kiwanis Club of Columbus, Ga., expressing disapproval of the acts of those Members of Congress who voted against increasing the Budget estimates for the Military Establishment of the United States in appropriations carried in the War Department appropriation bill for the fiscal year ending June 30, 1934; to the Committee on Appropriations.

10402. Also, petition of Hon. H. M. Blount and 31 other prominent citizens of Waynesboro, Burke County, Ga., urging an immediate investigation of the functioning of the Macon, Ga., branch of the Regional Agricultural Credit Corporation; to the Committee on Banking and Currency.

10403. By Mr. PERSON: Petition of Ada L. Griswold and 25 other residents of Walled Lake, Mich., favoring the stop-alien-representation amendment to the Constitution; to the Committee on the Judiciary.

10404. Also, petition of Bertha A. Lewis and 12 others, of Hazel Park, Mich., favoring the Steiwer and Rankin bills; to the Committee on World War Veterans' Legislation.

10405. Also, petition of the City Commission of the City of Pontiac, Mich., favoring House bill 14125; to the Committee on Banking and Currency.

10406. By Mr. RUDD: Petition of Los Angeles Chamber of Commerce, urging legislation to correct inequalities caused by depreciated foreign currency; to the Committee on Ways and Means.

10407. By Mr. SEGER: Petition of Chamber of Commerce of Paterson, N. J., favoring emergency legislation to protect American industries from exports of foreign countries of depreciated currencies; to the Committee on Ways and Means.

10408. By Mr. SWANK: Resolution by the Senate of the State of Oklahoma, memorializing the Congress of the United States to enact a law reducing first-class postage to 2-cent base rate; to the Committee on Ways and Means.

10409. By Mr. WELCH: Petition of the Board of Supervisors of the City and County of San Francisco, adopted on February 6, 1933, Resolution No. 625, urging that Congress set aside and apart February 15 for national observance of the birthday of Susan B. Anthony; to the Committee on the Judiciary.

10410. By Mr. YATES: Petition of John W. Bell, Alice C. McKemgh, Arthur R. Petrie, and other citizens of Chicago, Ill., urging support of the Dieterich bill, H. R. 14265; to the Committee on Banking and Currency.

10411. By the SPEAKER: Petition of Eduarda K. Baltuff (Harriss), urging an investigation of the smuggling of foreigners into this country; to the Committee on the Judiciary.

# SENATE

## TUESDAY, FEBRUARY 14, 1933

*(Legislative day of Friday, February 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 4673. An act to amend an act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown, and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874;

S. 4694. An act to amend section 812 of the Code of Law for the District of Columbia;

S. 5289. An act to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District; and

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933.

The message also announced that the House had passed the joint resolution (S. J. Res. 223) establishing the United States Georgia Bicentennial Commission, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 6292. An act to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes;

H. R. 11504. An act authorizing the sale of certain Government property in the District of Columbia;

H. R. 12595. An act to amend the teachers' salary act of the District of Columbia, approved June 4, 1924, as amended, in relation to establishing the Wilson and Miner Teachers Colleges on a basis comparable with recognized standards for accredited institutions of like kind; to raising the trade or vocational schools to the level of junior high schools, and for other purposes;

H. R. 13378. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia;

H. R. 13750. An act to regulate the bringing of actions for damages against the District of Columbia, and for other purposes;

H. R. 13853. An act to authorize the merger of the Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes;

H. R. 14204. An act to amend section 653 of the Code of Law for the District of Columbia;

H. R. 14340. An act authorizing the sale of certain property no longer required for public purposes in the District of Columbia; and

H. R. 14392. An act to authorize the payment of taxes and assessments on family dwelling houses in the District of Columbia in quarterly installments, and for other purposes.

APPROVAL OF THE JOURNAL

Mr. FESS. I ask unanimous consent that the Journal for the calendar day of Monday, February 13, may be approved.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Kean | Schuyler |
| Austin | Cutting | Kendrick | Sheppard |
| Bailey | Dale | Keyes | Shipstead |
| Bankhead | Davis | King | Shortridge |
| Barbour | Dickinson | La Follette | Smith |
| Barkley | Dill | Lewis | Smoot |
| Bingham | Fess | Logan | Steiwer |
| Black | Fletcher | McGill | Stephens |
| Blaine | Frazier | McKellar | Swanson |
| Borah | George | McNary | Thomas, Idaho |
| Bratton | Glass | Moses | Thomas, Okla. |
| Brookhart | Glenn | Neely | Townsend |
| Bulkley | Gore | Norris | Trammell |
| Bulow | Grammer | Nye | Tydings |
| Byrnes | Hale | Oddie | Vandenberg |
| Capper | Harrison | Patterson | Wagner |
| Caraway | Hastings | Pittman | Walcott |
| Clark | Hatfield | Reed | Walsh, Mass. |
| Connally | Hayden | Reynolds | Watson |
| Coolidge | Hebert | Robinson, Ark. | White |
| Copeland | Hull | Robinson, Ind. | |
| Costigan | Johnson | Russell | |

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained on official business of the Senate.

Mr. FESS. I wish to announce that the junior Senator from Wyoming [Mr. CAREY] is detained on official business. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I wish to announce that the senior Senator from Montana [Mr. WALSH] is necessarily absent, having been called from the city to attend the funeral of a friend.

I also wish to announce that the junior Senator from Montana [Mr. WHEELER] is still detained from the Senate by illness.

I ask that these announcements may stand for the day.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

UNITED STATES GEORGIA BICENTENNIAL COMMISSION

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 223) establishing the United States Georgia Bicentennial Commission, and for other purposes, which was, on page 2, to strike out lines 4 to 10, inclusive.

Mr. GEORGE. I move that the Senate disagree to the amendment of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. FESS, Mr. BINGHAM, and Mr. MCKELLAR conferees on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Public Lands and Surveys:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho, and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 5, enacted by the twenty-second session of the Legislature of the State of Idaho and filed in this office on the 10th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 10th day of February, A. D. 1933.

[SEAL.] FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 5 (by Judiciary Committee)

A joint memorial to the honorable Senate and House of Representatives of the United States of America in Congress assembled

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas there is now pending before the Congress of the United States a bill to amend sections 5 and 8 of the Idaho admission act so as to permit mineral leases on public lands to be made for a term not exceeding 20 years and to permit the further exchange and consolidation of State and Federal lands within the State of Idaho; and

Whereas said bill proposes to amend section 5 of the admission act by permitting the State, under rules and regulations prescribed by the legislature, to add a portion of the annual income to the permanent funds; and

Whereas under the present Idaho admission act mineral leases are restricted to a 5-year maximum period capital for development can not be sufficiently interested nor can development be extensively undertaken for such a short period of time; as a result the mineral development of the State of Idaho is being greatly retarded and seriously interfered with; and

Whereas it is highly advantageous to both the State and Federal Governments to consolidate their respective holdings of public lands, thus affording to both an opportunity for increased earnings therefrom and reduction of expenses of administration thereof, and the Idaho admission act in its present form interferes with the satisfactory accomplishment of such exchanges and consolidation; and

Whereas it is deemed to be unwise so to amend the admission act as to authorize the State, in its discretion, to add a portion of the annual income to the permanent funds: Now, therefore, be it

*Resolved by the House of Representatives of the State of Idaho (the Senate concurring)*, That we most respectfully urge upon the Congress of the United States of America to eliminate from the amendatory act the provision authorizing the State, in its discretion, to add a portion of the annual income to the permanent funds, and upon the elimination of this provision we most respectfully urge upon the Congress that it immediately enact into law the said bill amending sections 5 and 8 of the Idaho admission act; be it further

*Resolved*, That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to immediately forward certified copies of this memorial to the Senate and House of Representatives of the United States of America and to the Senators and the Representatives in Congress from this State.

This house joint memorial passed the house on the 3d day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

This house joint memorial passed the senate on the 8th day of February, 1933.

GEO. E. HILL,
*President of the Senate.*

I hereby certify that the within House Joint Memorial No. 5 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,
*Chief Clerk of the House of Representatives.*

Mr. BRATTON presented the following memorial of the House of Representatives of the State of New Mexico, which was referred to the Committee on Public Lands and Surveys:

House Memorial 2 (introduced by S. S. Thurmond), relative to grazing of stock driveways

Whereas the purpose and intent of the stock driveways are being abused; and

Whereas the said driveways do not have the proper protection from owners of stock being grazed under herd: Now, therefore, be it

*Resolved* That the Legislature of the State of New Mexico urges upon the Congress and Senate of the United States they make an investigation and pass proper legislation to prevent the abuse of the said stock driveways as is practiced to-day.

Whereas the stock driveways are being grazed by owners of stock by keeping said stock under herd and flock and said stock are slowly driven one direction one day and returned the next day, resulting in driveways being overgrazed: Be it further

*Resolved*, That copies of this memorial be forwarded to the United States Senators and Congressman from the State of New Mexico.

ALVAN N. WHITE,
*Speaker of the House of Representatives.*

Attest:

GENARO ARMIJO,
*Chief Clerk of the House of Representatives.*

Approved by me this 10th day of February, 1933.

ARTHUR SELIGMAN,
*Governor of New Mexico.*

Mr. NORRIS presented the following resolution of the Senate of the State of Nebraska, which was ordered to lie on the table:

Resolution to aid unemployed and homeless young men (introduced by Senator Frank McCarter)

Whereas there are millions of young men between the ages of 18 to 35 years who are numbered among the millions that are idle because of no fault of their own during this great depression that has swept over our beloved Nation; and

Whereas there is no immediate relief in view after a careful survey has been made by the leading statesmen of the country and some action must be taken immediately to aid this group of unfortunate citizens; and

Whereas the Government of the United States has spent vast sums of money in erecting great Army posts with proper facilities to house and feed these young men, and at the same time these men are being cared for those who volunteer can be given physical education and training that will be beneficial to their health and at the same time prepare them for any emergency that may come to our beloved country from any source, and the kindness and interest shown them by their Government will make them better citizens with greater love for their Government: Now, therefore, be it

*Resolved*, That the Nebraska State Senate, in session for the Forty-ninth General Assembly, go on record in favor of the above action, and so inform the President elect, Franklin D. Roosevelt, and urge that he use his official influence with his Secretary of War to expedite and aid the millions of young American boys and young men by inviting those who desire to take advantage of the Government's willingness to be of service to them.

Adopted February 2, 1933.

Mr. NORRIS also presented a resolution adopted by the House of Representatives of the State of Nebraska protesting against the continuance of a Federal gasoline tax, which was ordered to lie on the table.

(See resolution printed in full when laid before the Senate by the Vice President on the 11th instant, pp. 3826, CONGRESSIONAL RECORD.)

Mr. NORRIS also presented a resolution adopted by the House of Representatives of the State of Nebraska favoring the passage of legislation repealing the packers and stockyards act (act of Congress of August 15, 1921) in so far as it authorizes or permits Federal authorities to fix charges for stockyard services at public stockyards and defining the packers and stockyards act, which was ordered to lie on the table.

(See resolution printed in full when laid before the Senate by the Vice President on the 11th instant, p. 3827, CONGRESSIONAL RECORD.)

Mr. GEORGE presented memorials, numerously signed, of sundry citizens and organizations of Dalton and Whitfield County, in the State of Georgia, remonstrating against the repeal of the eighteenth amendment of the Constitution or the repeal or modification of the national prohibition law, which were ordered to lie on the table.

Mr. HALE presented memorials of sundry citizens and organizations of Corinna and Cliff Island, in the State of Maine, remonstrating against the repeal of the eighteenth amendment of the Constitution or the repeal or modification of the national prohibition law, which were ordered to lie on the table.

Mr. TYDINGS presented the petition of Mrs. John Weichseldorfer and sundry other citizens of Baltimore, Md., praying for the passage of legislation to revaluate the gold ounce and expand the currency, which was referred to the Committee on Banking and Currency.

Mr. HARRISON presented a resolution adopted by stockholders of the Newton-Neshoba National Farm Loan Association, in the State of Mississippi, indorsing a proposal for the making of loans to pay taxes at a low rate of interest, and favoring the refinancing of unpaid balances on farm loans (past due installments and delinquent taxes be included in refinanced papers), payments in refinancing to be readjusted so as to be lighter for a period of five years, and with lower rates of interest to enable farmers to pay their debts and taxes, etc., which was referred to the Committee on Banking and Currency.

### CURTAILMENT OF COTTON PRODUCTION

Mr. SMITH presented the following concurrent resolution of the two houses of the Legislature of the State of South Carolina, which was referred to the Committee on Agriculture and Forestry:

A concurrent resolution indorsing the efforts of Senator E. D. SMITH, of South Carolina, to aid the farmers of the South by the reduction of the production of cotton as provided for in a bill introduced in the Senate of the United States to pool the 3,500,000 bales of cotton now controlled by the Farm Board or other governmental agencies, and to urge the passage of the same

Whereas there is now pending, or will be introduced, in the United States Senate a bill proposing to curtail the production of cotton for the year 1933 by a governmental pool of the 3,500,000 bales now controlled by the Federal Farm Board or governmental agencies; and

Whereas it is the sense of the General Assembly of the State of South Carolina that the proposed bill, if passed, will result in much benefit to the southern cotton farmers: Now, therefore, be it

*Resolved by the house of representatives (the senate concurring)*, That the General Assembly of the State of South Carolina heartily indorses the efforts of United States Senator E. D. SMITH, from South Carolina, to secure the passage of the legislation hereinabove referred to and urge upon the Members of Congress from South Carolina to exercise their influence in securing the passage of the same.

That a copy of this resolution be forwarded to both of the Senators from South Carolina and to each of the Congressmen from this State.

The concurrent resolution was agreed to and ordered sent to the Senate.

### PRICES OF CRUDE OIL

Mr. KENDRICK. Mr. President, I present a joint resolution adopted by the Wyoming Legislature. I ask that it be read at the desk and appropriately referred.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read the resolution, as follows:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of Enrolled Joint Resolution No. 4, Senate of the Twenty-second Legislature of the State of Wyoming, being original Senate Joint Resolution No. 5, approved by the governor on February 2, 1933, at 5.05 p. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 10th day of February, A. D. 1933.

[SEAL.]

A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

Resolution requesting the President of the United States (1) to direct the Department of Justice to make an investigation for the purpose of determining whether the recent reduction in the posted price of crude oil produced in the Salt Creek field, Natrona County, Wyo., and in the Texas, mid-continent, and Rocky Mountain fields resulted from action in violation of the antitrust laws of the United States, whether there exists a bootleg traffic in the refined products of crude petroleum, either in Wyoming or in other States, which is in violation of the revenue laws of the United States and deprives the United States of revenue to which it is entitled; (2) to direct the Department of Justice to cooperate with the attorney general of the State of Wyoming in determining the violation of the revenue laws of the State of Wyoming and of the United States through the alleged bootleg traffic in the refined products of crude petroleum within the limits of the State of Wyoming and in exercising the authority of the United States and of the State of Wyoming to terminate any such violation of the revenue laws of the United States and of the State of Wyoming

Whereas the United States is the owner of the major portion of the land embraced in the Salt Creek oil field, located in Natrona County, Wyo., and the State of Wyoming is the owner of a school section of land within the limits of said field; and

Whereas said Federal and State lands are being operated under oil and gas leases granted by the United States as to the Federal land and under an oil and gas lease granted by the State of Wyoming as to the State land; and

Whereas the major portion of the production from said field is controlled and/or purchased by one major company, which, through itself or its subsidiaries, produces, purchases, and refines such crude oil; and

Whereas such major operating and purchasing company has made a drastic reduction in its posted prices for Salt Creek and other Rocky Mountain crude, and for crude production from Texas and mid-continent oil fields; and

Whereas the existing posted prices for said crude produced from Wyoming oil fields appear unwarranted by the prices of the refined products of such crude, and the action taken for such price reduction seems to be arbitrary in its nature; and

Whereas it is alleged that such reduction was in part caused by the bootlegging of the refined products of crude petroleum within the limits of the State of Wyoming and elsewhere; and

Whereas under the terms of the leasing act of Congress, approved February 25, 1920, the State of Wyoming receives 37½ per cent and the reclamation fund created by the act of Congress receives 52½ per cent of the bonuses, royalties, and rentals received upon oil and gas leases granted by the United States; and

Whereas the State of Wyoming receives royalties from the production of its school land in said Salt Creek field; and

Whereas the sale of the crude oil produced from the Salt Creek field at such low posted prices will cause material reduction in the oil royalties to be received by the State of Wyoming and the Federal Reclamation Service; and

Whereas the assessed valuation of the oil produced from said Salt Creek field and other oil fields within the State of Wyoming and sold, is the posted price of said oil at the time of sale, and unwarranted lowering of said posted prices reduces the taxable property valuation of the State to the detriment of all other taxpayers whose property valuation has not been and can not be likewise reduced through their own arbitrary action; and

Whereas the alleged bootlegging of refined products of crude oil would result in the loss of revenue to the Federal Government and to the State of Wyoming; and

Whereas the action taken by major oil companies in lowering the posted price of crude oil produced in the Texas, Mid-Continent, and Rocky Mountain fields tends to indicate that the action taken in lowering such posted price is in violation of the antitrust laws of the United States: Now, therefore, be it

*Resolved by the Senate of the Twenty-second Legislature of the State of Wyoming (the House of Representatives concurring),* That the President of the United States be and he is hereby requested to direct the Department of Justice of the United States—

1. To make a thorough investigation and determination as to whether such reduction in the posted prices of crude oil produced in the Texas, Mid-Continent, and Rocky Mountain States is the result of action taken in violation of the antitrust laws of the United States;

2. To make a thorough investigation as to the existence of a bootleg traffic in the refined products of crude oil produced in said Texas, mid-continent, and Rocky Mountain territory, and the extent of such traffic;

3. To request the proper officers of major crude oil operating and/or purchasing corporations to produce in detail any and all evidence in their possession as to the bootlegging of the refined products of crude oil in the State of Wyoming, in other Rocky Mountain States, in the mid-continent, and in the Texas territory;

4. To take such action under the laws of the United States as may be necessary to correct violations of the Federal laws and to insure the payment of the revenue due to the United States upon the refined products of petroleum;

5. To cooperate with the attorney general of the State of Wyoming so as to prevent bootleg traffic in the refined products of petroleum within the limits of the State of Wyoming, to punish those who violate the law, and to collect revenue due to the United States and/or the State of Wyoming; and, be it further

*Resolved,* That the President of the United States be, and he hereby is requested to communicate this resolution to the Congress of the United States, with request that the Congress, through its appropriate committees, join in such investigations or conduct independent investigations; and further that such investigations include all means whereby the petroleum resources of the States may be best conserved; and be it further

*Resolved,* That the attorney general of the State of Wyoming be, and he is hereby, requested to fully cooperate with the Department of Justice of the United States for the purpose of protecting the interests of the State of Wyoming in connection with the matters above set forth; and be it further

*Resolved,* That a certified copy of this resolution be forwarded to the President of the United States; that a copy be forwarded to the Attorney General of the United States; that a copy be forwarded to each member of the Wyoming congressional delegation; and that a copy be forwarded to the attorney general of the State of Wyoming.

WM. M. JACK,
*Speaker of the House.*
ROY H. CAMERON,
*President of the Senate.*

Approved 5.05 p. m. February 2, 1933.

LESLIE A. MILLER, *Governor.*

The VICE PRESIDENT. The joint resolution of the Wyoming Legislature will be referred to the Committee on the Judiciary.

## DEPRECIATED-CURRENCY SITUATION

Mr. GRAMMER. Mr. President, a few days ago there was printed in the RECORD a statement by Hon. Robert L. O'Brien, chairman of the Tariff Commission, in which he gave his reasons for opposing legislation to restore the balance of purchasing power between the United States and foreign countries which have gone off the gold standard. I have just received a copy of an official statement issued by the Secretary of Commerce which is a complete and very forceful reply to the views expressed by Mr. O'Brien.

In order that Senators may have equal opportunity to study the affirmative side of this important question I ask that the department's statement may be printed in the RECORD and appropriately referred.

There being no objection, the statement was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE,
*Washington, February 8, 1933.*

Serious concern over the depreciated-currency situation which exists to-day in about 40 principal foreign countries is indicated by the rapidly increasing volume of correspondence reaching the department, supplemented by an unprecedented number of personal visits by business men.

An examination of the latest available foreign trade statistics does not indicate that we are experiencing what might be termed a flood of imports. The total quantity of goods imported during 1932 was 20 per cent less than in 1931 and 39 per cent smaller than in 1929. Imports of many commodities, however, are increasing, particularly of dutiable or largely competitive products.

The export trade of these depreciated-currency countries accounted for approximately 45 per cent (by value) of the total amount of goods moving in international trade during both 1930 and 1931. Of the total imports into the United States during 1932, approximately 60 per cent (by value) were from countries whose exchange is now depreciated. Of course, a large part of this 60 per cent consists of commodities noncompetitive with our industries.

Commodities numbering 232 were imported in greater volume during 1932 than in 1931. Of this number, however, 75 were free

of duty (largely noncompetitive products) and 157 were dutiable (largely competitive products). Excluding free imports from the Philippines and the Virgin Islands, approximately 10 per cent of the free goods (by value) were imported in increased quantities. In the case of dutiable goods, imports accounting for 18 per cent of the total value of dutiable goods were received in increased quantities.

Time is required for large-scale trading in commodities. The extent to which import competition in our domestic trade has developed during the past year, as a result of depreciated currencies, is not an adequate indication of the potential development.

From the standpoint of mechanics alone, a lag of several months must occur between the time a foreign currency begins to depreciate and the time when imports of individual commodities begin to increase. The depreciated-currency country must have or develop an exportable surplus. The foreign producer must arrange for United States agents or distributors, who in turn must develop or extend the market. This takes time. Even after this has been done the growth of imports may be temporarily stopped or retarded by "less than cost selling" by American producers. But a policy so ruinous and uneconomic can not long be maintained. Statistics for 1932 should, therefore, be taken, not as a measure of effect, but merely as an indication of the direction in which these forces are working.

The wholesale price level in United States is far out of line with levels prevailing in principal depreciated-currency countries. In most countries the suspension of gold payments halted the continuous decline in wholesale prices (in terms of depreciated currency) that has been under way since 1929. For the most part the increases in wholesale prices (in terms of depreciated currency) have been small and the general movement during the past year has tended to be horizontal. Foreign wholesale prices in terms of American gold dollars, on the other hand, have continued downward. In no instance has the increase in foreign wholesale prices (in terms of foreign currency) been sufficient to offset the effects of depreciation in exchange, even making allowances for the decline in United States prices.

The following figures provide a rough indication of the average changes in the United States and foreign prices since depreciation set in:

| | Per cent change foreign wholesale prices in terms United States dollars from month before depreciation set in to December, 1932 | Per cent change United States wholesale prices during same period |
|---|---|---|
| Australia | [1] −58.8 | [1] −31.7 |
| British India | −37.7 | −14.5 |
| Canada | −21.6 | −13.2 |
| Denmark | −30.4 | −13.2 |
| Egypt | −44.2 | −13.2 |
| Finland | −35.6 | −12.1 |
| Japan | [1] −46.4 | [1] − 9.0 |
| Norway | −35.3 | −13.2 |
| Sweden | −33.7 | −13.2 |
| United Kingdom | −31.5 | −13.2 |

[1] November, 1932.

If currencies were depreciating in comparatively few countries, costs of production and price levels in those countries would seek the levels prevailing in stable-currency countries. But with conditions as they are to-day—more than half of the world's trade being carried on by depreciated-currency countries and stocks of important raw materials and foodstuffs exceedingly large—costs of production and prices in gold-standard countries tend to seek the levels prevailing in nongold countries. Until the costs of production and prices of some of our commodities are further reduced or some tariff adjustments made, imports should tend to supply an increasing proportion of our domestic needs.

The advantages possessed by a country on account of depreciated currency, or conversely the disadvantages suffered by a country on a gold basis from countries having depreciated currencies, although they can not be permanent, may be sufficiently prolonged to seriously injure some producers in the country on a gold basis, especially when so many countries are affected as at present. Lower costs of production abroad as a result of depreciated currencies not only may result in the domestic producer losing part of his domestic markets, but will probably also result in his losing part, if not all, of his share of sales in world markets. Depreciated currencies, therefore, have an important and adverse effect on export trade. Furthermore, the increased import at a lower price not only shrinks the market supplied by domestic production but also may make it impossible for the domestic producer to establish a reasonable price.

Inquiries reaching the department indicate that business men are as much concerned over disrupting influence of foreign quotations as evidenced by the hesitation in placement of domestic orders as they are over the actual volume of goods coming in at this time from countries with depreciated currencies.

Thus it may be seen that depreciated world currencies tend to increase our imports and to decrease our exports as well as to disturb proper price relationships.

## REPORTS OF COMMITTEES

Mr. FRAZIER (for Mr. SCHALL), from the Committee on Indian Affairs, to which was referred the bill (S. 5219) to provide funds for cooperation with the Minnesota State Board of Control in the extension of the Minnesota State Sanatorium at Ah-Gwah-Ching, Minn., reported it without amendment and submitted a report (No. 1219) thereon.

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (S. 5337) to amend the Federal farm loan act, as amended, to permit loans for additional purposes, to extend the powers of Federal land banks in the making of direct loans, to authorize upon certain terms the reamortization of loans by Federal and joint-stock land banks, and for other purposes, reported it with amendments and submitted a report (No. 1221) thereon.

Mr. WAGNER, from the Committee on Banking and Currency, to which was referred the bill (S. 5609) to amend the emergency relief and construction act of 1932, reported it with amendments and submitted a report (No. 1222) thereon.

Mr. NYE, from the Committee on Public Lands and Surveys, to which was referred the joint resolution (S. J. Res. 253) authorizing the Attorney General, with the concurrence of the Secretary of the Navy, to release claims of the United States upon certain assets of the Pan American Petroleum Co. and the Richfield Oil Co. of California and others in connection with collections upon a certain judgment in favor of the United States against the Pan American Petroleum Co. heretofore duly entered, reported it with an amendment and submitted a report (No. 1223) thereon.

## ENROLLED BILLS PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on to-day, February 14, 1933, that committee presented to the President of the United States the following enrolled bills:

S. 188. An act for the relief of Tampico Marine Iron Works;

S. 222. An act authorizing adjustment of the claim of B. F. Hart;

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased; and

S. 4339. An act repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma.

## FEDERAL COURT QUARTERS AT WINSTON-SALEM AND ROCKINGHAM, N. C.

Mr. ASHURST. From the Committee on the Judiciary I report back favorably without amendment the bill (H. R. 6456) to amend section 98 of the Judicial Code as amended, and submit a report (No. 1218) thereon. It is merely a local bill, and I invite the attention of the senior Senator from North Carolina [Mr. BAILEY] to it.

Mr. BAILEY. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Let the bill be read for the information of the Senate.

The Chief Clerk read the bill (H. R. 6456) to amend section 98 of the Judicial Code, as amended, as follows:

*Be it enacted, etc.*, That the proviso in the fifth paragraph of section 98 of the Judicial Code, as amended (U. S. C., title 28, sec. 179), is hereby amended to read as follows: "*Provided*, That the cities of Winston-Salem and Rockingham shall each provide and furnish at its own expense a suitable and convenient place for holding the district court until Federal buildings containing quarters for the court are erected at such places."

Mr. BAILEY. Mr. President, I may say that an appropriation has heretofore been made for erecting buildings at Rockingham and Winston-Salem. This bill does not call for any additional appropriation or expenditure, but merely enables the architect to provide for the court rooms that are necessary there within the existing appropriation. That applies directly to Winston-Salem and, by way of permission, to Rockingham.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HAYDEN:

A bill (S. 5637) for the establishment, development, and administration of the Boulder Canyon National Reservation, and the development and administration of the Boulder Canyon Project Federal Reservation, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. HALE:

A bill (S. 5638) for the relief of Thomas A. Sears (with accompanying papers); to the Committee on Naval Affairs.

By Mr. BLAINE:

A bill (S. 5640) to liquidate, finance, and refinance agricultural indebtedness, and to encourage and promote agriculture, commerce, and industry, through the Federal farm-loan system and the Federal reserve banking system, and creating a board of agriculture to supervise the same; to the Committee on Banking and Currency.

By Mr. McNARY:

A joint resolution (S. J. Res. 254) extending to the whaling industry certain benefits granted under section 11 of the merchant marine act, 1920; to the Committee on Commerce.

POSTPONEMENT OF MORTGAGE FORECLOSURES

Mr. HULL and Mr. WALCOTT introduced a bill (S. 5639) providing for loans or advances by the Reconstruction Finance Corporation for the purpose of securing the postponement of the foreclosure of certain mortgages for a period of two years, and for other purposes, which was read twice by its title and referred to the Committee on Banking and Currency.

Mr. HULL subsequently (for himself and Mr. WALCOTT), from the Committee on Banking and Currency, to which was referred the Senate bill 5639, reported it without amendment and submitted a report (No. 1220) thereon.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia or ordered to be placed on the calendar as indicated:

H. R. 6292. An act to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes;

H. R. 11504. An act authorizing the sale of certain Government property in the District of Columbia;

H. R. 13853. An act to authorize the merger of the Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes; and

H. R. 14392. An act to authorize the payment of taxes and assessments on family dwelling houses in the District of Columbia in quarterly installments, and for other purposes; to the Committee on the District of Columbia.

H. R. 12595. An act to amend the teachers' salary act of the District of Columbia, approved June 4, 1924, as amended, in relation to establishing the Wilson and Miner Teachers Colleges on a basis comparable with recognized standards for accredited institutions of like kind; to raising the trade or vocational schools to the level of junior high schools, and for other purposes;

H. R. 13378. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia;

H. R. 13750. An act to regulate the bringing of actions for damages against the District of Columbia, and for other purposes;

H. R. 14204. An act to amend section 653 of the Code of Law for the District of Columbia; and

H. R. 14340. An act authorizing the sale of certain property no longer required for public purposes in the District of Columbia; to the calendar.

EMPLOYEES AND SALARIES OF FEDERAL FARM BOARD AND OTHER ORGANIZATIONS

Mr. SHIPSTEAD. Mr. President, on yesterday I submitted a resolution seeking some information regarding the amount of money paid to employees in the service of the various agencies created by the Federal Government to loan money to farmers. That resolution was read and is now on the table. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let the resolution be read for the information of the Senate.

The resolution (S. Res. 358), as modified, submitted by Mr. SHIPSTEAD on the 13th instant, was read as follows:

*Resolved*, That the Secretary of the Federal Farm Loan Board is requested to furnish the Senate, on or before March 1, or as soon thereafter as possible, but not later than March 15, 1933, with a report showing the total number of employees at the end of each fiscal year since its establishment and on February 1, 1933; the aggregate salaries paid to employees of the board in the fiscal year ending June 30, 1933, and estimated to be paid to them in the current fiscal year and in the fiscal year 1933–34; the total number of employees of the Federal land banks on December 31, 1931, and February 1, 1933; the aggregate salaries paid in 1932 to employees, full or part time, of the Federal land banks; the total number of employees of the joint-stock land banks on December 31, 1931, and February 1, 1933; the aggregate salaries paid in 1932 to employees, full or part time, of the joint-stock land banks; the total number of employees of the intermediate-credit banks on December 31, 1931, and February 1, 1932; and the aggregate salaries paid in 1932 to employees, part or full time, of the intermediate-credit banks; and the positions and names of the employees receiving more than $2,000 per year on February 15, 1933.

SEC. 2. The secretary of the Federal Farm Board is requested to furnish the Senate, on or before March 1, or as soon thereafter as possible, but not later than March 15, 1933, with a report showing the total number of employees at the end of each fiscal year since its establishment, and on February 1, 1933; the aggregate salaries paid to employees of the board in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the grain and cotton stabilization corporations, and in any other corporations formed under the provisions of the agricultural marketing act of 1929, on December 31, 1931, and February 1, 1933; and the aggregate salaries paid by each of said corporations to its employees, part or full time in 1932, and the positions and the names of the employees receiving more than $2,000 per year on February 15, 1933.

SEC. 3. The Secretary of Agriculture is requested to furnish the Senate, on or before March 1, or as soon thereafter as possible, but not later than March 15, 1933, with a report showing the total number of employees on January 1, 1933, and on February 15, 1933, in the seed loan office; the aggregate salaries paid to employees of the seed loan office in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year, and in the fiscal year 1933–34; the total number of employees in the crop production loan office on January 1, 1933, and on February 15, 1933; the aggregate salaries paid to employees of the crop production loan office in the fiscal year ending June 30, 1932, and estimated to be paid to them in the current fiscal year and in the fiscal year 1933–34; the total number of employees in the agricultural credit corporations, and in any other corporations set up under the Reconstruction Finance Corporation act of 1932, as amended, on January 1, 1933, and on February 15, 1933; and the aggregate salaries paid to employees of said corporation or said corporations in 1932, and estimated to be paid to them in 1933, and the positions and the names of the employees receiving more than $2,000 per year on February 15, 1933.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. BLAINE. Mr. President——

Mr. SHIPSTEAD. I yield to the Senator from Wisconsin.

Mr. BLAINE. If the effect of granting the request for unanimous consent would be to displace the pending motion——

The VICE PRESIDENT. It would not be.

Mr. BLAINE. Then, if the resolution will not provoke debate, I have no objection to the request for unanimous consent.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON of Arkansas. I understand the Senator has modified his printed resolution so as to include in it a request for information as to the employees of the Federal joint-stock land banks who are receiving more than $2,000 per annum.

Mr. SHIPSTEAD. To the extent that information is requested as to the number of persons and who they are who receive more than $2,000 a year, the resolution has been amended at the request of the Senator from Washington [Mr. DILL]. I accepted that amendment with the understanding that it would not lead to any controversy on the Senate floor.

Mr. FESS. Mr. President——

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. SHIPSTEAD. If the Senator from Arkansas has finished, I yield to the Senator from Ohio.

Mr. FESS. Mr. President, the question arose yesterday as to whether sufficient time was given to enable the desired information to be prepared. The time limit fixed in the resolution is March 15.

Mr. SHIPSTEAD. Not later than March 15, which gives about 30 days.

Mr. ROBINSON of Arkansas. Mr. President, I think the Federal Farm Board have most of the information called for in the resolution.

Mr. SHIPSTEAD. I think so.

Mr. ROBINSON of Arkansas. But it will be necessary to compile it, and it might be advisable to give a little more time.

Mr. FESS. That is the only question that arose in my mind.

Mr. SHIPSTEAD. How much time does the Senator think would be required? I am perfectly willing to extend the time.

Mr. FESS. I should say we should give them a month at least.

Mr. SHIPSTEAD. The resolution gives them a month.

Mr. ROBINSON of Arkansas. A month is given under the terms of the resolution.

Mr. FESS. I mean an additional month. Has the Senator made any investigation as to how long it will take?

Mr. SHIPSTEAD. They have all the books; they have all the records of their employees; and I think they can get the information here in 10 days. That is my opinion.

Mr. FESS. The Senator may recall that we adopted a resolution requesting similar information in connection with the Interstate Commerce Commission, but sufficient time was not allowed within which the information could be compiled. That is why I made the inquiry in this case.

Mr. ROBINSON of Arkansas. My impression is that the Federal Farm Board has all the information——

Mr. SHIPSTEAD. I think it has.

Mr. ROBINSON of Arkansas. That is called for by the resolution with respect to the Federal and joint-stock land banks, but that there would be compilations required which could probably be made within 30 days, depending upon the amount of work which the board has on hand and the number of employees available for making the compilations. There may be some information called for that is not in the possession of the board, I do not know about that, but I should think it could be furnished within 30 days.

Mr. SHIPSTEAD. I will say to the Senator from Ohio——

Mr. FESS. I will withdraw any objection.

The VICE PRESIDENT. The Senator from Ohio withdraws his objection. Is there objection to the present consideration of the resolution?

There being no objection the resolution was considered and agreed to.

### INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. SMOOT. I present the conference report on the disagreeing votes of the two Houses on the amendments of the Senate to House bill 13710, making appropriations for the Department of Interior, and ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 9, 25, and 26.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 7, 8, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, 24, 27, 30, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, and 46, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert "(with the exception of attorneys)"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$355,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further*, That the unexpended balance of the appropriation contained in the Interior Department appropriation act, fiscal year 1932, for the construction and equipment of the Albuquerque Sanatorium, and employees' quarters, New Mexico, and not to exceed $300,000 of the unexpended balance of the appropriation for the Sioux Sanatorium and employees' quarters, South Dakota, contained in the same act, are hereby continued available for the same purposes until June 30, 1934"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$110,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$210,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,992,500"; and the Senate agree to the same.

REED SMOOT,
TASKER L. ODDIE,
GERALD P. NYE,
KENNETH MCKELLAR,
JOHN B. KENDRICK,
*Managers on the part of the Senate.*

EDWARD T. TAYLOR,
W. W. HASTINGS,
FRANK MURPHY,
BURTON L. FRENCH,
*Managers on the part of the House.*

The VICE PRESIDENT. The Senator from Utah asks unanimous consent for the present consideration of the conference report. Is there objection?

Mr. BLAINE. Mr. President, a parliamentary inquiry. If the Senate shall agree to take up the conference report, that will not affect the pending motion, will it?

The VICE PRESIDENT. It is a privileged matter, and will not disturb the pending motion. Is there objection to the request of the Senator from Utah that the Senate proceed to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. KING. Mr. President, I will ask my colleague to indicate briefly the changes which have been made, whether there have been any increases in the appropriations and from what amendments adopted by the Senate the conferees have receded?

Mr. SMOOT. Mr. President, I will first take up the amendments of the Senate from which the Senate conferees agreed to recede. The first one is on page 19, where the Senate appropriated for the Geological Survey $373,000, whereas the House had appropriated $315,000. In conference a compromise was reached, so that the appropriation as agreed to by the conferees has been reduced $18,000.

On amendment numbered 6 the Senate conferees receded. That amendment inserted a provision reading—

> And not to exceed $2,500 may be used, in the discretion of the Secretary of the Interior, for paying in whole or in part expenses of Federal, State, or county extension agents and home-demonstration agents or specialists in extension work detailed for cooperative work in the Indian Service.

Mr. KING. The Senate receded from that amendment?

Mr. SMOOT. Yes; the Senate receded from it.

In the case of the Geological Survey, the Senate increased the amount of $300,000 to $325,000. In conference the Senate receded on that amendment.

It was also provided that not to exceed $265,000 of that $300,000 might be used to pay for personal services in the District of Columbia. The Senate, by amendment, increased that amount to $280,000; and the Senate receded on that amendment. Each one of them is a decrease in the amount that the Senate sought to appropriate.

Mr. KING. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

### RAILROADS AND THE UNEMPLOYED

Mr. GEORGE. Mr. President, I ask that there be printed in the RECORD an article by Edward A. Filene, of Boston, which appeared in the February issue of Survey Graphic, entitled "Railroads, a Superhighway, and the Unemployed."

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

### RAILROADS, A SUPERHIGHWAY, AND THE UNEMPLOYED

By Edward A. Filene

The one essential service that distinguishes the modern world from the world of days gone by, and the less developed parts of the earth from the highly civilized ones, is swift, sure, and adequate transportation. The facilities for transportation are the bolts that hold the structure of civilization together. Without them it would fall to pieces.

I can hear some one immediately objecting that at the present stage of mankind's affairs we seem to have too much transportation, just as we might seem to have too much of almost everything that is offered for sale. We are experiencing a kind of inverted famine. We are hungry because we have too much to eat. We have too many freight cars, too many passenger cars, too many locomotives, too many miles of railway track, too many motor vehicles. Our railways are finding it hard to make both ends meet. Our automobile manufacturers have thrown into their new models improvements that might normally have been spread out over several years, in a valiant effort to stem the tide of diminishing business.

Such are the protests I expect to hear against a proposal which I believe contains the key to the solution not only of a long-standing economic problem but of our immediate difficulties. I suggest more, not less, transportation. I suggest that we stimulate the railways, not by crushing their natural competitors but by giving them competitors worthy of their steel. I suggest that we meet the depression not by retreating, not by digging in, but by a direct frontal attack. The way is forward. We shall arrive at our goal soonest by going toward it.

If with all the equipment of modern technology at our disposal we could see America as a new country, we would know very well what to do with it. The opportunities that would lie before us would of themselves drive away the shadow of hard times. In my opinion, if we compare what has been done on this continent with what may still be done, ours still is a new country.

About a year ago I was asked by some Chinese leaders to draw up a plan which would illustrate my ideas of what would contribute most toward stability and progress in that vast and crowded land.

I began by laying down the principle that the first necessity as well as the first duty of every worth-while reform is to stay alive and succeed, and that its second necessity and duty is to be its own successor. In other words, we do not want to build something to-day which will have to be torn down to-morrow. That is false economy. And we may safely assume that the Chinese people, like all other peoples, will support a government under which they can find an opportunity for work and adequate food and decent living. Like all other people, they have proved in recent years that lacking these necessities they will become radical and revolutionary. The famines in China which in recent years have caused the death of many millions of Chinese were due, not so much to an actual lack of food, as to a lack of roads by which to get surpluses of food in one part of the land to people in dire need of it in another. In proportion to her population of 400,000,000, China has fewer roads than any other country in the world.

In answer to the request for help which was put to me, therefore, I drew up and submitted the following plan. I am summarizing it here, necessarily:

1. Plan automobile roads—main trunk lines—to stretch across the entire country, in every desirable direction.

2. Build these roads on a "grand scale." Provide for two express one-way roads in the middle, crossed only by bridges or tunnels. On each side of these express roads build a one-way road for nonexpress traffic, to be used for less speedy travel and for approach to city, town, and village streets and country roads.

3. Work on these roads should be begun and carried along their full length throughout the country at the same time, and each section should be built by the inhabitants of the locality under the supervision of competent government engineers and road builders.

4. The central government should pay its share of the cost of the work in each locality in the shape of food wages—that is, food for the workers. This would largely do away with revolutions in China, because no revolution would be supported by the masses against a government that was supplying them with work, food, and the needed roads. The local authorities would pay such money wages as were necessary and practicable.

The keynote of my plan, it will be seen, was that for China railways were not indicated as the best means of meeting the situation. It seemed to me that western experience had already shown that where there was free choice autobuses, autotrucks, and private autocars could furnish their share of transportation more efficiently than railroads, provided there were constructed a system of fourfold transcontinental roads with provision for speed, safety, and segregation of through from local traffic. On such roads autotrucks of great tonnage, now successfully used in the Occident, and autobuses of great passenger capacity, some of them double-deckers, would be employed.

Moreover, if after the auto roads were built there should be a need and a place for more railroads, it was clear that there would be a new type of railroad built of necessity, planned not to compete unscientifically with motor cars but to supplement them. So planned a railroad would be a paying enterprise. China must not, it seemed to me, make the western mistake of allowing railroads and motor vehicles to fight each other wastefully and irrationally for the same business.

I think perhaps that most of those who have followed the argument so far will agree that this sweeping improvement in means of transportation would be an excellent thing for China. We can think more disinterestedly, somehow, about countries which are far away.

But why not try to think as clearly about our own? Chinese conditions are not so different from American conditions as would at first appear. If a road system such as I have described is a sound idea in China, why is it not a sound idea in the United States?

No one, I think, will dispute the fact that railroads alone are not enough under present conditions. They will not be enough even after they learn to make full and effective use of their possibilities. We may compare the whole system of transportation with the automobile industry. As far back as 1915, when there were fewer than 2,500,000 motor vehicles in the United States, some of our more conservative bankers, manufacturers, and business men in other lines were already predicting that the saturation point would soon be reached. The same fear was expressed in 1920, when there were more than 9,000,000 cars, and in 1925, when the total had reached almost 20,000,000, and of course we are hearing it to-day. But the market for cars expanded as prices went down and the miles of good roads increased. In other words, there was a vast and unrealized market for transportation. I believe that such a market still exists and that all that the railroads, all that the motor industry, and all that the highway builders can do during the coming years will not be more than enough to meet its needs.

We must look at this problem as one affecting the welfare of the whole country and not one to me settled by adjustments and compromises among existing transportation agencies. Let me quote from a report by Leo J. Flynn, attorney-examiner to the Interstate Commerce Commission:

"It is the duty of the Government to see that adequate and efficient transportation service for the public is supplied and maintained. The problem, How can the commerce of the country be moved most efficiently and economically with assurance of dependable service? should be approached as one of national transportation and not primarily as one of transportation agencies. Legislation and regulation should not be with a view of preserving and protecting long-existent forms of transportation by stifling or restricting new forms of transportation which may be better equipped to perform certain transportation functions. The public is entitled to the best transportation service. No carrier by rail, water, motor vehicle, or air, has a vested right in the transportation of a single passenger or a pound of freight."

Carried to its logical extreme, this principle which I have just quoted means Government ownership of railroads if adequate transportation can not be secured in any other way. Personally

I hope and believe that this can be avoided, but we must not overlook the fact that a continuance on the part of the railroads of the present policy of high rates and hostility to other forms of transportation may force the issue. What else can the public conclude from the present-day railway propaganda than that the railways are unable properly to manage their own businesses?

But let us look at the other aspect of our transportation situation. The $26,000,000,000 or more invested in highways and motor cars is of at least equal importance with the $26,000,000,000 invested in railroads. Moreover, the development of our highway system will call for no such fundamental changes in our political and economic ideas as would Government ownership of railroads. The public, individually and as partners or stockholders in various enterprises, already owns the motor vehicles of the country. Government, Federal, State, and local, already owns the highways. State and National roads are as old as the National Government itself—and older.

Our present highway system is not adequate to our existing needs. It is hopelessly inadequate to the certain needs of tomorrow, even after the railroads shall have raised themselves to the highest pinnacles of efficiency and full use has been made of water transportation on the Great Lakes, the Mississippi River system, the canals and the coastal waters. It would be absurd to say that we are as badly off for roads as China is. Yet perhaps we are as badly off in proportion to our national wealth, the amount of our industry and commerce, and our habits of travel.

Suppose we sit down with a large map of the United States, ignore for the moment the existing railways and highways, and lay out a national system of fourfold superhighways. These superhighways would be much like those I suggested for China. Express traffic would be carried in two central roads bordered on each side with a road devoted to slower travel. All four roads would be restricted to one-way traffic. Local highways would be overpassed, so that there would be no interruption of the flow of vehicles. The highest speeds consistent with safety would be not only permitted but encouraged. Every device of modern road building would be adopted to promote the security of passengers and drivers. Probably special types of motor vehicles especially adapted for this fast service would be developed; indeed, we already have them. Ramps and approaches would be constructed so that cars could enter and leave the 4-road superhighway and pass to and from the local streets and roads without interfering with the main currents of travel.

I am under no delusions as to the opposition this plan will encounter. If it is regarded as an attempted blow at the railroads it will offend the vested interests not only of railroad officials themselves but perhaps also of banks, insurance companies, and individuals holding railway securities. To objections from these sources I can only repeat that if the railroads learn how to manage their own business properly they will gain and not lose by my proposals and that their securities will be worth more instead of less.

I believe that the railroads, organized and administered by scientific, fact-finding, fact-applying officials, with a competent research staff behind them, would be able to compete much more successfully with bus and autotruck transportation than now seems possible, and for these reasons:

1. The railroads could collect and distribute from house to house by their own autotrucks. These trucks could be so built that they could run as well on the railroads tracks as on the streets, thus doing away with the greater part of the expense and delay of reloading in the freight yards. A step toward this idea has already been taken in the use of so-called rail wagons, which are truck trailers built to be carried on a flat car. Two different types of rail wagons have been tried out on electric railways between Cleveland and Toledo and Chicago and Milwaukee. In each case the trailer is loaded at the shipper's door and unloaded at the consignee's door.

2. The railroads on an average could haul freight on rails faster than it could be hauled by autotrucks on even the best highways.

3. With the reorganization of transportation which I have described, the cost to the consumer of both freight and passenger transportation could be very greatly reduced. This would bring so many more goods and services within the buying power of the masses that an enormous increase in business would be sure to come, both for railroads and for motor-vehicle companies. I do not think it extravagant to say that traffic could be doubled. The railroads would certainly sacrifice nothing in the long run by relinquishing traffic which they can not economically handle and by greatly increasing the traffic which they can economically handle.

No wise reorganization of transportation can harm any legitimate business. If the railroads, like the stage coaches and the Conestoga wagons, were actually becoming obsolete, they would have to take their medicine with a good grace. The country is no more obligated to maintain an obsolete railroad than it was to maintain an obsolete prairie schooner. But the railroads are not in the position of the prairie schooner, nor are they likely to be for as long a time as we can see ahead.

Even if there were to be a transition from the old-fashioned railroad to some form of free-wheeled vehicle running on roads, the railways could, if they were sufficiently sagacious, adapt themselves to the change. They could even pave their rights of way, though I do not think they will have to do so. Some of them have already protected themselves by entering more or less completely into the operation of motor vehicles.

My plan, therefore, is in no way inconsistent with such progress as our transportation system has made. It merely carries to a logical conclusion what any unbiased survey of the present situation would reveal. It is a step toward a true and lasting remedy for our present dangerous depression. Just as the plan for China is expected largely to prevent revolutions and famines in that country in the future, so the corresponding plan for America will bring with it a basic, practical, scientific "way out" from our unemployment. Most of the remedies so far applied will for the most part help producers and financiers; but there can be no lasting recovery until our millions of unemployed are put back at work.

If we build these fourfold automobile roads we will be giving work directly to great masses of our unemployed. Indirectly we will increase, perhaps even double, the present market for auto trucks and private automobiles. By so doing we will restore a business which, with its enormous direct and indirect employing power, is generally admitted to have been the basis of the unprecedented prosperity from which we have passed into this depression. Incidentally, we will give, as I have indicated, an enormously increased traffic to the railroads.

It will be objected that the cost is so huge as to be prohibitive, but I firmly believe that a fact-finding study will show that however great the cost, it will still be less than the losses due to the present great mass of unemployment and the money which local, State, and National Governments will have to pay for relief if the present situation continues for two or three years longer. Assume that only 5,000,000 persons were out of work in the United States last year and that each individual lost only $1,000 in wages. Both estimates are undoubtedly too low, yet when so measured, the wage loss for the year was $5,000,000,000, or nearly one-fifth the capitalized value of all our railroads. In other words, we could better afford to abandon our railroads than to have five or six years of unemployment at the present rate. How much more, then, could we afford not to abandon them but to supplement them and make them more productive than they have ever been!

I would not say that the country could not afford the plan I have proposed. I would say that the country could not afford not to put some such plan into effect. We have already expended a grand total of more than $50,000,000,000 upon existing facilities for getting ourselves and our goods from place to place. If we are not getting returns upon the investment it is because it is less than adequate and being less than adequately handled. To complete the transportation system upon the scale which our needs demand would add far more to its value than the amount we would have to invest. The desperate need of the day is not capital—we have as much real capital as we had at the height of the boom in 1929—but a profitable use for capital.

Palliatives may produce a temporary reemployment through inflation and a return of prices "to the standards of 1928." But such an effect can be only temporary. To restore prosperity on a permanent basis we must dig deep and build sound foundations. I believe that the fourfold super auto highway is in more senses than one literally the road back to plenty and security.

## BETTERMENT OF COTTON PRICES

Mr. SMITH. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Asheville Citizen of February 13, 1933, having to do with the cotton situation.

There being no objection, the editorial was ordered printed in the RECORD, as follows:

### AT LAST, A SOUND COTTON PLAN

The Smith plan, designed to better the price of cotton by reducing the supply, has been given a unanimously favorable report by the Senate Committee on Agriculture. The Citizen, which is generally skeptical of all price-fixing measures, believes that here at last is a plan which, as an emergency measure, is sound in principle, avoiding, it seems to us, all of the objections which existed in the case of domestic-allotment scheme, which the Smith bill replaces, as regards cotton.

Briefly, the Smith plan proposes that a cotton board, appointed by the Secretary of Agriculture, shall be empowered to take over and impound all of the cotton which the Government or any of its agencies may own or upon which loans may have been made. The board will also be empowered to purchase at the market value any other cotton owned by producers in all cases where the producers will agree in writing to reduce their cotton acreage by not less than 30 per cent without increase in fertilization per acre.

The board will hold the cotton thus acquired and the Secretary of Agriculture will then enter into contracts with the producers of cotton to sell each producer an amount of cotton equivalent to the estimated amount of reduction in cotton by such producer below the amount produced by him in the preceding crop year. The idea is that in this way the acreage planted to cotton can be reduced by at least a third, and perhaps by more than a third. The grower will contract to reduce his yield. Thereupon he is given an option to purchase cotton from the Government pool at any time within the next year at the price cotton is bringing on the day he makes the contract. If cotton goes down he does not have to exercise the option. If cotton goes up, he can exercise it and get the benefit of the rise, less the actual carrying charges. His only obligation will be to show proof that he has complied with his contract, which is simply to produce less cotton than he produced in 1932.

The supreme merit of this plan is that it is not a defiance of but a compliance with the economic laws of supply and demand. The domestic-allotment plan sought to fix the price of cotton and the price of various other farm commodities arbitrarily. There is nothing arbitrary about the Smith plan. It uses the Government credit to take over a considerable part of the existing cotton supply and hold it off the market, conditioned upon an immediate reduction in the cotton acreage to be planted this spring. But the plan will finance itself in large measure, because most of the money that will be needed can be borrowed on the warehouse receipts for the cotton. The Government can lose only if cotton goes still lower in price; and if that should happen, there is not much for anyone to look forward to, anyway.

The success of the Smith plan would depend, of course, upon the extent to which the cotton growers availed themselves of the opportunity which it would offer them to stand a better chance of making money by not planting cotton than they can possibly stand of making money by planting cotton. It is a simple plan, easily understood, requiring no cumbersome machinery for its operation; and it seems to us that it is in all respects eminently practical. We know that its feasibility will be questioned by those who will have in mind the failure of Brazil's efforts to valorize the price of coffee and of Britain's efforts to valorize the price of rubber. But there is no parallel between what Brazil attempted or what England attempted and what is proposed in the Smith plan. The supply of coffee could not be quickly reduced, because coffee comes from trees which produce over a number of years and new orchards are continually coming into production. The situation as to rubber is similar to that of coffee. But the cotton plant is in this country an annual. All that is necessary to reduce the cotton supply is to plant less cotton. The problem has always been to cut the acreage. How was the cotton farmer to go on living unless he grew cotton? The Smith plan gives the first intelligible answer to that question. Instead of planting cotton he pledges himself not to plant it, and the Government thereupon gives him an option to purchase from the Government at any time within the next year the amount of cotton he could reasonably have expected to produce, based on his experience of last year, at the price cotton is bringing at the time he would have planted this year's crop. He can then sell this cotton at the price it is then bringing. If cotton goes up, he will make as much money as he would have made if he had planted. If it goes down, he is better off than he would have been had he planted. In short, he stands to gain either way.

It is a most persuasive proposal. If it has any fatal weakness, we confess that we are unable to see it. The conditions are favorable in all respects for its success. The consumption of cotton is showing a tendency to increase. Our own mills are using more of the raw supply and our exports have risen. But the surplus of American cotton is excessive and the problem is to bring down this surplus. That can be done quickly only by decreasing the production. It is this that the Smith plan seeks to accomplish, by making it attractive to the cotton grower not to grow as much cotton as he has been growing. The financial support lent to the plan by the Government would not involve a serious increase in the financial commitment which the Government already has in cotton.

The adjustment of the supply of cotton to the demand for cotton and the improvement in the price of cotton which could be anticipated as a result would mean the turning of the economic tide upward in and for the South. It would mark the beginning of the return of prosperity for this entire region.

In the opinion of this newspaper the Smith plan conforms in all particulars to the realities and to the basic principles of sound economics. Both branches of Congress should pass it without delay, but without amendment. As it stands it is simple and workable. It is not a flash scheme. Senator SMITH, who knows more about cotton than any man in Congress, has been working on this plan for at least a year and a half. He has discussed it from every angle with those whose advice was most worth having. The plan in the form to which it has now been reduced represents the consensus of the cotton interests. It is a thoroughly informed plan and if it is adopted promptly, we believe that it can be made operative with the minimum of time and effort and risk.

AMENDMENT OF THE CONSTITUTION—REPEAL OF PROHIBITION

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD an article from a recent issue of the Florida Times-Union relative to the repeal of the eighteenth amendment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

R. H. ANDERSON, COAUTHOR OF REPEAL PLANK, ASSAILS PROPOSAL

The following statement was made yesterday by Robert H. Anderson, Jacksonville attorney, who was a member of the National Democratic Convention in Chicago last June which nominated President-elect Roosevelt. Mr. Anderson was a member of the resolutions committee which drafted the Democratic platform and a coauthor of the repeal plank, in support of which he spoke before the convention.

His statement follows:

"The National Democratic Convention held in Chicago last summer adopted a platform which has been generally conceded to be one of the finest declarations of party principles ever promulgated by a political party in this country. Its chief qualities were its brevity, its obvious sincerity, its directness, and its want of equivocation on any subject. On prohibition the platform declared:

"'We advocate the repeal of the eighteenth amendment.

"'To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in States called to act solely on that proposal; we urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon and bring the liquor traffic into the open under complete supervision and control by the States.

"'We demand that the Federal Government effectively exercise its power to enable the States to protect themselves against importation of intoxicating liquor in violation of their laws.

"'Pending repeal, we favor adequate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution, and to derive therefrom a proper and needed revenue.'

ADOPTED OVERWHELMINGLY

"This platform was overwhelmingly adopted in the resolutions committee and by the convention in open session. Upon it the Democratic Party went before the people of this country in November, 1932, and its candidates received the largest vote ever recorded.

"There can be no possible doubt that the Democratic Party's platform on the subject of prohibition is backed by tremendous popular sentiment in the United States.

"Notwithstanding these facts, however, the Judiciary Committee of the Senate of the United States has proposed a resolution which, in substance, provides:

"1. The repeal of the eighteenth amendment.

"2. The prohibition of the transportation or importing into any State or Territory for delivery or use therein, of intoxicating liquors in violation of the laws thereof.

"3. That Congress shall have concurrent power to regulate or prohibit the sale of intoxicating liquor to be drunk on the premises where sold.

"4. That the amendments shall be ratified by the legislatures of three-fourths of the States.

"This proposal is about as far from that which the Democratic Party in its platform promised the people it would support as one can possibly be. It violates almost every provision of the party platform. It is true that it repeals the eighteenth amendment but it substitutes for it a Federal control of the sale of intoxicating liquors to be drunk on the premises where sold. This will authorize the continued employment of the army of Federal "snoopers" at a cost of millions of dollars—one of the chief causes of prohibition's unpopularity and one of the principal reasons that the American people are determined to get rid of it.

"It is now generally conceded that national prohibition was a mistake because prohibition is a police regulation and has no place in the Federal Constitution. It is a matter for regulation by the States and its regulation ought to be confined to the States. The attempted regulation of the sale of intoxicating liquors by the Federal Government is the chief reason for prohibition's miserable failure.

"The Democratic Party solemnly promised the people to return the prohibition question to the States where it belongs. The pending Senate resolution is a violation of that promise and Democratic Senators supporting it are breaking the party's faith with the people. A plainer and more deliberate breach of faith can hardly be conceived. I therefore call upon Democratic Senators to eliminate from this resolution Section 3 and to keep their party's promise to the people by urging the enactment of such measures 'by the several States' as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open 'under complete supervision and control by the States.'

"I have no particular objection to section 2, which prohibits the transportation of liquor into dry States in violation of the laws thereof, although it is unnecessary, because Congress indisputably has that power anyhow. However, if the dry States wish it written into the Constitution any more plainly than it is already, I shall not protest.

FOR CONVENTION PLAN

"I do object, however, to that part of the resolution which proposes its ratification by the legislatures of the several States. There is just one phase of the prohibition question upon which sentiment was unanimous in both Republican and Democratic conventions, and that is that the proposed amendment should be submitted for ratification or rejection to conventions of the several States instead of to the legislatures. In this way the question would be divorced from all others and an expression of popular sentiment obtained upon one of the most controversial issues which has ever faced this country. Both the majority and the minority planks which were proposed at the Republican convention favored submission to conventions, and both the majority and minority planks in the Democratic convention proposed submission to conventions. Never did anyone object to it, but, on the contrary, everyone agreed that this was the most desirable plan. Now comes along the Senate of the United States and proposes something entirely different.

"I protest against it and insist upon a resolution in full compliance with the Democratic platform.

"All my life I have fought prohibition. For 12 years I have looked forward to the day when I should see it taken out of the Federal Constitution. But I shall not support this resolution

which is pending in the Senate, for the reason that it is not the resolution which we promised the people. If and when it is passed, as much as I dislike to do so, I shall join hands with the drys in an effort to defeat its ratification in the Florida Legislature, because I know that if we defeat this one, the time will come when we will have a Senate composed of men who are responsive to popular demands and who will submit the kind of amendment the people have said they want."

AMENDMENT OF THE CONSTITUTION—REPEAL OF PROHIBITION

The VICE PRESIDENT. The question is on the motion of the Senator from Wisconsin [Mr. BLAINE] that the Senate proceed to the consideration of Senate Joint Resolution 211, proposing an amendment to the Constitution of the United States.

Mr. BORAH. Mr. President, I desire to address myself to the motion of the Senator from Wisconsin to take up for consideration the joint resolution providing for the submission of the question of the repeal of the eighteenth amendment to the States.

I now am opposed to the joint resolution. I presume it will be in such form when we come to a final vote upon it that I shall still be opposed to it at that time and shall vote against it. I presume that statement will lessen the effect of what I have to say, but I think it fair to make the record full and complete.

While I am opposed to the joint resolution, I know of no reason, so far as the resolution itself is concerned, why it should not be voted upon by the States at the earliest practicable date. I can see nothing to be gained by delaying action upon the part of the States, assuming that there are a sufficient number of votes in the Senate and the House to submit the proposed constitutional amendment; and if the situation with reference to the calendar of legislative business were different, I should not interpose any objection whatever to taking up the joint resolution for consideration at this time.

I was one of the members of the subcommittee which had to do with the framing of the joint resolution, and I think my colleagues will bear me out when I say that I sought in no manner to delay the consideration of the question. I should not seek now to delay it if it were not for the situation, as I see it, with reference to the legislative calendar.

Furthermore, Mr. President, I do not see how voting upon the joint resolution and submitting it by Congress prior to the 4th of March will expedite the ratification of the proposed constitutional amendment or its rejection by the States in any respect whatever. By the time it shall have reached the States very few of the legislatures will be in session; it will be practically impossible to secure any final action—I should say it will be impossible to secure any final action—by the present legislatures; there will not be a sufficient number in session to make any considerable showing with reference to action upon the joint resolution. Even if we should incorporate an amendment which would provide for ratification by conventions instead of the legislatures, still no progress would have been made, for the legislatures undoubtedly will have to provide for such conventions. So I can see no progress to be gained in the question of time by reason of our acting upon the joint resolution prior to the 4th of March. There are bills upon the calendar, however, upon which speedy action should be had, and which will lose much of their effect and much of their benefit to those whom we would serve if they are not speedily enacted. I do not think it is practically possible to take up this joint resolution and dispose of these other bills to which I am going to make reference in a moment.

If we take up the joint resolution I think we must make up our minds, as was indicated yesterday by the able Senator from California [Mr. JOHNSON], that any matter of relief legislation either for the farmers or of a general nature must be postponed until after the 4th of March. After the 4th of March there will be no special session called certainly before the middle of March or the first of April; and then it will be, say, the 1st of May before we are organized and before we shall have opportunity to consider and pass upon these questions, act as speedily as we may, and that will rob two of these measures of very much of their benefit.

For instance, we have on the calendar what is known as the bankruptcy bill, or, as I prefer to call it, the insolvency bill, which includes the measure introduced by the Senator from Arkansas [Mr. ROBINSON] looking to a composition of the indebtedness upon the farms throughout the United States. Certainly there can be no measure of more importance for immediate action than that measure; and if it is not enacted at this session hundreds and perhaps thousands of homes and farms will have been forfeited or abandoned, if not held by force, by reason of the delay. It does seem to me that we are confronted with the question of whether we are going to adjourn without having done anything with reference to relief for agriculture or for the general relief of unemployment if we proceed with the consideration of this measure.

I need not say to the Senate how serious the situation in the country is. Every Senator knows it. It would be merely repeating what is in the minds of Senators to say how serious the situation is in the agricultural regions. If something is not done along the lines covered by the bill introduced by the Senator from Arkansas [Mr. ROBINSON], or some measure of that kind, literally thousands of these people are going to lose their farms, unless, as I say, they proceed to do as they have been doing—hold their farms by force.

It is often said that there is impending in this country a revolution; and that, of course, is discounted very largely by many people. Mr. President, there is already a revolution, and it has been consummated in many places. There are places in the United States now where courts can not operate, where the processes of the courts are frustrated by sheer force; and that spreads from the old State of Pennsylvania to the State of Idaho.

I read a day or two ago of where a crowd of farmers took possession of a sale in Pennsylvania and decided how it should be conducted, when it should cease, and under what circumstances the sale should be made. I read in my State that where an effort was made to foreclose a mortgage, the gentleman who undertook to do it was tarred and feathered and sent out of the State. We know what is happening in Nebraska and Minnesota and Iowa.

Mr. President, every farmer in the United States is looking with anxious solicitude to the Congress of the United States to know whether or not anything is going to be done prior to the 4th day of March. If nothing is done by that time, knowing the situation as they will know it, this condition will be accentuated and aggravated beyond the power of language to portray.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I yield.

Mr. KING. The Senator is familiar with the fact that both political parties pledged themselves to submit to the people this question of the repeal of the eighteenth amendment. In view of the pledges of the two parties, does not the Senator think the matter might be taken up and disposed of within a very short time?

Mr. BORAH. I think the parties can control some things, but not time in the Senate of the United States.

Mr. NORRIS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. BORAH. I yield.

Mr. NORRIS. Is it not true that the new Congress is going to convene soon after the 4th of March, and these pledges can be redeemed by the party that will then be in power, and redeemed at a time to which it is only fair to say that all the resolutions of both political parties had reference when they agreed to them?

Mr. KING. Mr. President, will the Senator permit another question?

Mr. BORAH. I yield.

Mr. KING. Does the Senator from Nebraska mean that the Republican Party is absolved from its pledge to redeem the promise made? If not, it is in power to-day. It has the Executive and the Senate. Why should not it proceed to the redemption of its pledge?

Mr. NORRIS. Well, I do not know. The country seemed to go over to the other side and place the responsibility and the power in the Democratic Party. They have not gone into power yet; and I do not want to be so cruel to them as to insist that they carry out their pledges before they get in power.

Mr. BORAH. Mr. President, I recognize that a general pledge touching this subject was made by both parties, and that there is a party obligation to submit this question; and I have no desire to stand in the way of its submission. We are confronted, however, with a situation in which, if this pledge is carried out, it is proof positive that other pledges which have been made can not be carried out; and I am simply contending before the Senate now that we ought to make up our minds at this time as to whether we are going to carry out our pledges with reference to relief of agriculture and unemployment relief. Those were acute questions in the campaign, thoroughly discussed by both parties, and pledges made without any equivocation, far more direct as to one party than the pledge with reference to repeal.

We not only have the insolvency bill to which I have referred, but we also have the unemployment bill, pending on the calendar of the Senate; and both those questions are matters which certainly call for immediate action.

The question with me is, Can we dispose of this joint resolution and also dispose of these other matters? If I thought we could do so, it would not make a particle of difference to me which precedes the other, just so that we are able to dispose of them before the 4th day of March.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. ROBINSON of Arkansas. The questions involved in the joint resolution which the Senator from Wisconsin [Mr. BLAINE] has moved to consider are comparatively simple and few in number. Does not the Senator from Idaho think that if the Senate really wishes to transact business it can dispose of this question and vote on the joint resolution, and also consider the emergency relief legislation, including the amendments to the bankruptcy law to which the Senator has made such impressive reference?

I agree that if a situation is brought about where the Senate must elect between a bill authorizing the composition of farm indebtedness and legislation relating to the liquor question, it would present an embarrassing and difficult situation with respect to the repeal resolution. It seems to me, however, that there are only a few questions to be determined in connection with this subject of submitting a joint resolution for the repeal of the eighteenth amendment; and I say now that there is scarcely a Member of the Senate who does not already know exactly how he is going to vote.

I intend to offer amendments, at the request and suggestion of Senators on both sides of the Chamber, that will reach a resolution as to the preference of the Senate between conventions and legislatures as the agency for ratification, and also an amendment in the nature of a substitute for the joint resolution which will provide for repeal without imposing upon the Federal Government the obligation to prevent the return of saloons or to impose constitutional arrangements for the prevention of the importation of alcoholic liquors into dry territory.

Realizing that it is possible under the rules of the Senate to prolong a debate indefinitely, and knowing that the Senator from Idaho never indulges in the practice of filibustering, I am wondering why we can not do the sensible and practical thing—discuss this joint resolution fairly, and the amendments that are proposed to it, and vote on it.

I desire to make this additional suggestion: If it is necessary to accomplish that end and to pass upon the various bills to which the Senator from Idaho has referred, we ought to be willing to stay in session here of evenings. We always do that toward the close of a session, especially a short session. If the Senate really desires to do business, there is no reason why we can not vote on the motion of the Senator from Wisconsin [Mr. BLAINE] and on the amendments that are proposed to the joint resolution and dispose of this question between now and 10 o'clock to-night, and then proceed to the consideration of the so-called bankruptcy bill and other measures of relief, including the destitution relief bill.

Mr. BORAH. Mr. President, may I make a suggestion there?

Mr. ROBINSON of Arkansas. Certainly.

Mr. BORAH. I have not the faith that the Senator has that we shall be able to do that, and yet I agree with him that there is really no reason why we should not. But, Mr. President, if that is true, the farm bill is now on the calendar; and in view of the fact that that bill has to go to the House, and will undoubtedly take time, would not the Senator from Wisconsin be willing to let us dispose of the farm bill first, with the understanding that as soon as that is disposed of this measure is to follow? That will give us an assurance of doing something for a situation which every Senator here knows is a dangerous one.

Mr. LA FOLLETTE and Mr. BARKLEY addressed the Chair.

The VICE PRESIDENT. Does the Senator yield; and to whom?

Mr. BORAH. I yield to the senior Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, it seems to me that the unemployment relief bill is entitled to precedence over the bankruptcy bill. I am interested in both; but the unemployment relief bill has been on the calendar for many days. I have patiently awaited an opportunity to get it up for consideration, and have received sympathetic assurances from the leaders on both sides of the Chamber that the bill is entitled to consideration; but at every conference I was met with the statement that there was a general understanding that the repeal joint resolution should be given an opportunity for hearing first.

I feel, Mr. President, that I could not agree to the procedure which the Senator from Idaho has suggested, because I feel a certain responsibility and obligation so far as the unemployment-relief legislation is concerned.

Mr. BORAH. Mr. President, I can well understand the feeling of the Senator from Wisconsin. I know his deep interest in the subject, and he has given a vast amount of time to it. He knows the facts of the situation, and I am thoroughly in favor of his measure. I mentioned it as one of the measures we ought to pass before the 4th of March. But I felt this way in regard to the matter, that the States and the cities are, in a measure, taking care of that situation, although I have no idea that they will be able to carry on any great length of time. It seemed to me, in view of the fact that the American farmer, the backbone of law and order in the United States, is now defending his title with force, that there was a necessity for prompt action, not only for the relief which such action would give, but for the psychological effect which it would have upon those who are getting into a state of mind so that we can not foretell what will happen in the United States.

Mr. BARKLEY. Mr. President, which farm bill has the Senator in mind, the one that has been reported from the Committee on Agriculture and Forestry?

Mr. BORAH. I have reference to the bill which has been reported from the Committee on the Judiciary, known as the bankruptcy bill, but really a composition bill, or insolvency bill, which, I think, has tremendous merit. I know that there is a difference of opinion about it.

Mr. BARKLEY. I do not want to get into an argument over that bill now, but, having in mind the farm situation with respect to foreclosure of mortgages, I wanted to inquire

of the Senator whether he thinks the bankruptcy bill, so called, would offer any real relief or remedy to the average farmer?

Mr. BORAH. I think it would offer real relief, and I think it would offer the most immediate relief. The allotment plan, whatever good there may be in it, could not operate sufficiently speedily to protect those who are being sold out. The bill offered by the Senator from Arkansas has speedy action in view. I believe that it would accomplish it in a reasonable way. It would bridge over the chasm until there was a possibility that the people might save their farms and save their homes, either through resuscitation of the economic situation generally or through some relief measure which may be passed by Congress.

Mr. BARKLEY. If the Senator will yield further, I may say that I am in entire sympathy with what the Senator has in mind, and with the plans to alleviate the situation. A subcommittee of the Committee on Banking and Currency has been considering for some days, and has reported to the full committee, a measure dealing with the temporary needs for a period of two years while we undertake to write permanent legislation for the farm-mortgage situation. That measure would not require the farmer to take advantage of the bankruptcy law in order to get the benefits of the relief offered.

Mr. BORAH. The bill of the Senator from Arkansas would not require the farmer to take advantage of the bankruptcy law. He would not even be referred to as a bankrupt; he would be referred to as a debtor, and the other man as a creditor. It would furnish an arrangement by which they might compose their differences and readjust them in accordance with the equities of the situation.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. ROBINSON of Arkansas. The arrangement for compositions contemplated by the bill to which the Senator from Idaho has referred would work in with the bill which the Senator from Kentucky has in mind, to be reported, we hope, from the Committee on Banking and Currency. When compositions are made between farmers and their creditors, if the bill the Senator from Kentucky has in mind, a temporary measure for suspending foreclosure, is passed, it will enable the farmer who has composed his indebtedness in a satisfactory way with his creditors to refinance his obligations over a period, which will save him from seeing his home sold from under him.

The Senator from Idaho is entirely correct; without some arrangement to scale down these debts, it will be impossible, in my judgment, to refinance them under present conditions.

Mr. BORAH. Certainly. As has been said upon the floor of the Senate, the indebtedness of the farmers of the United States now is something like twelve or thirteen billion dollars. That is the amount of the face of the paper. Measured by commodity prices which prevailed at the time the indebtedness was contracted, the debt now amounts to nearer $30,000,000,000, and unless we can do something, such as what is provided in the bill to which we have made reference introduced by the Senator from Arkansas, unless we can scale down the interest, unless we can reduce the mortgage itself, there will be absolutely no hope for the American farmer, because a return of prices of commodities will not come in time to save him. He must have a remedy at hand.

I have gone over all the bills introduced by different Senators who are anxious to deal with the situation, and the only bill that would afford immediate relief and place the farmer in a position where he could really adjust himself to the situation and perhaps get an extension of economic life, in my judgment, is the bill introduced by the Senator from Arkansas.

The allotment plan is lying back in the committee, and the longer it lies in the committee the more it will be opposed. I do not know whether it will be reported or not. If it does, it could not possibly affect favorably the situation until another crop has been sowed and reaped.

Therefore, Mr. President, I beg with all earnestness that we make absolutely certain that the 4th of March shall not pass before we enact a measure which will enable the farmer to get some relief against the crushing forces which are now driving him from his home.

It seems to me nothing less than fair to the situation to put the bill of the Senator from Arkansas ahead of the joint resolution of the Senator from Wisconsin. So far as I am concerned, I do not propose to waste time upon either one of the measures, taking time for the sake of taking time, but I feel rather intense about the fact that we should not put ahead of farm relief the matter of repealing the eighteenth amendment, when the legislatures of the States could not possibly act upon it within the next 12 months.

Mr. SHIPSTEAD. Mr. President, I agree with what the Senator from Idaho has said, although I expect to vote for the joint resolution of the Senator from Wisconsin. I do not see why we can not have a unanimous-consent agreement to vote within a reasonable time. If the consideration of the joint resolution should lead to extended debate, I would be ready at any time to vote to lay it aside for the consideration of more important and more pressing business.

In regard to what has been said here to-day about saving the farmer, I need not recall what has been repeated for the last 10 or 15 years. I do want to call attention, however, to the fact that there are those who now need to be saved other than the farmer. It is very easy to talk about scaling down the debts of the farmer, and that ought to be done, but when it is done, let us bear in mind also, when we are dealing with the debts of the farmers, that we are dealing with the savings of millions of other people. The farm mortgages are piled up in the life insurance companies and savings banks. The savings of the people are invested in these mortgages. If the desire is to save the farmer, bear in mind the savings of those whose funds are invested in the mortgages of the farmers. And if we come to pass legislation to cut the mortgages of the farmers in two, we must frame some compensatory legislation to take care of those who have invested their savings in farm mortgages.

If we write down the face of a farm mortgage, we will have to write down the face value of life insurance policies and savings bank accounts. This will not be necessary if we write down the interest rate rather than principal.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. HATFIELD in the chair). Does the Senator from Minnesota yield to the Senator from Idaho?

Mr. SHIPSTEAD. I yield.

Mr. BORAH. I have talked with the representatives of some insurance companies, and they would a great deal rather have a mortgage on a farm on which the farmer has a chance to pay out than to have a farm which they would have to take over and pay taxes on themselves, run by a tenant who would be less capable than the man who is now on the farm. Their security lies in the fact of getting prosperity to the American farmer. Otherwise their savings are worthless.

Of course, we would have to take into consideration the insurance companies, the policyholders, and so forth, but it is not correct to say that the insurance policies and the savings accounts would be scaled down in the same proportion in which the farm mortgages were, because they are deriving benefit out of the fact that their security is made better by reason of the readjustment which is to be made.

Mr. SHIPSTEAD. Mr. President, I make no denial of anything the Senator has said. I am talking about protecting the savings of the people, and I think it can be done without writing down the face of the mortgages. We can preserve the savings and the principal involved at the expense of income by writing down the interest rates, instead of taking it out of capital savings.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. ROBINSON of Arkansas. Of course, logically the same result would be accomplished by a reduction of the

interest payment where the payment comprehends amortization as by scaling down the debts, although in a less degree.

Mr. SHIPSTEAD. Yes.

Mr. ROBINSON of Arkansas. But the Senator must bear in mind the conditions which now exist with respect to farm mortgages. In many parts of the country those who have their savings invested in farm mortgages are losing them by reason of the foreclosures which are in progress and by reason of the fact that at the sale the property brings practically nothing. The lands are so depreciated and the prices bid are such that those who have savings in farm mortgages are losing far more now than they could possibly lose under the arrangement for compositions contemplated by the bill to which reference has been made. And they realize it. I have encountered no substantial objection on the part of actual investors who are alleged to have their savings in farm mortgages. They know that unless something is done, and speedily done, they will lose practically everything they have invested in those mortgages, and they infinitely prefer an arrangement which will give them good security, even though they have to sacrifice a part of the principal.

If the present condition is permitted to go on and gather volume, we will see a most alarming situation in all the agricultural sections of the country. Farmers are going to the courthouses and objecting to sales for taxes and under mortgage foreclosures, and when sales are made the property is bringing practically nothing. Not only is the investor losing but that measure of confidence and hope which is essential to a revival of business is being constantly diminished.

I do feel, however, that there is no occasion for reaching the conclusion now that so simple a matter as is involved in the repeal resolution must be treated as if it were a subject of great complexity, and debated after the character of frequent proceedings in the Senate for days and weeks. If we desire to do business, and will demonstrate the fact by staying here at night, we ought to vote on this joint resolution before the end of the day.

Mr. SHIPSTEAD. Mr. President, I have no desire to continue the debate on this farm question now, but I want to say a few words of warning lest when we deal with the farm question we do not initiate measures which will bring on a worse condition than exists now.

As I said in the beginning there are two sides to the question. If we begin on the theory of reduction through bankruptcy proceedings, we will have to go through to the ultimate conclusion. We are not going to be able to stop with farm mortgages. We are going to have to cut, possibly by 50 per cent, every bond issued in the United States. Go ahead and do it, but what happens to the liabilities? The liabilities are piled up against these assets. If we are going to take the bankruptcy route instead of some other way of more constructive legislation, we will close every bank in the country and bankrupt every life-insurance company in the country. I do not believe farmers can be saved in that way.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Maryland?

Mr. SHIPSTEAD. I yield.

Mr. TYDINGS. I realize the necessity for solving the farm problem so far as we can, but it strikes me that the purpose of the joint resolution embraced in the motion of the Senator from Wisconsin is well known to everybody. I do not see why at 4 o'clock this afternoon we can not vote on it and all amendments to it.

Mr. BORAH. Very well. Let us get an agreement to that effect right now.

Mr. TYDINGS. Let me say to the Senator from Arkansas that at 4 o'clock this afternoon every man will know what he wants, and we can vote on the proposal and every amendment pending to it.

Mr. ROBINSON of Arkansas. Mr. President, if we can not do it by 4 o'clock this afternoon, we can do it at 9 o'clock to-night.

Mr. BORAH rose.

Mr. TYDINGS. I ask unanimous consent that at 5 o'clock this afternoon the Senate proceed to vote upon Senate Joint Resolution 211 and all amendments thereto, without any further debate of any kind.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. BORAH. I will wait until we hear from the request of the Senator from Maryland.

The PRESIDING OFFICER. Is there objection?

Mr. BROOKHART. Mr. President, it would take until two weeks after the 4th of March to reply to all the arguments the Senator from Maryland has made on the booze question in the Senate during the last year, so I shall object to his unanimous-consent request.

Mr. TYDINGS. Will the Senator set some time to which he will consent? I want to get to the agricultural problem and its solution. That is the only reason why I made the suggestion.

Mr. BROOKHART. Yes; I will agree that a vote shall be taken on the first day of the first session of the new Congress.

Mr. TYDINGS. Here we are, Mr. President, with a great need for agricultural legislation. I, as one who believes in the repeal of the eighteenth amendment, am ready to eliminate all debate, to say not a word about it at all, and to take a vote at this very minute without any debate at all, because every Senator knows how he will vote. No votes are going to be changed by discussion or argument. Therefore I ask unanimous consent that after 2 o'clock, one hour from now, there shall be no further debate on the joint resolution or any amendment offered thereto, and that we shall proceed to vote upon the joint resolution and all amendments offered thereto without any further debate of any kind.

The PRESIDING OFFICER. Is there objection?

Mr. BROOKHART. Mr. President, this is just a little bit worse than the other request, so I object to it.

The PRESIDING OFFICER. Objection is heard.

Mr. BLAINE. Mr. President, I desire briefly to reply to one or two suggestions made by the distinguished Senator from Idaho [Mr. BORAH]. I do not believe the Senate should be led into the assumption that a repeal resolution will pass at the next session of the Congress that will not delay ratification of such a resolution four years. As I understand, there are some 41 or 42 State legislatures now in session. In none of the States in which the legislature is in session is the legislative period less than 60 legislative days. Sixty legislative days carry the final adjournment of the legislature of such States a trifle beyond the 4th of March. There is another class of States which have a 90-day limitation on their legislative sessions. Then there are other States having longer periods of limitation and some without any limitation whatever.

Therefore if the joint resolution is acted upon by this Congress it can go to 41 or 42 State legislatures immediately for action. If that does not occur, if the joint resolution is defeated at this session of the Congress, then Senators can make up their minds that since there will be very few State legislatures meeting in 1934 there will be no chance for ratification whatever until the legislative sessions of 1935. If the convention system is agreed upon as the mode for ratification, then it is obvious that ratification will be deferred about four years, or even more.

Mr. President, the subject of the eighteenth amendment has been a disturbing political question in the country for the last few years. The political parties have finally resolved upon the question very definitely. Now is the time and now is the occasion to carry out that resolve which in my opinion reflects the mature judgment of the people of the country. When the Senator from Idaho [Mr. BORAH] undertakes to exaggerate the importance of the so-called bankruptcy bill in order to displace the consideration of this

repeal measure, it seems to me that the Senate might well be informed of some matters respecting the so-called bankruptcy proposal.

The Senator from Idaho knows full well my opinion about the bankruptcy measure. In my humble opinion, the passage of the measure so far as it relates to agriculture means more distress and harm to agriculture. Unless the bankruptcy measure or insolvency measure, or whatever it may be called, is modified to protect the farmer in his right to his homestead, in his right to his exemptions, then we are placing all that he has in the hands of those who want to tyrannize over him as creditors.

Mr. ASHURST. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Arizona?

Mr. BLAINE. Mr. President, I point this out to show that there is a keen difference of opinion, and it is an easy matter to exaggerate the importance of particular measures, whether they are so-called farm-relief measures or unemployment-relief measures. I have heard the debate going on for the last several years.

I will yield to the Senator from Arizona in just a moment, unless the Senator has something apropos of what I have just said.

Mr. ASHURST. I am sure the Senator does not wish to give the inference—because the Senator is too able a lawyer to give such an inference—that the Congress has power, in dealing with the manner in which the estate of a bankrupt shall be distributed, to override or annul State laws as to homestead exemptions and dower rights. Congress has no such power.

Mr. BLAINE. I appreciate the attitude of the Senator from Arizona. Of course, as the Senator from Arizona well understood when the bill was before the committee, it was my contention that the bill, in so far as it undertook to deprive the farmer of those rights, would be unconstitutional; but the bill as reported out by the committee assumes that authority, and it is proposed to drive that bill through the Congress with that authority in it. I must therefore assume that the other members of the Judiciary Committee, all of whom are distinguished lawyers, disagree with my position respecting the invalidity of those provisions of the bill. I do not believe that those lawyers, all able men and sincere men, would report out a bill which they believe would be held to be invalid and unconstitutional in any of its provisions.

Mr. ASHURST. I hope the Senator will do me the justice to recall that I stated in the committee just what I said here a moment ago. Congress has no power to sweep away the homestead exemption or the dower right which some States have seen fit to grant to their citizens.

Mr. BLAINE. The bill takes the property and all property of the debtor—exempt property, homestead rights, and all other property—and puts it under the control and jurisdiction of the court, and the court may determine the priority of payments out of the proceeds from that property.

It was not my purpose to engage in a discussion of the so-called bankruptcy bill. I merely wanted to point out these matters in order, if possible, to indicate the exaggerations to which men are prone to go in advancing some of their particular theories and opinions.

Mr. President, in my opinion not only can the joint resolution be disposed of but the bill providing for revenue from the manufacture and sale of malted liquors can be passed, the so-called farm-relief measures can be considered and passed, the unemployment-relief measure can be passed at this session of Congress if Congress will get down to work. But if the Senate is to meet at 12 o'clock noon and adjourn or recess before 6 o'clock in the afternoon, with the interminable debate that is carried on, then we can not do it. Senators will recall that we took 21 or 22 days on one bill. One appropriation measure consumed two weeks of the time of the Senate. As I recall, we held night sessions during the consideration of that appropriation bill only on two nights, and then not later than 10 o'clock at night. If the Senate is willing to work, if the Senate is industrious, if we want to consider any of these propositions, if it is our conscientious opinion and belief that these measures should be passed, then we can legislate if we will stay here until a reasonable hour of the night.

Mr. President, I shall not discuss the merits of this proposition; that I shall forbear presently. It could be pointed out as to the great benefits that would flow to agriculture and to the workingmen of this country if we once should take prohibition out of the Constitution and permit the Congress and the States to legislate freely upon the subject; but I am not going to discuss that feature at this time.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Illinois?

Mr. BLAINE. I want first to make a unanimous-consent request; and I do so in the interest of expedition not only of the joint resolution but of all other legislation.

I ask unanimous consent that, beginning at 3 o'clock this afternoon, no Senator shall speak more than once or longer than 15 minutes upon the motion.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. BLAINE. I yield.

Mr. BROOKHART. There has been an enormous amount of debate on this question in the Senate during the last year or two, in nearly all cases from the wet side. It is the wets who have done the talking. They have corrupted the public sentiment of the country; they have brought the big newspapers into line with them; they have created a political situation here that may be binding on the next Congress. At the present time the House majority would stand on one party platform, and, if the Republicans were united, the Senate majority would stand on a different platform.

This is the most controversial subject in the United States, and to bring it up in this short session at this late day, and after all that the wet side of the question has done in the last year is the most unreasonable proposition ever presented to the Senate; and, of course, I shall object.

The PRESIDING OFFICER. The Senator from Iowa objects.

Mr. BLAINE. I am sure the Senator from Iowa can not charge that I have devoted much time of the Senate to a discussion of the wet and dry question. The time that I have consumed on that subject during my tenure here has been very limited. I have desired action, not words.

Now, Mr. President, just another suggestion. I shall renew this request at 2 o'clock this afternoon. I want to be reasonable; there is nothing about the motion that is technical; everyone understands the motion. Therefore I want to suggest to the Senator from Iowa and to other Senators who may object to the unanimous-consent request that, if I can obtain the floor, at 2 o'clock I shall renew my request, placing the hour then at 4 o'clock; and in the event that I can not obtain unanimous consent on some reasonable ground, I shall then ask the Senate to stay in continuous session until this motion can be determined, and we shall undertake to decide whether or not a majority of the Senate can function.

Mr. BORAH. Mr. President, let me say that I have never, as has been previously stated, engaged in a filibuster here, but there are two ways by which one can filibuster; and if there is going to be an undertaking in the first hours of this debate to wear men down physically in order to get a vote, I assure the Senator from Wisconsin that there will be two sides to that proposition.

Mr. BLAINE. I accept the assurance of the Senator from Idaho, but I want to point out to the Senator from Idaho that if he is going to get action upon the so-called bankruptcy bill, if he is going to get action upon other legislation of a general character, he will find that it will require industry and attention, and that we can not adjourn or recess between 5 or 6 o'clock and transact the business of the Senate. It will require night sessions and sometimes,

perhaps, sessions long into the night. It is not a question of wearing men down; it is a question of determining whether or not we are going to pursue a course of industry in the Senate, or are we going to surrender to a small minority.

Mr. BORAH. Mr. President, the Senator is now speaking about a different proposition. I am perfectly willing to utilize all reasonable hours; I am perfectly willing to come here at 10 o'clock in the morning; but, Mr. President, we are not going to stay here all night—I serve notice of that fact—and make any progress whatever.

Mr. BLAINE. Then, Mr. President, I will mellow my request. If we shall not have made some reasonable progress within the next hour or two, I shall request the Senate to stay in session at least until 10 o'clock this evening.

Mr. LEWIS. Mr. President, I rise merely to seek information and direction from the Senator from Idaho. With my colleague, I represent a State wherein is located the city of Chicago, representing one-half of the population of that State. That city, its toilers, its laborers, and its people generally may be said to have a great interest in the measure referred to by the Senator from Wisconsin [Mr. LA FOLLETTE]. A large element in that city have equally a very great interest in the repeal of the eighteenth amendment and the results which may directly flow therefrom.

On the other side are the farmers of the great State of Illinois. My colleague and myself have tried to voice their interest. They are, of course, greatly concerned in any form of relief for agriculture. I therefore wish to ask the eminent Senator from Idaho a question. First, however, I call his attention to the fact that the statement he made on the floor of the Senate a few moments ago, that the so-called bankruptcy bill, to which he has alluded, would carry relief to the farmers in their present unhappy distress, will reach very far, and because of his eminent position here will be circulated generally, so that the belief will prevail that in this particular measure there is a feature of some nature that will give to the farmer as such immediate relief.

I am unable to see in the bankruptcy bill what provision it is that my eminent friend the Senator from Idaho alludes to as covering such a subject and describing such a possibility of relief. I rise to ask the Senator from Idaho, both because of his association with the Judiciary Committee and his well-known position on questions of relief in behalf of the needy, what provision of the bankruptcy bill that is now before us, which many of us have considered in committee, does my eminent friend feel is addressed to agriculture whereby the farmer would get any immediate relief if that bill were passed?

Mr. BORAH. Mr. President, I referred to that portion of the bill which incorporates a measure introduced by the Senator from Arkansas [Mr. ROBINSON], dealing exclusively with the question of the indebtedness between the farmer and his creditors, and which sets up the machinery for composing the differences with some detail. I do not know whether the Senator is referring to the bill that passed the House; that bill contained no such provision; but if the Senator will refer to the bill as it came out of the Judiciary Committee, he will see that we have incorporated in it the bill introduced by the Senator from Arkansas dealing with that subject.

Mr. LEWIS. I do refer to the bill coming out of the Judiciary Committee, and my judgment was, upon reading it, that the provision that permits the composure of obligations between creditor and debtor, as suggested by the Senator from Arkansas, calls for the consent of the creditor to the desires of the debtor, and therefore presumes special negotiations between the debtor and the creditor. We will thus be launched upon individual action on the part of the debtor and the creditor, which will extend through such periods of time that I fear none of us, in view of the tendency of creditors generally, will live long enough to see such a composure as could relieve the farmer who might finally be yielded to or that would be of any benefit whatever to any of those who may be interested. Such is my fear. I would hope to the contrary, but I wish to point out to the eminent Senator from Idaho that that bill as it stands, instead of giving relief to the farmer, turns him over to the creditor to consent to that relief or to withhold it, to the complete destruction of the debtor at the will of the creditor.

Mr. BORAH. Mr. President, I desire to put in the RECORD, in connection with the question asked of me by the able Senator from Illinois, a portion of the bill reported from the Judiciary Committee, beginning with section 75 and including the remainder of the bill.

The VICE PRESIDENT. Without objection, that order will be made.

The portion of the bill referred to is as follows:

SEC. 75. Agricultural compositions and extensions: (a) Courts of bankruptcy are authorized, upon petition of at least 15 farmers within any county who certify that they intend to file petitions under this section, to appoint for such county one or more referees to be known as conciliation commissioners, or to designate for service in such county a conciliation commissioner previously appointed for an adjacent county. In case more than one conciliation commissioner is appointed for a county, each commissioner shall act separately and shall have such territorial jurisdiction within the county as the court shall specify. A conciliation commissioner shall have a term of office of one year and may be removed by the court if his services are no longer needed or for other cause. No individual shall be eligible to appointment as a conciliation commissioner unless he is eligible for appointment as a referee and in addition is a resident of the county, familiar with agricultural conditions therein and not engaged in the farm-mortgage business, the business of financing farmers or transactions in agricultural commodities or the business of marketing or dealing in agricultural commodities or of furnishing agricultural supplies. In each judicial district the court may, if it finds it necessary or desirable, appoint a suitable person as a supervising conciliation commissioner. The supervising conciliation commissioner shall have such supervisory functions under this section as the court may by order specify.

(b) Upon filing of any petition by a farmer or creditor under this section there shall be paid a fee of $10, to be transmitted to the clerk of the court and covered into the Treasury. The conciliation commissioner shall receive as compensation for his services, including all expenses, a fee of $10 for each case docketed and submitted to him, to be paid out of the Treasury. A supervising conciliation commissioner shall receive as compensation for his services a per diem allowance to be fixed by the court, in an amount not in excess of $5 per day, together with subsistence and travel expenses in accordance with the law applicable to officers of the Department of Justice. Such compensation and expenses shall be paid out of the Treasury. If the creditors at any time desire supervision over the farming operations of a farmer, the cost of such supervision shall be borne by such creditors or by the farmer, as may be agreed upon by them, but in no instance shall the farmer be required to pay more than one-half of the cost of such supervision. Nothing contained in this section shall prevent a conciliation commissioner who supervises such farming operations from receiving such compensation therefor as may be so agreed upon. No fees, costs, or other charges shall be charged or taxed to any farmer or his creditors by any conciliation commissioner or with respect to any proceeding under this section, except as hereinbefore in this section provided. The conciliation commissioner may accept and avail himself of office space, equipment, and assistance furnished him by other Federal officials, or by any State, county, or other public officials. The Supreme Court is authorized to make such general orders as it may find necessary properly to govern the administration of the office of conciliation commissioner and proceedings under this section; but any district court of the United States may, for good cause shown and in the interests of justice, permit any such general order to be waived.

(c) At any time within five years after this section takes effect a petition may be filed by any farmer, or by any creditor of such farmer, stating that the farmer is insolvent or unable to meet his debts as they mature, and that it is desirable to effect a composition or an extension of time to pay his debts. The petition or answer of the farmer shall be accompanied by his schedules. The petition and answer shall be filed with the court, but shall, on request of the farmer or creditor, be received by the conciliation commissioner for the county in which the farmer resides and promptly transmitted by him to the clerk of the court for filing. If any such petition is filed, an order of adjudication shall not be entered, except as provided hereinafter in this section.

(d) After the filing of such petition or answer by the farmer, the farmer shall, within such time and in such form as the conciliation commissioner shall determine, file an inventory of his estate.

(e) The conciliation commissioner shall promptly call the first meeting of creditors, stating in the notice that the farmer proposes to offer terms of composition or extension, and inclosing with the notice a summary of the inventory, a brief statement of the farmer's indebtedness as shown by the schedules, and a list of the names and addresses of the secured creditors and unsecured creditors, with the amounts owing to each as shown by the schedules. At the first meeting of the creditors the farmer

may be examined, and the creditors may appoint a committee to submit to the conciliation commissioner a supplementary inventory of the farmer's estate. The conciliation commissioner shall, after hearing the parties in interest, fix a reasonable time within which application for confirmation shall be made, and may later extend such time for cause shown. After the filing of the petition and prior to the confirmation or other disposition of the composition or extension proposal by the court, the court shall exercise such control over the property of the farmer as the court deems in the best interests of the farmer and his creditors.

(f) There shall be prepared by, or under the supervision of, the conciliation commissioner a final inventory of the farmer's estate, and in the preparation of such inventory the commissioner shall give due consideration to the inventory filed by the farmer and to any supplementary inventory filed by a committee of the creditors.

(g) An application for the confirmation of a composition or extension proposal may be filed in the court of bankruptcy after but not before (1) it has been accepted in writing by a majority in number of all creditors whose claims have been allowed, including secured creditors whose claims are affected, which number shall represent a majority in amount of such claims, and (2) the money or security necessary to pay all debts which have priority unless waived, and in case of a composition, the consideration to be paid by the farmer to his creditors has been deposited in such place as shall be designated by and subject to the order of the court.

(h) A date and place, with reference to the convenience of the parties in interest, shall be fixed for a hearing upon each application for the confirmation of the composition or extension proposal and upon such objections as may be made to its confirmation.

(i) The court shall confirm the proposal if satisfied that (1) it includes an equitable and feasible method of liquidation for secured creditors and of financial rehabilitation for the farmer; (2) it is for the best interests of all creditors; and (3) the offer and its acceptance are in good faith, and have not been made or procured except as herein provided, or by any means, promises, or acts herein forbidden. In applications for extensions the court shall require proof from each creditor filing a claim that such claim is free from usury as defined by the laws of the place where the debt is contracted.

(j) The terms of a composition or extension proposal may extend the time of payment of either secured or unsecured debts, or both, and may provide for priority of payments to be made during the period of extension as between secured and unsecured creditors. It may also include specific undertakings by the farmer during the period of the extension, including provisions for payments on account, and may provide for supervisory or other control by the conciliation commissioner over the farmer's affairs during such period, and for the termination of such period of supervision or control under conditions specified.

(k) Upon its confirmation a composition or extension proposal shall be binding upon the farmer and his secured and unsecured creditors affected thereby: *Provided*, That such composition or extension shall not impair the lien of any secured creditor, but shall affect only the time and method of its liquidation.

(l) Upon the confirmation of a composition the consideration shall be distributed under the supervision of the conciliation commissioner as the court shall direct, and the case dismissed. Upon the confirmation of an extension proposal the court may dismiss the proceeding or retain jurisdiction of the farmer and his property during the period of the extension in order to protect and preserve the estate and enforce through the conciliation commissioner the terms of the extension proposal. The court may, after hearing and for good cause shown, at any time during the period covered by an extension proposal that has been confirmed by the court, set the same aside, reinstate the case, and modify the terms of the extension proposal.

(m) The judge may, upon the application of any party in interest, file at any time within six months after the composition or extension proposal has been confirmed, set the same aside and reinstate the case, if it shall be made to appear upon a trial that fraud was practiced in the procuring of such composition or extension, and that knowledge thereof has come to the petitioners since the confirmation thereof.

(n) The filing of a petition pleading for relief under this section shall subject the farmer and his property, wherever located, to the exclusive jurisdiction of the court. In proceedings under this section, except as otherwise provided herein, the jurisdiction and powers of the court, the title, powers, and duties of its officers, the duties of the farmer, and the rights and liabilities of creditors, and of all persons with respect to the property of the farmer and the jurisdiction of the appellate courts, shall be the same as if a voluntary petition for adjudication had been filed and a decree of adjudication had been entered on the day when the farmer's petition or answer was filed.

(o) Except upon petition made to and granted by a court of bankruptcy after hearing and report by the conciliation commissioner, the following proceedings shall not be instituted, or if instituted at any time prior to the filing of a petition under this section, shall not be maintained, in any court or otherwise, against the farmer or his property, at any time after the filing of the petition under this section, and prior to the confirmation or other disposition of the composition or extension proposal by the court:

(1) Proceedings for any demand, debt, or account, including any money demand;

(2) Proceedings for foreclosure of a mortgage on land, or for cancellation, recision, or specific performance of an agreement for sale of land or for recovery of possession of land;

(3) Proceedings to acquire title to land by virtue of any tax sale;

(4) Proceedings by way of execution, attachment, or garnishment;

(5) Proceedings to sell land under or in satisfaction of any judgment or mechanic's lien; and

(6) Seizure, distress, sale, or other proceedings under an execution or under any lease, lien, chattel mortgage, conditional sale agreement, crop payment agreement, or mortgage.

(p) The prohibitions of subdivisions (o) shall not apply to proceedings for the collection of taxes, or interest or penalties with respect thereto, nor to proceedings affecting solely property other than that used in farming operations or comprising the home or household effects of the farmer or his family.

(q) A conciliation commissioner shall upon request assist any farmer in preparing and filing a petition under this section and in all matters subsequent thereto arising under this section and farmers shall not be required to be represented by an attorney in any proceeding under this section.

(r) For the purpose of this section and section 74, the term "farmer" means any individual who is personally bona fide engaged primarily in farming operations or the principal part of whose income is derived from farming operations, and includes the personal representative of a deceased farmer; and a farmer shall be deemed a resident of any county in which such farming operations occur.

## WORK OF THE LEAGUE OF NATIONS FROM JULY 24, 1922, TO SEPTEMBER 30, 1922

Mr. SHEPPARD. Mr. President, I feel justified in fighting this motion with every weapon at my command.

I have addressed the Senate so often on the subject of prohibition that I desire at this time to take up another question.

About 10 years ago—10 years lacking just 6 days—I addressed the Senate on the subject of the proceedings of the League of Nations, and brought those proceedings to July 24, 1922. I now propose to give an account of the league's transactions from July 24, 1922, to September 30, 1922.

### PERMANENT COURT OF INTERNATIONAL JUSTICE

The league's official journal for September, 1922, shows that by September, 1922, the following 34 members of the league had ratified their signatures to the statute of the Permanent Court of International Justice: Albania, Australia, Austria, Belgium, Brazil, Denmark, Finland, France, Greece, Haiti, India, Italy, Japan, Lithuania, Netherlands, New Zealand, Norway, Poland, Portugal, Rumania, Serb-Croat-Slovene State, Siam, Union of South Africa, Spain, Sweden, Switzerland, Uruguay, Venezuela;

That the following 13 had accepted and put into force among themselves the optional clause: Austria, Brazil, China, Denmark, Haiti, Lithuania, Netherlands, Norway, Portugal, Sweden, Switzerland, Uruguay;

That the following had not yet ratified their signatures to the statute: Bolivia, Chile, Colombia, Costa Rica, Estonia, Latvia, Liberia, Luxemburg, Panama, Paraguay, Persia, Salvador.

### BARCELONA CONVENTION OF APRIL 20, 1922

The official journal also shows that by September, 1922, Albania, Bulgaria, United Kingdom of Great Britain and Ireland, India, New Zealand, and Italy had ratified the Barcelona convention and statutes of April 20, 1922, relating to freedom of transit and the régime of navigable waterways of international concern; that Albania, United Kingdom of Great Britain and Ireland, India, and New Zealand had ratified the additional protocol of that date relating to the régime of navigable waterways of international concern; and that Albania and Bulgaria had ratified the Barcelona convention of that date recognizing the right to a flag of States having no sea coast.

### TRAFFIC IN WOMEN AND CHILDREN

The official journal shows further that by September, 1922, the following members of the league had signed the convention on the traffic in women and children, adopted at Geneva, September 30, 1921, and known as the convention of 1921: South Africa, Albania, Australia, Austria, Belgium, Brazil, Great Britain, Canada, China, Chile, Colombia, Costa Rica, Cuba, Czechoslovakia, Estonia, Greece, India, Italy, Japan, Latvia, Lithuania, New Zealand, Norway, Nether-

lands, Persia, Poland and Free City of Danzig, Portugal, Rumania, Siam, Switzerland, Sweden.

That the following members had ratified their signatures: South Africa, Australia, Austria, Belgium, Great Britain, Canada, India, New Zealand, Norway, Siam.

That the following nonmembers of the league had signed said convention: Germany, Hungary.

RATIFICATION OF AMENDMENT TO THE COVENANT

The official journal further shows that by September, 1922, the following members had ratified the amendments to the covenant submitted October 5, 1921: Denmark, Italy; and that Norway had ratified all the amendments except the amendment to article 6.

REPLIES AS TO EXPENDITURE ON ARMAMENTS

It is further shown by the official journal that on June 22, 1922, the Italian Government, from which the league had, on June 7, requested a reply to its letter of January 17, 1922, regarding the resolution of the second assembly on the question of limitation of national expenditure for the next two fiscal years, replied confirming that Government's letter of May 23, 1921, in which was stated a willingness to adhere to the similar resolution by the first assembly, provided all the other league members would also adhere, excluding naval estimates for purposes not connected with war preparations, such as naval instruction, naval signals, and so forth. To an inquiry, dated June 7, regarding the same resolution, the Swiss Government in July, 1918, replied that on September 14, 1921, the head of the Swiss delegation in the assembly had stated the reason preventing the Swiss Government from limiting its military expenditure in 1922 and 1923 to a sum no larger than that of 1921, namely, the unusually small military outlay for that year due to pressure of other expenses; that this temporary condition was disappearing; and that it had hoped to be able not to exceed in 1923 and 1924 the expenditures on armaments in 1922. To a similar inquiry, dated June 17, the Finnish Government answered on July 10, 1922, with a reaffirmation of its letter of April 26, 1921, stating that it welcomed the proposal for a general limitation of armaments, and had adopted a policy of decreasing the period of military service.

On July 10, 1922, the Japanese Government replied to the league's letter of January 19 on military expenditure that said government maintained the attitude expressed in its letter of April 26, 1921; that it desired, however, to draw attention to the fact that the total estimates for military, naval, and air expenditure in its 1922 budget were lower than those of 1921; that a further decrease was in view for 1923; that these reductions seemed to be in conformity with the assembly's recommendation. The Netherlands Government on July 25, 1922, advised that its military and naval expenses were lower in 1922 than in 1921; that it pointed to this fact in connection with the second assembly's armament recommendation. The Norwegian Government on July 26, 1922, pointed to similar reductions in response to the league's inquiries of January 17 and June 7, 1922. On July 31, 1922, the Government of the Kingdom of the Serbs, Croats, and Slovenes advised in response to the league council's decision of January 13, 1922, submitting the recommendations of the first and second assemblies on the subject of reduction of armaments, that it had reduced the numerical strength of its army to the minimum compatible with its necessities; that it was making, and would continue to make, every effort within its power to comply with these recommendations of the league.

REPLIES RELATING TO SECOND ASSEMBLY'S ACTION ON ARTICLE 16

On July 19, 1922, the British Government replied to the league's letter of January 27, 1922, stating that said government approved generally the resolutions of the second assembly regarding article 16 of the covenant, which set up provisional rules for the council's guidance pending compliance with article 26 as to ratification of proposed amendments to article 16, provided the other league members concurred. The British Government added, however, that the meaning of resolution 2 was not clear, but was presumably intended to be merely declaratory, and to mean that the obligation to adopt economic pressure arose only in the specific cases covered by articles 16 and 17, that if it was intended to preclude economic pressure except in case of actual war, a new obligation would be created requiring an amendment to the covenant and beyond the scope of a mere rule, that the resolution should be redrafted to make it clear. The British Government suggested further that the distinction suggested by resolution 14 between civil and military populations was hardly possible under modern conditions, and that the word "civil" had probably crept in through oversight.

The Swedish Government replied on July 21, 1922, to the league's inquiry of January 27, 1922, that it had encountered constitutional and legal difficulties in connection with the question of economic pressure and could not for the present furnish any definite information.

CONVENTION BETWEEN GREECE AND BULGARIA CONCERNING RECIPROCAL EMIGRATION

On July 28, 1922, the mixed Greco-Bulgarian Emigration Commission advised the league that on July 27 it had extended until October 15, 1923, the period fixed in article 4 of the convention between Greece and Bulgaria concerning reciprocal emigration signed at Neuilly-sur-Seine on November 27, 1919. The letter stated that in view of its importance the commission thought the decision should be communicated to the league. The text of the decision accompanied the letter.

PROTECTION OF MINORITIES IN LATVIA

At this point there appears in the league's official journal a letter from Doctor Walters, Latvian minister at Rome, written on July 17, 1922, to Mr. da Gama, Brazilian representative on the council of the league, to whom had been referred the question of minorities in Latvia. The letter began by stating that the writer had received Mr. da Gama's telegram of June 19, 1922, and noted with great satisfaction that Mr. da Gama was now considering the memorandum transmitted by the writer on behalf of Latvia.

The writer, Doctor Walters, then referred to the preliminary report which Mr. da Gama had drafted for the council and challenged its intimation that in the case of protection for minorities Latvia was in the same position as the countries which had concluded treaties with the Allied Powers. He contended that these countries depended on the peace treaties for their boundaries, and to a certain extent for their national life, whereas Latvia was in no such condition; that she was recognized de jure as an independent state by the allied powers without qualification at the supreme council held on January 26, 1921, and later by the other states, that Latvia had made no such agreement as the states in question had made when they accepted articles 86 and 93 of the treaty of Versailles by which they agreed to embody in a treaty with the allied powers such provisions as said powers might deem necessary to protect the interests of the inhabitants differing from the majority in race, language, or religion.

Latvia had undertaken only to approach the league council for the purpose of discussing the protection of minorities, thereby accepting the assembly's recommendation of December 15, 1920, a recommendation not legally binding, not imposing a condition, but expressing a desire, a recommendation based on the principle that the rights of minorities remain within the jurisdiction of the state, and merely appealing to the good will of the state to see that these rights were established. The recommendation had invited the Latvian representative to arrange with the council as to the details involved in the application of such rights. The assembly had not required the creation of any international or supernational law concerning minorities, and still less had authorized the council to draw up any such ordainments. It must above all be remembered, the writer continued, that assembly recommendations must conform to the covenant, which requires that a state's internal government shall in no way be violated.

The assembly had expressed a desire, without exacting it as a condition, that Latvian laws should be brought into harmony with existing general principles, the assumption being that if no agreement should follow, each party would

be where it was at first. Latvia was carrying out socially and legally the principles regarding minorities in the peace treaties voluntarily, and not as a matter of obligation under treaties imposed by force, bilateral in form, but unilateral in reality. She could be bound only by treaties which were really international and reciprocal, and until a reciprocal arrangement for some general scheme of protection for minorities had been reached she reserved the right freely to make her own internal laws. In the meantime there should be drawn up for Latvia, as had been done for Finland, a declaration recognizing that the Latvian guaranties, as set forth in the memoranda Latvia had supplied, were adequate for minority protection. The writer held that if any particular right of minorities in Latvia should be internationalized, or described as a right of general concern, a menacing situation might develop both for Latvia and for peace. Such a course might endow every other State and the league with a political right of intervention if it considered these rights had been threatened. Pursuant to instructions from his government the writer would refuse to sign a unilateral declaration the effect being under the terms of articles 4 and 5 of the covenant that no decision, either as to subject-matter or procedure, could be taken.

THE OPIUM TRAFFIC

The league journal next contains a memorandum sent by the United States Government to the Netherland Government in accordance with the opium convention of 1912 and transmitted by the latter Government to the league for distribution to all league members signatory to the convention.

The first observation in the memorandum relates to the contraband trade in opium in China, dealt with in article 15 of said convention, and states in reference to the fact that the powers having treaties with China had been directed to article 15 that the United States Government had concluded a treaty with China on November 17, 1880, as to commercial intercourse and judicial procedure. By article 2 of that treaty both Governments had agreed to prohibit the importation of opium into the United States by Chinese citizens and the importation of and traffic in opium by citizens of the United States in China. Accordingly, Congress had enacted a law on February 23, 1887, prohibiting importation of opium into the United States by Chinese citizens and the importation, transportation, purchase, and sale of opium on the part of China by citizens of the United States. Every effort had been made to enforce the law, and large quantities of opium had been destroyed by authorities of the United States functioning in China.

The second observation recited section 6 of the act of Congress approved January 7, 1914, relating to import certificates and the regulations applicable thereto, and described further legislation pending in Congress.

The third observation related to the statistics the United States had been compiling as to production, manufacture, and sale of narcotic drugs within its territory and added that it was prepared to communicate through the Netherland Government to the powers signatory to the International Opium Convention an annual report comprising these statistics and such information concerning the illicit traffic in such drugs as would in its opinion assist in combating the opium evil. The United States thought that the adoption of the suggestions in the notes of the Netherland Government on these subjects by all the signatory powers of the international convention would bring about better regulation of the traffic in narcotic drugs.

INTERNATIONAL HYDROGRAPHIC BUREAU

The official journal next contains a notation to the effect that the directing board of the International Hydrographic Bureau at Monaco had advised the league that Egypt had been authorized by its Council of Ministers on March 25, 1922, to become a member of the bureau. The journal noted that this brought the number of countries associated with the bureau to 22.

The journal then presents a summary of information received from the states belonging to the Hydrographic Bureau showing what their hydrographic offices had done in 1921 and intended doing in 1922.

Chile reported that the hydrographic service of its navy in 1921 had made 14 surveys of bays, harbors, and so forth, on the Chilean coast; that 15 charts of ports, anchorages, channels, and portions of the coast of Chile had been drawn and made ready for engraving; that 4 charts were being engraved, 4 others were being drawn, that 2 had been engraved, and 1 reproduced by photolithography. Chile reported further that in 1922 surveys of the western entrance to the Magellan Straits and of the coast of the Province of Tacna had been completed; that 3 new coastal charts, with numerous plans, and 1 plan of ports in the Gulf of Aranco were being engraved, and 3 new plans of various ports were being prepared.

Greece reported that on account of war conditions and the death of its hydrographic director, only work of strictly local nature had been done in 1921 by the hydrographic service of its navy.

Japan reported that the hydrographic service of the Imperial Japanese Navy had made in 1921, 9 new surveys in the Caroline and Marshall Islands, and 2 sketch surveys on the coast of Siberia, 4 resurveys of the coasts of Japan, 4 of Korea, and 2 of Taiwan; had published 11 new charts compiled from Japanese sources, 114 from foreign sources, and 4 miscellaneous; had issued 19 new editions of charts from Japanese sources, 23 from foreign sources, and 18 miscellaneous; had published 3 volumes of sailing directions, 1 list of lights, tide tables for 1922, and a volume of miscellaneous reports on hydrography. Japan further reported that it was engaged during 1922 in making 4 hydrographic surveys on the coasts of Japan and of its dependencies, in making search for and examination of 2 reported shoals, in making observations of tidal currents, in making magnetic surveys at various points in Japan, and in publishing 12 new charts.

Siam reported that the hydrographic office of the Royal Siamese Navy had during the fiscal year 1921–22 made a survey of part of the east coast of Siam and had published 2 charts and 2 tide tables; that the work projected for 1922–23 consisted of 2 surveys of parts of the Siamese coasts and the publication of 6 charts and of the tide tables for 1923.

RELIEF WORK IN EUROPEAN COUNTRIES

The league's official journal here notes that at Paris on February 26, 1921, the council of the league recommended that the League of Red Cross Societies and the International Committee of the Red Cross form a joint council to deal with voluntary relief work in Europe, the council agreeing in such event to notify all league members and ask them for assistance; that after the formation of such joint council the league council on June 22, 1921, so notified and requested league members suggesting, first, free transport by governments of material destined by the joint council for use of distressed areas; second, exemption from customs duty for all such material; third, opportunities for local purchase of foodstuffs and necessities at lowest prices. On July 8, 1922, a reply had been received from Czechoslovakia stating that substantial reductions had been secured in transport rates.

SAAR BASIN

The league journal then shows that on July 27, 1922, the chairman of the governing commission of the Saar basin had written the league a letter advising concerning the work of the advisory council constituted in the Saar territory by the governing commissioners' decree of March 24, 1922, the members of the council having been elected on June 25, 1922. The letter stated that the governing commission had appointed as chairman of the council Mr. Kossmann, a former Reichstag member belonging to the Center Party having a majority in the advisory council; that at the opening of the council's first session the chairman of the governing commission read a message to the council from the commission, a copy of which was attached to this letter to the league. After the reading of the message representatives of the different political parties in the council asked to speak in reply in order to state their political programs. Copies of their addresses accompanied this letter to the league. The advisory council then appointed a com-

mittee to examine the draft rules of procedure for the council drawn up by the governing commission. The commission took under consideration the opinions expressed by the council as to those rules, but acted immediately on the recommendation of the council regarding payment of its members.

STAFF LIST OF SECRETARIAT AND INTERNATIONAL LABOR OFFICE

The official journal next presents a staff list of the secretariat of the league and of the International Labor Office with salaries paid each official and employee in accordance with the first assembly's resolution of December 17, 1920.

REGISTRATION OF INTERNATIONAL ENGAGEMENTS WITH LEAGUE

The official journal for October, 1922, shows that in April, 1922, the British Empire, Denmark, Finland, France, Germany, and Sweden had filed with the league ratifications of the convention of October 20, 1921, regarding the nonfortification and neutralization of the Aaland Islands, that Italy had filed its ratification in May, 1922, Latvia in September, Poland in June. On September 6, 1921, Panama filed its adhesion to the convention of September 30, 1921, on the suppression of the traffic in women and children, subject to ratification. Sweden and Siam, in August and September, 1922, respectively, filed protocols regarding amendments to the covenant submitted October 5, 1921.

CONVENTION OF ST. GERMAIN ON TRAFFIC IN ARMS

According to the official journal, Canada, on July 28, 1922, replied to the league's letter of June 13, 1922, in reference to the arms traffic convention of St. Germain that it was prepared to agree to ratification by His Majesty as soon as all the principal allied and associated powers were prepared to ratify, and subject to safeguards against nugatory action by nonsignatory states. Estonia replied that the question of adherence would be submitted to the next session of the State assembly. Portugal replied that its ratifications of the international conventions signed at St. Germain on September 10, 1919, concerning the liquor traffic in Africa and the control of the traffic in arms and munitions had been delivered at Paris on July 17, 1922.

LIMITATION OF NATIONAL EXPENDITURE ON ARMAMENTS

Siam replied on August 19, 1922, to the league's note of March 8, 1921, regarding limitation of armament that internal conditions made her situation exceptional, but that every effort would be made to limit the military budget for the succeeding two years in accordance with the spirit of the assembly's recommendation.

MINORITIES IN LATVIA

The league journal sets out a letter to the league from Doctor Walters dated July 31, 1922, and giving a detailed account of the condition of minorities in Latvia.

SAAR BASIN AND DANZIG

The league journal sets out the secretary-general's report on the Saar Basin and Danzig, summarizing important features for consideration of the twenty-first meeting of the league council.

INCURSIONS OF BANDS IN FRONTIER DISTRICTS OF STATES BORDERING ON BULGARIA

The official journal contains a copy of a memorandum filed with the league which had been sent on June 19, 1922, by the Bulgarian Government to the Greek, Rumanian, and Serb-Croat-Slovene Governments. It is stated that the Bulgarian Government, actuated by a sincere desire, of which it had given many proofs, to solve the question of the armed bands of which the Serb-Croat-Slovene Government had complained, had proposed on June 9, 1922, that a Serbo-Bulgarian mixed commission should be formed to decide what immediate steps should be taken to restore peace on the frontier and to clear neighboring districts of all elements which threatened peace; that on June 14 the Royal Serb-Croat-Slovene Government sent a reply appearing to indicate that it considered such a commission inadvisable. The Bulgarian State then stated that inasmuch as the object it had in view was cooperation of two official forces in suppressing any threatening movements in the frontier zone, it suggested that the military and administrative authorities on the Serbo-Bulgarian frontier should agree on a plan of common action and should organize telegraphic and telephonic communication between the posts in the frontier zone for the exchange of information relating to movements of armed bands in order to facilitate pursuit.

On July 16, 1922, the Rumanian, Greek, and Serb-Croat-Slovene Kingdoms replied in a note, a copy of which was filed with the league, accepting the Bulgarian proposal, but adding that in order to render the proposal effective the three Governments were of opinion that the Bulgarian Government should withdraw from the frontier zone all officials and State servants and all comitadjis notorious in the countries bordering on Bulgaria, and should in future suppress the activities of the so-called charitable associations which, under cover of charitable work, organized the dispatch of armed bands into the territory of the three Governments to terrorize the population precisely as was done under Turkish rule.

On August 17, 1922, the Bulgarian Government, in a letter to the Greek, Rumanian, and Serb-Croat-Slovene Governments, a copy of which was filed with the league, stated that as a result of the resolution of the Council of the League of Nations adopted at the meeting of July 19, 1922, in which the Bulgarian Government recommended the opening of direct negotiations on the question of armed bands, it noted with pleasure the acceptance of its proposal of June 19, 1922. It was greatly surprised, however, by the preliminary conditions required, stating that the first suggested removal from frontier zone of officials and other persons alleged to be guilty of illegal activities. These demands, the letter continued, contained fresh accusations and imposed responsibilities not established by any inquiry or legal investigation and could not be accepted. The letter insisted in joint action in line with the proposal of June 19.

According to the official journal, Mr. Dendramis, director of the permanent Greek secretariat accredited to the League of Nations, stated in a letter to the secretary general of the league, dated August 18, 1922, that in a note dated June 17, 1922, Mr. Mikoff, the Bulgarian representative accredited to the League of Nations, had requested the secretary general to draw the attention of the league council to the dispute between Bulgaria and her neighbors as a result of the activities of Bulgarian armed bands; that on page 4 of this note it was asserted that Greek armed bands and agitators enter Bulgarian territory. The letter from Dr. Dendramis added that this was so baseless that the Bulgarian Government itself denied ever having made such a statement; that the Bulgarian delegation to the league had said that the rumors that Bulgaria had accused her neighbors of invading her territory with bands was devoid of foundation.

The league's official journal next sets forth a letter from the Serb-Croat-Slovene Government to the league reviewing the dispute with Bulgaria to the time of the Bulgarian note of August 17, already mentioned, and stating that the Serb-Croat-Slovene Government would suggest to Greece and Rumania that the three governments would request that the Bulgarian Government remove notorious comitadjis officials from the frontier to the interior of Bulgaria and cease to allow refugees from neighboring countries to establish themselves on the frontier where they were a source of disturbance.

REPRESENTATION OF CUBA IN THE LEAGUE

On September 11, 1922, Cosme de la Torriente, president of the Cuban delegation in the assembly of the league, addressed a letter to the secretary general asking him in view of paragraph 5, article 7 of the covenant to inform league members and the Swiss Federal Council that under decree 806, issued by the Cuban Government June 1, 1922, the present representatives of Cuba in the Assembly of the League of Nations had been made permanent representatives. The decree of the Cuban Government accompanied the letter. It recited that whereas membership in the league imposed international obligations, the fulfillment of which would materially contribute at the present time to furtherance of friendly relations and to strengthening the

position of Cuba as a sovereign state, the President of Cuba, Alfredo Zayas, by virtue of the powers conferred on him by the constitution and laws and by advice of the Ministry of State, decreed first that the recommendations in the memorandum on the second assembly of the league submitted by Mr. Torriente be approved; second, that the League of Nations auxiliary committee referred to in recommendation No. 12 of chapter 14 of the memorandum, be created and summoned to meet immediately; third, that a department of the ministry of state be created to deal with matters relating to the League of Nations; fourth, that the appointment of the Cuban delegation to the assembly of the League of Nations be permanent, and that in recognition of their valuable services at the second assembly the following gentlemen be appointed to be representatives in accordance with article 3 of the covenant: Messrs. Torriente, Aguero, and DeBlanck, and that Mr. Campa be appointed a substitute representative and secretary general to the delegation, and so forth.

WASHINGTON CONVENTION CONCERNING NIGHT EMPLOYMENT OF WOMEN

It appears in the league journal that on September 4, 1922, the league announced that it had been advised by the Netherland Government of the ratification by that government of the convention concerning employment of women during the night adopted by the International Labor Conference which met at Washington, October 29 to November 29, 1919, and of the registration by that Government of said ratification with the secretariat of the league in accordance with article 406, part 13, of the treaty of Versailles.

REGISTRATION OF INTERNATIONAL ENGAGEMENTS WITH LEAGUE

The official journal of the league for November, 1922, shows that the Czechoslovak Government advised the league on July 24, 1922, that it had decided to respect the régime established by the convention relating to nonfortification and neutralization of the Aland Islands.

PROTOCOLS REGARDING AMENDMENTS TO COVENANT

The league's official journal shows that on October 4, 1922, Bulgaria ratified the protocols regarding amendments to the covenant proposal on October 5, 1921.

TRAFFIC IN WOMEN AND CHILDREN

The official journal notes that on September 18, 1922, adhesion was given by the following British colonies and protectorates to the convention of September 30, 1921, on the suppression of the traffic in women and children: Bahamas, Ceylon, Cyprus, Gibraltar, Hong Kong, Kenya, Malta, Nyasaland, Straits Settlements, Southern Rhodesia, Trinidad.

BARCELONA CONVENTIONS

According to the official journal the declaration of the Barcelona conventions of April 20, 1921, recognizing the right to a flag of states having no seacoast was adhered to on October 9, 1922, by the United Kingdom of Great Britain and Ireland, India, New Zealand, and Newfoundland.

CONVENTION OF ST. GERMAIN ON THE TRAFFIC IN ARMS

It is shown by the league's official journal that on July 28, 1922, the Government of the United States, through its Secretary of State, wrote the league stating that the communication which the secretary general of the league addressed to the Secretary of State of the United States on November 21, 1921, had received careful consideration. The letter from the United States Government, which is set out in the league's official journal, states further that in its communication of November 21, 1921, the league had been so good as to bring to the knowledge of the Secretary of State a resolution adopted on October 1, 1921, by the league assembly suggesting that the importance of ratifying the arms traffic convention of St. Germain should be strongly impressed on all the states signatories thereto, whether members of the league or not, as well as the decision of the council of the league that the assembly's resolution should be brought to the notice of all states which had not notified the league of their intentions on the subject.

The letter then stated that in reply to the inquiry made by the league through its secretary-general in pursuance of this action by the assembly and the council, the Secretary of State begged to say that the terms of the proposed convention had been carefully examined and, that while the Government of the United States was in cordial sympathy with efforts to restrict the traffic in arms and munitions of war, it found itself unable to approve the provisions of the convention and to give any assurance of its ratification. The letter stated further that the Secretary of State also desired to call attention to the fact that the Government of the United States was desirous of cooperating for the purpose of suitably controlling traffic in arms and ammunition, and, to that end, the Congress of the United States had already enacted legislation providing that whenever the President found that in any American territory, or in any country in which the United States exercised extra-territorial jurisdiction, conditions of domestic violence existed, which were or might be promoted by the use of arms or munitions of war procured from the United States, and made proclamation thereof, it would thereafter be unlawful to export, except under such limitations and exceptions as the President prescribed, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

The league journal shows that the Australian Government on August 25, 1922, notified the league that it was prepared to ratify the Arms Traffic Convention signed at Paris on September 10, 1919, its ratification not to take effect until the other signatory powers had ratified, and safeguards had been provided against nugatory action by nonsignatory states.

LIMITATION OF ARMAMENT

According to the league's official journal, Rumania replied on the question of armament limitation on July 1, 1922, that, on account of the threatening position of Soviet Russia, she could not, while that condition continued, entertain any policy of limiting the number of military effectives. On the same subject New Zealand replied on September 30, 1922, that it adopted as its own the answer of the British Government of March 21, 1922, subject to the further reservation that the New Zealand Government might at any time increase its share in the defense of the Empire.

SAAR BASIN

The official journal records a letter from the German Government dated August 18, 1922, asking the league for the early withdrawal of French troops from the Saar Territory, and a letter to the league from the governing commission, dated September 22, 1922, commenting on the German letter and advocating the retention of the troops.

INCURSIONS OF BANDS INTO FRONTIER DISTRICTS OF STATE BORDERING ON BULGARIA

The league journal contains a copy of the note of the Serb-Croat-Slovene Government in reply to the note of August 17 from Bulgaria to the three neighbor governments, stating that in refusing to withdraw from the frontier zone those officials who were aiding and abetting comitadjis and emigrants the Bulgarian Government had asserted that it was accused of actions of which it knew nothing; that it was strange that the Bulgarian Government should be totally unaware of the complicity of these officials in the exploits of the comitadjis; that this ignorance was especially strange in the case of emigrants, since Mr. Stambouliski had admitted in his memorandum to the Genoa conference that the emigrants shared in the activities of the comitadjis, being accustomed to their "idyllic life." The Serb note to Bulgaria added that it was a matter of common knowledge that emigrants had settled in easy reach of the respective frontiers of Bulgaria's neighbors; that practically all the comitadji bands were recruited from the emigrants, and that with the emigrants near the frontiers bands could be more easily organized and raids more readily carried out; that accordingly the Serb-Croat-Slovene Government and the Rumanian Government, being desirous of reaching an agreement in this matter with Bulgaria, considered it im-

perative, before any combined action was undertaken by the four states concerned, that those emigrants at least who had become involved in the activities of the comitadjis should be withdrawn from the frontier zone and sent into the interior.

RUSSIAN REFUGEES

It is noted in the official journal that Finland on August 15, 1922; France on September 4, 1922; and Great Britain on September 7, 1922, had replied to the league circular of August 11, 1922, proposing on the suggestion of the Geneva conference and the league council a form of identity passport certificate for Russian refugees, that they agreed to such unified form.

ASIA MINOR REFUGEES

The league's official journal records contributions for relief of refugees from Asia Minor as follows: Great Britain, £16,000; Canada, £5,000; Greece, 1,000,000 drachmas (about £5,000); New Zealand, £1,000; Sweden, £1,000. Great Britain, in response to the third assembly's resolution, had promised £50,000, conditioned on a similar amount from remainder of league members combined. Denmark had promised £1,000, Brazil, £1,000, Norway, £1,000, Spain, £1,000. The journal published Doctor Nansen's appeal to the world in behalf of these refugees, stating that they were in a deplorable condition, were without money, sufficient clothing, or shelter, and frequently without food, and so forth; that they numbered about 750,000 men, women, and children.

INTERNATIONAL LABOR ORGANIZATION

The journal shows that on September 8, 1922, Estonia advised the league of the ratification of the draft conventions of the International Labor Conference at Geneva October 25–November 29, 1921, first, concerning the age for admission of children to employment in agriculture; second, concerning the rights of association and combination of agricultural workers; third, concerning workmen's compensation in agriculture; fourth, concerning the use of white lead in painting; fifth, fixing the minimum age for the admission of young persons to employment as trimmers and stokers; sixth, concerning compulsory medical examination of children and young persons employed at sea.

On October 7, 1922, Finland advised the league of its ratification of the draft convention for establishing facilities for finding employment for seamen adopted by the International Labor Conference at Genoa June 15–July 10, 1920.

On October 9, 1922, Switzerland advised the league of its ratification of the draft conventions of the International Labor Conference at Washington October 29–November 29, 1919, first concerning unemployment; second, concerning employment of women during the night; third, fixing the minimum age for admission of children to industrial employment; fourth, concerning the night work of young persons employed in industry.

*Twentieth session of the council, held at Geneva on August 31 and October 4, 1922*

At the twentieth session of the council member nations had the following representatives: Spain, Mr. Quinones de Leon, president; Belgium, Mr. Paul Hymans; Brazil, Mr. Domicio da Gama; British Empire, Lord Balfour; China, Mr. Tang Tsai-Fou; France, Mr. Gabriel Hanotaux; Italy, Marquis Imperiali; Japan, Viscount Ishii and Mr. Adatci.

*First meeting (public), August 31, 3.30 p. m.*

"A" MANDATES—THE COMMISSION FOR THE HOLY PLACES

Lord Balfour said that agreement had been reached at the London session in July, 1922, regarding the mandate for Palestine, but that the question of the holy places remained unsettled; that the mandatory power was charged with the difficult task of proposals regarding them, and that the British Government had prepared a scheme intended to do justice to all concerned as far as possible. He added that the members of the council were invited to examine the scheme and consult their governments; that the council was not called upon to make a decision before the governments had opportunity to be heard.

These declarations were noted by the council.

BRITISH PROPOSAL REGARDING HOLY PLACES IN PALESTINE

The British proposal submitted by Lord Balfour to the council in relation to the holy places in Palestine was as follows:

First. Article 14 of the Mandate for Palestine provides that a special commission shall be appointed by the mandatory to study, define, and determine the rights and claims in connection with the holy places and the rights and claims relating to the different religious communities in Palestine; the method of nomination, the composition and functions of the commission to be submitted to the council of the league for its approval; the commission not to be appointed or enter upon its functions without the council's approval. This provision must be considered in connection with article 13, which requires the mandatory to preserve existing rights in connection with the holy places, including the maintenance of the status quo.

Second. To insure that questions affecting Christians should be considered and settled by Christians without the intervention of Jews and Mohammedans, the Holy Places Commission should be divided into 3 subcommissions—1 Christian, 1 Moslem, 1 Jewish—each subcommission to deal exclusively with its own religion, and to have its own president who would preside over its deliberations.

Third. There was to be, as chairman of the commission, an individual of high standing and judicial temperament, and of such character as to insure confidence in his impartiality.

Fourth. In each subcommission should be represented the States and confessions more especially concerned. The Christian subcommission might be composed of a French president, three Catholic representatives (Italian, Spanish, and Belgian), three orthodox (one of whom should be Greek and one Russian), one Armenian, and one or possibly two representatives of the Abyssinians and the Copts, unless both were of same confession, in which case one would suffice. The Moslem subcommission might be made up of an Italian president, with a Palestinian, French, and Indian Moslem; the Jewish subcommission of an American president, with a Palestinian, a British and a Portuguese or Spanish Jew to represent the Sephardia sect.

Fifth. Unanimous report by a subcommission to be final except where the council, under whose guaranty the holy places were to rest, referred back some point for further consideration. Where no unanimous report could be had in a subcommission, the point involved was to be decided by the chairman of the whole commission.

Sixth. Questions affecting more than one religion might be handled by representatives of the subcommissions concerned sitting together; and where no agreement could be reached, the point involved was to be settled by the chairman of the whole commission.

Seventh. The commission to have a secretariat, and the secretary-general to be appointed by the British Government, since the expense of the secretariat would fall on the administration of Palestine.

Eighth. An American citizen reasonably prominent would seem to be most suitable chairman of the whole commission, inasmuch as this would give representation to Protestant communities not otherwise represented on the commission.

Ninth. The chairman of the commission and president of each subcommission to be appointed by the mandatory after consultation between the British Government and the government concerned. Representatives of various confessions to be appointed in consultation with heads of religious denominations concerned, or, if this is not possible, with the governments concerned. These appointments not to be made until approved by the league council.

Tenth. Expenses of chairman of commission and of presidents of subcommissions to be borne by League of Nations. Expenses of representatives of various religious and confessions to be borne by the religious communities they represent. Expenses of secretariat to be borne by administration of Palestine.

Eleventh. If permanent arrangements should be necessary for dealing with questions which might arise in the future

as to interpretation of reports and recommendations of commission, or on new questions, they might be provided by creating small local committees selected and nominated by each subcommission. If these local committees should be unable to agree, the subcommittee concerned, or, if necessary, the entire commission might reassemble.

Twelfth. It was to be clearly understood that the functions of the Holy Places Commission do not include any administrative responsibilities nor any interference with right and duty of the mandatory to preserve order and decorum.

*Second meeting (private), October 4, 3.30 p. m.*

"A" MANDATES—THE COMMISSION FOR THE HOLY PLACES

Lord Balfour discussed the British proposal regarding the holy places in Palestine, which, he said, had been prepared by the British Colonial Office, and which he had submitted to the council on August 31. He said that while this proposal represented an honest effort to solve the problem, and embodied valuable suggestions, many of which would probably be followed in the final settlement, the plan itself had met with the great disfavor from those who represented Catholic opinion throughout the world. Under such circumstances he stated that it would be folly to attempt to force the scheme through, even if the attempt would probably be successful.

Great Britain, the mandatory power, felt, he continued, that it was of the very greatest importance to carry out a plan relating to the holy places with the "consenting feeling," not necessarily with the absolute agreement, of all the great religious denominations concerned, and that resentment in certain very important quarters was sufficient reason for another effort.

He stated that he thought the prejudice against the scheme proposed by Great Britain was based largely on a misunderstanding; that under the scheme the final court of appeal was to be an American Protestant; that he thought there was a very strong feeling throughout the Catholic world that to place a Protestant in that position was to outrage the spirit of history and to offend a great many very strong susceptibilities. To put a Protestant, he said, where he could render opinion on Catholic dogma or Catholic ritual or Catholic ecclesiastical practice and law would be a "gross impertinence" of which the British Government was incapable; and this was not what the Protestant chairman of the commission was intended to do. He was to act only as a court of appeal in a dispute between Christian denominations and not in matters concerning Catholic opinion as such.

Lord Balfour contended that there was advantage in having as a judge one who widely sympathized with the religious sentiments of all concerned and was wholly unconnected with either party to the litigation. The new proposal was an improvement, he urged, over the old system. Under the old system of dealing with the holy places Mohammedans had composed the court of appeal for more than a thousand years. The speaker thought something was gained by substituting on a matter which concerned Christians a Christian judge for a Mohammedan judge, adding that while the Turks and their Mohammedan predecessors controlled Palestine and the holy places decision rested with people "who, whatever their sentiments may be, are not, by common consent, in the forefront of juridical practice."

Again, he said, under the old system the rulers of the country were judges between Christian sects, and the same objection could have been made if a British court of appeal had been designated. So a court of appeal from a country not the mandatory power, entirely separated from the local politics and local interests of Palestine, had been suggested. In view of the developments mentioned, however, Lord Balfour thought the British proposal for a commission for the holy places should not be pressed, and he stated that the scheme in its entirety was to be understood as being no longer before public opinion. Misunderstandings were too easy and explanations too difficult. He said that further efforts to reach common ground among representatives on the council had failed, that he did not consider himself capable of suggesting a remedy, that the difficulties must be settled by the interested powers themselves. The British scheme had been shipwrecked, he stated, by the fact that an American Protestant was to be the arbiter between the contending churches in Palestine, but that when that difficulty was removed others developed, and no agreement was found possible at the time between his colleagues on the council, who represented countries in which the great majority of Christians were Catholic Christians.

He then said that if the powers interested could not agree he did not see how they could ask an outside power to mediate, that he appealed to the representatives of the countries of which he now spoke to make every effort to reconcile views through their governments, views which so far seemed irreconcilable; that unless Catholic opinion could be harmonized, he did not see how a satisfactory conclusion could easily and quickly be obtained. He then stated that there were still other difficulties. It was the duty of the mandatory power not only to find or adopt a solution of differences of opinion within the Catholic community, but to see that justice was done between Catholic and Orthodox, Orthodox and Jew, Orthodox and Armenian, indeed, between all Christian sects which for centuries had made disputing contentions in relation to the holy places. The mandatory power was also to see justice done between Turk and Jew, Christian and Turk, and between all disputing sects that had so long contended over questions of management and ritual, times and seasons of ceremonies relating to these ancient and sacred places.

He observed that next to the great Catholic body in the world stood the Orthodox, the latter, however, not being strongly represented in the League of Nations, the four member nations in which a majority of Christians belonged to the Orthodox being Greece, Bulgaria, old Serbia, and Rumania. While the percentage of Orthodox nations in the league was small, the populations concerned were large, had taken for centuries a deep interest in the holy places, and historically might be said to be more intimately connected with them than the Catholics, although the speaker was well aware that the two had been united in the earlier days when these places began to be officially reverenced by large religious populations. The Orthodox Church had no representative on the council and few representatives in the league, and that no system would be accepted by the mandatory power which did not deal justly with Orthodox nations. There were two difficulties to meet, therefore; the difficulty within the Catholic Church itself which the speaker begged the representatives of the countries in which a majority of Christians were Catholic to do their utmost to settle, and the difficulty of settling disputes between Catholic and Orthodox. He urged a united effort to reach a solution satisfactory to all the world, to Catholic, to Orthodox, to Protestant, and to all others, to the end that peace, order, and decorum might prevail in Palestine.

Mr. Hanotaux remarked that the only course open to the council was to submit the question to the governments interested; that, like Lord Balfour, he thought the first step was agreement among the Catholic powers, and then between Catholic and Orthodox.

Mr. Quinones de Leon and the Marquis Imperiali stated that they would communicate Lord Balfour's statement to their governments; that they felt that their governments would endeavor to the utmost to devise a scheme which would serve as a basis for further deliberation by the council.

The twentieth session of the council adjourned.

*Twenty-first session of council held at Geneva from August 31 to October 31, 1922*

Representation of member nations composing the council at its twenty-first session was as follows: Brazil, Mr. Domicio da Gama (president); Belgium, Mr. Paul Hymans; British Empire, Lord Balfour; China, Mr. Tang Tsai-Fow; France, Mr. Gabriel Hanotaux; Italy, Marquis Imperiali; Japan, Viscount Ishii and Mr. Adatci; Spain, Mr. Quinones de Leon.

First meeting (private), August 31, 5.30 p. m.

QUESTION OF EIGHT STATES OF CHIEF INDUSTRIAL IMPORTANCE; INDIA'S CLAIM

A telegram was read from the Indian Government asking to be invited to send a representative to attend the council when her claim for inclusion among the eight States of chief industrial importance was considered. The question arose as to whether India could be represented on council with right to vote under article 4 of covenant, or whether council sat in connection with this subject as in some sense a court of arbitration. The council asked the opinion of the director of the legal section of the secretariat of the league. He read article 4 of the covenant and article 393 of the treaty of Versailles, stating that in his opinion the council would act as arbitrator; that India could not be both judge and party to the case. All states signing treaty of Versailles had accepted article 393 and the jurisdiction it provided for the council. Moreover, other states were involved in the present question. India might be invited, however, to send a representative to attend the council and present its case. Lord Balfour agreed with the legal director, Dr. Van Hamel. Mr. Hymans approved in principle, but said that if one of the states concerned should be heard the rest might ask the same privilege and endless discussion follow. He said a competent commission had made a thorough inquiry and had prepared a provisional list of states whose claims must be considered. The secretary general of the league stated that the data prepared by the commission would form sufficient basis for a decision; that the present question was one of procedure.

The council decided to inform the Indian Government that while it was ready to hear the Indian representative it suggested for the Indian Government's consideration that it might be better to submit a written statement, as Poland had done.

TRANSFERS IN BUDGET OF 1922

Mr. Tang Tsai-Fou presented a report authorizing certain transfers in the budget of the fourth financial period. Mr. Hanotaux agreed but said that these transfers should be avoided as far as possible. The report consisted of a memorandum by the secretary general calling attention to the fact that the assembly at its second session authorized transfers from one item to another of the same section of the budget, subject to previous sanction by council. Because the Swiss franc had during 1922 appreciated in relation to the gold franc in a manner unforeseen when the budget of 1922 was drawn up, two transfers of small amounts had become necessary to meet charges under two items where the budget allowance would fall a little short. The memorandum proposed that the secertary general be authorized to transfer the sum of 15,000 gold francs from item 3a of the budget, "Salaries, wages, and allowances of the secretariat at Geneva," to item 3b, "Salaries of the house staff at Geneva," thus reducing the former item to 4,091,300 gold francs and increasing the latter to 235,000 gold francs. It also proposed the transfer of 15,000 gold francs from item 21 of the budget, "International blockade committee," to item 16, "Permanent advisory commission for military, naval, and air questions," reducing former item to 60,000 gold francs and increasing latter to 115,000 gold francs.

These proposals were approved by the council.

EXPENSES OF MISSION SENT TO NEUTRAL ZONE BETWEEN POLAND AND LITHUANIA

Mr. Hymans announced that pursuant to the resolution adopted at the eighteenth session Mr. Saura had been appointed sole commissioner and had gone to the neutral zone between Poland and Lithuania accompanied by Mr. Lassitch, a member of the league secretariat, as secretary. The council resolved to charge the expense of this mission to an amount not exceeding 15,000 francs to item 25 of budget, "Unforeseen expenditure, such as special commissions of inquiry, and so forth (subject to special vote of council)", the expense to be apportioned as follows: Salaries and traveling allowances, 9,000 Swiss francs, traveling and transport expenses, 3,000 Swiss francs, unforeseen and miscellaneous expenses, 3,000 Swiss francs.

FINANCIAL POSITION OF LEAGUE

A periodical report on the financial position of the league was submitted to the council by the secretary-general and was merely noted inasmuch as the question was soon to be taken up by the assembly.

PLACING CERTAIN OFFICIALS OF SAAR BASIN TERRITORY AT DISPOSAL OF GERMAN GOVERNMENT

Mr. Tang Tsai-Fou reported on the question involved in the appeal by the German Government on July 23, 1922, for league intervention in a controversy with the Governing Commission of the Saar Basin regarding the placing of certain officials at the disposal of the German Government. The report suggested that negotiations in progress between the parties be permitted to continue and that the parties be so advised. Report adopted.

PRELIMINARY MEASURES IN VIEW OF PLEBISCITE IN SAAR BASIN TERRITORY

Mr. Tang Tsai-Fou submitted a report on the preliminary measures to be taken for preservation of information in connection with the plebiscite in the Saar Territory. He called attention to paragraph 34, chapter 2 of annex to article 50, Versailles treaty, providing that 15 years from date of treaty population of Territory of Saar Basin would be called upon to vote by communes or districts on the three following alternatives: (1) Maintenance of régime established by Versailles treaty and said annex to article 50; (2) union with France; (3) union with Germany—that all persons regardless of sex, more than 20 years old at date of voting, resident in territory at date of signature of present treaty, would have the right to vote; that the other conditions, methods, and date of voting should be fixed by the council in such way as to secure freedom, secrecy, and trustworthiness of voting. He stated that on March 26, 1922, the council had adopted a memorandum by the secretary general concerning steps to be taken for preservation of information in connection with this plebiscite; that in doing this the council meant to take only such measures as were urgently needed to preserve legal evidence.

The speaker believed that no decision should be made at present as to what individuals would be entitled to vote, that no lists of voters should be drawn up at present, and that there should be no interpretation of specific provisions of the treaty. It would be sufficient to provide for the safe-keeping of any local official records which might be useful in determining at the proper time whether a particular individual met the treaty requirements for participation in the plebiscite, copies of the records to be compiled for the use of the council and kept at the secretariat of the league, the work of examining and classifying the records to be done by a provisional records commissioner for the Saar plebiscite, appointed by the league. The commissioner's term should not exceed one year, and his staff, if any, should be provided through agreement with the secretary general.

The report was approved.

SALARY OF REGISTRAR OF PERMANENT COURT OF INTERNATIONAL JUSTICE

The council decided, after considering a letter to the secretary general of the league from the president of the Permanent Court of International Justice, dated August 12, 1922, concerning the salary of the registrar of the court, that, in deference to the wishes expressed by the court, the salary of the present registrar, beginning at 22,000 florins per annum should rise by successive yearly increases of 1,250 florins to 27,000 florins.

TERM OF PRESIDENT OF PERMANENT HYDRAULIC SYSTEM COMMISSION OF THE DANUBE

After considering a report from the Marquis Imperiali, the council decided to invite the Permanent Hydraulic System Commission of the Danube to insert in the regulations concerning its powers and duties set out in article 293, treaty of Trianon, a clause determining the normal term of office of its chairman.

While reserving the right to reconsider the appointment of chairman of the commission when these regulations became effective, the council decided in the meantime to

extend the term of its chairman now in office, the matter to be reconsidered at the end of year if the regulations had not gone into effect by that time.

COMPENSATION OF TEMPORARY MIXED COMMISSION FOR REDUCTION OF ARMAMENTS

Prince Sapieha, member of Temporary Mixed Commission for Reduction of Armaments, having resigned in August, 1922, for health and family reasons, the council approved nomination of Prince Lubomirski as his successor.

COMPOSITION OF ECONOMIC COMMITTEE

Informed by Viscount Ishii that the Japanese Government desired that Mr. Matsuyama should replace Mr. Sakiba as a member of the economic committee, the council assented.

*Second meeting (private), Friday, September 1, 1922, 11 a. m.*

PLAN FOR AN INTERNATIONAL RELIEF ORGANIZATION

Senator Ciraolo, president of the Italian Red Cross, was invited to the council table. The Senator explained his plan for a covenant of mutual insurance between states submitted by him to the Genoa conference and referred by the conference to the League of Nations. It contemplated an international organization for relief and assistance of peoples suffering from disaster established and operated under protection and supervision of the League of Nations, financed by small annual contributions by the various states in proportion to territory, population, and budget. The organization would be directed by the International Red Cross Committee, its technical bodies to be provided by all the Red Cross societies of the world. When a national catastrophe now occurred there was an organization of sympathy but no corresponding organization of relief. Public subscriptions were made and government subsidies contributed, but technical staffs and stocks of material were not forthcoming. There was no provision for organization and distribution of relief, and this had a discouraging effect. Recent examples had shown that private charity, though supported by governments, was inadequate without proper organization. Attention had heretofore been given to the military organization of States, and the time had come for an international relief organization. It was desirable to prepare relief in advance under a definite plan. The member nations of the league had by virtue of article 25 of the league covenant undertaken to encourage and promote the establishment and cooperation of Red Cross organizations in order to mitigate suffering throughout the world. The League of Nations with its lofty aims should be the first to welcome such a plan as the speaker presented.

The Marquis Imperiali presented a report on this plan which had received the approval of the International Red Cross Committee. He suggested that as to the proposal of the plan for wider recognition of the Red Cross in time of peace the council should await the revision of the Geneva convention now in force by the International Red Cross committee, and that as to the plan itself the council should request the secretary general to present a report to the council in time to be considered by it and submitted to the fourth assembly of the league.

Lord Balfour, after discussing the subject, proposed that the report suggested by Marquis Imperiali should cover not only legal and financial, but also political and administrative, aspects. The Marquis Imperiali accepted these suggestions and his proposals as thus amended were approved by the council.

CONTROL AND ADMINISTRATION OF THE VISTULA WITHIN THE TERRITORY OF THE FREE CITY OF DANZIG

Mr. Askenazy, representing Poland; Doctor Sahm, representing Danzig; and General Haking, high commissioner in Danzig for the League of Nations, took seats at the council table.

Viscount Ishii made a report, recommending that the council confirm the decision of the high commissioner of the league in Danzig of September 1, 1921, concerning control and administration of the Vistula within the territory of the free city of Danzig, and that the secretary general be requested to advise the Polish and Danzig Governments of such action and to send them a copy of the speaker's report. These recommendations were adopted after discussion in which Askenazy, Sahm, and Haking took part, Askenazy opposing, Sahm favoring the high commissioner's decision.

*Third meeting (public), Friday, September 1, 1922, 4 p. m.*

SITE FOR POLISH WAR MATERIALS IN DANZIG

The council, after hearing a report from Viscount Ishii on the decision of the league's high commissioner as to the site of a depot for Polish war material in transit through Danzig, from which both Danzig and Poland had appealed, and after hearing the discussion in which Askenazy for Poland, Sahm for Danzig, and the high commissioner participated, adopted Ishii's suggestion that the high commissioner's decision be approved.

REPATRIATION OF PRISONERS OF WAR

The secretary general read to the council in the absence of Doctor Nansen the latter's report on repatriation of prisoners of war. In this report Doctor Nansen stated that he was happy to be able to report to the members of the assembly and the members of the league that he had brought to a satisfactory conclusion the work he had carried out on behalf of the league for the repatriation of prisoners of war. The total number of prisoners thus brought to their homes was 427,886. The report expressed Doctor Nansen's deep indebtedness to the organizations and individuals assisting him, making "very special mention" of the assistance given by the international committee of the Red Cross, "without whose cooperation and practical help the whole work could scarcely have been carried out so rapidly and at such small cost." Then came the following statement of prisoners repatriated by countries and routes:

*Total number of prisoners of war repatriated by the high commissioner of the League of Nations with the assistance of the international committee of the Red Cross from May, 1920, to July, 1922*

(a) Prisoners repatriated from Russia and Siberia:

(1) Via Baltic and overland—

| | |
|---|---|
| Austrians | 16,961 |
| Americans | 7 |
| Armenians | 2 |
| Belgians | 9 |
| British | 20 |
| Bulgarians | 50 |
| Czechoslovaks | 27,120 |
| Danes | 14 |
| Estonians | 11 |
| French | 8 |
| Germans | 33,903 |
| Greeks | 4 |
| Hungarians | 36,097 |
| Japanese | 1 |
| Italians | 1,417 |
| Letts | 11 |
| Lithuanians | 11 |
| Poles | 7,961 |
| Rumanians | 18,140 |
| Russians | 58 |
| Swedes | 18 |
| Swiss | 1,162 |
| Turks | 113 |
| Ukrainians | 134 |
| Yugoslavs | 11,159 |
| | 154,388 |

(2) Via Black Sea:

| | |
|---|---|
| Argentinians | 8 |
| Austrians | 630 |
| Belgians | 12 |
| British | 20 |
| Czechoslovaks | 2,048 |
| Estonians | 5 |
| French | 36 |
| Germans | 1,997 |
| Hungarians | 1,475 |
| Italians | 133 |
| Letts | 61 |
| Poles | 1,746 |
| Rumanians | 901 |
| Russians | 20 |
| Spaniards | 2 |
| Swedes | 5 |
| Swiss | 65 |
| Yugoslavs | 621 |
| | 9,785 |
| Russian refugees from Constantinople | 2,406 |
| | 12,191 |

(b) Prisoners repatriated from Vladivostok:

| | |
|---|---|
| Austrians | 814 |
| Belgians | 3 |
| Bulgarian | 1 |
| Czechoslovaks | 1,178 |
| Germans | 57 |
| Hungarians | 2,596 |
| Letts | 13 |
| Lithuanians | 10 |
| Poles | 874 |
| Rumanians | 649 |
| Turks | 19 |
| Yogoslavs | 607 |
| | 6,851 |

(c) Prisoners repatriated to Russia:

| | |
|---|---|
| (1) Via Baltic and overland— | |
| Russian prisoners of war | 198,486 |
| Interned members of soviet army | 47,712 |
| In addition, a certain number of Estonians, Letts, Lithuanians, and Poles, of Russian prisoners from Czechoslovakia, Austria, and Hungary, and of Hungarian communists were repatriated, making the total of prisoners repatriated to Russia via Baltic and overland | 251,703 |
| (2) Via Vladivostok— | |
| Russians | 2,753 |
| Total: | |
| Via Baltic Sea and overland | 406,091 |
| Via Black Sea | 12,191 |
| Via Vladivostok | 4,604 |
| | 427,886 |

N. B.—These figures are to be taken as provisional only, the final returns concerning distribution between various nationalities not having yet been received.

The secretary general, after reading this report, suggested that the reference to the International Red Cross committee be brought to the attention of that committee, and that the council add its own thanks to the committee.

Mr. Hanotaux agreed. He pointed out that Doctor Nansen had left himself out of account, and said that the council should take this last opportunity of stating that Doctor Nansen had distinguished himself as much in great works of charity as in science; that numberless families owed him a debt of gratitude; that in compensation for its evils, war gave rise to great virtues; that Doctor Nansen was the embodiment of courage and charity; that the work of repatriation was one of the league's greatest achievements, and Docton Nansen had carried it out most worthily.

The council agreed to transmit the last paragraph of Doctor Nansen's report and its own thanks to Doctor Nansen, and to express to Doctor Nansen its deep gratitude for his great services.

RUSSIAN REFUGEES

The secretary general read the report of Doctor Nansen, in the latter's absence, on the work in connection with Russian refugees, adding that Doctor Nansen would soon arrive and would develop and amplify the report before the assembly.

The report stated that Doctor Nansen had appointed a special committee at Constantinople to assist him in administering the fund of 30,000 pounds contributed by member nations of the league and the American Red Cross for the evacuation of Russian refugees from Constantinople; the committee consisting of Colonel Proctor and Mr. Burnier, delegates of the high commission (Doctor Nansen); Mr. Ringland, representing the American relief administration; and Major Davis, of the American Red Cross. Admiral Bristol, United States high commissioner at Constantinople, had approved the American appointments and had agreed to aid the committee. The organization perfected by Doctor Nansen had been instrumental in getting 10,000 Russian refugees out of Constantinople, and in getting permanent employment for about 1,000 in the vicinity. Approximately 18,000 were still to be dealt with in Constantinople, all of whom, however, were not destitute. The acute part of the problem related to the 10,000 now being fed by the American relief administration. Arrangements have been made with Bulgaria and the Russian Red Cross in Bulgaria for the evacuation of about 1,000 Russian invalids and other families into Bulgaria, the Russian Red Cross to assume responsibility for them after their arrival. Steps were being taken for the repatriation of about 1,000 Siberians from Constantinople to Vladivostok. Negotiations were under way with the Jewish Colonies Association and the central Zionist committee for transfer of about 600 Jewish refugees to Palestine, where Jewish organizations were preparing employment for them. On the suggestion of the American Relief Association, the American Red Cross, and on solicitation from representatives of the Soviet Government and refugee organizations, steps for reparation of all or a large part of Russian refugees in Europe were being considered by Doctor Nansen.

ADVISORY OPINIONS FROM PERMANENT COURT OF INTERNATIONAL JUSTICE

The Marquis Imperiali reported that the council had received from the Permanent Court of International Justice advisory opinions on the three questions the council had addressed to the court relative to the nomination of the worker's delegate to the Netherlands for the third International Labor Conference, the competence of the international labor organization in regard to agriculture, and the competence of the international labor organization in regard to proposals for the organization and development of methods of agricultural production and similar questions. The speaker proposed that the council transmit these opinions to the director of the international labor office, the director to be asked to communicate the opinions to States which are members of the labor organization, but not of the league. He understood that state members of the league had already received copies. The proposal was adopted.

REPAYMENT OF EXPENSES OF NORWEGIAN VILNA CONTINGENT

Mr. Irgens, representing the Norwegian Government, was invited to the council table. Mr. Hymans summarized the documents relating to expense of the Norwegian Government in raising troops for Vilna, stating that the question of repayment to a government of expense incurred in raising a special force had still to be settled. There was a precedent, he said, in the cases of Sweden and Denmark. The council had decided on May 12, 1922, that in view of the special character of expenses incurred by Sweden and Denmark, which were quite exceptional as compared with the normal expenditures of these countries, the sums in question should be repaid by a credit to the draft budget to be sent to all league members on June 4, and that Poland and Lithuania should be approached for repayment of sums for which they had been asked, and for sums now under discussion. Mr. Hymans suggested that in view of these precedents the council should renew its decision of May 12, 1922, and comply with request of the Norwegian Government.

The secretary general thought the proper procedure would be to submit the Norwegian Government's claim to the assembly as a supplement to the budget; that it should be left to the assembly to say whether sums like this should be regarded as recoverable. The secretary general's suggestion was agreed to.

MINORITIES IN ALBANIA

Mr. Frasheri, representing Albania, was asked to the council table. Mr. da Gama reviewed the question of minorities in Albania; said that the Albanian report of July 7, 1922, had been transmitted to members of the council; that it gave detailed information on the general elections of 1920 for the Legislative Parliament, on the education of minorities, and the situation of religious communities. He said that it had not yet been possible for the Albanian Government to submit to the Parliament the laws mentioned by the Albanian representative at the council meeting of May 12. He proposed that the council make note of the Albanian report of July 7, 1922, and instruct the secretary general to collect and submit to the council in due course further information concerning the legislative measures relating to legal status of religious communities, churches, convents, schools, and voluntary establishments of racial, religious, and linguistic minorities in Albania. The proposal was accepted.

MINORITIES IN ESTONIA

Mr. Pusta, Estonian representative, was invited to the council table.

Mr. da Gama, in a report on Estonian minorities, expressed the opinion that the obligation assumed by the Estonian Government in its declaration of September 13, 1921, implied the acceptance of stipulations conforming to those in the various treaties already in force for the protection of minorities. He said that such treaties had been concluded with Poland, Rumania, Czechoslovakia, and the Serb-Croat-Slovene State; that stipulations for protection of minorities had been inserted in the treaties of peace with Austria, Bulgaria, and Hungary; that these provisions relating to minorities had been placed under the guaranty of the league; that similar stipulations had been embodied in certain other treaties which had not yet come into force; that Albania in a declaration to the council on October 2, 1921, and Lithuania by declaration of May 12, 1921, had assumed obligations for protection of minorities generally similar to those in the various treaties.

He stated that the minority protection provisions of these treaties formed the basis of the third section of the German-Polish agreement relating to upper Silesia concluded at Geneva May 15, 1922. That this section (arts. 64–158) contained detailed clauses relating to rights of minorities in both German and Polish parts of upper Silesia. He gave it as his judgment that the international obligations of Estonia as to protection of minorities should be defined in a declaration to the council of the League of Nations conforming as far as possible to these treaties. Inasmuch as representatives in council had not had full opportunity to examine his written report, and the comments of the Estonian representative thereon, he suggested that the matter go over to a later meeting of the present session. Agreed to.

INTERNATIONAL INSTITUTE OF COMMERCE

The secretary general reported that he had received from the president of the International Parliamentary Conference on Commerce a recommendation adopted at its eighth assembly expressing the hope that the council of the League of Nations would recognize the International Institute of Commerce as its organ for commercial documentation, without, however, interfering with its autonomy. The secretary general asked authority to forward the recommendation to the economic committee of the league, which was now considering the general question of organization of international statistics. The council instructed the secretary general to take this action, with a request that the economic committee consider the matter at its current session.

*Fourth meeting (public), September 2, 1922, 11.45 a. m.*

APPOINTMENT OF SAAR MEMBER OF SAAR BASIN GOVERNING COMMISSION

Mr. Tang Tsai-Fou reported that the appointment of Doctor Hector as the member from the Saar territory of the Saar Basin Governing Commission would expire September 20, 1922; that representatives of certain political parties in the Saar territory claiming that the parties held 26 out of the 30 seats in the advisory council had recently transmitted to the secretary general of the league, through the governing commission, a request that Doctor Hector be not reappointed, and the further request that the population of the advisory council be permitted to suggest names of candidates possessing that confidence.

Mr. Tsai-Fou stated that a petition had been received through the governing commission from the Chamber of Agriculture of the Saar territory disagreeing to this request, and asking the appointment of Doctor Hector. Further petitions, the speaker said, had been received through the governing commission from farmers or farmers' organizations both for and against Doctor Hector's reappointment. The council adopted a resolution proposed by Mr. Tsai-Fou to the effect that Doctor Hector be reappointed for one year from September 20, 1922, and that the thanks of the council be conveyed to him for the services he had rendered to the League of Nations during his period in office.

APPOINTMENTS TO AND RESIGNATIONS FROM THE STAFF OF THE SECRETARIAT

The council received and offered a report from the secretary general of the league containing appointments, promotions, and resignations in the staff of the secretariat of the league since the last session of the council.

FINANCIAL SITUATION OF DANZIG

General Haking, Danzig high commissioner for the League of Nations, and Doctor Volkmann, representative of Danzig, discussed before the council and Mr. Askenazy, a representative of Poland, the report of the provisional economical and financial committee of the league on the financial situation of the Free City of Danzig, referred to the Danzig Government by the council on May 18, 1922. The reply of the Danzig Government and of the high commissioner, dated August 24, 1922, as well as the observations of the commissioner and Doctor Volkmann at the present meeting, were referred to the provisional economic and financial committee of the league for consideration, with the request for a further report at the earliest convenient moment.

NATIONAL STATUS OF INHABITANTS OF B AND C MANDATED TERRITORIES

Mr. de Leon reported on the question of the national status of inhabitants of B and C mandated territories which had been discussed at the August session of the Permanent Mandates Commission on the request of the council at its meeting of May 12, 1922.

The report of the commission proposed first, that in order to carry out the spirit of article 22 of the covenant, the native inhabitants of B and C mandated territories should be granted a national status wholly distinct from that of the nationals of the mandatory powers; second, that a special law of the mandatory powers should determine the status of these native inhabitants who might be designated as "administered persons under mandate" or "protected persons under mandate of the mandatory power"; third, that it was open to B and C mandatory powers to make arrangements in conformity with their own laws for the individual and purely voluntary acquisition of their nationality by inhabitants of these territories. The report then summarized the reasons for these proposals, setting forth in reference to the third, that it would be contrary to the spirit of the covenant and to the essence of the institution of the mandates to permit compulsory naturalization by a single act of all the inhabitants of B and C mandated territories—that the treaty of Versailles, by the terms of which the former German colonies were handed over to the principal allied and associated powers to be administered on behalf of the League of Nations by powers called mandatories, contained no clause imposing the nationality of the mandatory power on the inhabitants of those colonies; that specific authority for a step of this kind would have to be found in the treaty itself.

The council decided on motion of Mr. de Leon to postpone final decision on these proposals, meanwhile to forward them to league members, requesting the especial attention of mandatory powers, and to inform them that the proposal would be discussed at the next session.

PETITIONS FROM INHABITANTS OF MANDATED TERRITORIES

Mr. de Leon reported on the memorandum of the British Government submitted to the council on July 22, 1922, and suggesting procedure in respect to petitions to the league by communities or sections of the populations of mandated territories. The speaker proposed that consideration be postponed to a subsequent session; that the British Government's suggestions be forwarded to the Permanent Mandates Commission with a summary of the council's procedure on petitions from minorities or from inhabitants of Saar Basin; that this commission be requested to report not later than the end of 1922; that the council would then be in a position to discuss the British Government's suggestions and to make suitable decision.

REPORT OF HEALTH COMMITTEE

Mr. Hanotaux reported on the work of the health committee at its fourth session, which had been held at Geneva,

August 14–21, 1922. He stated that the results of this work were given in a report which had been held at Geneva, August 14–21, 1922. He stated that the results of the work were given in a report which had been submitted to the council. This report may be analyzed as follows:

ANALYSIS OF REPORT OF HEALTH COMMITTEE OF THE LEAGUE OF NATIONS TO COUNCIL ON SEPTEMBER 2, 1922, ON THE WORK OF THE FOURTH SESSION (AUGUST 14–21, 1922)

This report just takes up the health committee's negotiations with the International Health Board of the Rockefeller Foundation. It stated that the council at its nineteenth session had considered the correspondence between the International Health Board of the Rockefeller Foundation and the secretariat of the league; that the council had expressed its gratitude to the Rockefeller Foundation for its generous assistance in the construction work undertaken by the health organization of the league, and had invited the health committee to consider the details and the administration of the funds placed at its disposal for the purposes proposed by the Rockefeller Foundation. The report stated further that after thorough discussion the health committee had adopted the text of two letters, including a draft agreement to be addressed to the secretary general of the League of Nations to the International Health Board of the Rockefeller Foundation. Appendix 1 of the report sets out the first of these proposed letters. This letter begins by referring to Mr. Wicliffe Rose's letter to Doctor Rajchman of June 14, 1922, in which he stated that the executive committee of the International Health Board of the Rockefeller Foundation at its meeting of June 12, 1922, had authorized the officers of the board to enter into an arrangement with the health organization of the League of Nations for the maintenance of an international interchange of public-health personnel on an international scale for a period of three years, beginning October 1, 1922, and for this purpose to commit the board for a sum not to exceed $60,000 for any one year.

The letter then stated that Mr. Wickliff Rose also suggested the formulation of an agreement which might be adopted to this end by the League of Nations and the Rockefeller Foundation. The letter then avers that the signer thereof, the secretary general of the league, proposed in response to this generous offer of the Rockefeller Foundation and with the approval of the council of the League of Nations that the suggested agreement should be embodied in the following articles:

1. This agreement is made between the League of Nations acting through the secretary general on the one hand, and the Rockefeller Foundation acting through the executive committee of the International Health Board on the other hand for the maintenance of an international interchange of public-health personnel on an international scale.

2. The health organization of the League of Nations to establish and maintain an international exchange of public-health personnel as a separate branch of its work, to begin operations not later than October 1, 1922, continuing thereafter for not less than three years unless by mutual agreement between the league and the foundation some other arrangement is made.

3. The work of the interchange of public-health personnel to be conducted along the following general lines:

(1) To bring public-health administration in different countries into closer relationship with each other.

(2) To make comparative examination of the organization and of legislation regarding public health in different countries.

(3) To endeavor to obtain the cooperation of the public-health administrations for the purpose of agreeing on a uniform standard of public health and uniform regulations.

To bring about these objects it will be necessary—

A. To organize meetings of public-health officials from various countries and make it possible for these officials to remain for a certain time attached to the health services of other countries so that—

(a) They may have opportunities of exchanging views on health problems.

(b) They may have opportunities of acquainting themselves with the public-health organizations of those countries, with their methods of applying regulations, and with the duties of health officials.

(c) To make grants toward the expense of sending from time to time a small number of health officials to study on the spot the public-health organizations in other countries, the methods of applying regulations and the duties of health officials.

(4) Annual reports of the administration of the interchange of public-health personnel to be made to the Council and Assembly of the League of Nations and copies thereof to be forwarded regularly to the International Health Board of the Rockefeller Foundation. Representatives of foundation to be kept closely and regularly informed of the activities of the interchange of public-health personnel.

(5) The Rockefeller Foundation to pay an annual subvention to meet the expense of the interchange of public-health personnel, not to exceed $60,000 a year for each of three years, 1922–23, 1923–24, and 1924–25.

(6) The foundation to pay the annual subvention in quarterly installments beginning October 1, 1922, directly to the financial director of the secretariat of the League of Nations.

(7) The financial director of the secretariat of the League of Nations to administer the subventions as a separate fund for the maintenance of the interchange of public-health personnel, to be known as the interchange of public-health personnel fund, and to make disbursements therefrom at the direction of the secretary general of the League of Nations after a budget has been approved by the health organization of the league.

(8) The special accounts of the financial director for the interchange of public-health personnel fund to be audited as directed by the council of the League of Nations.

(9) Annual statements of account of the interchange of public-health personnel fund to be rendered to the council and assembly of the League of Nations, and copies thereof to be forwarded regularly to the International Health Board of the Rockefeller Foundation.

(10) These articles of agreement may be modified by mutual consent of the council of the League of Nations and the Rockefeller Foundation.

(11) These articles have been approved by the council of the League of Nations and will become effective on approval by the International Health Board of the Rockefeller Foundation.

The letter then states that the foregoing articles of agreement, having been approved by the council of the League of Nations, now await the approval of said board.

Appendix 2 of the report sets out the second suggested draft letter to the Rockefeller Foundation. This letter begins by referring to a letter from Mr. Wicliffe Rose to Doctor Rajchman of June 14, 1922, in which Mr. Rose stated that the executive committee of the International Health Board of the Rockefeller Foundation at its meeting on June 12, 1922, had authorized the officers of the board to enter into an arrangement with the health organization of the League of Nations for the maintenance of a special international service of epidemiological intelligence and public-health statistics on an international scale for a period of five years beginning January 1, 1923, and for the purpose to commit the board for a sum not to exceed $32,840 for any one year. This second letter then stated that Mr. Wicliffe Rose also suggested the formulation of an agreement which might be adopted to this end by the League of Nations and the Rockefeller Foundation. It is next stated in this letter that the signer thereof, the secretary general of the league, proposed in response to the generous offer of the Rockefeller Foundation and with the approval of the council of the League of Nations that the suggested agreement should be embodied in the following articles:

1. The agreement is made between the League of Nations acting through its secretary general, on the one hand, and the Rockefeller Foundation acting through the executive committee of the International Health Board, on the other

hand, for the maintenance of a special international service of epidemiological intelligence and public-health statistics on an international scale.

2. The health organization of the League of Nations to establish and maintain a special international service of epidemiological intelligence and public-health statistics as a separate branch of its work, to begin operation June 1, 1923, continuing thereafter not less than five years unless by mutual agreement between the parties some other arrangement should be made.

3. The work of the special international service of epidemiological intelligence and public-health statistics to be conducted along the following general lines:

(1) The service to undertake to obtain, study, and distribute information regarding disease in different countries, including medical statistics, with the object of adding to the knowledge on which public-health measures, national and international, are based. To bring about these ends the service will—

(a) Study the simplest and most reliable methods of obtaining information regarding the incidence of disease and the progress of epidemics.

(b) Make a comparative study of public-health statistics of different countries.

(c) Study world distribution of particular diseases.

(d) Make a comparative study of the incidence of particular diseases in different countries and their public-health statistics with a view to determining the nature and practical significance of observed difference between them.

(e) Study the periodicity of epidemics and the factors which cause or influence such periodicity.

(f) Organize, with the concurrence of the public-health administrations of the countries affected, missions of inquiry regarding the development of epidemics, or for the other purposes heretofore indicated.

(g) Publish and distribute special reports and periodical bulletins.

(h) Review the public health of the principal countries of the world with a view to the issue, circumstances permitting, of reports on the subject as a whole.

(i) Organize a rapid interchange of information regarding particular diseases where immediate action seems necessary.

(j) Employ at headquarters or elsewhere experts provided with requisite assistance and technical equipment.

The remainder of the articles and of the letter are of similar import as the corresponding portions of the first letter.

The report states further that after adopting these letters the health committee empowered the medical director to prepare for the Rockefeller Foundation a budget of the expenditure involved in the first scheme of interchange of public-health personnel for 1922.

The health committee's report then takes up further the interchange of public-health personnel. It states that at its third session, held in May, 1922, the health committee had instructed the medical director to take the necessary steps to effect an interchange of sanitary staff between different countries, at least as a provisional and experimental measure, esteeming it of the greatest utility for sanitary officers to become acquainted with practical solutions of public-health problems as well as with the organization of public-health services in various countries. Accordingly, steps had been taken for a first experiment which would be tried at Brussels in October, 1922. Some 23 medical officers of public health would be commissioned by the public-health administrations of different countries—Belgium, Bulgaria, Czechoslovakia, Italy, Poland, Russia, Serb-Croat-Slovene State—to proceed to Brussels. The director of Belgian public-health services would give a series of lectures describing in detail the working of the public-health services of the country and would explain the principles of Belgian sanitary legislation, and so forth. The medical officers would then make, for a period of two months, a similar study in various countries selected by their national health administrations, principally in Italy, Poland, and the Netherlands. The health committee had at this third session recommended, first, that the medical director proceed with the study and application of the scheme he had submitted for a collective system of interchange of public-health personnel during the present year; second, that he at once undertake negotiations for future experiments and submit further proposals at the next meeting; third, that he submit at the same time proposals for the most suitable means of interchange of public-health personnel on an individual basis and in respect of countries in any part of the world; fourth, that the plan for collective interchange of public-health officials should, so far as theoretical instruction was concerned, provide for instruction limited to a study of health legislation and health administration, and should be based on a period of practical instruction in the health service of the country concerning which the instruction was given, it being understood that the instruction was intended above all as a preparation for the practical work; fifth, that the committee congratulated itself on the temporary cooperation of the Rockefeller Foundation in the organization of an interchange of public-health personnel and considered it indispensable to the completion and permanence of such an organization that the credit provided in the league budget for this purpose be retained.

The health committee's report then took up the report of the epidemic commission of the League of Nations, stating that the commission had been amalgamated with the health organization of the league in accordance with the resolution of the second assembly, and had been placed under the direction of the health organization and of the medical director in accordance with the council's resolution of January 14, 1922. Accordingly, the present report of that commission had been presented to the health committee for consideration. The health committee's report then proceeded to comment on the report of the epidemic commission, saying that it was doing a work of great value. It had aided in the establishment and maintenance of disinfecting, cleansing, and observation stations on the main routes by which infection was constantly being brought from Russia westward into the border states, especially Poland, in making improvements in hospitals for infectious diseases in internment camps and establishments for repatriates and refugees, and had helped in other ways in resisting disease.

I have concluded my summary of what happened in connection with the league from the time I left off 10 years ago to the meeting of the assembly of the league in September, 1922.

I now take up the third assembly of the League of Nations, which met at Geneva September 4, 1922. The session began on Monday.

THIRD ASSEMBLY OF THE LEAGUE OF NATIONS, GENEVA, SEPTEMBER 4, 1922

*First meeting Monday, September 4, 1922, 11 a. m.*

ADDRESS OF ACTING PRESIDENT

The first meeting of the third assembly of the League of Nations was declared to be open on September 4, 1922, 11 a. m., at Geneva, by Mr. da Gama, Brazil, acting president of the council of the league. He said that his regret at being absent from Brazil on the first centenary of its independence was mitigated by the fact that he was taking part in an international enterprise of high importance, that the League of Nations had now become so integral a part of the political system of the world that it was already indispensable, that the annual reports of the activities of the council were the best retort to the critics and enemies of the league, that the assembly must have for its object the continuance of the work which had begun in a spirit of international cooperation, that there was no danger that the league would become a superstate, that the sovereignty of states remained unimpaired, that difficulties were inevitable but with perseverance and faith would be overcome.

APPOINTMENT OF CREDENTIALS COMMITTEE

Jonkheer Loudon, Netherlands, proposed the following committee on verification of credentials: Mr. Albert Mensdorff-Pouilly-Dietrichstein, Austria; Mr. Tang Tsai-Fou, China; Mr. de Aguero Y. Bethancourt, Cuba; the Maharajah Jam Sahib de Nawanager, India; Doctor Velasquez, Para-

guay; Mr. Leon Plucinski, Poland; Mr. Yovanovitch, Serbia; Mr. Fernandez y Medina, Uruguay. This proposal was adopted, and the acting president, suggesting that the committee should sit immediately, adjourned the meeting of the assembly.

*Second meeting Monday, September 4, 1922, 4 p. m.*

REPORT OF COMMITTEE ON CREDENTIALS

At the opening of the second meeting Mr. de Bethancourt, chairman and rapporteur of the committee, submitted the report on credentials. The credentials of delegates of the following states were found in order: Albania, Australia, Austria, Belgium, Brazil, British Empire, Bulgaria, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Estonia, Finland, France, Greece, Guatemala, Haiti, India, Italy, Japan, Latvia, Liberia, Lithuania, Netherlands, New Zealand, Norway, Panama, Paraguay, Persia, Poland, Portugal, Rumania, Serb-Croat-Slovene State, Siam, South Africa, Spain, Sweden, Switzerland, Uruguay, Venezuela.

ELECTION OF PRESIDENT—HIS ADDRESS

Mr. Augustine Edwards (Chile) was elected president of the third assembly. He thanked the assembly for what he called a tribute to Latin America, and to his native country, Chile, saying that the Latin American nations, on the eve of their periodical conference at Santiago, would be happy to receive from the assembly proof that they were regarded as essential to the great cause for the maintenance of peace and international justice. He said he was sensible of the responsibility he was assuming, of the prestige conferred on the presidency by his predecessors, Mr. Hymans and Mr. Karnebeek, whose examples he would try to follow; that to the first assembly had fallen the task of creating and beginning the work of the League of Nations; that the second assembly had instituted the Permanent Court of International Justice; that it would be for the third assembly to strengthen and coordinate the organization necessary to assure a general cooperation of the nations.

COMMITTEES

On the president's proposal the assembly decided, as in previous years, in accordance with traditional procedure, to appoint six general committees and a small committee to examine questions proposed for the agenda during the meetings of the assembly, the small committee to be composed of Mr. Hymans, of Belgium; Mr. Blanco, of Uruguay; Lord Robert Cecil, of South Africa; Mr. Erich, of Finland; Mr. Dissesco, of Rumania.

*Third meeting, Tuesday, September 5, 1922, 12 m.*

POSTPONEMENT OF ELECTION OF VICE PRESIDENTS

On the president's proposal, it was decided to defer the election of vice presidents until Wednesday morning, September 6, at 10 o'clock.

REPORT OF COUNCIL

The president proposed that the report of the council on its work and its measures taken to execute the decisions of the assembly be taken up and discussed in detail. The Count de Gimeno (Spain) asked if a question of procedure could be taken up before electing the six vice presidents and thus constituting the general committee. The president replied that though article 8 of the rules of procedure prescribed that the president should be assisted by the officers of the assembly in his conduct of the proceedings, this did not prevent the assembly from deciding as to the order in which it would deal with questions on the agenda. Mr. Hymans, Belgium, asserted that article 8 did not imply that the president could do nothing without consulting the general committee. By a vote of 18 to 16 the assembly decided to continue the discussion on the procedure to be adopted in dealing with the report of the work of the council.

Lord Robert Cecil (South Africa) said that while the president's suggestion was valuable there were objections, that on previous occasions the assembly had felt so strongly the difficulty of detailed discussions at the outset that it had decided to discuss in detail no specific item or proposal until it had been referred to a committee and until that committee had made recommendations; that this procedure had worked well. He said that without previous examination the debate on any question would, in his opinion, lose interest; that the president's proposal might lead the assembly to review in detail the action of the council, which would be contrary to the spirit of the covenant; that the debate on the report of the work of the council would be unduly prolonged. He proposed that no change in procedure should be made at the assembly then in session; that the president's suggestion be referred to the general committee of the assembly when appointed, and that general discussion of the council's report and the course and attitude of the league be had as theretofore.

The president stated that on reflection he agreed with Lord Cecil, whereupon Lord Cecil's proposal to refer the president's suggestion to the general committee was adopted.

*Fourth meeting, Tuesday, September 5, 1922, 4 p. m.*

GENERAL DISCUSSION OF REPORT ON WORK OF COUNCIL

Mr. Midhat Frasheri (Albania) conveyed to the assembly on behalf of his Government the gratitude of the Albanian people, stating that the anarchy which had prevailed in Albania in consequence of foreign interference had been supplanted by tranquillity; that despite all kinds of difficulties the country was moving toward order and progress; that this result was due in large measure to the activities of the League of Nations and of the commissions which had been sent to Albania. He said that the neighbor States which had opposed the admission of Albania into the League of Nations had been happy to collaborate with her in the common work of civilization; that it was to be hoped that difficulties still outstanding in the southern part of the country would be settled satisfactorily to both parties; that the Greek Government would not fail to appreciate the advantages, both for the peace of the Balkans and the world, of the existence of a free and independent Albania.

PROTECTION OF MINORITIES

Prof. Gilbert Murray (South Africa) extended his congratulations to the council of the league on the general success of its procedure for dealing with questions relating to protection of minorities, adding that it could not have worked so well without the cooperation of the governments concerned. He said that the action contemplated by the league was as much in the interests of the governments as of the minorities themselves; that there has been a new distribution of Europe; and that the new situation would be seriously threatened if permanently disaffected elements remained in any of the new states. He stated that the method followed by the council was one of discreet and informal conversations with the governments; that instead of making an international issue of every grievance, some one was sent to talk with the officials concerned; that thus very considerable grievances had been removed. The method was not completely successful, he continued, because he had himself received complaints from representatives of minorities who had said they were afraid to appeal to the league. He stated that security did not exist as long as there were such apprehensions; that it was the business of the league to restore security in Macedonia and to insure that the Jews might everywhere live like ordinary citizens.

He proposed this resolution:

That the questions dealt with in chapter 9, sections A, B, C, and D, of the general report to the assembly on the work of the council, be referred to a committee of the assembly, with the request to report thereon to the assembly, in order that the latter may have an opportunity of expressing its considered view on these questions.

He disclaimed any desire in submitting the resolution to direct the assembly's attention to any particular action of the council but only to bring about discussion on the general principles.

The president stated that the resolution would be printed and circulated in accordance with article 17, Rules of Procedure.

RISING IN SOUTHWEST AFRICA

Sir Edgar Walton (South Africa) presented a report on the administration of Southwest Africa, relating to the recent native rising in the mandated territory. He said that the

Government of South Africa had appointed a commission of inquiry into charges against officers and men engaged in suppressing the outbreak; that he hoped judgment would be suspended until the report had been seen.

The president stated that the report would be deposited in the library of the league, where it could be consulted by all delegates.

*Fifth meeting, Wednesday, September 6, 1922, 10.30 a. m.*

Election of vice presidents was taken up and the following chosen: Lord Balfour, Great Britain; Mr. Hanotaux, France; Mr. Gomes, Portugal; Mr. Branting, Sweden; Count de Gimeno, Spain; Mr. Nintchitch, Serb-Croat-Slovene State.

DISCUSSION OF COUNCIL'S REPORT—BULGARIA AND QUESTION OF MINORITIES

Mr. Radeff (Bulgaria) expressed a desire to pay tribute to the work of the council and the secretariat. He called attention to the difficulties, about the end of the preceding spring, between Bulgaria and the adjacent states—Rumania, Serb-Croat-Slovene State, and Greece—saying that the council's intervention at Bulgaria's invitation had immediately alleviated these difficulties and smoothed the way to a direct understanding between Bulgaria and her neighbors. He said that the question of minorities was one with which the council had had to deal, a question which closely concerned the work of consolidating the peace of Europe. He said that Bulgaria supported Prof. Gilbert Murray's proposal of the day before; that Bulgaria also had her national susceptibilities, but that he hardly believed that such susceptibilities could be wounded by the organization of a supervision over the application of clauses which Bulgaria had applied in principle and the consequences of which she had accepted. Bulgaria, he added, assented in advance to any procedure appearing to be necessary to assure the rights of minorities as defined in the treaties, and approved any steps which might be taken for the maintenance of peace.

WORK OF COUNCIL—ALAND ISLANDS

Lord Robert Cecil reviewed the work of the council of the league during the past year. The conclusion of the convention for the neutralization of the Aland Islands had settled a question of great difficulty and complexity, an achievement entitling the league to universal gratitude.

SILESIAN QUESTION

He said that a convention regulating the details of the settlement of Upper Silesia had been negotiated between Poland and Germany under the auspices of the League of Nations, the negotiations having been presided over by Mr. Calonder, nominated by the league, and all disputed points having been settled by agreement between the parties. He pronounced this a conspicuous success for the league.

ALBANIAN QUESTION

He said further, that the success attending the league in settling the Albanian question had been due in no small degree to the far-sighted self-control of the Serb-Croat-Slovene State. The settlement of this question, he added, was a great achievement which, so Lord Balfour had publicly stated, could not have been accomplished by any statesman, organization, or machinery in the world but the League of Nations.

SAAR BASIN AND DANZIG

He said that he would like to ask the council whether it would not be well for the advisory council, assisting the Saar Basin Governing Commission, to collaborate in nominating the Saar Basin member of that commission, and whether it would not be advisable for the council to create a small, administrative subcommittee to handle the numerous details connected with the administration of the Saar Basin and the Free City of Danzig.

EUROPEAN HEALTH CONFERENCE AT WARSAW

He stated that representatives of Germany and Russia along with representatives of the league had attended the European health conference at Warsaw, and expressed the hope that this was an augury of the time when the league would be representative of all the nations of the world.

HUMANITARIAN EFFORTS

He alluded to what he termed the important work of the league in suppressing the opium traffic, the traffic in women and children, the relief of Russian refugees, the repatriation of Russian prisoners of war, and stated that Doctor Nansen's work in repatriating 450,000 prisoners of war was a great achievement.

WAR BETWEEN GREECE AND TURKEY

Referring to the war between Greece and Turkey, he said that the assembly or council under articles 3, 4, and 11 of the covenant was empowered to deal with any matter affecting the peace of the world; that it was the friendly right of every member of the league to bring to the attention of the assembly any circumstances affecting international relations which threatened to disturb international peace; that the present activities of the league did not extend so far as to cover these obligations; that no appeal had been made and no opportunity given to the league to intervene in the war between Greece and Turkey.

RUSSIA

Taking up the question of Russia, he stated that no material progress had been made in dealing therewith; that the league, if it had intervened more decisively the year before, might have lessened the horrors of famine and opened the door for renewal of commercial intercourse between the Russian people and the rest of the world; that at present there was seemingly little the league could do, but he was glad to hear that the council had begun an inquiry into the present situation in Russia.

AUSTRIAN QUESTION AND EUROPEAN FINANCIAL SITUATION

Turning to the question of Austria, he said that this was under consideration by the council and he would abstain from comment; that this question, however, was only part of the great economic crisis threatening Europe; that it was believed by some authorities that Germany would shortly be in the same position as Austria. He said that the Austrian question turned upon the problem of reparations and intergovernmental indebtedness; that he would ask how long these questions would poison the international atmosphere; that all nations were affected and he would ask the assembly to consider carefully whether the league should not take some useful action in that regard before adjournment; that if the assembly did not do so there would be universal disappointment.

REDUCTION OF ARMAMENTS

As to armament reduction, he said that important proposals from the temporary Mixed Commission for Reduction of Armaments would come before the council that afternoon; that the proposals would aid in mapping out lines of advance in bringing about armament reduction; that it had to be admitted that the attitude of the international mind was not yet favorable to reduction, an attitude depending largely on the present economic situation.

He added that the league could not forever be barred from considering these great international questions, that it could not continue to exist merely to settle matters of secondary importance, that it must sooner or later take over the full responsibilities laid upon it by the covenant.

PROTECTION OF MINORITIES

Doctor Walters, Latvia, presented the following amendment to the motion of Prof. Gilbert Murray on the day before:

That the questions dealt with in chapter 9, sections A, B, C, and D, of the general report to the assembly on the work of the council, on the general questions arising out of the protection of minorities by all the members of the League of Nations be referred to a committee of the assembly with the request to report thereon to the assembly in order that the latter may have an opportunity of expressing its considered view on these questions and of laying down the main lines for the general protection of minorities in all States members of the League of Nations.

THE LIQUOR TRAFFIC

Sir Arthur Steel-Maitland, New Zealand, stated that the Bureau for Control of the Liquor Traffic should be transferred to Geneva so that its activities might be coordinated

with those of other organs of the league, that the bureau should remain in Brussels for the current year, but that a date for its subsequent removal should be fixed by the assembly or the council.

REVIVAL OF SLAVERY IN AFRICA

Sir Arthur Steel-Maitland then said that there was reason to believe that there had been a recent revival of slavery in Africa, due to the continued existence of the traffic in arms and ammunition, that slavery existed at that moment in Abyssinia, the ruler being unable to suppress it on account of difficulties for which he was not responsible. He offered the following resolution:

The assembly resolves to refer to the appropriate committee the question of the recrudescence of slavery in Africa in order that it may consider and propose the best methods for combating that evil.

EASTERN CARELIA

Mr. Holsti, Finland, said that Eastern Carelia was still deprived of the autonomy which should have been granted it under the treaty between Finland and the Russian Soviet Republic at Dorpat on October 18, 1920, that steps taken as a result of the council's decision in January to settle the Eastern Carelian question had so far failed, that the Soviet Government had refused to enter into direct negotiations with Finland, rejecting the proposed reference of the matter to the council for impartial consideration, and that Finland had been unable to obtain satisfaction either through organs of the league or by arbitration. The Government of Finland hoped, he continued, that the council would keep up its endeavors in line with the principles of the covenant, and intended to ask through the council the advisory opinion of the Permanent Court of International Justice on the juridical aspects of the question.

*Sixth meeting, Thursday, September 7, 1922, 11 p. m.*

TRIBUTE TO BRAZIL

The president proposed a message from the assembly to Brazil, which was celebrating the centenary of its independence, stating that the separation of Brazil from its mother country had been accomplished in a peaceful and friendly manner, that Brazil had been one of the founders of the League of Nations, and had incorporated into its constitution the system of arbitration.

Mr. da Gama, Brazil, expressed the gratitude of the Brazilian delegation, saying that Brazil would continue to make efforts to further the success of the league.

The president's proposal was adopted unanimously.

CONTINUED DISCUSSION OF REPORT ON WORK OF COUNCIL—UPPER SILESIA

Viscount Ishii, Japan, said that the record of three years proved the steady and healthful development of the league and the weakness of the criticisms against it; that the settlement of the Silesian question was a tribute to the league's efficiency; that the great powers had admitted their impotence to settle it; that the league freed it from internal politics and found a just and equitable solution.

DISARMAMENT

Viscount Ishii said further that despite what had been accomplished by the Washington conference, the question of disarmament presented such important and difficult problems that the league would be compelled to examine them constantly with utmost care, that in this work the league would have the sincere and active support of Japan.

COMPETENCE OF COUNCIL AND ASSEMBLY

Mr. Motta, Switzerland, said that the council and the assembly were two coordinated bodies possessing equal competence, that the discussion on the report of the council to the assembly was no more than a general exchange of views on the work of the League of Nations, that a warm tribute was due the council for what it had done, but that entrance into questions of detail was impossible and dangerous.

FUTURE OF LEAGUE

Mr. Motta said further that since the second assembly international affairs had become more serious and that it might be asked whether the League of Nations was realizing the hopes of the peoples. There were two viewpoints, he said; first, the thought by some that the league merely supplied a method of international work and cooperation and should be confined to the creation of a technical nucleus for international conferences; second, the idea that the league should become a great organization giving expression to the views of all nations. He contended that under the second viewpoint the league could not remain inactive before the political, financial, and economic disasters threatening civilization, and said that the whole Swiss Nation approved the declarations of Lord Robert Cecil that the league must be all or nothing.

THE COVENANT AND THE TREATIES OF PEACE

Mr. Motta then averred that a distinction should be drawn between the treaties of peace and the League of Nations; that certain problems, such as reparations and the interallied indebtedness, must be settled outside the league, although it had been realized during the last three years that all the great international questions were interdependent; that all countries, for instance, were interested in the fall of the mark, and that the council should keep in mind certain aspects of this problem.

THE AUSTRIAN QUESTION

Referring to Austria, Mr. Matta said that it presented a very serious question; that thanks were due the council for having immediately taken up the question; that Europe was to be congratulated that there was a League of Nations to deal with it; that Austria might be assured that its territorial integrity and political independence would be safeguarded; that the league's solution would give to Austria the confidence and vitality essential to a State.

EUROPEAN CONDITIONS

Doctor Nansen, Norway, took the floor, saying that the council's report showed the league's increasing strength; that the economic condition of Europe was growing worse; that there was no salvation without the league; that Norway was especially affected by the economic crisis, and looked to the league as the only means for the alleviation of Norway's economic distress.

THE RUSSIAN FAMINE

Referring to the Russian famine, Doctor Nansen said that efforts of the previous year to induce the state's members of the league to take joint action had not been successful; that the Brussels conference, to which the matter was referred, had done nothing; that he believed it an error to refer questions requiring intergovernmental action on a large scale from the league with its permanent organization and machinery to temporary conferences with neither power nor will to enforce their decisions; that failure in this case had brought death to millions, the lowest figure being 2,000,000, and this, he believed, was an underestimate; that in the richest granary in Europe salted human flesh had been sold in the market places; that the survivors were much enfeebled, the famine having only been checked, not arrested. He added that the harvest was good, but insufficient for the needs of the people; that help now needed was in reconstruction, not charity; that accordingly the Norwegian Government had proposed that a commission of inquiry report on the economic condition of Russia and its effect on Europe; that the council had begun an inquiry, and he hoped it would create the commission; that it was essential to European prosperity that means should be found to put Russian agriculture on its feet again.

EPIDEMICS

Taking up the subject of epidemics, Doctor Nansen said that the Warsaw health conference had proved the imminent danger to Europe of epidemic diseases raging at the time he was speaking in Russia, and had made recommendations, asking what had been done to raise the money necessary to carry out these recommendations; that if nothing were done, the situation would be worse the next year; that the epidemic commission had done invaluable work with its limited funds; and that greater support for it was of urgent importance.

MANDATES

Alluding to mandates, Doctor Nansen stated that in approving them the council had taken a great step forward; that the accounts given of the session of the Mandates Commission had caused the warmest satisfaction; that the council and the Mandates Commission could count on the support of all members of the league. He moved the following resolution:

The assembly, having taken cognizance of the documents of the council and of the Permanent Mandates Commission concerning mandates, expresses its general satisfaction with the great progress realized since the last assembly, and resolves to refer the mandates question to the appropriate commission for closer examination.

MINORITIES

On the subject of "minorities," Doctor Nansen said this was one of the most important problems facing the league, that 80,000,000 people in Europe had changed their nationality as a result of the peace treaties; that the league should secure the legal rights conferred on minorities by the treaties; that it was extremely important that Latvia and Estonia sign as soon as possible declarations corresponding to the treaties, as they had agreed to do on their admission to the league a year before; that he hoped negotiations between the council and these countries would soon be satisfactorily concluded.

DISARMAMENT

On the topic of "disarmament," Doctor Nansen stated that the temporary Mixed Commission for the Reduction of Armaments and the Permanent Armaments Commission were the most important bodies of the league; that it was most unfortunate, therefore, that the composition of the temporary mixed commission had not been completed until July 3 of the current year; that it must be encouraged in every way; and that it was urgently desirable that it should formulate a definite and concrete plan for the reduction of armaments. He stated that Lord Esher had presented a plan of disarmament; that the plan's difficulties were great, but could be mastered; that the task, however, of the temporary mixed commission had not been lightened by the council of the league. One member of the council, he said, had stated that it was not the duty of the commission to propose a scale of coefficients for the limitation of land armaments, another member agreeing, but holding that the freedom of the commission should not be restricted. Still another member, he continued, had said that in studying a scale of coefficients the commission was exceeding its powers and encroaching on the practical side of the question, a matter reserved for the council and the governments. Doctor Nansen contended that such opinions were dangerous; that while final decision lay with the council and the governments, they could take no decision without a definite scheme on which to work. He added that the temporary mixed commission contained experts of every kind, was admirably equipped to devise a practical scheme as the basis of a final decision; that he hoped the commission would prepare a plan acceptable to the governments which could be presented to the next assembly.

AUSTRIA

Count Mensdorff, Austria, expressed gratitude on behalf of Austria for the statements of Mr. Motta and Doctor Nansen relating to that country, for the assurances of the former that Switzerland desired to assist Austria, and for the sympathy extended by Norway, an evidence that not merely the immediate neighbors of Austria but all nations were interested in helping one of the community of nations. He said that the council was handling the Austrian question, and that a prompt decision could be expected; that this question gave the league an opportunity to strengthen the high moral authority it had always possessed by showing that it could bring about practical results.

*Seventh meeting, Friday, September 8, 1922, 10 a. m.*

(Continued discussion of council's report—comments of Earl (Lord) of Balfour)

ALBANIA AND BULGARIA

The Earl of Balfour said that at the outset of his remarks he wished to thank the delegates from Albania and Bulgaria who had expressed their sense of the services rendered their countries by the council.

VISCOUNT ISHII AND THE WASHINGTON CONFERENCE

The Earl spoke of Viscount Ishii's reference to the Washington conference, and said that while it had been held in a country unhappily not yet a member of the league, it had been animated by the same spirit which was guiding the league.

MOTTA AND AUSTRIA

The Earl then stated that Mr. Motta's reference to Austria showed Switzerland's strong desire to succor her neighbor.

CRITICISMS OF CECIL AND NANSEN

The Earl of Balfour next asserted that the criticisms by Lord Cecil and Doctor Nansen were prompted by a most sympathetic consideration for the work of the council, that freedom of speech was an essential principle of the league.

SAAR BASIN

Balfour then said that the responsibilities of the council in connection with the Saar Basin were heavy, owing to vehement propaganda carried on to insure that the plebiscite in 1935 would favor Germany; that machinery existed by which every grievance of the Saar inhabitants could be considered by the council; that the league's duty in the Saar Valley was to insure just government in the interest of the people; that propagandists were more desirous that the government of the Saar Valley should be discredited than that the valley should be well governed.

RUSSIAN FAMINE

The speaker next stated that the British Government had given for relief of the Russian famine stores of the value of £250,000 and that the response of private charity in Great Britain to the prime minister's appeal had been larger than in any other country.

EPIDEMICS IN RUSSIA

As to Russian epidemics, the speaker remarked that the nations of the world had been backward in dealing with this menace; that the council had on several occasions appealed for funds and the response was admirable but inadequate; that the necessity was still great; that the British Government was prepared to give £100,000 if all the other nations of the world would give £200,000; that it was very important that a considerable sum be raised at once to deal with a danger affecting not only Russia but all central Europe.

THE NEAR EAST—THE LEAGUE'S POSITION

Answering Lord Cecil's criticism of the league for non-intervention in the Near East, Balfour said that the league was not in this case assisted by treaties; that it had not to deal with two members committed by pledges to certain obligations; that it had no money, ships, or men; that it had only moral influence, which in this case—the war between Greece and Turkey—might be regarded as a forlorn hope. He added that the league's machinery had not been constructed to deal with the postwar calamities at the time afflicting the world; that the league was not well equipped financially for doing many things effectively; that certain critics called the league the fantastic product of idle dreamers, while others regarded it as almost a substitute for national organizations; that it was neither, and would reach its predestined ideal by slow stages and by careful remodeling of its machinery.

THE WORLD CRISIS AND THE LEAGUE OF NATIONS

Mr. Scialoja, Italy, said that the world was facing a period of crisis; that the war had been followed by a kind of disintegration, both as to international relations and within the states themselves; that the league might, nevertheless, claim with pride that the most difficult questions of the day had been submitted to it. The league's founders, he asserted, had not claimed that the league would be perfect from the outset, the absence of strict sanctions being due to the fact that it was necessary to allow the nations as a whole to arrive gradually at an understanding of the new system of international relations. He asserted that, despite inevitable weakness, the league was the greatest force for cohesion between the people of the world in existence; that the council

and the secretariat were to be congratulated on their work; that great progress, for instance, had been made with the question of disarmament. He stated that a just appreciation of the league's activities was made difficult by the fact that its action was preventive, not conspicuous and generally known; that the league must gradually develop the spirit of initiative, emerging from a passive state into that of concrete and direct performance.

AUSTRIA

As to Austria, Mr. Scialoja said it would be a great achievement if a resolution of the council and the assembly, after drawing attention to the importance to Europe of Austrian reconstruction, would lead to a removal of the difficulties which had caused certain states to hesitate in assisting Austria. He added that the council could do still more; that it might assure Austria and her neighbors that her international existence would be preserved, and that by coming to the aid of the Vienna Government the council might reestablish the confidence essential to the credit of Austria. He said further that the council might persuade the states succeeding the former Austrian Empire to apply the generous principles defined by Porto Rosa conference, and to examine again the proposals of Italy. No member was more anxious than Italy, he said, for effective action by the council in this difficult situation, the effective handling of which would enable the league finally to assert its strength and vitality.

THE WORK OF THE LEAGUE

Mr. Bellegarde, Haiti, stated that the council's report showed that on two occasions at least the league had saved the peace of the world; that numerous problems of humanitarian, social, and intellectual character had been solved, a work which might be regarded as a preparation for peace by international cooperation. He said that notwithstanding all this, indifference and skepticism were gaining ground because the high hopes of nations had been disappointed; that at that moment while they were talking of peace in the assembly of the league, war between Greece and Turkey was devastating Asia Minor. He stated that league opponents too often ignored political and economic conditions, underrating the difficulty of settling a dispute and at the same time avoiding offense to the parties; that the league, in the interest of self-preservation, had to avoid rash interventions; that it was not yet the universal association which it must eventually become, but it might be confidently anticipated that among the great nations still absent from the league, the United States of America would not long delay her collaboration. He urged that the time had come for the League of Nations to be discreetly bold, saying that good will and confidence would increase its authority; that there would be no certainty of world peace until all questions dividing peoples were submitted to compulsory arbitration; that it was necessary for the league to create guarantees assuring respect for international public order.

MANDATE FOR SOUTHWEST AFRICA

Mr. Bellegarde then called attention to what he termed "extremely grave occurrences" in Southwest Africa, saying that Sir Edgar Walton had referred to a native uprising; that, according to the press, a punitive expedition had been sent against the natives equipped with all the modern resources of war, although there had been no act of rebellion or disorder; that it was inadmissible that women and children should be massacred under the auspices of the League of Nations.

He then presented the following resolution:

The assembly, highly appreciating the action taken by the Government of South Africa in communicating, in its capacity of mandatory power for southwest Africa, the report of the Bondelzwart rebellion, 1922, moved by feelings of great anxiety for the welfare and relief of the survivors, resolves to express:

1. Its profound satisfaction with the official statement made by Sir Edgar Walton that a full and impartial inquiry will be made into all the facts of the Bondelzwart rebellion and its repression.

2. The confident hope that the permanent Mandates Commission at its next session will consider this question and be able to report that satisfactory conditions have been reestablished and that in the meanwhile the mandatory power will make every effort to relieve the suffering of the victims, particularly the women and children, and that it will insure protection and restitution of the remaining livestock and in general the restoration of the economic life of the Bondelzwart district.

MINORITIES

On the question of minorities, Mr. Charles Pusta, Estonia, said that if a committee of the assembly should take up this question, he hoped an answer could be found to the following inquiries: What constitutes an ethnical minority? What is the number of nationals differing in origin, religion, or language from the majority of the population which might be treated as a minority in any particular state? What is meant by cultural autonomy? How should such autonomy be organized and what are its limits? Could the league, pending an international treaty concerning minorities, recommend its members to conclude special treaties for their protection?

Mr. Pusta then remarked that if the committee found satisfactory replies to these inquiries it might be able to prepare a standard treaty for protection of minorities; that no such treaty was in existence. He added that the Estonian Government had adhered to the recommendation adopted by the assembly on September 15, 1920, inviting the Baltic States on admission to the league to apply the principles of the minorities treaties; that the Estonian constitution, adopted in January, 1920, provided all necessary guaranties for the minorities in Estonia; that Doctor Nansen had said that Estonia had not yet made a declaration as to protection of minorities although she had undertaken to do so; that this question involved legislation and the sovereignty of Estonia; and that he asked Doctor Nansen to await the results of the negotiations in progress between the council and the Estonian representative.

THE POSITION OF THE LEAGUE

Mr. Trygger, Sweden, averred that the league should not ignore the great questions of the moment in order to take up secondary matters; that a committee of the league has presented interesting reports on the economic and financial condition of Europe, but no appeal had yet been made to the conscience and common sense of all the States of the world; that the nations could not always be regarded as victors, vanquished, or neutrals, but as nations more or less compelled to unite in order to save civilization and the prosperity of the world.

MINORITIES

Doctor Walters, Latvia, referred to Doctor Nansen's statement that Latvia had not yet made a declaration to the league concerning minorities, stating that negotiations were under way between the Latvian Government and the council; that meanwhile Latvia had granted to her minorities equal rights with her other nationals; that the president of the council had stated that in his opinion the provisions in force in Latvia corresponded in effect with the principles of the minorities treaties.

MESSAGE FROM CUBAN SENATE

The president read a communication from the president of the Senate of Cuba expressing the cordial good wishes of the Cuban Senate for the success of the league and the third assembly.

*Eighth meeting, Saturday, September 9, 1922, 10 a. m.*

(Continued discussion of council's report)

FUTURE OF LEAGUE—FIRST WORLD NAVIGATORS

Count de Gemeno, Spain, expressed confidence in the league's future, saying that it was at present in embryo, but timed developing spirit of justice. No matter what might be said, he continued, the Washington and Geneva conferences had in no way injured the prestige of the league. He added that Spain had just celebrated the fourth centenary of her great navigator, Sebastian Elcano, who had been the first to sail round the world, having been accompanied during a part of the voyage by the Portuguese navigator Magellan; that since universal peace was the purpose of the league it should keep in mind these navigators who had shown it possible for all peoples on the globe to join together in friendship.

PORTUGAL'S REPLY

Mr. Teixeira Gomes, Portugal, expressed his thanks for the mention of his country and the work of Magellan.

MESSAGES TO SPAIN AND PORTUGAL

The president proposed that telegrams be sent from the assembly to the King of Spain and the President of the Portuguese Republic in honor of the two celebrated navigators who had been the first to sail round the world. Proposal adopted.

WORK OF COUNCIL—NATURE OF LEAGUE

Mr. Hymanes, Belgium, said that the criticisms of the council had been made in friendly spirit, that the council had been animated by a spirit of disinterestedness and mutual confidence, the manner in which the Silesian question had been settled being proof of this. Thanks to this spirit, he continued, and to the help of the high commissioner, negotiations between Danzig and Poland were resulting in a practical agreement. He said that tribute should be paid to the important part of the secretariat in the council's work, that the league had before it a large number of questions, such as health, public morality, economics, and finance, which served as a basis for political cooperation, that while some impatience was to be foreseen, the league could not remake the world and realize its ideal by a single stroke. He stated that the fundamental nature of the league must not be forgotten, that the council and the assembly were composed of the representatives of governments, that while they had a certain liberty of action they received instructions and when they voted committed their governments, that it was this fact which gave the league its authority, that the council could not deal with questions which their governments were discussing elsewhere, that in order to develop on useful lines and win practical results the league must be invited to discuss questions by governments themselves. He stated further that the league must gain the support of public opinion which ruled governments and would give the league a moral authority in place of material power, that the authors of the covenant had desired to create a new world, but it should be remembered that the peace which had been signed was not yet an accomplished fact, that the feeling of security was still lacking, and that as long as certain problems remained unsolved efforts for general peace would necessarily be slow. He added that if the league restored an independent Austria, a great task would be accomplished, that the Armenian problem which had disturbed the first assembly had not yet been settled, that this persecuted people had never lost courage, always hoping that a national home for them would be established, that it was to be hoped that the great powers, dealing with Asia Minor, would not forget the Armenian people but would fulfill their promises, that it was the duty of all to carry on propaganda in every country, that public opinion must be directed toward the attainment of an idea combining the national ideal of justice with the European ideal and the ideal of humanity.

AUSTRIA

Mr. de Oliveira, Brazil, said that his country desired to respond to the appeal for Austria, that one of the league's first duties was to help a member threatened with ruin, that a remedy must be found for a situation whose consequences affected not only Europe but the world.

WORK OF COUNCIL AND COOPERATION OF SERB-CROAT-SLOVENE STATE

Mr. Nintchinch, Serb-Croat-Slovene State, expressed appreciation of the council's work, stating that it had acted prudently on the question of minorities and wisely in the Albanian controversy; that mutual trust now existed between Albania and the Serb-Croat-Slovene State; that the government of these states, inspired by the spirit of the league, had endeavored to better its system of communication in order to assist international commerce; to increase its production, and reduce its expenditure, especially military expenditure.

WORK OF LEAGUE

Mr. Hanotaux, France, stressed the importance of the league's achievements, saying that on several occasions it had contributed to peace in questions extremely complex, referred to it by the powers and was displaying fruitful activity in many different spheres; that it was wisely administering the territories placed under its control in the Saar and Danzig; that its actions were the best answer to criticisms; that new tasks were intrusted to it daily, the latest being the relief of Austria; that it was henceforth clear that if the league were suppressed, nothing could be found to replace it. He asserted that the cause of the league's success lay in its methods and in its spirit; that these methods consisted in careful preparation, in collaboration by an experienced secretariat, in keeping always in view the principles of right and the ideal of a peaceful human race; that article 1 of the covenant deferred the spirit of the league in obligating its members to loyalty and sincerity; that public opinion should have confidence in the league and allow it time to carry on a work strongly conceived and efficiently begun.

PROGRESS OF LEAGUE

Mr. Askenazy, Poland, said that the report on the council's work showed the progress made by the league; that the settlement of the Silesian question had been a brilliant success and the same might be said of the conference at Warsaw, held under the league's auspices; that the league had begun an inquiry into the Russian situation; that Poland had the deepest sympathy with Russia, in whose economic reconstruction she was more interested than was any other nation. He stated that the league had generously devoted itself to the protection of minorities; that the object must be to create an atmosphere of peace in the countries concerned; that it was necessary therefore to avoid too frequent interventions from the outside, especially in the case of countries still young.

THE WORLD CRISIS AND THE LEAGUE—ACHIEVEMENTS OF LEAGUE

Mr. Jonkhier Loudon, Netherlands, said that the economic disturbance of the whole world caused anxiety to all governments, whether belligerent or neutral in the World War; that it was right, therefore, for the league to deal with the problem and that it had already done much; that the Brussels conference had borne results and that the economic and financial committee of the league was working continuously, but the league's means were limited; that it was for the governments themselves, by direct negotiation, to solve the vast financial problem, the greatest barrier in the way of universal restoration of prosperity. He said that although certain questions, such as interallied indebtedness and reparations, could not be handled by the league, still a great deal could be done by way of general reconstruction; that Austria had been convinced that the league desired to do everything possible for her assistance; that the league had several questions under consideration, to wit, reduction of armaments, lowering of economic barriers between nations, application of mandates; that the work of the past justified the fullest confidence in the future, but the league would not reach its full strength until it was universal.

TRIBUTE TO LEAGUE—MINORITIES—GREECE RELATIONS

Mr. Streit, Greece, praised the league's wisdom and impartiality, stressing the importance of Professor Murray's proposal as supplemented by the proposals of the delegates of Latvia and Estonia, which were supported by the delegate of Bulgaria. He said that Greece was especially interested in the question of minorities—that a considerable Greek population, native of the soil, existed in countries under Turkish rule; that Greece had given to racial and religious minorities within its territories civil and political equality and had the right to require similar guaranties for Greek minorities; that it was unnecessary to remind the assembly of the long persecutions of the Christian Greek, Armenian, and other nations of Asia Minor and Pontus; that the assembly had been moved by the noble utterances of Mr. Hymans regarding Armenia; that there was no nobler task than the protection of these unfortunate minorities and that it was to be hoped that the league would support with its high authority any effort through a treaty for their protection. He expressed the hope that the intervention of

the council into Bulgaria's relations with her neighbors and the direct negotiations between the countries would result in settlement, thus avoiding resort to the League of Nations. As to Albania, he said the Greek delegation could only repeat its declaration of the year before of the sincere desire of Greece to see Albania develop prosperously, independently, peacefully; that in this spirit Greece was negotiating with the conference of ambassadors as to the delimitation of Albania's frontiers and had already appointed a representative for diplomatic relations with Albania; that he hoped the commission of inquiry of the league still in Albania would be instructed by the council and the secretariat to extend its investigations to northern Epirus.

ARMENIA—COMMUNICATION FROM LORD CECIL

The president announced a communication from Lord Cecil, expressing the desire, if events showed such a course desirable, that the assembly be invited at some future date to renew its interest in and sympathy for the Armenian Nation.

The assembly decided to submit this question to the committee on agenda for submission, if necessary, to the sixth committee.

CLOSE OF GENERAL DISCUSSION ON REPORT OF WORK OF COUNCIL

The president closed the general discussion on the report on the work of the council.

REPORT OF COMMITTEE ON AGENDA

The committee on agenda recommended that Professor Murray's proposal on minorities, of September 5, and the amendment thereto by Doctor Walters, of September 6; that Sir Arthur Steel-Maitland's resolution on slavery in Africa, of September 6; that Doctor Nansen's resolution regarding mandates, of September 7; and that Mr. Bellegarde's resolution regarding the Bondelzwart rebellion, of September 8, be added to the agenda of the assembly and sent to the sixth committee. Recommendation adopted.

ELECTION OF NONPERMANENT MEMBERS OF COUNCIL

Mr. Tang Tsai-Fou, China, proposed the following motion:

The committee on amendments to the covenant is requested to draw up, during its next session, draft rules of procedure for the election of the nonpermanent members of the council in order that the third assembly shall have well-defined rules for the election of the four nonpermanent members of the council for the year 1923.

Referred to committee on agenda.

The assembly did not meet again until Friday, September 15, in order to give opportunity for committee work.

*Ninth meeting, Friday, September 15, 1922, 10 a. m.*

MESSAGE FROM PRESIDENT OF BRAZIL

The president read a message from the President of Brazil thanking the assembly for its good wishes on the centenary of Brazil's independence.

GEORGIA

Mr. de Brouckere, Belgium, offered this resolution:

The assembly of the League of Nations, moved by the present unhappy position of Georgia, as a country invaded and occupied contrary to the wishes of its inhabitants, writes the council to follow attentively the course of events in that part of the world so that it may be able to seize any opportunity which may occur to help in the restoration of this country to normal conditions.

Referred to committee on agenda.

REPORT OF SPECIAL COMMITTEE ON AGENDA ON QUESTIONS SUBMITTED BY LITHUANIAN AND POLISH DELEGATIONS

Mr. Hymans, Belgium, presented the report of the special committee on the retention on the agenda of the third assembly of the new question submitted by the Lithuanian Government and on the previous question raised by the Polish delegation.

Report approved and the following resolution adopted:

The third assembly being requested by the Lithuanian Government to include in its agenda a new question drafted, as follows:

"Protest against arbitrary actions of the Polish Government in connection with the territory of Vilna subsequent to the council's recommendation of January 13, 1922";

In view of the letter of the Polish Government raising the previous question;

In view of the reply of the Lithuanian Government dated September 6, 1922;

Approves the report presented for the special committee by Mr. Hymans, delegate of Belgium;

Decides in consequence that the previous question should be adopted as regards the Lithuanian complaint brought against the statute of Vilna and the elections which the Polish Government proposed to hold in that district;

Maintained on the agenda the new question so far as it concerns abusive treatment alleged to have been inflicted on the Lithuanian population in the Vilna district;

And as it is not desirable that the discussion of the Lithuanian allegations should be raised at the assembly before the competent committee has had an opportunity of investigating them, proposes to refer the question, thus clearly defined, directly and without discussion, to the sixth committee of the assembly which is responsible for the investigation of political questions.

REPORT OF SECOND COMMITTEE ON WORK OF THE HEALTH ORGANIZATION

Mr. Chodzko, Poland, chairman, and Mr. Rivas-Vicuna, Chili, reporter, second committee, came to the platform and the latter read the first resolution presented by the committee to the assembly which was as follows:

1. The assembly notes with satisfaction:

(a) The assistance given by the health organization to the work of the health conference of Warsaw and notes also that the Genoa conference, having considered the Warsaw conference report in accordance with the request contained in the resolution of the council forwarded on April 3, approved the principles of the antiepidemic campaign adopted by the Warsaw conference and that in consequence of this resolution of the Genoa conference, transmitted to the health organization by resolution of the council, dated July 21, the health organization has been charged with the duty of carrying on the program outlined by the conference;

(b) That the health organization has been authorized by various countries to undertake the duties of mediation entrusted to it by certain bilateral sanitary conventions which have been concluded as the result of the Warsaw conference and that the council has approved the discharge of these duties;

(c) The cooperation established between the health organization and the other technical organizations of the League of Nations, notably the permanent advisory committee on opium, the transit commission, and the mandates commission;

(d) The assistance given by the health organization in the work preparatory to the revision of the international sanitary convention of 1912 and the realization of cooperation with the "office international d' hygiene publique" thus effected and the fact that the council has decided to place the organization at the disposal of the conference, which is shortly to be convened by the "office international d' hygiene publique";

(e) The cooperation effected by the health organization in experimental research concerning the standardization of sera and serological tests, the first results of which will be presented to a conference which will be convened at Geneva in the near future;

(f) The development of the activities of the health organization with regard to epidemiological intelligence, which should not be limited to problems of importance to only a limited number of countries;

(g) The initiative taken by the health organization with regard to the interchange of the sanitary personnel of various governments, which system it desires, should be made applicable to as large a number of countries as possible.

2. The assembly desires to express its appreciation to the Rockefeller Foundation for the financial assistance that has been offered to the health organization to assist in the development of certain of its activities.

3. The assembly considers that the health organization of the League of Nations is undertaking a task of permanent utility, and that it is indispensable that it should continue its activities.

The assembly considers that it may be possible before the meeting of the fourth assembly to prepare on the basis and on the principles adopted by the first assembly for the technical organizations of the league the constitution of a permanent health organization which will be submitted to the fourth assembly for approval. In such case this organization will undertake the duties laid down in the resolutions of the first and the second assembly. It may, if necessary function meanwhile within the limits of the budget and in anticipation of the above-mentioned approval of the fourth assembly. To this end the assembly authorizes the council to take advantage of such general conference as may be convoked, it being understood that all states members of the League of Nations shall be invited to send delegates thereto.

It also suggests to the council that an attempt be made at the forthcoming conferences to make such arrangements as may be necessary to avoid duplication.

Mr. Zumeta, Venezuela, said that in the opinion of the Venezuelan delegation the advisory and technical duties of the provisional health committee of the permanent health organization should be more precisely defined, that except in case of urgency and with the approval of the council its technical organs should not proceed to the execution of

any plan except in conformity with a scheme previously submitted to the assembly for its approval.

Mr. Rivas-Vicuna, Chile, reporter for the committee, replied that the committee had considered the point raised by Mr. Zumeta and pointed out passages in the report which in his view met the situation.

Mr. Zumeta, Venezuela, accepted this explanation on behalf of his delegation.

The first resolution was adopted.

Mr. Rivas-Vicuna, Chile, read the second resolution, which was as follows:

The assembly expresses the opinion that the persistence of epidemics in eastern Europe still constitutes a serious danger to the world and prejudices the reestablishment of normal economic conditions in the countries affected by the epidemics and in the whole world.

The assembly notes that all the governments represented at the International Economic Conference of Genoa accepted the principles of the participation of all European States in the expenditure necessary for the antiepidemic campaign and agreed to intrust the direction of this campaign to the temporary epidemic commission.

The assembly has taken note of considerable financial effort made by the states contiguous to Russia in order to carry on the campaign in their own territories.

The assembly notes that in conformity with the Genoa resolution, the British Government has offered a contribution of £100,000 to the temporary epidemic commission, subject to the condition that the total contributions of other governments should equal a sum of not less than £200,000, and that the council has decided to acquaint the delegations of all members of the League of Nations present at the assembly with this offer, asking them, if possible before the end of the assembly, to make an announcement regarding the assistance which their respective governments will be ready to furnish. The assembly hopes that the members of the League of Nations will be able to respond at an early date.

The second resolution was adopted.

Mr. Rivos Vicuna, Chili, read the third resolution which was as follows:

The assembly notes that hitherto the temporary epidemic commission, of which the funds are provided entirely by voluntary contributions intended for the campaign against epidemics and freely granted by certain states, has undertaken a series of epidemiological inquiries and has established a closer cooperation with the technical administrations, necessary in view of the aim which it pursues; but that its activities have been made use of by the health organization for its own requirements; and

Whereas, under these circumstances, it does not seem equitable that the cost of the work, in which all the states are interested, should be borne only by certain states, and this expenditure should rather be provided for under the ordinary budget of the league; and

Whereas, it is not admissible that these sums should be paid out of the contributions made by certain states for the clear and well-defined purpose of the campaign against epidemics properly so-called; and

Whereas, the effective continuation of this work and regard for its best results, from the economic point of view, renders it desirable that the temporary epidemic commission should continue to be entrusted with it:

Decides that the sum of ——— francs shall be included in the budget of the health organization as a contribution to the temporary epidemic commission.

Colonel John Ward, British Empire, said it was suggested that 125,000 Swiss francs should be voted for the purpose of handling epidemics, that he had insisted, with a majority of the committee, that the word "temporary" should be placed before "epidemic commission" to show clearly that this sum was to be a temporary and not a permanent charge.

This resolution, the third presented by the second committee, is referred to the fourth committee.

NONPERMANENT MEMBERS OF COUNCIL

The president announced that he had received the report of the committee on agenda on the proposal of Mr. Tsai-Fou, China, of September 9, regarding the election of nonpermanent members of the council. The report recommended that the proposal should be placed on the agenda and referred to the first committee. Report adopted.

*Tenth meeting, Monday, September 18, 1922, 11 a. m.*

PROPOSED CHANGES ON PROCEDURE

The Spanish delegation proposed, through the president, changes in procedure allowing greater latitude as to the time of electing vice presidents and including a report on the work of the secretariat in the report on the work of the council. Referred to committee on agenda.

STATUS OF EASTERN GALICIA

The Canadian delegation proposed, through the president, a resolution renewing the action of the second assembly in requesting the council to draw the attention of the principal allied and associated powers to the desirability of determining at an early date the status of eastern Galicia. Referred to committee on agenda.

ADMISSION OF HUNGARY

Mr. Loudon, Netherlands, read a report from the sixth committee unanimously favoring the admission of Hungary to the League of Nations.

Mr. Osusky, Czechoslovakia, said he deemed it his duty in the name of the Czechoslovak, Rumanian, and Serb-Croat-Slovene delegations to call attention to certain facts, that in reality compulsory military service had not been abolished in Hungary, as was proved by articles in the Hungarian press and by a decree of the Ministry for National Defense; that the allied military commission at Versailles had stated that a number of measures had still to be taken to insure the material disarmament of Hungary; and that certain facts proved that equality of civil and political rights was not yet assured to all citizens. Nevertheless, he continued, the Czechoslovakian, Rumanian, and Serb-Croat-Slovene delegations recommended the admission of Hungary to the league in view of the solemn promise of Count Banffy that the Hungarian National Assembly would ratify as soon as possible the obligations assumed by Hungary to the league.

A roll-call vote was taken and Hungary unanimously admitted.

In the assembly's name the president congratulated Hungary on her admission, and invited the Hungarian delegation to submit their credentials and take seats in the assembly.

TRAFFIC IN OPIUM

Mr. Fielding, Canada, chairman, and Mademoiselle Bonnevie, Norway, reporter, fifth committee, came to the platform.

Mademoiselle Bonnevie presented the report of the fifth committee and read the following resolutions:

1. The assembly, being convinced that the most practical means of exercising control over the traffic in dangerous drugs is by means of the important export-certificate system, and believing that only international action can make this system a success, urges on all governments the vital necessity of adopting this import and export certificate system without delay.

2. The committee on traffic in opium inclines to the view that the governments which are parties to the international opium convention should be asked to agree not to issue licenses for the import of opium or the other drugs to which the convention applies from any country which has not yet ratified and put into force the convention and adopted the system for the control of exports and imports approved by the assembly in paragraph 1 (3) of the resolution adopted on September 30, 1921, and previously approved by the council on June 28, 1921. The committee considers this question important and urgent, but recognizing the complicated and technical character of issues involved, it is of opinion that the matter should be examined in detail by the advisory committee of the league on traffic in opium before any definite action is taken. It, therefore, recommends that the assembly should request the council to convene a meeting of the opium advisory committee, as soon as possible, to study the question and should that committee report in favor of the proposal that the council should be asked to act on the recommendations of the advisory committee in the form approved by the council, at the earliest possible date, and without further reference to the assembly of the council considers such reference unnecessary.

3. The assembly being of the opinion that the first steps necessary in limiting the world's supply of dangerous drugs to legitimate use is a knowledge of the amount of drugs required by each country for internal consumption, urges the governments to supply the returns asked for with the least possible delay and with the greatest accuracy in their power. The various governments should, with a view to allowing comparisons to be made, state clearly the system adopted in arriving at the estimate and should supply a secondary statement showing estimated consumption per 100,000 inhabitants.

4. The assembly of the League of Nations again desires to emphasize the view expressed in the report of the advisory committee that as long as the drugs to which part 3, particularly article 9, of the opium convention applies, are produced in quantities exceeding the legitimate requirements, there is a great danger that the surplus will find its way into illegitimate channels, and that the control of production, so as to limit it to the amount required for medical and legitimate purposes, is the most effective

method of putting a stop to the illicit trade. It recommends that the inquiry, now proceeding into the world's legitimate requirements, should be pressed forward as rapidly as possible, expresses the hope that a provisional estimate and scheme will be submitted to the assembly next year.

5. The assembly, convinced of the urgent necessity of securing the fullest possible cooperation in the work of the advisory committee on traffic in opium and other dangerous drugs and considering the fact that the United States of America is one of the most important manufacturing and importing countries, recommends to the council of the league that it should address a pressing invitation to the Government of the United States to nominate a member to serve on the committee.

Mlle. Bonnevie, discussing the resolutions, insisted on the necessity for international cooperation, stating that the system of import and export certificates approved in the previous year by the assembly depended entirely on its universal adoption; that it had been adopted by a third of the members of the league; that even if January 1, 1923, should be set for the inauguration of the system difficulties would arise because certain states had not adhered to the opium convention. She said that the health committee was endeavoring to ascertain the medical needs for morphia and other drugs; that in the degree that the legitimate needs remained undefined illicit traffic would always be possible, and that it was necessary to have the cooperation of all countries.

Viscount Chelmsford, India, praised the good will and desire for cooperation shown by the assembly, asserting that the league had done its best to solve the problem of the traffic in opium and other dangerous drugs in conformity with the covenant, and that the advisory committee on the traffic in opium had done admirable work, but that unhappily has been disappointment in the matter of putting the resolutions into force. He said that the Hague convention had not been ratified or even signed by a great number of states, and that a great number of states had not adopted the system of import and export certificates. He added that the committee thought the second resolution should be referred to the advisory committee on the traffic in opium, and that if the advisory committee was favorable the council might carry out the proposals without reference to the assembly.

The assembly postponed further discussion of the report of the fifth committee.

FIRST DELEGATE FROM HUNGARY

Mr. Agnero y Bethancourt, Cuba, reporter for credentials committee, announced that the credentials of the first delegate from Hungary, Count Banffy, had been found in order. The assembly invited Count Banffy to take his seat.

GREEK AND ARMENIAN REFUGEES IN CONSTANTINOPLE PROPOSE INTERVENTION IN WAR BETWEEN GREECE AND TURKEY

The president read a communication to him from Doctor Nansen requesting that he be allowed to lay before the assembly the matter of permission to utilize the organization of the high commissariat in Constantinople for administration of relief to many thousands of Greek and Armenian refugees arriving, as he had been advised by wire, from Smyrna and Broussa. Doctor Nansen stated further that he would ask the assembly whether the league ought now, under article 11 of the covenant, take any action that may be deemed wise and effectual to safeguard the peace of nations in the conflict which had caused so grave a situation, and asked permission in this communication to move a resolution, if it should seem right to do so, requesting the council to consider promptly what steps it could take by offer of its good offices to the belligerent parties or otherwise with a view to the immediate cessation of hostilities.

The president suggested that the first proposal be immediately put on the agenda and referred to the sixth committee and that the second, regarding intervention by the council in the conflict between Greece and Turkey, be referred to the committee on agenda with the request for a report at the earliest possible moment.

The president's suggestions were adopted.

NATIONAL HOME FOR ARMENIANS

The president announced that he had received from Lord Cecil, delegate for South Africa, the following proposal:

The assembly notes with gratitude the action taken by the council with respect to Armenia and declares that it is of the opinion that in any peace with Turkey it should be an essential condition that a national home should be provided for the Armenians and requests the council to take all steps which it may think useful to secure this result.

Referred to committee on agenda.

The committee on agenda recommended that the resolution of Mr. Brouckere, Belgium, of September 15, regarding Georgia be put on the agenda and referred to the sixth committee. Recommendation adopted.

Mr. da Gama, Brazil, suggested that the assembly express its good feeling for Chile, which was celebrating the anniversary of its independence. Suggestion adopted.

Mr. Rivas-Vicuna, Chile, thanked the Brazilian delegation and the assembly.

*Eleventh meeting, Tuesday, September 19, 1922, 10.30 a. m.*

COMMUNICATION FROM HUNGARIAN DELEGATE

The president presented a letter he had received from Count Banffy, the Hungarian delegate, stating that he had never been given an opportunity to clear up the matters mentioned by Mr. Osusky in his address to the assembly regarding Hungary.

CONTINUED DISCUSSION OF REPORT ON OPIUM TRAFFIC

Mr. Fielding, Canada, chairman, and Mlle. Bonneirè, Norway, reporter, fifth committee, took their places on the platform.

Mr. Chao-Hsin Chu, China, said that China would do everything possible to carry out the Hague convention, but that certain colonies in her neighborhood had established monopolies for the sale of opium and that certain opium-producing countries had not yet limited their output. He told the assembly that China had suffered especially from the introduction of morphia since the Anglo-Chinese agreement of 1907 had ended; that he hoped the assembly would adopt the recommendation that the powers signatory to the Hague convention should scrupulously respect article 9 of the convention; that it was the request of the Chinese Government to producers of dangerous drugs not to send them to countries where they might go into China as contraband; that a system of import and export certificates would restrict illicit traffic and that the reply of the governments to the questionnaire would facilitate the task of the advisory committee.

The Maharajah Jam Saheb, of Nawanagor, India, said that certain misconceptions were general in regard to opium; that it was believed that India and China were great producers of opium; that western public opinion saw nothing beyond opium profits and opium dens. It was important to realize, he continued, that in certain eastern countries, including India, outside the regular scientific, medical use of opium there was a legitimate and popular use of it as medicine and use similar to that of coffee, beer, and wine in Europe. He asserted that the consumption per head in India was inconsiderable, and his people did not understand why they should be asked to make the demanded sacrifice; that state regulation has cost the Government of India about £40,000,000 in the last 10 years, the loss to producers being about £120,000,000; that the total consumption of opium in India was 2 grams per head per annum, including the amount used for veterinary purposes. He stated that India applauded the policy of national and international regulation, but that it was necessary that the Indian people be assured that the regulations were just and essential.

Sir Arthur Steel-Maitland, New Zealand, said that the cooperation of all countries was essential in the campaign against opium, morphia, and cocaine; that if quantities necessary for legitimate purposes were not ascertained and if production were not limited it would be impossible for the advisory committee on the traffic in opium to make successful headway.

Lieutenant Colonel Ward, British Empire, said it was necessary to clear British administration in the colony nearest China from certain intimations which had been uttered; that these authorities were trying with great energy to suppress the opium traffic; that the observations of the Maha-

rajah of Nawanagor were practical and worthy of attention; that opium gave rise to abuses as did alcohol in Europe. He stated that he was not opposed to the resolutions of the fifth committee if they were intended to suppress the abuse, but that the league must not lose sight of the great problems confronting it.

The resolutions of the fifth committee on the opium traffic were adopted.

GREEK AND ARMENIAN REFUGEES AT CONSTANTINOPLE

Mr. Aguero y Bethancourt, Cuba, presented the following resolution from the fifth committee on the proposal of Doctor Nansen in reference to Greek and Armenian refugees at Constantinople:

The assembly, having heard Doctor Nansen's statement regarding the critical situation of more than 200,000 refugees from Asia Minor and his offer of the services of his Russian refugee organization for administration of any funds contributed for the benefit of the refugees;

And considering that this is a work which demands immediate action by the league—

Recommends that the high commissioner of the league be authorized to utilize the services of the Russian refugee organization for assisting in the relief of refugees from the Near East and for the handling of the money collected for this purpose, it being understood that the league undertakes no responsibility for these refugees, that the work for Russian refugees shall continue without hindrance, and that this additional activity be considered of a temporary nature;

And recognizing the urgency of providing an adequate administrative organization for these refugees;

Invites the council to consider whether it can not place at the disposal of Doctor Nansen from the item of "Unforeseen expenditures" a sum sufficient to enable the necessary administrative measures to be taken for a period which will allow for adequate arrangements to be made from other sources.

Mr. Aguero y Bethancourt, Cuba, explained that Doctor Nansen had appeared before the committee, offered the services of his organization at Constantinople, and that the Greek delegate had also made an appeal to the committee.

Doctor Nansen said that if the council granted the necessary administrative funds it would afterwards be necessary to raise a considerable amount; that for this purpose he appealed to all nations, on behalf of 200,000 victims in need of assistance, that it was necessary that the governments and the League of Nations unite their efforts.

The resolution was unanimously adopted.

MANDATES

Doctor Nansen, Norway, reported the recommendations of the sixth committee on mandates, saying that the league might be assured that the new machinery for dealing with the mandates was already working, and apparently working smoothly. To the mandatory powers and the mandates commission he extended thanks for the way in which they had fulfilled their obligations. He pointed out that the sixth committee in their report on mandates had noted with satisfaction the intention of the mandates commission to investigate further the question of indentured labor in the Pacific islands, to examine further the laws of land tenure in mandated territories, and the status of liquor legislation and the importation of alcoholic liquors in Africa. He stated that the committee had made reference to the social, economic, and political effects of the Ruande frontier, and commended to the assembly's attention the committee's reference to the mandate for the Naura Islands.

He said that the committee recommended the adoption of the motion of September 8 by Mr. Bellegarde, Haiti, in regard to the Bondelzwart rebellion.

He stated that the committee had agreed on the following conclusions as to petitions from mandated territories:

The committee, having considered the matter of the right of petition alluded to in the report of the permanent mandates commission, expresses the hope that this right may be defined in such a manner that—

1. All petitions emanating from inhabitants of mandated areas should be sent to the permanent mandates commission through the intermediary of the local administration and of the mandatory power;

2. All petitions concerning the welfare of the inhabitants of mandated areas emanating from other sources should not be considered by the permanent mandates commission before the mandatory power had had full opportunity of expressing its views.

Madame Anna Bugge-Wicksell, Sweden, extended thanks to the sixth committee for the appreciation it had expressed for the mandates commission of which she was a member. She said that the commission regarded it as a duty to safeguard the interests of men and women incapable of defending themselves and with little knowledge of modern ways and methods; that it had to examine the decrees and ordinances of various administrations and to ascertain that they were well and justly applied; that the committee knew the extreme delicacy of its task; and that the mandatory powers, when noting the observations of the commission, should consider the difficulties of the commission in carrying out duties entirely without precedent.

Sir Francis Bell, New Zealand, said in presenting a written statement to the assembly, that the Government of New Zealand felt it had a dual obligation and duty, first, as a member of the league, second, as a mandatory power. The written statement was to the effect that New Zealand was under an honorable obligation to legislate and administer according to the terms and intent of the league covenant; that she was bound to report annually to the council; that she was willing and anxious to receive suggestions and advice from either the permanent mandates commission or the council of the league, but could not admit that the permanent mandates commission had power to interpret for her the meaning of the covenant or to dictate to her the procedure she should adopt in her endeavors to perform her duties to the league.

He then said that the report of the mandates commission should be a report to the council, not the public; that New Zealand did not desire opinions upon her laws or her administration except from the council or the assembly. He said that when the assembly referred a report from the mandates commission to one of its committees the delegates of the mandatory power had a right to require that the committee should inquire into, and report to the assembly upon, any objection offered by the mandatory to the language or the findings of the report; that the mandatory should have the right to appeal from adverse comment and to merit a decision from the assembly; that the mandatory could not be asked to alter its administration or repeal or amend its legislation until its fellow members of the league had decided that in their opinion the comment or criticism made concerning its administration or legislation was justified.

Continued discussion of mandates was adjourned to the next meeting of the assembly.

COMMITTEE ON AGENDA

The president announced that the committee on agenda had decided to refer to the first committee the Spanish delegation's proposals of September 18 in regard to articles 4 and 7 of Rules of Procedure; to refer to the sixth committee Lord Cecil's proposal of September 18 regarding a national home for Armenians; to refer to the sixth committee the Canadian delegation's proposal of September 18 relating to the status of Eastern Galicia.

These references were approved by the assembly.

REPATRIATION OF PRISONERS OF WAR

The assembly decided to place on the agenda and to discuss on Wednesday, September 20, Doctor Nansen's report on the conclusion of the work of repatriating prisoners of war.

INQUIRY INTO ATROCITIES IN NEAR EAST—PROPOSAL OF PERSIAN DELEGATION

The president announced receipt of a communication from the Persian delegation of the assembly to the effect that the delegation of the national assembly of Turkey in Rome had asked Persia, as the only state of the Mohammedan world represented in the assembly, to urge that the League of Nations organize an impartial inquiry on the atrocities committed during the present war, and that the Persian delegation begged to submit the following resolution:

The assembly, moved by the pitiful events in the Near East and the accusations which each belligerent had made against the other concerning the treatment of the civil population, invites the coun-

cil to send at once a neutral commission of inquiry to throw light on these occurrences and to avoid reprisals against the ethnical or religious minorities of Thrace and of Asia Minor.

*Twelfth meeting, Wednesday, September 20, 10.30 a. m.*

BUILDING SITE FOR INTERNATIONAL LABOR OFFICE

The president announced receipt of letter from the Swiss delegation offering, first, an estate adjacent to the Hotel National of 4,493 square meters; second, an estate on the shores of the lake in the Rue de Lausanne of 38,843 square meters, as a site for the international labor office.

The assembly decided that it would note the generous offer of the Swiss delegation and referred it to the fourth committee.

HOSTILITIES IN NEAR EAST AND DOCTOR NANSEN'S PROPOSAL

The president stated that the committee on agenda had decided that Doctor Nansen's proposal of September 18 that the council be invited to examine the possibility of taking steps with a view to securing immediate cessation of hostilities in the Near East should be placed on the agenda of the assembly and referred to the sixth committee. Action of committee on agenda approved.

RENEWAL OF DISCUSSION OF REPORT OF SIXTH COMMITTEE ON MANDATES

Sir P. S. Sivaswamy Aiyer, India, supported the conclusions of the report of the sixth committee on mandates, thanking the permanent mandates commission for their solicitude for native inhabitants of mandated territories. He spoke of the dangers inherent in the system of indentured labor, saying that the Indian Government's experience had shown the dangers of the immigration of an exclusively male laboring population and that it had always tried to secure due proportion between the sexes. He contended that the question of land tenure was also important; that there was a tendency to assume that native rights which could not be proved under the principles of modern law might be ignored. He said that he was glad that the permanent mandates commission had decided to study the question, that he considered dangerous the French doctrine embodied in the phrase, "Private domain of the state." He stated that he wished there had been a more pronounced indorsement of the references of the permanent mandates commission to the partition of Ruanda; that he would like to have asked the council to express the hope that this boundary would be rectified. He referred to the speech of Sir Francis Bell on the day before and said that he saw no tendency on the part of the permanent mandates commission to invade the prerogatives of the council or to depart from its proper sphere. He stated that it was unfortunate that the South African Government had not afforded the permanent mandates commission the same assistance as had the Governments of Australia, New Zealand, and Japan; that he inferred from recent utterances of General Smuts that the responsible statesmen of South Africa might possibly have some misconception of their obligations; that General Smuts had said that the territories under C mandates were virtually annexed to the territory of the mandatory. He stated further that the mandatory powers had a very serious responsibility; that a great experiment was being made for the first time in history; that hitherto native populations had suffered from contact with white civilizations, contact leading in southwest Africa to the virtual destruction of a native race; that it was the league's duty to see that in future the welfare of the native races should be promoted.

Mr. Bellegarde, Haiti, praised the loyalty shown by the Government and the delegation of South Africa in the affair of the Bondelzwart rebellion, stressing the importance of the right of petition which he called the strongest guaranty the League of Nations could offer the peoples living under mandate. He referred to the fact that the sixth committee had expressed the hope that all petitions would be addressed to the mandatory power, and said that it was necessary to find a more direct method of dealing with petitions, that governments, despite good intentions, might face debate situations. He said further that the question would be brought before the council, that the best way of avoiding injustice under the league would be to allow full liberty for complaints to the permanent mandates commission; that this would not prevent complainants from first addressing themselves to the mandatory power.

Sir James Allen, New Zealand, replying to the Indian delegate, said that the New Zealand Government was extremely solicitous for the welfare of the natives; that the labor problem was difficult; that the New Zealand Government, in order to maintain the island of Samoa in cultivation, had been compelled to arrange for labor from China; that it had wished the Chinese laborers to bring their wives, but had been assured that it could not be guaranteed that women desiring to come were married to the laborers; that his Government was anxious to avoid any mixture of the races; that labor contracts ran only three years and there was no time for laborers to form associations with Samoan women; that the importation of such labor was absolutely necessary because the natives themselves would not work. He would ask the council, he continued, to consider the wisdom of public meetings of the permanent mandates commission before the commission sent its report to the council, and he again stressed the danger of allowing petitions to come direct to the commission without having been seen by the mandatory powers, saying that unfortunately the natives were frequently under the influence of agitators.

Sir Edgar Walton, South Africa, said it was unfortunate that the mandatory system should be debated at that meeting of the assembly; that the mandatory powers had undertaken a very difficult task at much trouble and expense; that they should have sympathy rather than criticism; that he was surprised at the solicitude of the Indian delegate for the population of South West Africa; that he would point out that there were no Indians in South West Africa. He said that the South African Government confronted a very complicated situation on account of the extremely mixed character of the population of the territory over which it had a mandate, regretting that his government had not been represented before the permanent mandates commission. He said that the administrator of South West Africa had been conducting military operations during six months of the year, however, and that no one else had sufficient knowledge or authority to give the permanent mandates commission any useful information. As to the reference to the statement of General Smuts that the C mandates meant virtual annexation, he said this was true as far as their administration was concerned, inasmuch as the natives had been put under the same laws and had the same rights as the rest of the South African population.

Lord Cecil, delegate for South Africa, joined in the praise accorded the permanent mandates commission, saying in reply to Sir James Allen on publicity that on the whole its advantages outweighed its disadvantages. As to petitions, he agreed that the greatest care must be taken not to hamper the mandatory powers; contending, however, that there was no better safeguard against oppression or misgovernment than publicity, and suggesting that petitions might be sent simultaneously to the permanent mandates commission and the mandatory powers with the understanding that the former would not consider them until it had received the observations of the latter. As to the reference of the Indian delegate to General Smuts, he said that General Smuts was the author of the covenant and of the mandatory system; that it was a fantastic paradox to suggest that he could possibly misconceive that system or desire to do anything antagonistic to its success; that the absence of a South African representative from the recent session of the permanent mandates commission was due to administrative difficulties and not to any wish to avoid criticism or investigation; that the statement of General Smuts needed no defense when understood. He said further that criticism should not be resented, that criticism and debate were necessary to make the mandatory system a reality, that they were the best sanction for good administration, that the present debate showed that the system was not a mere deception, and also showed that a real step forward for humanity had been taken.

Hon. G. E. Rich, Australia, said that the phosphate monopoly in the island of Nauru had been acquired from the

Pacific Phosphate Co. through voluntary sale; that the administration had continued to employ Chinese laborers, but in decreasing numbers, and that it was hoped they could be dispensed with entirely in the near future.

Sir Joseph Cook, Australia, said that the permanent mandates commission had made preliminary criticisms of the administration of the mandatories which were considered rather severe, criticisms due to the fact that the commission did not know all the circumstances; that when they were placed before the commission it had accepted them without hesitation; that the mandatory powers welcomed the fullest investigation, since criticism came mostly from those who did not understand the difficulties surrounding the system. He said that no criticism had been made of the administration of New Guinea; that the excellent system of medical hygiene introduced there had been warmly commended by the commission; that the introduction of Chinese labor into Nauru occurred because the natives could not be induced to labor in the mines; that under the new régime full compensation was given the natives for their land and the natives were excellently treated; that it was not desired to take the right of petition from the natives but it was essential their real opinion should be ascertained, not the opinion of agitators with ulterior purposes. He added that every effort was being made by Australia to administer these islands in the true spirit of trusteeship, with the interests of the natives always and primarily in view.

The president stated that the sixth committee's report invited the assembly to note certain recommendations and observations regarding the administration of the mandates generally, and the Pacific islands and the African territories particularly.

He invited the assembly to note the declaration of Hon. G. E. Rich, Australia.

The assembly made these notations.

The assembly then adopted the resolution offered by Mr. Bellegarde on September 8 in reference to the Bondelzwart rebellion.

It also adopted the conclusions of the sixth committee regarding petitions by peoples of mandated areas, which were as follows:

1. All petitions emanating from inhabitants of mandated areas should be sent to the permanent mandates commission through the intermediary of the local administration and of the mandatory power;
2. All petitions concerning the welfare of the inhabitants of mandated areas emanating from other sources should not be considered by the permanent mandates commission before the mandatory power has had full opportunity of expressing its views.

The president announced that the committee on agenda reported that the Persian delegation's proposal that the assembly invite the council to send a commission of inquiry to the Near East be placed on the agenda and referred to the sixth committee.

This report was adopted.

The president then read a letter from the Greek delegation in reference to this proposal, expressing certain reservations. The letter was referred to the sixth committee.

*Thirteenth meeting, Thursday, September 21, 1922, 10 a. m.*

SLAVERY IN AFRICA

Jonkheer London, Netherlands, Doctor Nansen, Norway, chairman and reporter, sixth committee, took seats on platform.

Doctor Nansen presented a resolution that the question of the recrudescence of slavery in Africa be included in the agenda of the fourth assembly, and that the council be requested to present to that assembly a report on the information received on this subject.

Resolution adopted.

PROTECTION OF MINORITIES

Mr. Motta, Switzerland, reporting for the sixth committee, presented its report on protection of minorities.

In explanation of the report he said that the proposal of Prof. Gilbert Murray, South Africa, parts of which had been incorporated in the resolutions of the committee, was based on five principles: (1) Informal intervention of council; (2) resort in certain cases to Permanent Court of International Justice; (3) despatch in other cases of permanent or temporary representatives of the league; (4) duty of minorities to act as loyal citizens of the states to which they belonged; (5) observation by all states toward their minorities of a standard of justice at least equal to that of the minorities' treaties. He said that the committee could not agree to the despatch of permanent or temporary representatives of the league or to proposal of Latvia or Finland for an international codification of the rights of minorities. It did recommend, he said, on the other hand, that the secretariat assist the council in its work of protection and furnish it with the means of ascertaining impartially how the minorities fulfilled their obligations. He added that the resolution proposed by the committee indicated a distinct advance; that, although the covenant contained no explicit article on the subject of the League of Nations, as a guardian of the peace, intervened in the question of minorities and that this was becoming one of its essential tasks; that when a dispute could not otherwise be regulated, the Permanent Court of International Justice would find a just solution; that these proposals signalized the advent of a new era.

The Maharaja Jaur Sahib, of Nawanagar, India, referred to Professor Murray's recent address affirming the necessity of spreading general contentment with the new distribution of Europe, and said that there were minorities questions outside of Europe, namely, insistent and irritating minority questions in Africa, especially the case of the Indian population under the South African Government. He appealed to the South African delegates to influence their government toward a satisfactory settlement of this question, saying that it caused discontent not only in South Africa but all over India, and expressed the hope that next year he could thank the Great Britain and South African representatives for having brought satisfaction to the just aspirations of the Indians of South Africa and Kenya Colony.

Professor Murray said in reply that it was true that minorities questions existed outside Europe; that the standard of justice in the east and the west was different, but that the time was not opportune to go into a particular case. He said that the position of the South African Government was very difficult; that it was dealing with several races in different stages of civilization and with different traditions. He said further that the case of the Indians in South Africa was covered in principle by the fourth paragraph (quoted later) of the committee resolution, in which countries not bound by the minorities treaties were asked to observe the same standards in dealing with minorities as the states signing such treaties; that Great Britain was actuated by such a spirit and had accepted the principle. He stated that the committee resolution represented a friendly attitude by the league toward all concerned; that the minorities discussion marked progress in international relations. Mr. Bellegorde, of Haiti, in the case of mandates, and Mr. Aeyer, of India, in the case of minorities, having criticized the work of a great empire without resentment from its representatives, who had shown no desire to avoid the issue, an unparalleled situation. He pointed out that the states signing the minorities treaties had naturally felt the unfairness of incurring obligations not imposed on other members of the league; that all members had accordingly been asked to adopt the spirit of these obligations, and that minorities were urged to be loyal to the states of which they were a part. The committee's resolution did not contemplate further encroachments, he continued, on the sovereignty of governments, but better relations between majorities and minorities all over the world, and a unity of outlook and patriotism in all countries with minorities problems.

Mr. Midhat Prasheri, Albania, said that it was due to the League of Nations that the rights of minorities had acquired a capital importance in international public law; that the treaties of peace and the declarations of the new states had created a positive right which should be given strength and precision; that different kinds of procedure would be neces-

sary; that when the council failed to conciliate informally it would be able to pronounce formal decision, from which an appeal could be made, but that certain periods should be fixed by the council within which appeal might be made to the Permanent Court of International Justice. He stated that the minorities section of the secretariat should be so organized as to give the council all necessary information; that a staff should be created, with the consent of states concerned, which could ascertain on the spot the real situation. He contended that the right of minorities to such procedure be formally recognized, and that if they did not secure justice from legal authorities it would be the duty of the commission of inquiry and the council to do what was necessary. As to sanctions, he held that considerable latitude should be left the council, which should be permitted to apply measures appropriate under the circumstances. He stated that the object of his observations was to consolidate peace in the Balkans; that on account of the homogeneousness of race and language the force of national sentiment and the liberty which existed for different religions Albania had no minority problem.

Count Banffy, Hungary, said that Hungary's approval of the committee's action was all the more pronounced because important Hungarian minorities existed in adjacent states; that Hungary had already suggested at the Genoa conference that the league be invited to send commissions of control into countries signing minorities treaties; that this problem had become a European problem and was of the highest importance to world peace; that Hungary had determined to work in a spirit of conciliation with the other members of the league.

Mr. Hanotaux, France, stated that the league found itself between two parties in minorities questions; that it was constrained sometimes to favor the governments and at other times to favor minorities, in order to counsel prudence and moderation in each; that minorities had always existed, but theretofore had presented questions of internal policy, as Europe had for centuries tended toward the evolvement of states as strong units that to-day the endeavor was to bring diverse elements together on a different principle, which Professor Murray's proposal would facilitate. However, he continued, the committee felt that the dispatch of permanent or temporary representatives was objectionable, and that on this point as much as possible should be left to the experience and authority of the council. He added that a system had thus been founded which had already produced good results, and would work better in the future.

The assembly adopted the committee resolution on the minorities question which was in five paragraphs and composed as follows:

1. While in cases of grave infraction of the minorities treaties it is necessary that the council should retain its full power of direct action the assembly recognizes that in ordinary circumstances the league can best promote good relations between the various signatory governments and persons belonging to racial, religious, or linguistic minorities placed under their sovereignty by benevolent and informal communications with those governments. For this purpose the assembly suggests that the council might require to have a larger secretarial staff at its disposal.

2. In case of difference of opinion as to questions of law or fact arising out of the provisions of the minorities treaties, between the government concerned and one of the states members of the council of the League of Nations, the assembly recommends that the members of the council appeal without unnecessary delay to the Permanent Court of International Justice for a decision in accordance with the minorities treaties, it being understood that the other methods of conciliation provided for by the covenant may always be employed.

3. While the assembly recognizes the primary right of the minorities to be protected by the league from oppression it also emphasizes the duty incumbent upon persons belonging to racial, religious, or linguistic minorities to cooperate as loyal fellow citizens with the nations to which they now belong.

4. The assembly expressed the hope that the states which are not bound by any legal obligations to the league, with respect to minorities, will nevertheless observe in the treatment of their own racial, religious, or linguistic minorities at least as high a standard of justice and toleration as is required by any of the treaties and by the regular action of the council.

5. The secretariat which has the duty of collecting information concerning the manner in which the minorities treaties are carried out should not only assist the council in the study of complaints concerning infractions of these treaties but should also assist the council in ascertaining in what manner the persons belonging to racial, linguistic, or religious minorities fulfill their duties toward their states. The information thus collected might be placed at the disposal of the states, members of the League of Nations, if they so desire.

ESPERANTO AS AN AUXILIARY INTERNATIONAL LANGUAGE; REPORT OF FIFTH COMMITTEE

Mr. Fielding, Canada, and Mr. Reynald, France, reporters, for fifth committee, took seats on platform.

Mr. Reynold read the fifth committee's report on Esperanto as an auxiliary international language, the report concluding with the following resolution, which the committee submitted for action:

1. That the report of the secretariat on Esperanto as an auxiliary international language be adopted subject to the following amendments:

(a) That the corrections communicated by the British delegation be made and that Chapter V of the report be omitted.

(b) That an annex be added to the report, consisting of the whole of the brief and impartial report made by the Paris Chamber of Commerce on February 9, 1921, of which certain passages only have been quoted.

(c) That the resolutions adopted by the committee be annexed to the report.

2. That questions relating to the teaching of Esperanto be referred to the committee on intellectual cooperation in order that the committee may give its opinion on the various aspects of the problem of an auxiliary international language.

Mr. Fielding, Canada, observed that the second part of the resolution had been objected to and a request made for a separate vote on the two parts.

Lord Robert Cecil, delegate for South Africa, expressed his approval of the report, especially the reference to the committee on intellectual cooperation, saying that it was this committee's duty to bring the intellectual activities of every nation into interrelation.

The first part of the resolution (1 (a), (b), (c)) was unanimously carried, the second by a vote of 26 to 2.

LITHUANIA'S COMPLAINT REGARDING TREATMENT OF NON-POLISH ELEMENTS IN VILNA

Jonkheer Loudon, Netherlands, Mr. Motta, reporter, sixth committee, appeared on the platform and presented that committee's report on Lithuania's complaint regarding non-Polish elements in Vilna, with the following resolution:

The assembly of the League of Nations, in virtue of its resolution of September 15, 1922;

Having heard the complaints of the Lithuanian Government relating to the treatment of non-Polish populations in the Vilna district;

And having also heard the replies of the Polish delegate to these accusations;

In view of the fact that the questions thus raised are among those with which the council, after having drawn up its final recommendation for the settlement of the Polish-Lithuanian dispute, reserved to itself, by its resolution of January 13, 1922, the right to deal, if necessary, by requesting the two governments to allow it to send representatives to the spot for the purpose of making a report.

In view of the fact that the council has already made use of the powers which it thus reserved to itself and that its intervention in this matter is in conformity with its general activities in regard to the protection of minorities:

Refers to the council for its special consideration the question which has been submitted to it by the Lithuanian Government.

Mr. Motta, Switzerland, said that the league had not to deal with the political status of Vilna, since its recommendations had been without result, but confined itself to the formal complaint of Lithuania that the administration of Vilna was not finally established, and the complaint could be dealt with by the assembly; that the complaint did not involve the question of minorities which under the treaties belonged to the council, which had reserved to itself the right to follow questions concerning the territory of Vilna from the standpoint of the protection of minorities. He declared that it had not been possible for the committee to form an opinion of the accusations formulated by the Lithuanian delegate and contested by the Polish delegate; that the Lithuanian delegate had asked in the committee that the assembly send a commission of inquiry to study the question on the spot, but the committee decided not to act because it might restrict the freedom of the council; that in the committee's view the assembly should not encroach in any way on the council which by resolution dur-

ing the current year had already appealed to the generosity of the two parties and which would follow up the matter with all necessary attention.

Mr. Sidzikauskas, Lithuania, said that the decisions of the assembly and its committees had not completely met the hopes of Lithuania, which for eight years had been in a condition not unlike a state of war; that its progress in reconstruction had been impeded; that he regretted the committee had not proposed for the agenda the question of the legal status of Vilna and of the violation and nonexecution of the treaty of Suwalki by Poland, which treaty offered a serious basis for the settlement of the dispute over Vilna. He asserted that Lithuania had proposed without success to submit the question to the Permanent Court of International Justice; that the population of the disputed area, a majority being against the Polish rule, was drifting into an intolerable state; that he hoped the council would not hesitate to send there a commission of inquiry or a resident commissioner of the league.

Doctor Nansen favored a commission of inquiry by the assembly.

Mr. Askenazy, Poland, opposed the suggestion, pointing out that the majority of the sixth committee had decided it to be an encroachment on the jurisdiction of the council, an indication of lack of confidence in that body, and had decided to propose reference to the council, a decision which the speaker asked the assembly to indorse.

Lord Robert Cecil, South Africa, said that the committee had recommended that the matter be left to the council, but had indicated that it might be useful to send a commission of inquiry.

Mr. Askenazy, Poland, asked adjournment of the discussion until the next meeting.

Mr. Motta, Switzerland, insisted on the committee's proposal as it stood, pointing out that, as stated in the report, the council would be following the views of the assembly if it sent a commission, but its freedom of action remained undisturbed, and added that the resolution should be adopted with this understanding.

The resolution was agreed to.

INCREASE IN NUMBER OF NONPERMANENT MEMBERS OF COUNCIL

The following communication from the council was read by the president:

The council has decided to submit the following proposal to the assembly:

Article 4 of the covenant provides that the council shall consist of representatives of the principal allied and associated powers together with the representatives of four other members of the league selected by the assembly.

The council may, however, with the approval of the majority of the assembly, increase the number of nonpermanent members.

Acting under these provisions the council thinks it is desirable that the number of members of the league to be selected by the assembly for representation on the council should now be increased from four to six.

The first paragraph of article 4 is based on a certain principle concerning the number of the permanent and nonpermanent members of the council. The proposed augmentation of the number of the nonpermanent members produces a considerable modification of this principle. Nevertheless, a subsequent augmentation of the number of permanent members would reestablish the principle of which article 4 is the application without it being possible to consider that the change proposed to-day prejudiced such reestablishment.

The council asks the assembly to approve this decision, in accordance with the provisions of the covenant.

The president then placed before the assembly the following resolution:

The assembly approves the decision of the council that the number of members of the league to be selected by the assembly for representation on the council shall be increased from four to six.

This decision shall come into force immediately after approval by a majority of the assembly.

On proposal of committee on agenda the assembly placed the question on the agenda and referred it to the first committee.

*Fourteenth meeting, Friday, September 22, 1922, 10 a. m.*

PROCEDURE OF CONCILIATION—REPORT OF FIRST COMMITTEE

Mr. Scialoja, Italy, Mr. Adatci, Japan, chairman and reporter of first committee, took seats on platform.

Mr. Adatci stated that at the first assembly Norway and Sweden had submitted a draft concilation agreement which had been carefully considered; that it was again taken up at the second assembly, which had directed the council to appoint a special committee to study a procedure of conciliation; that this committee had met in May, 1922, and that the council in July had adopted its report, which had been presented to the first committee of the third assembly.

He said that the proposal by Norway and Sweden contemplated a general procedure of conciliation obligatory on all league members; that the first committee had taken up the question of bringing such procedure within the framework of the covenant; that the committee had differed as to whether the procedure should be compulsory or optional, and had decided that it was better for the moment not to make it compulsory; that the committee had further concluded that the council was the organ of conciliation under the league, on whose jurisdiction there should be no encroachment.

He said further that the committee recommended, therefore, that the assembly adopt a resolution on the subject, not a convention open to signature by all members; that the draft now presented by the committee to the assembly represented the committee's unanimous action; that it traced the general lines of the system proposed, and that the committee hoped it would open the way for an agreement which could be signed by all members.

Mr. Unden, Sweden, favored the committee scheme, although it did not go as far as the Swedish-Norway proposal, and expressed the hope that further steps would follow.

The resolution recommended by the committee was adopted by the assembly. It was as follows:

With a view to promoting the development of the procedure of conciliation in the case of international disputes in accordance with the spirit of the covenant the assembly recommends the members of the league, subject to the rights and obligations mentioned in article 15 of the covenant, to conclude agreements with the object of laying their disputes before conciliation commissions formed by themselves.

The organization of these commissions, their competence, and the procedure to be forwarded before them shall be freely determined by the contracting parties. The parties are recommended in this connection to look for guidance to the provisions contained in the Hague convention of October 18, 1907, for the pacific settlement of international disputes, and in particular to the provisions concerning the hearing of witnesses, procedure by employment of experts, rogatory commissions, inspection of places, and replacement of members of the commission. The rules laid down in the following articles are recommended to them for adoption. At the request of the members concerned the secretary general may offer them the assistance of the secretariat for the conclusion of conciliation conventions.

Apart from the other means placed at its disposal by the covenant to assure the maintenance of peace the council may, if necessary, have recourse to the service of the conciliation commission formed by the parties; it may write them to bring their dispute before the commission or it may refer to the commission any dispute which may have been submitted to it by one of the parties in virtue of article 15 of the covenant. A conciliation convention made between two states of which one only is a member of the League of Nations, or of which neither is a member of the league, will be applicable subject to the procedure established by article 17 of the covenant.

The assembly expresses the hope that the competence of the conciliation commissions will extend to the greatest possible number of disputes, and that the practical application of particular conventions between states, as recommended in the present resolution, will in the near future make possible the establishment of a general convention, open to the adhesion of all states.

RULES

ARTICLE 1. The conciliation commission shall be constituted as follows:

Each party shall appoint two members, one from among its own nationals, the other from among the nationals of a third state. The two parties shall jointly appoint the chairman of the commission from among the nationals of a third state.

The parties may appoint the members of the commission beforehand and for a period which they themselves shall determine. They may also confine themselves to appointing only the chairman beforehand, in which case the other members shall be appointed after consultation with the chairman at the moment when a dispute arises, their mandate being limited to the settlement of such dispute.

ART. 2. Disputes which fall within the competence of the conciliation commission shall be referred to it for consideration by means of a notification made by one of the contracting parties to

the chairman of the commission and to the other party. The notification shall be communicated to the secretary general of the league.

If all the members of the commission have been appointed beforehand, the chairman shall convene the commission as soon as possible. If they have not been so appointed, the chairman shall write the parties to appoint the other members within a period laid down by the convention.

ART. 3. The conciliation commission shall meet at the seat of the league, unless the parties have fixed a different place of meeting in the convention made by them or for the purpose of a particular case. The commission, if it considers it necessary, may meet at a different place. The commission may in all circumstances ask the secretary general to render it assistance in its work.

ART. 4. Subject to the right of the parties and of the commission itself to extend this period, the conciliation commission shall complete its work within a period of six months from the day on which it first met.

ART. 5. Both parties shall be heard by the commission. The parties shall furnish the commission with all the information which may be useful for the inquiry and the drawing up of the report, and shall in every respect assist it in the accomplishment of its task.

The commission shall itself regulate all details of procedure not provided for in the convention and establish rules of procedure for the obtaining of evidence.

ART. 6. The commission shall take its decision by a majority vote of its members; the presence of all the members is required for a valid decision. Each member shall have one vote.

ART. 7. The commission shall make a report on each dispute referred to it. In proper cases the report shall include a proposal for the settlement of the dispute. The reasoned opinion of the members who are in the minority shall be recorded in the report.

The chairman of the commission shall immediately bring the report to the knowledge of the parties and of the secretary general of the league.

ART. 8. The report of the conciliation commission may be published by one of the parties before the settlement of the dispute only if the other party gives consent.

ART. 9. Each party shall pay the allowances of the members of the commission which it has appointed and shall pay half of the allowances of the chairman.

Each party shall bear the costs of procedure which it has incurred and half of those which the commission may declare to be joint costs.

REPATRIATION OF PRISONERS OF WAR—REPORT OF FIFTH COMMITTEE

Mr. Fielding, Canada, and Mr. de Brouckere, Belgium, chairman and reporter, fifth committee, advanced to the platform, and Mr. de Brouckere read the report of the fifth committee on repatriation of prisoners of war, recommending adoption of Doctor Nansen's report.

The president remarked that the assembly would doubtless approve the report and its conclusion, which was as follows:

The fifth committee, in recommending to the assembly the adoption of Doctor Nansen's report, desires to state that in the accomplishment of his mission Doctor Nansen has indeed deserved well of humanity.

The remark was received with applause and the report adopted.

POSITION OF GEORGIA—REPORT OF SIXTH COMMITTEE

Mr. Loudon, Netherlands, Mr. Lapointe, Canada, chairman and reporter, sixth committee, were given seats on the platform.

Mr. Lapointe, presenting the sixth committee's report on Georgia, quoted the resolution presented by Mr. Brouckere, Belgium, on September 18, 1922, which was as follows:

The assembly of the League of Nations, moved by the present unhappy position of Georgia as a country invaded and occupied contrary to the wishes of its inhabitants, invites the council to follow attentively the course of events in this part of the world so that it may be able to seize any opportunity which may occur to help in the restoration of this country to its normal condition.

Mr. Brouckere said that all members of the sixth committee had indicated deepest sympathy with the proposal, but certain ones, especially Lord Cecil and Mr. Fisher, had urged amendments. It was feared, he added, that the original wording might seem provocative to the Soviet Government and might render Georgia's position still more difficult, and it was felt that political or military action was suggested by the original terms, action which it would not be possible for the league to take. He said further that after discussion the committee decided to present the resolution in the following terms:

The assembly of the League of Nations, having considered the position of Georgia, invites the council to follow attentively the course of events in this part of the world, so that it may be able to seize any opportunity which may occur to help in the restoration of this country to normal conditions by any peaceful means in accordance with rules of international law.

Mr. Brouckere stated that the resolution as presented to the assembly contained both promise and counsel; that the Georgian people were invited to note that the league had instituted a method of settling international disputes otherwise than by resort to war; that meanwhile they should avoid desperate measures and should realize that premature and violent conduct might cause still greater disaster.

The assembly adopted the resolution presented by the sixth committee.

ARMENIA—SIXTH COMMITTEE

Presenting the sixth committee's report on Lord Cecil's resolution on Armenia of September 19, 1922, Mr. Motta, Switzerland, quoted the resolution, which was as follows:

The assembly notes with gratitude the action taken by the council with respect to Armenia and declares that it is of the opinion that in any peace with Turkey it should be an essential condition that a national home should be provided for the Armenians and requests the council to take all steps which it may think useful to secure this result.

The speaker said that the sixth committee agreed with the substance of the resolution, but desired to modify its terms by omitting the provision that a national home for Armenians should be an essential condition in any peace with Turkey; that the league should avoid the appearance of a belligerent, or of political action; that it should take the humanitarian viewpoint, hoping that Armenia came within article 22 of the covenant, which mentioned certain communities formerly belonging to the Turkish Empire which had reached a state of development where their existence as independent nations might be recognized.

He said further that out of a total population of about two and a half millions only 300,000 Armenians in Turkey and 500,000 Armenian refugees remained; that it had been doubted whether it was wise to renew a recommendation which on a former occasion had proved futile; that he believed, however, that it was the league's duty to proclaim again its solicitude for the Armenians.

Lord Cecil, representing South Africa, spoke of the action on Armenia by the first and second assemblies, pointing out that in 1920 a revolution in Armenia had prevented intervention by the assembly; that warfare continued through 1920 and 1921; that in 1921 the assembly was obliged to confine itself to the request that in any treaty of peace for the settlement of the Near East a national home should be given the Armenians; that the war continued through 1921 and 1922, only a small remnant of Armenians now remaining in Armenia. He contended that the league was bound to intervene, and not entirely on humanitarian grounds; that the league existed primarily to secure world peace, either by direct efforts to end disputes between nations or indirectly by promoting international cooperation; that the league policy toward Armenia belonged to the same order of ideas as to its policy for protection of minorities. He stated that the present situation was dangerous, necessarily involving constant pressure of western public opinion for intervention in the Near East; that outside intervention in any country was to be undertaken only as a last resort; that the only alternative of the national home policy was the ruthless policy of extermination adopted by Talaat Pasha.

The resolution as amended and presented by the sixth committee was adopted.

STATUS OF EASTERN GALICIA—REPORT OF SIXTH COMMITTEE

As reported for sixth committee on the subject of Galicia, Mr. Lapointe, Canada, said that the committee held that the problem of eastern Galicia had not changed since the second assembly; that the two parties had recognized the importance of the earliest possible solution, though differing as to means; that the committee presented the following resolution:

The assembly of the League of Nations renews its wish, expressed in the resolution adopted by the second assembly on Sep-

tember 27, 1921, that the council of the league draw the attention of the principal allied and associated powers to the desirability of determining at an early date the status of eastern Galicia.

Resolution adopted.

WITHDRAWAL OF PERSIAN PROPOSAL FOR PROTECTION OF CIVILIAN POPULATIONS OF NEAR EAST

The president announced receipt of a letter from the Persian delegation, stating that the international committee of the Red Cross was taking active steps to relieve the civilian populations of the Near East on the lines of the delegation's proposal to the assembly on September 19; that accordingly the proposal was withdrawn, and the thanks of the delegation proffered to the international committee of the Red Cross and its president, Mr. Adar, for their solicitude for the Moslem and Christian populations of the Near East.

LORD BALFOUR'S PROPOSAL FOR AMENDMENT OF ARTICLE 14, RULES OF PROCEDURE

The president announced receipt of a proposal by Lord Balfour for amendment of article 14, rules of procedure, reading as follows:

The general feeling in favor of strict economy in connection with the work of the league renders the amendment of rule 14, paragraph 2, of the rules of procedure, desirable. The following modification is proposed:

Present text:

2. The assembly shall not decide items on the agenda in full meeting until the report of a committee upon them has been presented and circulated, unless the assembly itself, by a two-thirds majority, determines otherwise.

Resolutions involving expenditure shall not, however, be voted by the assembly before the financial committee shall have expressed its opinion on the advisability of the proposed expenditures with regard to general budgetary resources.

Proposed text:

2. The assembly shall not decide items on the agenda in full meeting until the report of a committee upon them has been presented and circulated, unless the assembly itself, by a two-thirds majority, determines otherwise.

Reports by a committee involving the expenditure of money must indicate whether the expenditure will constitute part of the general expenses of the league or whether it will be recovered from the members of the league particularly concerned.

Reports by a committee other than the financial committee recommending action which will involve the expenditure of money, of which the amount is not specified, shall before submission to the assembly be referred to the financial committee, in order that there may be prepared and submitted to the assembly with the report in question as close an estimate as time and circumstances allow of the amount of expenditure involved.

Furthermore, no resolution involving expenditures shall be voted by the assembly before the financial committee shall have expressed its opinion on the advisability of the proposed expenditure from the point of view of general budgetary resources.

The assembly referred the proposal to the sixth committee.

*Fifteenth meeting, Saturday, September 23, 1922, 10 a. m.*

AMENDMENT OF ARTICLE 10 OF COVENANT: REPORT OF FIRST COMMITTEE

Mr. Sciajola, Italy, chairman first committee, Mr. Struycken, reporter, came to platform. Presenting the committee's report, Mr. Struycken said that some league members thought article 10 the most valuable article in the covenant, that others deemed it a source of grave risks and responsibilities hurtful to the league; that opinions varied as to the legal meaning of this article and its relation to other articles of the covenant.

The Canadian delegation, he continued, had first asked for the elimination of the article, but had since proposed to amend it so as to remove all doubt as to its meaning, while the committee had decided to postpone the subject for further consideration and offered the following resolution:

The assembly of the League of Nations decides that the Canadian proposal with regard to article 10 of the covenant shall be adjourned until the fourth assembly in order that the subject may be considered in all its bearings. The assembly leaves it to the council to decide on the steps to be taken to ponder in a detailed study of the Canadian proposal before the meeting of the fourth assembly.

Mr. Barthelemy, France, said that France favored the article, but the French delegation had agreed that it be referred to the fourth assembly for examination; that from the French viewpoint this article was an essential declaration of a new international principle; that articles 16 and 17 of the covenant contained the practical details of the application of this principle; that article 10 did not compel league members to come with all their forces to the assistance of a member unjustly attacked; that they might remain outside the struggle provided they had met their obligations under articles 16 and 17. He remarked further that the absence of specific military obligations under article 10 was recognized in Lord Cecil's proposal for a mutual treaty of guaranty; that though not contained in the letter the principle of the guaranty was in harmony with the spirit of article 10; that this article had been wrongly interpreted as a conservation of boundaries as they stood; that it merely said that frontiers must not hereafter be altered by force but only as a result of peaceful deliberations under league auspices. He gave it as his personal view that if article 10 had to be modified no steps should be taken in this direction except in agreement with the United States as a member of the league; that the elimination of the article would bring in no new state and would alarm some of the new states which had become league members; that it would be for the council, when faced with an actual controversy, to interpret article 10, subject to the control of the assembly.

Mr. Fielding, Canada, remarked that no proposal for the repeal of article 10 was before the assembly; that such a proposal had been made by a Canadian delegate to the first assembly, but the present Canadian Government now admitted that this could not reasonably be done; that the Canadian delegation, however, deemed article 10 in its present form ambiguous; that the committee of jurists appointed to study article 18 and article 10 had as well taken the same view and had expressed the hope that an interpretative resolution of the assembly might abolish all doubt as to its exact meaning; that it was necessary to ascertain whether article 10 gave the council the right to issue proclamations of war; that the Canadian delegation did not think the council had such right and deemed it necessary that all doubt on this point be removed.

Resolution adopted.

AMENDMENT OF ARTICLE 18 OF COVENANT, FIRST COMMITTEE'S REPORT

Mr. Zahle, reporting for first committee, came to the platform and stated that he agreed with Mr. Fernandes, reporter of first committee to the second assembly, on article 18; that Mr. Fernandes had said that article 18 contained one of the essential principles of the league, which should be neither suppressed nor limited.

The president then submitted the resolution of the first committee on the amendment of article 18, as follows:

Considering that, according to the information furnished by the secretariat, the practice of presenting treaties and international engagements for registration and for publication is becoming more and more familiar to the governments of members of the league and desiring to profit by experience gained over a longer period before reopening the discussion on a possible amendment of article 18 of the covenant:

The assembly decides to postpone such a discussion to a future session of the assembly.

Resolution agreed to.

INDEMNITIES FOR CERTAIN JUDGES AND ASSESSORS OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE

Mr. de Palacios, Spain, reporting for first committee, submitted its report on indemnities for certain judges and assessors of the Permanent Court of International Justice and offered for the committee the following resolution:

The assembly of the League of Nations having considered proposals made to it by the council in accordance with article 32 of the statute of the Permanent Court of International Justice, accepts the proposals of the council subject to certain changes as to the amounts payable and decides as follows:

1. A judge sitting in the Permanent Court of International Justice, who has been selected in accordance with article 31 of the statute of the court and who is not a deputy judge, shall be granted from the funds of the court a daily duty allowance and a daily subsistence allowance and repayment of his traveling expenses, according to the rates and conditions applicable to a deputy judge taking part in a session of the court.

2. Technical assessors summoned to assist the court in accordance with the provisions of article 26 of the statutes of the court shall be granted from the funds of the court a daily subsistence allowance of 50 florins during the period for which their functions oblige them to reside at the place at which the session is held, unless they habitually reside there, or, if they reside at such

place, a daily subsistence allowance of 25 florins; and further, the necessary traveling expenses of these assessors shall be refunded them out of the funds of the court.

3. Technical assessors sitting in cases connected with transit and communications and, in particular, cases coming under part 12 (Ports, waterways, and railways) of the treaty of Versailles and the corresponding parts of the other treaties of peace referred to in article 27 of the statute of the court shall be treated in the same manner as the assessors referred to in paragraph 2 above, if they sit by virtue of a decision of the court.

If the technical assessors sit at the request of the parties, then allowances and traveling expenses shall be borne by the parties in accordance with rules to be made by the court.

Resolution adopted.

PROPOSED AMENDMENT TO ARTICLE 1, RULES OF PROCEDURE OF ASSEMBLY

The president stated that Mr. Hanotaux, France, and Mr. Sceapola, Italy, proposed to amend article 1, assembly rules of procedure, so that the assembly's annual session might begin on the third Monday in September instead of the first, as was at present required, and suggested reference to first committee.

The president's suggestion agreed to.

*Sixteenth meeting, Monday, September 25, 1922, 10 a. m.*

INCREASED NUMBER OF NONPERMANENT MEMBERS OF COUNCIL

Mr. Lapointe, Canada, presented the first committee's report proposing immediate increase of number of members of league chosen by the assembly for representation on the council from four to six.

Mr. Struycken, Netherlands, said that the increase would profoundly modify the composition of the council, giving the majority to the nonpermanent members; that the council should be based on the principle of selection, not the democratic principle; that there was danger of hampering its action; that the desire to enlarge the council was due to temporary motives and present circumstances. He said it was true that the league should take account of changes that occurred and groups formed in the development of political relations, but should not be allowed to fall under particular influences; that its principal object was the progressive subordination of national ambitions to the universal and lasting ideas that lay at its base; that it would form an undesirable precedent to make this change in the council without following the procedure laid down for the revision of the covenant.

Mr. Barthelemy, France, remarked that the council and the first committee had felt the force of this reasoning, and had stipulated in naming the reasons for the change that the organic principle of the covenant as to the numerical relation between permanent and nonpermanent members was only temporarily abandoned.

Mr. Burgos, Panama, conceded that the great powers, with the larger responsibilities, should have superior rights, but contended that the fact that the five great powers could permanently dominate the league by means of the council weakened the confidence which all the members should have in the league, asking why the assembly which could nominate the four small powers on the council should not be entrusted with the same right as to the great powers, and stating that he submitted this idea to the committee on amendments to the covenant.

The committee proposal was accepted.

ARMENIAN AND GREEK REFUGEES

Lord Balfour, British Empire, stated that the British Government had been advised of the danger of some great calamity to the large number of refugees, Armenians and Greeks, at that time without shelter and food in Smyrna; that he had discussed the matter with Doctor Nansen, and that two things were necessary, transportation of refugees to a place of safety and food supplies; that the British Government would give £50,000 if the other governments would produce a like amount. He said that Doctor Nansen's organization could handle the situation; that ships were being chartered, and Doctor Nansen had taken steps for food supplies; that he urged the delegates from Persia, whose attitude was strictly neutral in reference to the unhappy events in the Near East, to inform, if possible, the other Moslem powers of the general feeling of the assembly in this matter.

Mr. Ader, Switzerland, as president of the international committee of the Red Cross, supported Lord Balfour, saying that the international committee had already sent representatives to Constantinople, Smyrna, and Brusa to report on the situation and to bring to the refugees the assistance which the British Red Cross and the Union Internationale de Secours had put at the committee's disposal; that a representative had also gone to Athens to help the British Government in assisting unfortunate victims at present dispersed throughout Greece and the islands.

Mr. Hanotaux, France, said that his government had already aided in relieving refugees through the French fleet and the French authorities; that the league council had already interested Doctor Nansen's office at Constantinople; and that he seconded Lord Balfour's appeal.

Doctor Nansen, Norway, observed that it was first necessary to take the refugees from Smyrna to some Greek island; that he had asked the Bulgarian Government for a shipload of flour and believed Mr. Stambouliski (Bulgarian premier) had promised his assistance; that he was asking his representative, the assistant high commissioner of the league at Constantinople, to go at once to Smyrna to see what could be done to save the lives of the refugees; that he joined Lord Balfour in asking the Persian delegation to approach the Turks, if possible, on behalf of the league's position in this matter; that he appealed for cooperation to league members and the general public.

Mr. Radeff, Bulgaria, announced that Bulgaria was already supporting nearly 200,000 refugees in her territory; would do her utmost to assist Doctor Nansen, steps already having been taken to that end.

Prince Arfa-Ed-Dowleh, Persia, informed the assembly that Persia is the only Moslem state represented in the assembly; was especially grateful for the confidence and esteem expressed by Lord Balfour; that Persia had friendly relations with both belligerents and was prepared to utilize such position to act as intermediary in facilitating a great humanitarian project.

Miss Vacaresco, Rumania, on behalf of all women throughout the world supported Lord Balfour's appeal.

Sir James Allen, New Zealand, offered this resolution:

The assembly, having heard the statement of Lord Balfour and recognizing the extreme urgency of bringing effective aid to the refugees in the Near East, for which purpose financial assistance from the various governments would be of the greatest value, decides that its members will at once place the situation before their respective governments, recommending an immediate and adequate financial contribution to Doctor Nansen's organization.

The proposer added that New Zealand would contribute £1,000 to the relief work.

Resolution adopted, the president, on behalf of the assembly, expressing gratitude for the British Government's generous offer, and his satisfaction that the delegates would at once communicate with their governments.

TRAFFIC IN WOMEN AND CHILDREN—FIFTH COMMITTEE'S REPORT

I ask that the proceedings under that title be printed without reading.

The VICE PRESIDENT. Without objection——

Mr. MOSES. Just a moment, Mr. President. Does it have to do also with the Nansen experiment in Greece?

Mr. SHEPPARD. No; it does not. It is another title altogether, and I am trying to finish it.

Mr. MOSES. Just why did the Senator want to do that at 10 o'clock p. m., may I ask?

Mr. SHEPPARD. There has been a unanimous-consent agreement to recess.

Mr. MOSES. I understand that, but to-morrow will be another day, and the Senator may go on then.

Mr. SHEPPARD. I wish to finish to-night, if I can.

Mr. MOSES. Mr. President, if the Senator will permit me, I do not think he can wholly illuminate me on some of the things that are here spoken of as to which I should like further information.

Mr. SHEPPARD. I will do the best I can. Mr. President, I renew my request that the proceedings under the title "Traffic in Women and Children" may be printed without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

TRAFFIC IN WOMEN AND CHILDREN—FIFTH COMMITTEE REPORT

Mr. Fielding, Canada, chairman and Mrs. Coombe-Tennant, reporter, fifth committee, appeared on platform, the latter presenting the committee's report on the traffic in women and children, and offering for the committee these resolutions:

"The assembly decides:

"1. That the report of the advisory committee on traffic in women and children be adopted.

"2. That in view of the fact that the system of State regulation which exists in certain countries is thought in many quarters to encourage the traffic in women, the advisory committee should be asked by the council to consider whether, pending the abolition of the system, it could be agreed that no foreign woman should be employed or carry on her profession as a prostitute in any licensed houses and that the recommendations of the advisory committee on the subject should be included in its next report to the council."

Mrs. Coombe-Tennant pointed out how intimately the league's entire work affected women, how much of it related to matters where women had practical experience and special knowledge, and appealed to the nations without women among their delegates to consider the matter of including them in order to make the assembly more truly representative of the people as a whole and to create among their own women a deeper interest in the league.

It had been often urged in the assembly, she said, that the force of the league rested on public opinion, and she then referred to the great share of women in forming public opinion in all countries, including those in which they had not taken a large share in public work. She said that it was the mother who molded the minds of her children, the citizens of to-morrow; that in every country the minds of women were a great power, though sometimes inarticulate; that she appealed to the women of all nations, especially of the states members of the league, to be active in the cause of peace and the league, and therefore, to study the questions with which the league dealt and on which world peace depended. She stated that now was the time for women in all countries to come forward and make sacrifices, if necessary, for peace, which, however severe, could not approach in severity the sacrifices of war; that the horrors of war might pass from the minds of men, but would never pass from the minds of mothers who gave more, far more, than life; that there was a passionate demand in the hearts of women that a way of settling international disputes, other than war, be found; that an instrument was needed for the expression and execution of that demand, and that the League of Nations was that instrument.

She added that if the league was to reach its full authority and force, it must become, in some true sense, a league of mothers, because it was through the women of the world that the great driving force could be given the league, a force which would sweep it on to achieve its purpose—a most difficult task, one that had baffled every age.

Viscount Chelmsford, India, correcting a statement in the report, said that the Indian Legislature had ratified the convention on the traffic in women and children, and that his government was taking steps to give it effect.

Mr. Sokal, Poland, said that prohibition of employment of foreign women in licensed houses could be brought about only by an international convention, by the pending resolution the assembly was asked to request the council to ask the advisory committee on traffic in women and children to study this question, the results to be reported to the fourth assembly—that the Polish delegation deemed the proposed measure an effective one.

Mrs. Dale, Australia, supported the measure relating to foreign women, saying that Mr. Sokal was its author, and called attention to the fact that the resolution presented the measure preceding the abolition of the system of licensed houses. She added that she could not have supported any resolution based on the assumption that the system of regulation was necessary or desirable.

The Count de Gimeno, Spain, observed that public opinion in Spain was divided on the subject of licensed houses; that he would, therefore, abstain from voting, although as a medical man he favored the measure.

Resolution and report approved, Spanish delegation not voting.

Mr. SHEPPARD. Mr. President, I now come to the—

*Seventeenth meeting, Tuesday, September 26, 1922, 10 a. m.*

REDUCTION OF ARMAMENTS

Mr. de la Torriente y Peraza, Cuba, chairman, and Lord Robert Cecil, South Africa, reporter, third committee, took seats on the platform.

Presenting the report of the third committee on reduction of armaments, Lord Cecil said that the league by article 8 of the covenant was assigned the duty of formulating practical schemes for armament reduction to be submitted to the governments for their final decision; that the temporary mixed commission had already assembled important statistics and secured from the governments statements of their national requirements, which in some instances not only gave detailed particulars of their armaments but also stated the broad reasons for their necessity; that these statements showed that many hundred millions of pounds and many millions of men were still required to give the nations a sense of security, entailing an enormous economic strain on the finances of the world.

He stated further that the governments had been asked to distinguish between armaments required to resist aggression and for maintenance of internal order; that the latter purpose called for a very small fraction of the total forces, thus proving that a vast price was being paid for international suspicion; that a scheme of reduction would require the establishment of a unit of military strength to serve as a standard measurement for land armaments, the number of men being no longer a satisfactory criterion; that a unit might be found by combining the factor of men with the factor of budgetary experience; that the third committee asked the assembly to authorize the temporary mixed commission to pursue its inquiries and appealed to the governments to aid the commission in its work.

He observed that naval armament presented a simpler problem than land or air armaments; that the strength of national navies depended on the number of capital ships, and that this could not be concealed; that the league's work had been simplified by the Washington conference, when the most important step ever made toward disarmament had been taken; that the third committee proposed that the council call an international conference of all States, whether league members or not, to consider the extension of the principles of the Washington treaty to the nonsignatory states; that the basis of this treaty was the status quo and a 10-year holiday from building; that it was clear, however, that there could not be too great an application of these principles; that there were states with armaments so small as not to be regarded as sufficient security, others without naval armaments at all; that all these questions should be left to the conference.

He contended that reduction of land armament was complicated by the possibility of sudden incursions by land; that it was not enough to provide, as in article 16, for the punishment of the aggressor, for the reason that permanent harm might be inflicted during aggression; that it was necessary to have some alternative security; and that the committee had handled this idea in its resolutions relating to a treaty of mutual guaranty.

He advanced the idea that the treaty of mutual guaranty was intended to promote disarmament and must not become a defensive alliance of the old kind; that disarmament would be defeated if the old practice of rival groups of nations allied among themselves but united against other nations should be reestablished; that the committee had provided two safeguards against this danger—first, the provision opening the new guaranty to all nations; second, the provision by which the guaranty and armament reduction would go together; that in certain cases there might be agreement to partial disarmament without a guaranty, as in the case of the Scandinavian countries or the South American countries under an agreement to be reached at the congress soon to meet at Santiago; but that no general reduction of armaments would be possible without a guaranty, while, on the other hand, nations could not be fairly expected to undertake the guaranty unless general disarmament should accompany it.

He asserted that the guaranty was designed to take out the roots of international suspicion; that it was part of the moral disarmament which must precede material disarmament; that one obstacle to moral disarmament was the unrest in Europe due to economic disorganization; that international debts and operations thus affected indirectly the question of disarmament, and the third committee had stressed the need of a settlement of these things.

He reported further that the third committee had considered a draft scheme for control of private manufacturers of arms and recommended that it be studied by the temporary mixed commission; that a melancholy story attached to the arms traffic; that if three years before a proper control of the traffic had been established, much of the recent fighting might have never taken place; that according to a report in the press the Moscow authorities were bringing considerable quantities of arms from western countries which were thus arming a government which constantly declared itself the enemy of all the existing governments of the world; that a convention for control of the arms traffic had been accepted by the powers in Paris in 1919 and the assembly at every session had strongly urged the governments to ratify it; that practically all the important nations had agreed to ratify, provided all the others ratified; that the only important exception was the United States of America, the United States Government having declared in the preceding July that it could not ratify; that in view of this declaration it was for the moment impossible to control the arms traffic; that it was hoped the Government of the United States would say why it objected to the convention and advise the league on what conditions it would cooperate.

He directed the attention of the assembly to the fact that in aviation and air attack immense progress had been made; that effective control was difficult on account of the small size of the units and the ease with which commercial airships and aeroplanes could be used for military purposes, but little alteration being necessary; that headway might be made by controlling air budgets and number of persons trained to man the air fleets of the world, and that it also might be possible to make air forces the league's special weapon in performing its duties under the covenant.

He called attention to statements by experts that the effectiveness of bombs, dropped by aeroplanes, had been increased tenfold; also to the possibilities of poison gas and germ warfare, and said that while the treaty of Washington prohibited these methods, its provisions gave but little protection against these terrible possibilities. He predicted that in a future war the world's greatest cities could be made uninhabitable, the only effective reprisal being similar action against the cities of the aggressive nation. He told the assembly that the third committee had offered but one suggestion in regard to the inevitable increase in the horrors of war; that it had asked that a small committee be appointed to gather the known facts so that the peoples of the world might know what to expect.

He told the assembly in conclusion that the third committee proposed that the temporary mixed commission should be reappointed to continue its work; that it was hoped the committee would receive the assistance and support of all the league members; that the nations of the world must perish or disarm.

Mr. Sciajola, Italy, asserted that disarmament for the first time had been dealt with in all its complexity, this being largely the result of European public opinion, which had been deeply outraged by the Great War; that Lord Cecil's proposal was vague and general because certain conditions were necessary as a preliminary to disarmament; that no armament reduction was possible without a corresponding moral guaranty, a principle which was embodied in the treaty of mutual guaranty which could not immediately become a general treaty, but should be open to all States from the outset; that a close connection existed between disarmament and the economic situation, which was producing extensive unrest; that Italy was prepared to accept the proposal of Mr. de Jouvenel; that Italy had always contemplated a solution of the questions of reparation and interallied indebtedness viewed as a whole; that the league could help in such matters, however, only when the interested governments requested it to act; that the moral value of the proposals now submitted to the assembly was increased by the fact of their development within the limits of a universal organization; that they marked a step toward moral disarmament.

Mr. de Jouvenel, France, complimented the Italian delegation on its part in the discussion of disarmament, asserting that the assembly's adoption of the scheme before it would be one of the greatest victories yet achieved for idealism. He claimed that he could not admit that human nature was the only element in the universe which man could not control; that in order to establish peace in the world it was first essential to believe in it; that the idea must be converted into reality; that for centuries individuals and nations had trusted force as the only means of security; that justice had been created gradually; a police system had been set up, and a broader conception of security attained. He alluded to the Permanent Court of International Justice, and held that the treaty of mutual guaranty was the beginning of a system of sanctions pending the creation of an international force to preserve international right.

He told the assembly that three views of the treaty of guaranty had been presented: (1) That of Lord Cecil, who wished to begin with a general treaty binding all countries, leading them to disarm in the same proportion, and giving all an effective guaranty; (2) that of the Scandinavian countries which favored general disarmament with the treaty of guaranty less extensive in scope, based on the theory that countries might undertake to keep the peace without undertaking to enforce respect for the peace from other nations; (3) that of Latin origin, which held that the general treaty should be preceded by particular treaties, lest a single nation's refusal might imperil the cause of disarmament, the particular treaties not resembling pre-war alliances but to be accessible to all nations. He claimed that it was essential to a complete victory for civilization that all minds should abandon the idea that might makes right, that all traces of invasion be obliterated and that it be made impossible; that for this purpose France, true to her traditions, had made her suggestions.

He concluded in the following words:

What, then, is the idea which must be rooted out of men's minds? It is the idea by virtue of which political, financial, and economic methods culminate in invasion. We have not only to secure ourselves against the invasion of to-morrow; we have to efface the marks of the invasion of yesterday. Reparations must follow the footsteps left by invasion.

If we wish to avoid the war of to-morrow we must blot out the last traces of the war of yesterday. That is why the French representative made that first proposal to rid Europe of the increase of armaments which is the legacy of the great war; to begin by reducing the total military, naval, and air expenditure of every nation to the 1913 figure, calculated by the methods of the temporary mixed commission; and he suggested in the second place the method which consists in joining together the problem of reparations and the problem of inter-allied debts in order to arrive as soon as possible at a solution of the whole economic and financial question which weighs down Europe and, after giving the nations relief from the burden of armaments, to free their minds from anxiety with regard to their economic and financial future. The committee (third) adopted both these proposals and submits them to the assembly.

In this way we hope to have served well the cause of peace to which no country is more attached than my own. The more strongly my country has built up its national unity, the higher it has raised it, the wider the prospects of humanity it has perceived, and the more it has understood that its real destiny, inherent in its nature and history, is to carry from continent to continent, from sea to sea, the benefits of civilizations ignorant of one another and thus to increase the thought of each people by the thought of all the others in the hope of compounding one day out of the spirit of every age, and the light of every clime the atmosphere which the modern man requires to draw the breath of life.

Last year at the assembly my friend and colleague, Mr. Noblemaire, who is kept from us by illness, told you how fierce was France's hatred of war. His words found an echo in your hearts. I ask you, gentlemen, to keep them in your memory and remember that, even if all the other nations forget the war, there is one that could not forget it, for she is the guardian of your graves, Great Britain, of your dominions; of yours, Italy; of yours, Belgium; and of yours, Portugal, and of the graves of all the volunteers who came from most of the countries represented in this assembly.

During the war we acted as the advance guard of civilization but we know that our victory was only possible because we were on the side of right, because one by one the civilized nations took their places at our side, and at last one day we heard the cry, sublime in its heroism and it gratitude: "Lafayette, we are here."

Conscious of having constituted the first international force to enlist in the service of peace, mounting guard around the

treaties, we await relief and declare that the cause of peace will be definitely won in our eyes on the day when mankind by bringing us the treaty of mutual guaranty will say to us in turn: "France, we are here."

Assembly adjourned until afternoon with armament discussion pending.

*Eighteenth meeting, Tuesday, September 26, 1922, 3.30 p. m.*

CONTINUED DISCUSSION OF THIRD COMMITTEE'S REPORT ON ARMAMENT REDUCTION

Baron Hayashi, Japan, announced that the Government and public opinion of Japan sincerely desired armament reduction which had now emerged from the domain of theory and was on the way to practical realization; that the Japanese Government had promulgated its scheme for land-armament reduction, and was about to place many officers on the retired list; that Japan had been proud to participate in the Washington conference on naval armament; that he hoped the assembly would support the third committee's recommendations which had the warm approval of the Japanese delegation.

Mr. H. A. L. Fisher, British Empire, agreed with Lord Cecil's speech, saying that reports of the temporary mixed commission and the third committee contained suggestions eminently practical, that difficulties were not concealed, and would be carefully studied during the coming year so that a definite scheme might be presented to the fourth assembly. He averred that the English race had formed a great civilian nation, content with a small force to protect its empire; that the British Empire had entered the war of 1914 because it was shocked by the violation of Belgian neutrality and was convinced that France had no aggressive designs, and would so act again if France were again similarly menaced; that after the war the British Empire began the immediate reduction of the great army it had created; that on August 1, 1914, the British Army, excluding troops from India and the Dominions, numbered 244,795; on August 1, 1918, it numbered 4,500,871; on July 1, 1922, it numbered 232,568; that the expenditure on the army from 1913 to 1914 was £34,000,000; from 1918 to 1919, £835,000,000; from 1922 to 1923, £79,000,000; that in connection with the last figure it should be recalled that the private soldier's pay had been trebled; that Great Britain had 60 battleships in 1914, 18 in 1922.

He said that the British attitude toward the treaty of mutual guarantee would depend largely on the number of states adopting it and on the temper and tone of continental public opinion; that he agreed especially with the part of the report dealing with reparations and interallied debts; that France was undoubtedly entitled to reparation; that the problem of reparation and war debts must be treated as a whole, and that he believed with Mr. Sciajola that the league could not intervene unless requested by the allied and associated powers; that if they failed to settle the matter the league should be asked to take it up; that in any event German cooperation and good will were essential; that he appealed to German business men for aid in solving a problem affecting all Europe and retarding disarmament.

He declared that with a little good will among nations the practical proposals of the report could be carried through; that the proposals regarding manufacture of and traffic in arms were practicable but could not be accomplished without the cooperation of the United States; that the treaty of mutual guarantee was based on a logical and comprehensible plan, and that its establishment would create the needed atmosphere of peace.

Mr. Hymans, Belgium, declared that Lord Cecil, to whom he paid tribute, was both an idealist and a practical statesman; that he approved the report and resolutions, which recognized that the league could do no more than draw up plans for submission to the governments and which combined armament reduction with the principle of guaranties; that Belgium, one of the most exposed countries of Europe, was a peaceful country, but desired security; that the proposed plan was no vain formula, but a system of guaranties that would gradually bring disarmament; that experience would show whether a general treaty or regional agreements should be made; that the scheme made allowances for special cases and defined the obligations of signatories; that 1-sided disarmament was dangerous, and that states with natural means of protection should keep a sufficient force to meet international obligations.

He declared further that the necessity for moral disarmament was universally realized; that this was difficult because war had left its mark on men's minds as well as on the face of the world, and the thing that changed least was the nature of man; that some memorial should be retained, especially that of the war's result, and that time would deal with the rest; that certain political problems, including reparations, should be settled, and that the league should follow them in order to help if asked; that the league, backed by public opinion and without prejudicing the spirit of patriotism, had indicated the path to be taken.

Mr. Loudon (Netherlands) told the assembly, after praising Lord Cecil, that he hoped the third committee's resolutions would be adopted; that armament reduction must be general to be effective; that until general reduction could be obtained it was necessary to work toward moral disarmament by restoring confidence of the nations; that particular treaties would help in this regard, but public opinion in many countries did not favor combination of armament reduction with treaties of guaranty; that these two questions had been treated separately by the first two assemblies and the Washington conference; that the discussions of articles 10 and 16 of the covenant had shown that many countries were apprehensive regarding treaties of mutual guaranty; that no means calculated to secure disarmament, however, should be opposed; that the settlement of certain economic and financial questions was essential to the restoration of confidence between nations; that he had confidence in the temporary mixed commission.

The Count de Gimeno [Spain] dwelt on the horrors of the war, saying, however, that it had given birth to the League of Nations, which would live if it met circumstances in accordance with that moral force which was its only weapon; that everybody wanted peace and understood that disarmament must be had so far as permitted by national safety; that peace would never come, however, until peoples ceased to hate each other; that the league could rely on the loyal help of Spain, a peaceful country.

The Emir Zoka-Ed-Dowleh [Persia] indorsed the committee resolutions, and expressed the hope that next year the representatives of the great powers could be thanked for having kept the promises just made, stating that Persia had always maintained strict neutrality, and thought armament reduction the best way to prevent war; that she had confidence in the league, and kept only a limited army, just sufficient to keep order and repel possible attacks; that she was ready, however, to reduce her military forces to the scale arranged by the league.

He agreed that the treaty of guaranty would remove the objections of nations hesitating to disarm; that the league must be universal; that it was now the time for a practical solution of the problem of a more widely extended scope for the league; that the league should recommend that the states carry on active propaganda for peace in their schools and should itself carry on propaganda; that the temporary mixed commission had so recommended, but the assembly had voted no money therefor; that the league might summon a conference at Geneva, including not only league members but the United States, Russia, Germany, and Turkey.

Mr. Munch, Denmark, voiced the desire that the temporary mixed commission would consider the resolution on the suppression of universal and compulsory military service passed by the Twentieth Interparliamentary Union Conference recently held at Vienna. He held that the reduction of armaments contemplated by the covenant was not possible unless the system should be supplanted by another form of recruiting and by a military organization corresponding more nearly to the part to be played in the future by the army as a body of international police; that an army of mercenaries, however, could be as dangerous as armies organized through conscription.

The assembly adjourned with the discussion on armament still pending.

*Nineteenth meeting, September 27, 1922, 10.30 a. m.*

CONTINUED DISCUSSION OF ARMAMENT REDUCTION

Mr. Branting, Sweden, declared that his country doubted whether it was well to make a general armament reduction contingent on a general treaty of guaranty; that it was apparent from the discussion of article 10 that there were serious obstacles to a general guaranty—that it was important, however, to consider all ways of reducing armament and the reported indicated useful measure for peace not dependent on a treaty of mutual guaranty; that the report also stresses the connection between reparations and intergovernmental indebtedness; that the chief obstacle to disarmament was the general sense of insecurity, but this would be modified in time.

Mr. Askenazy, Poland, spoke of Poland's exceptional position between two powerful neighbors not members of the league, and of her work, despite this and despite terrible memories, in behalf of peace.

Sir Joseph Cook, Australia, admitted some disappointment with the committee report. He deferred to the arguments that moral disarmament must precede material, that mutual confidence among nations must precede moral disarmament, and restoration of economic soundness must precede mutual confidence, and claimed that all this meant that the era of disarmament was still a long way off. He added that this made it all the more necessary, however, that the league should work on disarmament with the greatest zeal and determination. He cited the references of the French and Italian delegations to economic question, and contended that disarmament was itself an economic question. He argued that the Allies in disarming Germany had released her from a heavy economic burden, enabling her to use all her men for economic service and giving her a tremendous economic advantage over countries still burdened with armaments. He referred to the suggestion that the large state should guarantee the small states, and said that the large states themselves needed relief from armaments; that Great Britain had already taken steps toward relief while Australia had reduced its defense system by over 25 per cent. He said that four years after the war the nations of the world were still spending over a fifth of all their revenues on armaments, that reduction by a half would mean much to the economic and commercial life of Europe, that continuance of existing armaments meant slow and certain destruction.

Mr. Langi, Norway, said he hoped the temporary mixed commission would continue its work with the same energy as in the past, and would in due time submit its conclusions to the governments so that next year the assembly would have a definite proposal before it. He contended that armaments should be reduced so that States would not be tempted to break the fundamental undertakings and engagements of the covenant, saying he was happy to note that the idea, at first opposed, of using budgetary expenditure as a basis for armament reduction was now universally accepted. He added that the Norwegian delegation approved the committee resolutions, although he thought it dangerous to combine armament decrease with the treaty of mutual guaranty, that he noted with satisfaction the endeavor to consider economic and financial problems in connection with disarmament, that league, to vindicate its name, must try to unify the forces of good will above the conflicting forces of nationalism and make every effort to become universal.

Mr. Urrutia, Colombia, called attention to the position of the third assembly in point of time between the Washington Conference and the Pan American Congress soon to meet at Santiago, saying that the league undoubtedly welcomed the results of the former and hoped the latter would aid humanity and set up a new moral bond between the peoples of the world.

Mr. de Palacios, Spain, called attention to that part of the committee report referring to the Santiago Pan American Congress where, he said, Chile would submit the question of disarmament, and offered the following resolution in the name of the Spanish delegation:

The assembly recommends to the council that should the case arise the expert services of the League of Nations be authorized to lend their cooperation to the Pan American Conference at Santiago.

The President stated that with the assembly's assent this resolution would be embodied and offered at the proper point in the committee resolutions. Assent given and the resolution afterward adopted as a part of the committee resolutions on disarmament.

Mr. Rivos-Vicuna, Chile, expressed his thanks to the temporary mixed commission and the third committee for the reference to Chile in the committee resolutions, averring that Chile was following the peaceful traditions; that it had always invoked arbitration except in case of unjust aggression and had signed with Argentina the first real disarmament treaty; that in soliciting agreement with the American continent its intention was to join in working out a solution of the disarmament problem, the problem which the league was now studying; that Chile's recommendation for disarmament study at the Santiago Pan American Congress came from a desire for intimate cooperation between the peoples of the old continent and young America. He asserted that Chile wished to see collaboration established between the technical organizations of Washington and Geneva and the Santiago Congress; that the proposal just made by the Spanish delegate had that purpose; that the Chilean Government gratefully deemed it an expression of cooperation and sympathy; that when the representatives of America agreed, and reciprocally the peoples of other continents, the indispensable general agreement could be put into effect by the fourth assembly.

Mr. Zahle, Denmark, announced that the Danish delegation supported the principal recommendations of the committee, but doubted the wisdom of connecting armament reduction with the treaty of mutual guaranty; that he recommended continued study by the temporary mixed commission of armament decrease independently of guaranties.

Lord Cecil, South Africa, reporting for the committee, announced acceptance of the resolution presented by Mr. de Palacios, stating that it would be voted on with the committee resolutions; that harmony had been the outstanding feature of the disarmament discussion, the text of the report and resolutions having been approved by all speakers. He affirmed that two basic ideas had been advanced, one that international suspicion was the great bar to disarmament; the other that some guaranty was essential to armament reduction, a general guaranty, conditioned on reduction, open to all, directed against none. He recalled that Mr. de Jouvenel had condemned the idea of force associated with the names of Bismarck, Nietzsche, Treitschke, and others, and said that this idea had adherents in all countries but they were everywhere a small minority; that the world desired peace and deliverance from the bondage of fear.

The President, closing the discussion, said it marked a date which would be remembered in the annals of the league; that war had shown all nations to be intimately linked together and unable to avoid the consequences of a conflict, regardless of where it occurred; that the Washington conference showed the importance of particular agreements among certain states; that this conference had great significance, and that the great naval powers in consenting to sacrifices in the cause of reduction were entitled to high praise; that Chile had submitted disarmament as a question for the agenda of the Fifth Pan American Conference, shortly to assemble at Santiago, and noted with satisfaction that the assembly had recognized the special character of certain problems peculiar to the American Continent.

Mr. de Oliveira, Brazil, announced that the Brazilian delegation had been obliged to refrain from voting when the naval disarmament resolution was adopted by the third committee; that his Government now accepted in principle the idea of an international conference to consider naval disarmament; that Brazil would take part in such conference with the understanding that it would adhere to the letter and spirit of article 8 of the covenant; that the conference would have complete liberty of action, would con-

sider the question not only as a whole but in its special relations, so that its conclusions might be agreeable to all countries which had not signed the Washington agreement.

The third committee's report and resolutions were then adopted.

The resolutions thus adopted were as follows:

I. (a) The assembly considers it is desirable that the temporary mixed commission should be asked to continue for another year the work which it has begun, and that its report be submitted at an early date previous to that of the next assembly. The assembly further requests the council to invite the members of the league to lend their assistance to the commission in its difficult task, and to give their assistance and advice with regard to proposals for reduction of land armaments and a treaty of mutual guaranty.

(b) The assembly desires to express its sense of the great value of the collaboration that has existed between the temporary mixed commission and the permanent advisory commission, and trusts that it will continue and, if possible, increase. The assembly is of opinion that the great technical competence of the permanent advisory commission can not but be of essential service in the study from the technical military point of view of the questions with which the temporary mixed commission deals.

II. The assembly recommends that, as a preliminary step, the European states existing before the war in 1914, under their present description, whose juridical status has not been altered by the war, and which are not at the moment engaged in military operations which justify their armaments, be invited to reduce the total of their military, naval, and air expenditure to the figures for 1913, calculated on the basis of pre-war prices according to the method employed by the temporary mixed commission.

III. The assembly expresses its satisfaction at the remarkable work accomplished in collecting and drawing up statistical data in an entirely new and peculiarly difficult field.

Taking into account the work accomplished, and reserving the question of the scope it might be necessary to give to a statistical inquiry at a later date, the assembly desires to determine for the coming year the program which appears to it at the same time both immediately useful and practicable. It, therefore, proposes that this program should be limited to the two following points:

(1) Peace-time armaments.

(2) Expenditure on armaments.

The assembly considers it desirable that the council should request the permanent advisory commission to collaborate with the temporary mixed commission in that part of the work which deals with technical military, naval, and air questions.

IV. The assembly, having considered the report of the temporary mixed commission, is of opinion that the only step which could usefully be taken in connection with the surplus stocks of arms and ammunition is the control of the international traffic in arms.

V. The assembly, having noted the proposal of the temporary mixed commission for an international agreement for the control of the manufacture of arms by private companies, urges on the council to consider the advisability of summoning at an appropriate moment a conference of the members of the league to embody this agreement in the form of a convention. The assembly is further of the opinion that states not members of the league should be invited to participate in this conference and to cooperate in the policy on which it may agree.

VI. The assembly:

(a) Considers it highly desirable that the Government of the United States should express the objections which it has to formulate to the provisions of the Convention of St. Germain, as well as any proposals which it may care to make as to the way in which these objections can be overcome;

(b) Is of the opinion that the temporary mixed commission should be instructed to prepare a scheme for the control of the international traffic in arms to be considered by the conference which is to deal with the private manufacture of arms.

(c) Requests the council to take such steps as it thinks advisable to carry out the purposes above indicated.

VII. (a) The assembly, having considered the report of the temporary mixed commission on the subject of the development of chemical warfare, approves its action in establishing a special subcommittee to report on the probable effects of chemical discoveries in future wars and requests the council and the temporary mixed commission to take every possible measure to secure the fullest publicity for the report of this subcommittee.

(b) The assembly requests the council to recommend the members of the league and other nations to adhere to the treaty of Washington (February 6, 1922) concerning the use of asphyxiating gas and submarines in war and other similar matters.

VIII. The assembly, having considered the answers from the governments of 26 members of the league to the inquiry issued to them by the council as to the requirements of their national security, desires to state that it attaches the utmost importance to those replies as affording a basis for the further deliberations of the temporary mixed commission and recommends to the council that it should once again urge the members of the league which have not yet sent in their replies to do so without delay.

IX. The assembly approves the recommendation of the temporary mixed commission that the council should consider whether the time has not come to discuss the application of the paragraph of article 8 of the covenant relating to the exchange of military information between states members of the league.

X. The assembly expresses its satisfaction at the work accomplished at Washington in connection with the reduction of naval armaments.

XI. (a) The assembly welcomes with interest the Chilean Government's initiative in submitting the question of disarmament to the Pan American conference which is to meet at Santiago in March, 1923.

The assembly expresses the hope that the conference may arrive at practical solutions capable of being fitted into the more general scheme of disarmament which is being considered by the League of Nations.

(b) The assembly recommends to the council that the expert services of the League of Nations should eventually be authorized to cooperate in the work of the Pan American conference of Santiago.

XII. The assembly recommends:

(a) That an international conference should be summoned by the council as soon as possible to which all states, whether members of the league or not, should be invited, with a view to considering the extension to all nonsignatory states of the principles of the Washington treaty for the limitation of naval armaments, it being understood that any special cases, including those of the new states, shall be given due consideration at the conference.

(b) That the report of the temporary mixed commission, together with the report and the draft convention prepared by the permanent advisory commission, as well as the text of the Washington treaty, should be forwarded immediately to the various governments for consideration.

XIII. The assembly having examined the report of the temporary mixed commission on the general principles of land and air disarmament, instructs the commission to continue its investigations on the basis of these principles with a view of preparing for the consideration of the next assembly a definite scheme for the general reduction of land and air armaments.

XIV. (a) The assembly having considered the report of the temporary mixed commission on the question of a general treaty of mutual guaranty, being of opinion that this report can in no way affect the complete validity of all the treaties of peace or other agreements which are known to exist between states, and considering that the report contains valuable suggestions as to the methods by which a treaty of mutual guaranty could be made effective is of the opinion that:

1. No scheme for the reduction of armaments within the meaning of article 8 of the covenant can be fully successful unless it is general.

2. In the present state of the world many governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guaranty of the safety of their country.

3. Such a guaranty can be found in a defensive agreement which should be open to all countries, binding them to provide immediate and effective assistance in accordance with a prearranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In cases, however, where, for historical, geographical, or other reasons, a country is in special danger of attack, detailed arrangements should be made for its defense, in accordance with the above-mentioned plan.

4. As a general reduction of armaments is the object of the three preceding statements, and the treaty of mutual guaranty the means of achieving that object, previous consent to this reduction is therefore the first condition for the treaty.

This reduction could be carried out either by the means of a general treaty, which is the most desirable plan, or by means of partial treaties designed to be extended and open to all countries.

In the former case the treaty will carry with it a general reduction of armaments. In the latter case the reduction should be proportionate to the guaranties afforded by the treaty.

The council of the league, after having taken the advice of the temporary mixed commission, which will examine how each of these two systems could be carried out, should further formulate and submit to the governments, for their consideration and sovereign decision, the plan of the machinery, both political and military, necessary to bring them clearly into effect.

(b) The assembly requests the council to submit to the various governments the above proposals for their observation and requests the temporary mixed commission to continue its investigations and, in order to give precision to the above statements, to prepare a draft treaty embodying the principles contained therein.

XV. The assembly of the League of Nations,

Whilst declaring that the reduction of armaments contemplated by article 8 of the covenant can not achieve its full effect for world peace unless it be general,

Desires to emphasize the importance of regional agreements for the purpose of reducing armaments—agreements which, if necessary, might even go beyond the measures decided upon in respect of general reduction;

And requests the council to ask the temporary mixed commission to take into consideration during its subsequent work the possibility of recommending the inclusion of similar agreements to states which might be concerned.

XVI. The assembly,

Considering that moral disarmament is an essential preliminary condition of material disarmament, and that this moral disarm-

ament can only be achieved in an atmosphere of mutual confidence and security,

Declares:

That such confidence can not be attained so long as the world continues to suffer from disorganization of the exchanges, economic chaos, and unemployment, and that the only method of remedying these evils is to put an end to the uncertainty which prevails regarding the means for the restoration of the devastated regions and the settlement of the interallied debts;

Expresses the hope that, in so far as these questions can be regulated by the unaided efforts of the European nations, the governments signatories of the international treaties and agreements which deal with these questions, and within the framework of which they must be envisaged, will achieve as soon as possible a general settlement of the problem of reparations and interallied debts.

It further recommends:

That the council shall devote constant attention to every effort made in this direction by the governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the governments in question.

GREEK AND ARMENIAN REFUGEES

Prince Arfa-ed-Dowleh, Persia, read a telegram relating to Greek and Armenian refugees in Asia Minor from the Turkish representative at Rome, stating that he had referred the Persian delegation's request for conference with the league's representatives to Mustapha Kemal Pasha and would transmit reply when received.

The president announced promise of Greek delegation to contribute a million drachmas for the refugees.

He also announced a communication from Swedish delegation to the effect that the Swedish Government was prepared to subscribe a million pounds for this purpose.

NEAR EAST—REPORT BY SIXTH COMMITTEE

Jonkheer Loudon, Netherlands chairman, and Viscount Islin, reporter, sixth committee, took the platform, the latter presenting the committee's report on the Near East and submitting for the committee this resolution:

The assembly, animated by a sincere desire to see peace reestablished in the Near East and to support any action which may be taken to achieve that object, learns with satisfaction that it is proposed to hold a special conference to consider the present situation with a view to finding a solution.

The assembly trusts that the council, without interfering in any way with the proposed negotiations, will adopt such measures as it may deem timely and warranted by the stage reached in the negotiations in order to give effect to the unanimous wish of the assembly for an early restoration of peace.

Doctor Nansen, Norway, expressed appreciation of the resolution, stating that it indicated that the league had powers in reserve which could be used when all other means had failed.

The assembly adopted the resolution.

RUSSIAN REFUGEES—REPORT BY FIFTH COMMITTEE

Mr. Fielding, Canada, chairman, and Mr. Ader, Switzerland, reporter, fifth committee, took places on platform, the latter presenting the committee's report on Russian refugees and paying tribute to Doctor Nansen. The report covered the work of charitable organizations and Red Cross societies, the governmental conferences on identity certificates, passports, and legal status of Russian refugees, and made special mention of the work of the Czechoslovak Government, which was maintaining 5,000 Russian and Ukranian students.

Mr. Ader then alluded to the question of repatriation, saying that the committee had not discussed it, but several members of the committee had made reservations as to desirability of repatriation. He said that he was expressing, therefore, only his personal opinion; that it was shown in the report of the high commissioner on repatriation that certain Russian refugee organizations and the Soviet Government had asked the American relief association to conclude an arrangement facilitating repatriation; that the high commissioner in his report said he hoped to conclude such arrangement on the basis of the amnesty which had been offered by the Soviet Government; that the arrangement should provide every possible guaranty for the safety of the refugees; that no refugee should be compelled to return against his will; and that those repatriated should be assured full liberty and security both of person and occupation. The speaker stated that he knew nothing of the terms of the published amnesty; that numerous Russian associations supporting the old régime had sent a strong protest to the League of Nations and the International Committee of the Red Cross, claiming to speak for 1,500,000 of their fellow countrymen, asking that nothing be done to secure the return of those opposed to the existing political system in Russia. Mr. Ader added that the league should act with the utmost caution and that any agreement with the Soviet Government should be submitted to the league for approval; that he felt it his duty, representing the International Committee of the Red Cross, to bring to the attention of the league and the high commissioner the necessary conditions of an arrangement with the Soviet Government.

Doctor Nansen, Norway, replied that a new question not on the agenda had been raised and asked postponement of further discussion until the next meeting.

The assembly ordered the suggested postponement.

*Twentieth meeting, Thursday, September 28, 1922, 10 a. m.*

CONTINUE DISCUSSION OF QUESTION OF RUSSIAN REFUGEES

Doctor Nansen, Norway, expressed a desire to reply to certain statements of Mr. Ader regarding Russian refugees. He asserted that he, like Mr. Ader, had received protests from Russian organizations against repatriation; that similar protests from Russian groups had come the year before, when relief of starvation in Russia was proposed; that such protests, rising from political considerations, should not be allowed to impede relief work; that the return of refugees against their will had never been suggested; that some Russian refugee organizations had announced in favor of repatriation; that to this end and on suggestions by the Hoover organization for relief work and the American Red Cross the repatriation of about 20,000 refugees within the next few months to parts of Russia with favorable local conditions, namely, the Don, Kuban, and Terek regions, had been proposed. He advised the assembly that these refugees were not to go back without guaranties; that (1) every refugee would sign a declaration that he returned voluntarily, (2) the Soviet Government would make a new guaranty in addition to the general amnesty already offered, (3) a representative of the relief organization in Russia would supervise the arrival of the refugees and see that they were well treated, (4) a small delegation would return from Russia and report to their compatriots as to their reception and the conditions prevailing in Russia. He informed the assembly that it was necessary to remove as many refugees as possible from Constantinople and the Balkans; that twice in the last 12 months famine had threatened them, and their position was growing more difficult; that if no effort at rapatriation was made, they would return on their own initiative; that refugees had already returned from Constantinople, Greece, and Bulgaria without the consent of the Russian Government, without papers or guaranty; that it was his feeling that it was as wrong to refuse repatriation to a refugee desiring it as to force it on one not desiring it.

Mr. Ader, Switzerland, offered his thanks to Doctor Nansen for the explanation, stating that he took note of the fact that no one would be compelled to return against his will, insisting, however, on the league being shown agreements between the high commissioner and the Soviet Government before they became operative, so that the league might be assured that the guaranties were genuine and effective, and adding that he was moved by no political purpose, that he felt the representations by certain Russian groups should not be ignored.

The assembly adopted the resolutions of the fifth committee on Russian refugees, the resolutions reading as follows:

I. The assembly, having heard the report of the high commissioner of the League of Nations for Russian refugees on the work which he has accomplished during the past year, approves this report, and wishes to express its entire satisfaction with the way in which the high commissioner has discharged the duties intrusted to him and to record its high appreciation of the service he has rendered to the refugees and to the league. As the work is not yet finished, the assembly invites the high commissioner to continue to apply the same methods of work as hitherto.

It further decides:

II. To invite the council to request the governments of the members of the league to continue to lend to the high com-

missioner the support and assistance which they have hitherto given him, especially as regards the development of the means of general and professional education and the securing of employment for the refugees;

III. To invite the council to draw the attention of the governments of the members of the league to the importance of the system of identity certificates adopted at the conference on the subject, held at Geneva in July, 1922, and to request those governments which have not yet given a favorable reply to consider whether they can not without delay bring this system into force;

IV. To request the council to provide by international cooperation for the maintenance of the Russian refugees who are incapable of providing for their own livelihood in the states where they are congregated.

ASIA MINOR REFUGEES

Doctor Nansen, Norway, stated that the Government of Norway was prepared to give £1,000 toward relief of refugees in Asia Minor.

WORK OF ORGANIZATION FOR COMMUNICATIONS AND TRANSIT—SECOND COMMITTEE'S REPORT

Mr. Chodzko, Poland, chairman; Mr. Adatci, Japan, reporter, second committee, came forward to the platform, the latter reading the resolutions contained in the report of the committee on the work of the organization for communications and transit. The resolutions were as follows:

I. The assembly, after taking cognizance of the first and second reports of the advisory and technical committee for communications and transit on the work of the organization for communications and transit between the second and third assemblies, notes with satisfaction:

(a) The progress achieved in giving practical effect to the recommendations adopted by the conference on passports, customs, formalities, and through tickets, held at Paris in October, 1920, and also to the conventions and recommendations adopted at the Barcelona conference;

(b) The efforts made by the organization for communications and transit to facilitate the ratifications of the Barcelona conventions or the adhesions to those conventions;

(c) The investigations undertaken for the purpose of drawing up the convention on the international régime of railways as well as a general convention on the international régime of ports and for the purpose of applying in the domain of transport the principle of equitable treatment for commerce;

(d) The measures taken with a view to carrying out the resolutions of the Genoa conference, transmitted to the organization for communications and transit by the council of the league with the object of developing the restoration of the actual means of transport in Europe; and

Invites the organization for communications and transit, which will hold a second general conference at Geneva during the year 1923, in accordance with the recommendation of the general conference at Barcelona, approved by the council of the league at its meeting of June 18, 1921, to continue, on the lines at present adopted, to carry out the duties with which it has been intrusted. The assembly believes that the investigations now undertaken will be prosecuted with sufficient energy to insure that all those which appear likely to give rise to an international agreement may form the subject of definite proposals, to be submitted without delay to the second general conference.

II. The assembly recommends the organization for communication and transit of the league to transmit to the various governments concerned at least three months before the meeting of the conference, which shall be held during 1923, the draft conventions or recommendations which it has drawn up.

III. The assembly takes note with satisfaction of the imminent meeting in Paris of the conference of railway administrations, convened by the French railway administrations in conformity with the decisions of the Geneva conference, and draws the attention of the council to the fact that it is desirable that measures should be taken for the representation of the communications and transit organization of the league at the conference in question, which organization has been entrusted in virtue of the decisions referred to above (which have been accepted by the council and the assembly), with the task of examining the progress achieved in carrying them out.

Mr. Adatci observed that the organization for communications and transit had authority to communicate directly to the governments its opinions and recommendations, having its own responsibility and a special autonomy, that the League of Nations might congratulate itself on what had been done in the field now under consideration, that the convention on freedom of transit and the general convention on the régime for navigable waterways of international concern had been ratified and would be put into force, that the Geneva conference had approved the work of the advisory and technical committee for communications and transit, that a second international conference on communications and transit would meet at Geneva, and that the French Government was organizing a conference of railway administrations, and that at the conference the league would be represented.

Resolutions adopted.

OBSCENE PUBLICATIONS—FIFTH COMMITTEE'S REPORT

Mr. Fielding, Canada, chairman; Prof. Gilbert Murray, South Africa, reporter, fifth committee, took seats on platform, the latter presenting the report of the committee on obscene publications, and offering these resolutions:

The assembly decides:

1. To ask the council of the league, in accordance with article 24 of the covenant, to authorize the secretariat to assist members of the league and any other states which are parties to the international movement for the suppression of obscene publications, in all measures which may be necessary for this purpose.

2. To ask the council of the league to draw the attention of all states to the international agreement of 1910. Those states which have signed or acceded to it should be asked to give full effect to its provisions, and those states which are not yet parties to it should be urged to accede to it at an early date.

3. To invite the council to communicate the draft convention of 1910 with a questionnaire to every state with the request that it should forward its comments thereon to the secretariat of the League of Nations. The secretariat will coordinate the replies received and submit them as a whole to the French Government, requesting it, on behalf of the council, in view of the initiative taken by that Government in 1910, to convene a new conference under the auspices of the league, to be held at Geneva about the time of the fourth assembly, and to be composed of plenipotentiaries empowered to draw up the text of a new convention and to sign such a convention.

The reporter for the committee, Professor Murray, called the assembly's attention to the fact that a draft convention prepared by the French Government in 1910 had received the signatures of various powers, and said that the nations were now asked to give adhesion to this convention, France being invited to continue the work under the auspices of the League of Nations.

Mr. Reynald, France, expressed pleasure in what he termed the excellent results of the international conference of 1910 which the French Government had convened, but said that the convention resulting from that conference required to be completed, and that for its completion the British Government had submitted the subject to the league. He claimed that it would be necessary to summon an international conference, because penal laws should be brought into conformity; that it was the duty of the league to affirm the universal character of moral laws; that each country, however, must be left to adjust these universal laws to its respective national system of morality; that the committee proposed to leave to the governments the initiative as to international conferences; that France would make every effort to carry out the task intrusted to her.

Mademoiselle Vacaresco, Rumania, announced that the committee on intellectual cooperation had referred the consideration of the problem to a committee charged with the duty of combating the scourge of society, thereby emphasizing the distinction between worthy literature and obscenities; that the convention of 1910, called on the generous initiative of France, had demonstrated that the strength of this scourge was to be found in its international character; that the states should apply remedies and the league render the convention of 1910 effective in harmony with article 24 of the covenant.

Mr. Bellegarde, Haiti, contended that it was difficult to find where morality began and terminated; that some nations had often become unduly sensitive; that while trade in infamous publications should be punished, care should be had not to restrict the freedom of art.

Resolutions carried.

WORK OF ECONOMIC AND FINANCIAL COMMITTEES, REPORT BY SECOND COMMITTEE

Mr. Chodzko, Poland, chairman; Mr. M. Holsti, Finland, and Mr. Van Eysinga, Netherlands, reporters, second committee, came forward with the report and resolutions of that committee on the work of the economic and financial committees.

Mr. Holsti presented the first part of the report, relating to the work of the financial committee. He praised the

financial committee's work during the previous year and called attention to the passage in its report stating that no solution could be found for existing economic disorganization until a practical solution had been found for the problem of intergovernmental indebtedness. He remarked that the third committee of the assembly had reached the same conclusion in connection with the problem of armament reduction.

Mr. Van Eysinga, Netherlands, presented the second part of the second committee report, which related to the work of the economic committee, this work during the preceding year having consisted largely, he said, in considering the problem of the equitable treatment of commerce under article 23 of the covenant, including notably unfair discrimination against the goods and vessels of foreign countries, unfair competition, and customs formalities. He urged that the assembly strongly insist that the economic committee continue its study of the equitable treatment of commerce to the end that this principle might have the widest and speediest application.

Lord Cecil, South Africa, stressed the importance of the work of the economic and financial committees; that the assembly could not do more than review and encourage this work, but it was not to be imagined that the league's activities in this respect were limited to the brief examination by a committee of the assembly; that the league might well be proud of the work of the economic and financial committees; that if the league's recommendations through these committees had been accepted by European governments, much of the present economic disorganization would have been avoided.

Mr. Van Eysinga agreed that the second committee's report did not adequately cover the work of the economic and financial committees, but said that the problems investigated by them were mentioned in the resolutions about to be submitted, and that the information in the second committee's report could be supplemented from additional sources.

The resolutions of the second committee on the work of the economic and financial committees were as follows:

I. The assembly has noted with satisfaction the services which the financial committee has rendered to the council in its several tasks, notably in regard to the finances of Danzig, the technical aid to be given to Albania, and the restoration of the financial condition of Austria. It highly appreciates the activities of the committee and it hopes that the committee will consider practical proposals on all specific subjects which, in present conditions, might be ripe for solution by collaboration between states, and that the committee will pursue its inquiries on practical lines so as to arrive at positive results. It hopes that the study of the various questions connected with the stabilization of currencies, and in particular that of the foreign trade balance and balance of payment of various states, which is an essential element of the problem, will be actively pressed forward so as to lead to the publication of reports which will throw light on this question which is one of urgent importance.

II. The assembly has again had its attention drawn to the persistent gravity of the financial dislocation and its increasingly serious effects upon the commercial and industrial structure of the whole world. It reiterates its belief that an essential part of the remedy for these evils is the application of the rules of finance laid down in the resolutions adopted at the Brussels financial conference and recently indorsed at the Geneva conference. It invites the financial committee to renew the inquiries which it undertook last year on the progress made in the application of these resolutions by various governments. It also invites the committee to investigate, with a view to effective results, and in collaboration, formal or informal, with the governments concerned, all practical proposals which may be made for the completest possible application of the principle of sound finance which these resolutions embody.

III. The assembly, appreciating the advantages which may accrue for the finances of various countries from the disinterested assistance of an international body of impartial experts invites the financial committee to hold itself at the disposal of the governments of the states members of the league and to render them the assistance in its power for such questions and in such forms as may be found most appropriate.

IV. (a) The assembly notes with satisfaction the thorough inquiry which the economic committee has made into the questions concerning the equitable treatment of commerce and the progress achieved in regard to certain aspects of the problem.

(b) It looks forward to a modification of the existing international conventions on unfair competition in consequence of the committee's proposals and approves the procedure adopted by the council with a view to securing this end.

(c) It approves the proposal to convene a conference of experts on customs formalities. It trusts that all possible measures will be taken not only to promote the success of the conference but also to follow up its conclusions in such a way as to secure practical action by the governments with the least possible delay.

(d) The assembly notes the further work undertaken in connection with the problem of the equitable treatment of commerce. It counts upon valuable recommendations being submitted at an early date in regard to the treatment of foreign persons and firms.

(e) It hopes, however, that the investigation thus successfully begun will be extended and continued without interruption in order that the principle of equitable treatment of commerce may be given the earliest and most general application possible.

V. The assembly has noted the progress made and the results achieved by the economic committee in the other tasks which it has undertaken, partly as a consequence of the resolutions of the Geneva conference (dumping, statistical methods, etc.), and partly as regards other matters (bills of exchange). It is anxious that the attention of the states members of the league should be drawn in a special manner to the recommendations in regard to commercial arbitration and the stabilization of customs tariffs.

VI. The assembly, having taken note of the decisions of the general labor conference of 1921 calling for an inquiry into the national and international aspects of the unemployment crisis and the means of combating it and requesting the international labor office to call into cooperation the economic and financial section of the League of Nations for the solution of the financial and economic questions raised by the inquiry:

Requests the economic and financial organization to arrange the scope and method of such collaboration at an early date and to bring to the inquiry conducted by the international labor office any information which it has in its possession.

VII. The assembly invites the states members of the League of Nations to assist in the work of the economic and financial committees by furnishing as fully and as speedily as possible the information for which the committees may ask, notably especially in connection with its various publications and its investigations in regard to the equitable treatment of commerce.

VIII. The assembly notes that the council proposes to maintain for the present the economic and financial organization under its existing provisional form in order to pursue the work which it has already undertaken subject to such changes in the composition of the two committees as the council may decide.

Resolutions carried.

DEPORTATION OF WOMEN AND CHILDREN IN NEAR EAST

Mr. Fielding, Canada, chairman and reporter, fifth committee, took the platform and presented the committee's report on the deportation of women and children in the Near East.

Mr. Frangulis, Greece, said that the first assembly had decided to appoint a commission of inquiry on this subject, and the second assembly to appoint a commissioner of the league at Constantinople to handle the matter; that Doctor Kennedy had made an impressive statement before the fifth committee as to the work of the commission of inquiry during the past year; that victims of deportations and massacres had not decreased with time; that added thousands of women and children were needful of assistance. He stated that Miss Jeppe, another member of the commission of inquiry, had estimated that at least 30,000 Armenian women and children were in the hands of Mussulmans in districts surrounding Aleppo, and that 5,000 to 6,000 were captives in the Aleppo district; that according to figures from American sources 30,000 deportees had passed through Sivas, 5,000 afterwards dying on the way, 5,000 escaping, and 20,000 reaching Kharput; that of this last number 18,000 were Ottoman Greeks, while 2,000 were Armenians.

He informed the assembly further that the second assembly had decided that the League of Nations, France, Great Britain, and Italy should request their high commissioners to form a committee to assist the commissioner of the League of Nations by all possible means; that a mixed administration was formed to deal with the restitution of women and children; that it was also decided by the second assembly to encourage charitable work in the areas under consideration, such as was being carried on by Catholic and other institutions which the speaker said had long been the outposts of civilization in the East, spreading blessings of faith and charity, and such as was also being carried on by the organizations founded by the United States, particularly the American Near East Relief, by the Belgian committee, and many other worthy institutions. He advised the assembly that Doctor Kennedy in his report to the fifth committee had spoken of the work of Miss Caris Mills, recently

appointed lady director of the "Neutral House," saying that Miss Mills had formerly been in the service of the American Near East Relief and had helped to repatriate more than 12,000 Armenian orphans.

The speaker asserted that his advices were to the effect that conditions had grown worse in the past two years, Greek and Armenian deportees being in a situation worse than slavery.

He quoted from the report of the Near East Relief organization and the conclusions of Dr. Mark H. Ward, a member of that organization, and concluded as follows:

The unquestionably true account which you have just heard will show you that neither the purity of the young girl, nor the honor of the woman, nor the innocence of the child, are respected; all are outraged, freely, deliberately and with impunity. All the creative forces, all the active power of life, all which goes to make up the joy of living and the desire to have lived are destroyed; the very sources of happiness and existence are dried up. And this silent tragedy is being enacted on the borders of two civilizations. From time to time and with a regularity which is often surprising. Europe witnesses this holocaust of pain and suffering which is like some sinister rite. Alas! the blood which is flowing out there is too far away from us and the flames of this conflagration too distant for us to see.

In Europe to-day can our League of Nations, the last hope of oppressed peoples, the final court of appeal of organized public opinion throughout the civilized world remain dumb? It can not do otherwise than deprecate the crime and ask that the authors of these foul deeds shall be sought out. In the face of the dislocation of family life, in face of the deportation of more than 60,000 women and children and of 600,000 refugees should not the unanimous reprobation of civilized humanity here represented rise up like a cry from the people to demand that light shall be thrown upon these events, to insist that responsibility shall be established and justice meted out?

This conception of the duty of the nations personified by our league which, in the preamble of the document that brought us into being, sets out that our aim shall be the maintenance of justice—this conception is the triumph of the outraged conscience of mankind. Our league has already given effective proof of the fact that it is capable of reaching out a helping hand to sufferers, but over the portals of the league are inscribed not only the words, "charity, humanity, and help," but also the words, "responsibility, punishment, and justice."

As early as January 13, 1922, the council of the League of Nations voted the following resolution:

"The council of the League of Nations, having heard with great concern the various reports of excesses alleged to have been committed both by Turkish and non-Turkish inhabitants in Turkish and Greek territories, instructs the commissioner of the league at Constantinople to investigate any report of atrocities committed in these territories in the future and to report to the council thereon."

You will perceive then, gentlemen, that neither the steps proposed nor the problem itself are new, but they are corollaries of the object and mission of your committee of inquiry which was set up as a result of the deportation of women and children in Turkey and in the neighboring countries. The government, in whose territory the inquiry should be carried out, has already notified the league of a similar request. No more remains to be done than to respond to a unanimous desire and proceed to carry on this inquiry wherever such crimes are being committed.

This, gentlemen, is the wish I desire to express. Its object is to establish the facts, to seek out the responsible authors of these crimes and to reveal the truth which in this case means justice.

Lord Cecil inquired if the Greek delegate, Mr. Franjales, had made any definite proposal.

The president replied that no formal proposal had been submitted to him; that if no one wished to speak he would close the discussion. Discussion closed. Resolutions of fifth committee adopted, as follows:

1. The assembly approves the conclusions of the report presented by Doctor Kennedy, chairman of the commission of inquiry on deported women and children, and is of the opinion that the League of Nations should continue its work in this direction.

2. The assembly requests the council to urge the governments responsible for any territories either under the mandate or under allied control where members of the commission for the reclamation of women and children are working to instruct their officials in those territories to give strong support and assistance to the commission and its members.

3. A further sum of £1,500 shall be allocated to the funds of the commission in order that the valuable work at present being undertaken by the commission in Aleppo may be continued.

HEALTH ORGANIZATION; FOURTH COMMITTEE'S DECISION

Mr. Rivas-Vicuna, Chile, reporter for fourth committee, announced its decision to fix the credit for the epidemic commission of the League of Nations at 50,000 francs, and stated that this figure should be inserted in the third resolution on the health organization passed by the assembly on September 15, 1922.

*Twenty-first meeting, Thursday, September 28, 1922, 4.30 p. m.*

ARMENIAN AND GREEK REFUGEES

Mr. Fielding, Canada, announced the readiness of his Government to contribute £5,000 for relief of Armenian, Greek, and other refugees from Smyrna and vicinity.

The president announced the gift of £1,000 by the Danish Government for the same purpose.

INTELLECTUAL COOPERATION; REPORT BY SECOND COMMITTEE

Mr. Chodzko, Poland, chairman; Mr. de Jouvenel, France, reporter, second committee, appeared on the platform, the latter submitting the committee's report on intellectual cooperation.

Mr. de Jouvenel told of the difficulties which had confronted the committee on intellectual cooperation, pointing out that a gulf had been opened by the war between the cultural systems of the various nations which more civilized tendencies were endeavoring to bridge; that this disaster had been added to the unfortunate development of a war of the classes; that the League of Nations, having instituted the international labor office and representing human thought as a whole, could not fail to grasp the importance of the organization of intellectual work; that the Federation of French Intellectual Workers, comprising 200,000 members, had been the first to turn to the league; that the federation had been created to defend the individual rights of members, and had later tried to show that manual workers and capitalists depended equally on the power of the spirit.

The speaker pointed out further that the committee on intellectual cooperation had begun by making an inventory of the intellectual patrimony of mankind; that it had accordingly created subcommittees to study unification of regulations for archæological questions, internationalization of methods of bibliography, the question of an international index and catalogue, and so forth, and had later made a list of international institutions occupied in intellectual work.

He advised the assembly that it was invited to approve these plans, consisting (1) of protecting the intellectual patrimony of mankind, (2) of the development of the patrimony, (3) of improving the material situation of intellectual workers and the methods of collaboration in intellectual work; that the committee on intellectual cooperation also proposed to study the question of intellectual property and the steps needed to enable intellectual workers to maintain their position between manual workers and capitalists with a view to a more scientific organization of labor.

Prof. Gilbert Murray, South Africa, observed that two disasters had assailed the intellectual life of Europe—the economic disaster, which was starving it; and the Great War, which had interrupted it—that the object of the committee on intellectual cooperation was to fight these evils, and its work was vital to the existence of the league. He explained that the fourth committee had reduced the expense allowance of the committee from 180,000 francs to 50,000; that this was rather severe, but that in one respect the fourth committee was probably justified; that the work of the intellectual committee could not at the moment make any decided progress; that the currents of intellectual life in Europe did not run together; that closer cooperation between universities had been suggested, but a conference would not be useful which excluded German universities; that reluctance to cooperate on both sides had to be admitted.

He asserted that the present disunion could not exist indefinitely; that league feeling as a whole was against it; that this was shown by the admission of Hungary to the league and the suggestions for the admission of Germany and Turkey; that moral disarmament, of which much had been said, was but another name for intellectual cooperation and for that inward peace which it was the league's duty to foster.

The resolutions of the second committee on intellectual cooperation were then adopted, as follows:

1. The assembly takes note of the report of the committee on intellectual cooperation and highly appreciates the work accomplished by the latter committee at its first session, and also the systematic and judicious method in accordance with which the committee has drawn up the program of its future work. The assembly congratulates the chairman of the committee on intellectual cooperation, M. H. Bergson, together with his colleagues, upon their useful and remarkable work, and expresses the hope that the committee will pursue its work with the help of the most competent men of all countries to the extent allowed by the credits proposed by the fourth committee of the assembly.

2. The assembly notes with satisfaction the resolutions in which the council has authorized the committee on intellectual cooperation to undertake an inquiry into the position with regard to intellectual work and to appoint three subcommittees to investigate questions of bibliography, questions of interuniversity cooperation, and questions of intellectual proprietary rights.

3. The assembly decides to send an appeal to all countries which have not yet accepted the conventions relating to the international exchange of publications signed at Brussels on March 15, 1886, asking them to give their adhesion thereto.

4. The assembly has noted with much interest the detailed investigations carried out by the committee on intellectual cooperation regarding the conditions of intellectual life in countries where its continuance is especially endangered. The assembly invites the council to follow up this important question within the limits proposed by the committee.

5. The assembly invites the council to stimulate an intellectual cooperation based upon international solidarity in order to procure scientific books and documents for the universities and schools of those countries which as a result of war have been deprived of them and which have not sufficient resources to acquire them.

*Twenty-second meeting, Friday, September 29, 1922, 10 a. m.*

TELEGRAM FROM PRESIDENT OF PORTUGAL

The president read a telegram from the President of the Portuguese Republic thanking the assembly for its message of congratulation on the fourth centenary of the circumnavigation of the globe.

CONTRIBUTION FROM SALVADOR TO LEAGUE EXPENSE

Mr. Struycken, Netherlands, reporter for first committee, read the committee report on the question of Salvador's contribution to league expense and submitted the following resolution:

The assembly decides that the report which the first committee has received from its subcommittee on the claim of Salvador be transmitted without discussion to the council of the league, together with copies of the procès-verbal of the committee and of the discussions which have taken place within it in order that the council may take such action in the matter as it considers appropriate.

The report of the subcommittee contained the following conclusions which the reporter also submitted:

The subcommittee is of opinion:

1. That the expenses of the labor organization as determined by article 399, paragraph 2, of the treaty of Versailles should be included among the expenses of the league and be borne by all its members, including Salvador, in the proportions established by article 6 of the covenant.

2. That the expenses of the league which fall to be borne by all its members are not limited to such expenses as are connected in a strict sense with the working of the secretariat but include all expenses legally incurred by the organs of the league and inscribed in its annual budget as voted by the assembly and that Salvador can not consequently refuse to pay its appropriate share of such expenses.

Resolution and conclusions adopted.

AMENDMENT TO ARTICLE 1, ASSEMBLY RULES OF PROCEDURE

Mr. Struycken, Netherlands, reporting for first committee, presented the following report:

The proposal to amend article 1 of the rules of procedure made by Mr. Hanotaux, French delegate, and Mr. Scialoja, Italian delegate, has been examined by the first committee.

The majority of the committee considers that it would be best not to alter the provisions of the rules of procedure on this point. The considerable number of delegates who are engaged in parliamentary and university work would in particular find it difficult, if not impossible, to attend the meetings of the assembly if they were held later. Under these conditions the clear advantages of the proposal, which consist of giving more time for the commissions meeting in August and at the beginning of September, do not seem sufficient to justify the adoption of the proposal.

Committee's conclusions adopted by assembly.

AMENDMENT TO ARTICLE 14, ASSEMBLY RULES OF PROCEDURE

Mr. Trygger, Sweden, reporting for first committee submits a resolution as follows:

The assembly adopts the following amendment to rule 14 of its rules of procedure:

Rule 14, paragraph 2, shall read as follows:

"2. The assembly shall not decide items on the agenda in full meeting until the report of a committee upon them has been presented and circulated unless the assembly itself, by a two-thirds majority, determines otherwise."

Reports by a committee involving the expenditure of money must indicate whether the expenditure will constitute part of the general expenses of the league or whether it will be recovered from the members of the league particularly concerned.

Reports by a committee other than the finance committee recommending action which will involve the expenditure of money shall be accompanied by as close an estimate as time and circumstances allow of the amount of the expenditure involved. This estimate shall, before the matter is brought before the assembly, be submitted to the fourth committee in order that it may be checked by that committee.

No resolution involving expenditure shall in any case be voted by the assembly before the finance committee shall have expressed its opinion on the advisability of the proposed expenditure from the point of view of general budgetary resources.

The assembly at the same time decides that paragraph 2 of article 19 of the regulations for the financial administration of the League of Nations shall read as follows:

"In accordance with paragraph 2 of rule 14 of the rules of procedure of the assembly, and subject to any amendment thereof, the following rules shall apply:

"(a) Reports by a committee involving the expenditure of money must indicate whether the expenditure will constitute part of the general expenses of the league or whether it will be recovered from the members of the league particularly concerned.

"(b) Reports by a committee other than the finance committee recommending action which will involve the expenditure of money shall be accompanied by as close an estimate as time and circumstances allow of the amount of the expenditure involved. This estimate shall, before the matter is brought before the assembly, be submitted to the fourth committee in order that it may be checked by that committee.

"(c) No resolution involving expenditure shall in any case be voted by the assembly before the finance committee shall have expressed its opinion on the advisability of the proposed expenditure from the point of view of general budgetary resources."

Resolution approved.

CONTRIBUTIONS UNPAID

Mr. Zahle, Denmark, chairman; Mr. Trygger, Sweden, reporter, fourth committee, took places on platform, the latter reading the committee's report on unpaid contributions, and submitted the following conclusion:

The assembly approves the principles and proposals which are laid down in the report of the fourth committee (A. 145, 1922) concerning the contributions still remaining to be paid for the fiscal period up to January 1, 1922.

Conclusion agreed to.

NONPERMANENT MEMBERS OF COUNCIL

Mr. Barthelemy, France, reporter for first committee, presented its report and the following resolutions and recommendation:

I. The assembly adopts, for the election of the nonpermanent members of the council, the following rules of procedure:

The members whose representatives are to sit on the council as nonpermanent members of that body shall be selected by the assembly by secret ballot.

Where several seats are to be filled the election shall be made by voting a list of names. Any ballot paper containing more names than there are seats to be filled shall be null and void.

No member shall be elected at the first or at the second ballot unless it has obtained at least the absolute majority of the votes. If, after two ballots, there still remain seats to be filled, a third ballot shall be held upon a list consisting of the candidates which obtained most votes at the second ballot up to a number double that of the seats still to be filled, and those members shall be elected which obtain the greatest number of votes.

If two or more members obtain the same number of votes and there is not a seat available for each, a special ballot shall be held between them; if they again obtain an equal number of votes, the president shall decide between them by drawing lots.

II. Pending the ratification by the states of the amendment to article 4 of the covenant voted by the assembly in 1921, and without prejudice to the right of the assembly to "select in its discretion," in accordance with the provisions of the covenant, the nonpermanent members of the council the committee recommends that the assembly declare:

The nonpermanent members of the council are elected for a period of three years commencing on the first day of January following the date of their election.

Retiring members are not eligible for reelection until the expiration of a period of three years.

One-third of the nonpermanent part of the council shall be renewed each year.

If one or two of the members now on the council are reelected, their mandates shall terminate at the end of the first year.

If more than two members now on the council are reelected, lots shall be drawn to determine which one or which two of them shall not retire until the end of the second year.

If necessary, lots will be drawn to determine the order of retirement as between newly elected members so as to bring up to two the number of members retiring.

The drawing of lots to determine the members which are to retire shall be effected by the council and shall take place at least two months before the session of the assembly which is to make the election.

If for any reason a seat on the council filled by any state should become vacant during the first period of three years, the state shall be considered as having retired, with the result that if such vacancy occurs during the first year lots shall only be drawn for one seat, and if the vacancy occurs during the second year lots shall only be drawn for one seat.

If such vacancy occurs after the expiration of the first period of three years, the assembly shall fill it at the session following its occurrence, but the member so elected shall only complete the current mandate.

Recommendation: It is desirable that the assembly in electing the six nonpermanent members of the council should make its choice with due consideration for the main geographical divisions of the world, the great ethnical groups, the different religious traditions, the various types of civilization, and the chief sources of wealth.

Mr. Barthelemy called attention to the fact that the second assembly had proposed an amendment to the covenant enabling the assembly to draft a system of rules, that this amendment had not been ratified, and that it was doubtful whether the assembly adopt a system at present; that the committee submitting this amendment to the second assembly had made a reservation safeguarding the liberty of the assembly. To meet the situation, he said, the first committee now functioning had presented: (1) A resolution containing rules of procedure for the ballot within the assembly; (2) a resolution containing a pronouncement of principle and substance; and (3) a recommendation. He added that the committee took no definite position as to the legal force of its declaration and reserved the liberty of the next assembly.

Prince Arfa-Ed-Dowleh, Persia, asked that in electing nonpermanent members the assembly should consider the geographical situation, ethnical, religious, and commercial conditions of the various systems of civilization, and that a seat should be allotted to Asia with its 850,000,000 people.

Lord Balfour, British Empire, proposed a redraft of the preamble of the second resolution, as follows:

Pending the ratification by the states of the amendment of article 4 of the covenant voted by the assembly in 1921, and without prejudice to the right of the assembly "to select in its discretion," in accordance with the provisions of the covenant the nonpermanent members of the council, the assembly recommends the fourth assembly to adopt the following regulations, etc.

Lord Balfour explained that this redraft would mean the elision of the eighth paragraph of the second resolution; that in this way unanimity would be obtained in the assembly; that it was desirable, however, to recommend to states members ratification of amendments to the covenant proposed by the second assembly so that the fourth assembly might not find itself in position similar to that now facing the third.

Mr. Bourgeois, France, supported the proposal of Balfour.

The president announced a motion by Lord Balfour in the following terms:

The assembly declares that it is of the highest importance that the amendments to the covenant already passed should be ratified by the governments of the members of the league, and requests the council to take all proper measures to secure this result.

Mr. Scialoja, Italy, approved the Balfour motion and suggested that if the assembly desired to recommend ratification it should consider the text of a recommendation drafted by the first committee in this language:

The assembly calls the attention of the delegations to the fact that it is of the utmost importance for the authority and the proper working of the League of Nations that the states should ratify at a very early date the amendments of the covenant voted by the first and second assemblies, with the exception of amendments 2 and 3 to article 6.

He added that the first committee recommended immediate ratification of the first amendment to article 6, so that the assembly could fix rules for election of members of council.

Mr. Tang-Tsai Fow, China, thanked the Persian delegate for the testimony he had borne to the solidarity of Asia, and referred to the action of China in submitting to the first committee draft regulations for election of nonpermanent members of council on the principle of geographical distribution, five seats to go to European and American members, the sixth to a non-European and non-American state. He contended that this would have assured the universal character of the council, awakening interest of countries remote from the sphere of the activities of the league, and facilitating rotation by giving every member a chance to sit on the council. He pointed out that the first assembly had made formal recommendations to this effect. He added that the first committee, however, had deemed it in line with duty to adopt a compromise between two points of view and that the Chinese delegation, in a spirit of conciliation, reserving future liberty, would support the committee action.

Lord Balfour announced his acceptance of Mr. Scialoja's suggestion.

Mr. Motta, Switzerland, announced his approval of the Balfour proposals with the understanding that they did not affect the substance of the resolutions.

Resolutions as amended and recommendation carried.

Lord Balfour's motion regarding ratification, as amended, was then adopted.

*Twenty-third meeting, Friday, September 29, 1922, 3.30 p. m.*

REGULATIONS FOR FINANCIAL ADMINISTRATION OF LEAGUE—FOURTH COMMITTEE REPORT

Mr. Zahle, Denmark, president, Mr. Melot, Belgium, reporter, fourth committee, took seats on platform, Mr. Melot presenting report and conclusions, the latter being as follows:

Whereas the recommendation of the assembly adopted on September 17, 1920, with regard to the administration of the finances of the League of Nations, as modified by the recommendations of October 4, 1921, requested the council to prepare for the annual session of the assembly in 1922, a final resolution concerning the administration of the finances of the League of Nations;

And whereas the council requested the commission of control to prepare a draft of such a resolution, and the commission has submitted such a draft which has been considered by the assembly.

The assembly of the League of Nations adopts the regulations for the administration of the finances of the League of Nations.

Conclusions adopted by assembly.

BUDGET AND ACCOUNTS; REPORT BY FOURTH COMMITTEE

Mr. Zahle, Denmark, chairman; Mr. Adatci, Japan, reporter, fourth committee, came to seats on platform, the reporter presenting the following resolution:

The assembly of the League of Nations finally passes the expenditure and income accounts for the third fiscal period ending December 31, 1921.

The reporter, Mr. Adatci, stated that the budget estimates for the period 1923 showed an inevitable increase over prior ones, and urged the reduction of expenditures to the minimum. The forthcoming budget, he said, called for 25,623,000 francs, making the unit contribution 27,851 francs. He told the assembly that the fourth assembly had cut down all expenditures not absolutely indispensable.

Mr. Rivas-Vicuna, Chile, regretted the existing system which controlled finances in accordance with the requirements of the administration and calculated receipts only afterwards in accordance with its needs; that expenditure should be stabilized, the contribution of each state determined and the budget regulated in consonance with resources available. He urged that the league make sure that the states embodied their contributions in their budgets; that an increase, however, in the league budget, without modifying the number of units, would weigh heavily on states in financial difficulties; that the value of each unit

be fixed for three or five years; that the council submit such a plan to the next assembly.

Sir James Allen, New Zealand, urged acceptance of scale proposed, and that delegates urge their governments to pay annual contributions as soon as possible. He asserted that the financial position of the league was disquieting, that contributions in arrears amounted to more than 14,000,000 francs, causing a deficit; that the league would be compelled to raise a loan from the banks if amounts due were not paid; that delegates should urge their governments to pay their contributions for 1923 as soon as possible, as well as all or part of arrears.

Mr. Urrutia, Colombia, stated that it was difficult to induce parliaments to vote larger sums each year for the league; that he hoped the league budget would not increase during the next few years; and that no new technical bodies would be formed until the league was on a permanent footing.

Mr. Amador, Panama, asserted that the increasing league budget and the deficit were disquieting to the parliament of his country; that the true friends of the league would continue to support in every way and that every effort must be made to guard against an excessive increase of expense.

The resolution was agreed to.

Mr. Adatci then presented a second resolution from the fourth committee, as follows:

The assembly adopts the first report of the commission of control and the supplementary report in so far as its recommendations have not already been acted upon or are not at variance with other specific decisions of the third assembly or of its fourth committee.

Resolution agreed to.

Mr. Adatci, for the fourth committee, next submitted two additional resolutions in the following terms:

(a) The assembly recommends that, in view of the necessity of realizing economies in the financial administration of the league, the council should always hold its sessions at Geneva except in the case of absolutely exceptional circumstances necessitating a session at some other place.

(b) The assembly of the League of Nations, in accordance with article 4 of the recommendations adopted by the first assembly on the administration of the finances of the League of Nations dated September 17, 1920, approves for the fiscal period 1923 the general budget of the league and the budget of the international labor organization and the supplementary credits, amounting in all to 25,623,508 francs, and decides that these budgets shall be published in the official journal.

Mr. Reynald, France, observed that all members of the assembly favored economy, but that the intellectual organization had been too parsimonious; that the allowed credit of 50,000 francs should be doubled; that the international labor office was worthy of praise, but gave insufficient attention to the organization of intellectual work; that the material welfare of intellectual workers should be looked after and their organization placed on an international basis.

The Maharajah of Nawanagar, India, supported Mr. Reynald, contending that nothing was more important than restoration of rights due to intellectual activities; that the league should press to a successful ending the work it had been first to begin.

Sir Edgar Walton, South Africa, opposed the suggested increase on the ground of economy, pointing out that 75,000 francs had been provided for intellectual cooperation, with a supplementary credit of 50,000 francs.

Mr. Zumeta, Venezuela, argued that a vote for the increase would do honor to the league.

Sir Joseph Cook, Australia, deemed the provision already made to be sufficient and opposed the addition from the standpoint of economy.

Mr. Fielding, Canada, took the economical view and opposed the suggested increase, claiming also that there had not been sufficient time properly to study the matter.

Mr. Bellegarde, Haiti, favored the increase, holding that it was too small to render the financial situation more complicated.

Mr. Adatci, reporter, said he was in personal sympathy with the proposal, but asked that it be withdrawn for the coming year in the interest of harmony.

Mr. Reynald insisted on his suggestion, which he presented in these terms:

The assembly—

In view of the fact that the work undertaken by the committee on intellectual cooperation, in accordance with the decision of the second assembly, can not be satisfactorily carried out without adequate financial provisions in the budget—

Decides to raise the credits shown for this purpose under the heading of International Bureau and Miscellaneous Questions to the sum of 175,000 francs.

Proposal adopted.

Committee resolutions as amended by Mr. Reynold's proposal were then carried.

BUILDING SITES OFFERED BY SWISS CONFEDERATION AND BY CANTON AND CITY OF GENEVA

Mr. Adatci, for fourth committee, submitted the following resolution:

The assembly of the League of Nations, having noted the letter from the Swiss delegation, dated September 14, 1922, addressed to the secretariat of the League of Nations on behalf of the federal council and on behalf of the council of state of the Republic and Canton of Geneva and of the administrative council of the city of Geneva, which provides that, subject to the ratification by the constitutional powers, both Federal and Genevese, and in order to assist the league to acquire in due time premises suitable for the holding of the assembly and for use as offices by the International Labor Office, by obtaining possession of land in Geneva suitably placed for their requirements, the following sites are offered as a gift:

(1) On the part of the Swiss Confederation, the premises situated at 154, Rue de Lausanne, on the shores of the lake, and having an area of 35,845 square meters;

(2) On the part of the Republic and Canton of Geneva and the city of Geneva, the land adjacent to the secretariat on the side nearest to the city and having an area of 4,493 square meters; expresses its warm appreciation of the generosity and the good will shown toward the League of Nations which inspired these offers and gives full powers to the council:

(1) To accept these offers as soon as they have both been definitely made; and

(2) To authorize the secretary general to act on behalf of the League of Nations to carry out the transfer of the property rights.

Resolution adopted and the president authorized to address a letter of thanks to the Swiss authorities.

LIMITATION OF COUNCIL EXPENDITURES

Mr. Adatci, from fourth committee, submitted this resolution:

The assembly, considering that the present financial position of all countries renders the strictest economy necessary on the part of the League of Nations, especially in so far as new work involving the league in new expenditure is concerned, even if this work was contemplated by conventions or resolutions antedating the present session of the assembly:

Requests the council of the league and the governing body of the international labor office to see that work of this nature should be undertaken between the third and fourth assemblies only in cases of extreme urgency.

The assembly also requests the council of the league and the governing body of the international labor office to submit to the fourth assembly a statement of new work, involving new expenditure on the part of the league, undertaken in accordance with the conditions mentioned in the first paragraph.

Resolution agreed to.

RECOVERABLE EXPENDITURE

Mr. Adatci, Japan, submitted another resolution from the fourth committee reading as follows:

With regard to the decision of the council dated July 21, 1922, the fourth committee desires to express its full approval of the principle that expenditure incurred for special investigations in the particular interests of one or more members of the league shall be met by that or those members of the league.

Resolution carried.

DEFERRED PAY AND PENSIONS; PENSION TO DOCTOR PARDO'S CHILD

Mr. Adatci, Japan, brought forward two additional resolutions from the fourth committee which were as follows:

(a) The assembly:

Whereas, the fourth committee only received the report of the salaries adjustment committee on the subject of a deferred pay and pensions scheme for the secretariat and international labor office at its last meeting, two days before the close of the assembly;

Whereas, it was impossible in these circumstances to consider this question with the necessary care:

Decides to transmit the report that was submitted to it to the commission of control and requests the council to submit to the

members a final report four months before the opening of the fourth session of the assembly.

(b) The assembly feels much sympathy for the case of Doctor Pardo, an official of the international labor office, who died while on a mission to Russia, leaving a young child in difficult circumstances. The assembly duly signifies its approval of the decision of the governing body of the international labor office, recommending that a sum equivalent to one-fourth of Doctor Pardo's salary should be devoted to the maintenance and education of his son.

The assembly decides to include for this purpose a sum of 7,500 francs in the supplementary estimates.

Mr. Cavadzoni, Italy, observed that the scheme devised by the salaries adjustment committee was not acceptable to the fourth committee; that though the scheme was proposed late in the session, it might have been possible to have provided a certain payment by employees matched by an equal sum from the league, but the committee did not think this would be possible; that Great Britain, nevertheless, had raised the question at the first assembly and obtained an approval of the principle; that the second assembly had instructed a committee to devise a plan; that if no account were taken of what the first two assemblies had done a disquieting effect would be produced among the employees; that the third assembly ought to provide a pension scheme for the staff.

Mr. Zotlale, Denmark, agreed to the importance of a plan, saying that it meant, however, an expenditure of 750,000 francs a year and a very complicated system; that it had come before the fourth committee too late in the present session; that the assembly should send the report of the salaries adjustment committee to the commission of control and should invite the council to submit to league members a final report four months before the opening of the next assembly.

Resolutions adopted.

VALIDITY OF VOTE OF INCREASED CREDIT FOR INTELLECTUAL COOPERATION

Mr. Trygger, Sweden, said he questioned the validity of the vote of an increased credit for intellectual cooperation; that in his opinion the committee resolution should have been adopted unanimously under the terms of the covenant; that without the desire to raise objections he proposed the submission of the question to the council for examination.

The president supported this proposal, holding that it would be helpful to have the council's opinion on procedure to be followed in connection with budgetary questions.

Proposal approved by assembly.

Report of fourth committee adopted as a whole.

AMENDMENT TO ARTICLES 4 AND 7, RULES OF PROCEDURE

Mr. de Palacios, Spain, reporting for first committee, presented the resolution following:

(1) The following text shall be substituted for the original text of article 4, paragraph 1, and paragraph 2 (a) and (b):

1. The agenda shall be drawn up by the secretary general with the approval of the president of the council. The complete agenda shall be circulated to members as nearly as possible four months before the date fixed for the opening of the session.

2. The agenda of a general session shall include:

(a) A report on the work of the council since the last session, on the work of the secretariat, and on the measures taken to execute the decisions of the assembly.

Subparagraphs (c), (d), (e), (f) shall be, respectively, lettered (b), (c), (d).

(2) The following text shall be substituted for the original text of article 7:

1. The officers of the assembly shall consist of a president and of six vice presidents, together with the chairmen of the main committees of the assembly, who shall be ex-officio vice presidents of the assembly. These officers shall form the general committee.

2. The president shall be elected at the beginning of each session.

3. Until the election of the president, the president of the council shall act as president of the assembly.

4. The election of the vice presidents shall take place at one of the early meetings of the session.

Resolution adopted.

*Twenty-fourth meeting Saturday, September 30, 1922, 10 a. m.*

RATIFICATION BY POLAND OF CERTAIN AMENDMENTS TO COVENANT

The president announced that the Polish Government had ratified the amendments to the covenant of the league voted by the second assembly, except the amendment to article 6.

ASIA MINOR REFUGEES

The president notified the assembly that the following countries had contributed the following amounts for Asia Minor refugees: Great Britain, £50,000; Canada, £5,000; Norway, £1,000; Sweden, £1,000; New Zealand, £1,000; Denmark, £1,000; Greece, 1,000,000 drachmas—about £5,000; Spain, £2,000.

The president stated that Luxemburg had promised a donation.

PAN AMERICAN CONGRESS

Mr. Van Eysinga, Netherlands, submitted the following resolution, as reporter for second committee:

The assembly expresses a desire that at the next Pan American Congress the members of the League of Nations represented at the congress should call the attention of the latter to the work of the technical organizations of the League of Nations;

Expresses a desire that these members should consider the means by which any future action contemplated by the Pan American Congress in connection with any question which is being dealt with by the technical organizations of the League of Nations may, as far as possible, be carried on in cooperation with these organizations; and

Recommends that, if necessary, the council should authorize the technical organizations to cooperate in any action of general interest which the Pan American Congress may decide to take.

Mr. Reynald, France, expressed the entire concurrence of the French delegation in this proposal.

Resolution adopted.

ALLOCATION OF EXPENSES OF LEAGUE

Mr. de Palacios, Spain, reporting for first committee, submitted a resolution as follows:

The assembly, considering that it is desirable to modify as soon as possible the system of allocation of the expenses of the League of Nations among its members and to replace the scale of the Universal Postal Union now in force by a more just and equitable scale;

And considering that the scale annexed to the present resolution has been recognized by general consent as establishing a more just and equitable system for the allocation of said expenses, and that it is recognized to secure the immediate application of this scale as a provisional measure:

Approves the application of the above-mentioned scale for the allocation of the said expenses for the year 1923.

The assembly requests the council to ask the committee for the allocation of expenses, presided over by Mr. Reveillaud, to continue its researches with a view to preparing a definitive scale which may be submitted to a subsequent assembly. The assembly leaves it to the council to modify the composition of the committee as it thinks desirable.

It begs the council to notify the members of the League of Nations that it is no longer to continue the ratification of the amendments No. 2 and No. 3 of article 6, voted by the assembly of 1921, but on the other hand to urge them to ratify the first amendment as soon as possible.

ANNEX

SCALE FOR ALLOCATION OF EXPENSES FOR 1923 UNDER ABOVE RESOLUTION

Albania, 1 unit; Argentina (subject to observation by Argentine Government), 35 units; Australia, 26; Austria, 1; Belgium, 15; Bolivia, 5; Brazil, 35; British Empire, 95; Bulgaria, 7; Canada, 35; Chile, 15; China, 65; Colombia, 7; Costa Rica, 1; Cuba, 9; Czechoslovakia, 35; Denmark, 12; Estonia, 3; Finland, 10; France, 78; Greece, 10; Guatemala, 1; Haiti, 2; Honduras, 1; Hungary, 4; India, 65, Italy, 61; Japan, 73; Latvia, 3; Liberia, 1; Lithuania, 4; Luxemburg, 1; Netherlands, 20; New Zealand, 10; Nicaragua, 1; Norway, 11; Panama, 1; Paraguay, 1; Persia, 6; Peru, 10; Poland, 25; Portugal, 10; Rumania, 31; Salvador, 1; Serb-Croat-Slovene State, 26; Siam, 10; South Africa, 15; Spain, 40; Sweden, 18; Switzerland, 15; Uruguay, 7; Venezuela, 5.

Mr. Van Eysinga, Netherlands, announced the support of the resolution by the Netherlands delegation because it would assist the league in overcoming its financial difficulties, and urged each delegation to endeavor by all possible means to persuade its government to follow the new scale. He proposed, he continued, to strengthen the resolution by offering as a substitute for the words "Considering that it is desirable," the words "Considering that the financial requirements of the League of Nations render it imperatively necessary," and so forth.

Mr. de Torriente, Cuba, announced that he would not vote, because his government had instructed him not to accept this year an increase in Cuba's contribution, but that

he would ask his government to reconsider this action if possible.

Resolution, as modified by Mr. Espingo's amendment, adopted.

ELECTION OF NONPERMANENT MEMBERS OF COUNCIL

Under rules of procedure adopted at a previous meeting the assembly proceeded to elect the nonpermanent members of the council.

The president appointed Prince Arfa-Ed-Dowleh, Persia; Doctor Pusta, Estonia; and Mr. Urrutea, Colombia, to act as tellers.

The vote was taken by roll call and secret ballot, and the secretary general proceeded to count the votes.

The president announced the result as follows:

States voting: Albania, Australia, Austria, Belgium, Brazil, British Empire, Bulgaria, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Denmark, Estonia, Finland, France, Greece, Guatemala, Haiti, Hungary, India, Italy, Japan, Latvia, Liberia, Lithuania, Luxemburg, Netherlands, New Zealand, Norway, Panama, Paraguay, Persia, Poland, Portugal, Rumania, Serb-Croat-Slovene State, Siam, South Africa, Spain, Sweden, Switzerland, Uruguay, and Venezuela.

States absent: Argentine Republic, Bolivia, Nicaragua, Peru, and Salvador.

Number of votes cast, 46.

Absolute majority required, 24.

Votes obtained by states were as follows: Brazil, 42; Spain, 40; Uruguay, 40; Belgium, 36; Sweden, 35; China, 27; Serb-Croat-Slovene State, 15; Portugal, 12; Persia, 9; Colombia, 5; Switzerland, 3; India, 2; Norway, 2; Denmark, 1; Czechoslovakia, 1; Haiti, 1; Chile, 1; Siam, 1; Netherlands, 1; Rumania, 1; and Austria, 1.

The president announced that Brazil, Spain, Uruguay, Belgium, Sweden, and China, having obtained an absolute majority of votes required, had been elected nonpermanent members of the council.

*Twenty-fifth meeting, Saturday, September 30, 1922, 3 p. m.*

FINANCIAL REHABILITATION OF AUSTRIA—STATEMENT BY LORD BALFOUR ON BEHALF OF COUNCIL

The president announced that the council, which had been studying the Austrian question during the last few days, desire to report to the assembly on this subject through its reporter, Lord Balfour, and that, after Lord Balfour's address, the Austrian delegate would be requested to speak.

Lord Balfour said the Austrian problem had not been entirely solved, but much was being accomplished; that the present was not the first effort the league had made at the invitation of the powers to assist Austria; that the essential part of the first scheme was the release of liens held by a large number of nations, and these were so slowly released that when the last was lifted it was too late, the economic condition of Austria having sunk so low that when the league was asked a second time to intervene, the task was inevitably harder and more complicated.

He asserted that if Austria was to secure the needed credit, other nations must guarantee it; that the council and subcommittee of the council on Austria were agreed on that; that four nations had each agreed to take 20 per cent of the total loan required to enable Austria to pay her way during the two years which the council's financial advisers held must elapse before she could balance her budget, the total amount needed being something over 500,000,000 gold crowns; that he had great hope that nations could be found to take the 20 per cent still unsubscribed; that the method in view was the supply of the money by individual lenders, the subscribing nations guaranteeing payment.

He then explained that internal reforms must be brought about if the loans were to be had; that large sums had been contributed to Austria during the last two disastrous years, but they had under the existing system no more than sufficed to enable Austria to get along, somehow or another, from day to day; that these contributions did not contain in themselves a single element of permanence and helped in no way to build a permanent credit basis for Austria.

Mr. Pouilly-Dietrichstein, Austria, expressed the gratitude of Austria to the league, and especially to the members of the council, for having undertaken this task, which he sincerely trusted would be successful. He also thanked the nations which had already agreed to guarantee the greater part of the proposed loan, naming Belgium as one of the additional nations which he had learned would take the remainder of the loan, and thanking her also. He said he had hoped the transaction could have been completed while the assembly was in session, but this was not practicable.

Lord Cecil asked, that if the project failed would there be a full, public statement of all the negotiations. Lord Balfour said he could not believe failure possible, but, if it came, all the documents and facts would be made public; that the present plan consisted in the main of providing the guaranteed loan; of seeing that it was properly expended in Austria and in cooperation with the Austrian Government; of insuring that it should only be expended in Austria if, accompanying the expenditure, those great reforms were carried into effect, which were absolutely necessary to Austria's recovery; that Austrian sovereignty was to be in no way impaired; that when the plan was completed all the documents connected with the negotiations and the entire transaction would be laid before a public meeting of the council; that with the plan in operation there was no reason why Austria should not recover; that the benefits of the plan would reach Europe and the world, and its success would be an answer to the charge that the league could not deal with the economic affairs of the world; that there was not the least desire or intention of keeping back from the league or the public all the details and all the data on which the council's work in the Austrian matter was based.

Mr. Bourgeois, France, said that the council in dealing with the Austrian question had applied the highest and best principles, principles underlying the league, and asked that the meeting end with a demonstration of confidence and faith. He was greeted with loud and prolonged applause.

In closing this, the last meeting of the third assembly, the president, Mr. Edwards, said, among other things, that he thanked Switzerland not only for what she had done for the league but for the living example she offered to the world of a close union which could be attained by a common ideal, even though there was no community of race, of religion, or of language. He thanked both Switzerland and Geneva for hospitalities extended. He said that the league was growing day by day, obtaining increased prestige and influence, and winning the confidence of the peoples; that in the first year of its existence the league was composed only of the countries which had been Allies or neutrals in the Great War; that now there were but two of the former enemies of the Allies that had not asked for admission; that every country that had wished to join was now a member; that the doctrine proclaimed by the Argentine Republic at the first assembly, the doctrine of the universality of the league, was being consecrated by the facts that, on account of the close fraternal relations between his country and Argentina, he witnessed with satisfaction the virtual triumph of the Argentine doctrine that would mark an epoch in the history and development of the league.

He pointed out that the third assembly had developed the master thought of the covenant, which sought the peace of nations by every possible avenue, by offering to states the procedure of conciliation, a new mechanism, suggested by the Scandinavian nations, impregnated with the basic idea that the league is not a superstate but a center where all the good will and the peaceful desires of all nations can converge and meet. He referred to the admission of Hungary to the league as one of the happy events of the third assembly.

He concluded with these words:

Ladies and gentlemen, we have reached the third milestone in the journey of our institution. We have nothing with which to reproach ourselves, much to be proud of, and still more to expect. Let us have faith in the destinies of the league, because all that is great, all that seeks the good of mankind and tends toward perfection is imperishable. The origin of humanity is divine, and its end in the beyond is divine also. Perfection, therefore, must be its goal.

When the whirlwind has passed—the hate-laden cyclone loosed over the world by the breath of the Great War—then will the aims and the mechanism of the covenant be more clearly perceived and the serene and limpid atmosphere in which the league has its

being become more apparent. We shall see, too, the souls of all the nations of the earth inspired with the ideal of cooperation, yearning to be immortalized, like the souls of individuals—in faith, hope, and charity.

In another moment we shall have left this hall, and the charge with which you have honored me by electing me as your president will have come to an end. I can not depart without assuring you that to the gratitude which I feel for the great trust you have reposed in me is now added a strong sense of obligation for your indulgence. I beg you to pardon, ladies and gentlemen, the errors I may have committed in consideration of my great willingness to serve you and my not less great desire to continue serving you wherever and whenever occasion may arise. I cease now to be your president, but all my life I wish to be your friend. [Loud and prolonged applause, the whole assembly rising to its feet.]

Ladies and gentlemen, I declare the third assembly of the League of Nations at an end.

During the delivery of Mr. SHEPPARD's speech—

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield for a question.

Mr. LEWIS. It is evident to us all who are attentive in the Senate that the Senator from Texas is contributing literally a volume of history which, in its accuracy and detail, indicating such vast research, will hereafter be referred to as a book of review and reference. But I beg to inform him that when, something like two years ago, I was in Palestine, there was a movement on the part of Britain, as published, to withdraw that provision which gave to each of the Jewish assemblages, wherever they came from, the right to choose their own citizenship.

I may inform my eminent friend, who no doubt knows the fact, that President Wilson was responsible for that very wise provision which enabled the American Jew in that locality to continue his citizenship as an American. But, as I remarked a moment ago, a year and a half, perhaps two years ago, in Palestine a great commotion was created, to the point of actual riots, while I was present, regrettably having to witness such, because England threatened, through her officials then there, to withdraw the Balfour declaration, and to lay down the doctrine that those who were taking advantage of the document which the able Senator has so carefully compiled and presented should be citizens of Great Britain.

I would ask the Senator if he knows whether that has been changed, and whether they still adhere to the privilege which we had established of allowing Americans to remain as Americans, instead of making them citizens of Great Britain while living in Palestine.

Mr. SHEPPARD. I think they have been allowed to remain as Americans. I thank the Senator for his most interesting contribution.

Mr. SHEPPARD resumed his speech. After speaking for some time—

Mr. MOSES. Mr. President——

The PRESIDING OFFICER (Mr. SCHUYLER in the chair). Does the Senator from Texas yield to the Senator from New Hampshire?

Mr. SHEPPARD. I yield for a question.

Mr. MOSES. I ask the Senator whether he has now fully discussed the Macedonian aspect of the problem?

Mr. SHEPPARD. I think so.

Mr. MOSES. If the Senator will permit me, the Senator's learned disquisition has so close a relation to a question now before the Senate that I wondered whether, in discussing the Macedonian question, he intended to discuss the details of the Bechtold proposals, the Mergsted program, the protocol of Cettigne, the Saloniki manifesto, and those other matters which intimately concern the activities of the comitadjis in Macedonia at the time of which the Senator is speaking; because of course in a discussion of this subject, if the Senator will permit me further, especially in relation to its intimacy with the question before the Senate, I hope the Senator will not fail to enlighten us with reference to some of these topics which I have suggested, since necessarily, in the course of my activities prior to coming into the Senate, I happened to have known something about some of these things which I have mentioned. But evidently the Senator can fill in the interstices in my information so completely that I hope he will not fail to do so as the discussion goes forward.

Mr. SHEPPARD. Macedonia is related to this question, because the drys have heard the cry from Macedonia.

Mr. MOSES. I never understood that it was from that group of the population that the cry went up to "come over into Macedonia and help us."

Mr. SHEPPARD. The women and children are calling for help.

Mr. MOSES. I thought that cry came up from quite another portion of the globe.

Mr. SHEPPARD. So it does; but it comes from every part of the globe where people want help in conquering evils.

Mr. MOSES. And it is still articulate?

Mr. SHEPPARD. It is still articulate. The Senator is familiar with the Macedonian problem by virtue of his having been a distinguished and an able Minister to Greece.

Mr. MOSES. I thank the Senator very much, because when I now have to take up the pen, I would like to have accurate information upon those topics as to which I am now somewhat deficient.

Mr. SHEPPARD. I am sure that the able manner in which the Senator conducted his mission to Greece has given him the interest which he has expressed in this phase of the discussion, and I thank him for his suggestion.

Mr. MOSES. If I may be equally complimentary to the Senator from Texas, may I say that the research shown to have been made in the preparation of the address with which he is now regaling the Senate assures me that I will have complete and accurate information from him before the discussion is over.

Mr. SHEPPARD. I shall endeavor to supply that information.

During the delivery of Mr. SHEPPARD's speech—

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Texas yield to the Senator from Maryland?

Mr. SHEPPARD. I yield; but I ask unanimous consent that all colloquies occurring in the course of my address be placed at the end of my speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TYDINGS. Mr. President, I do not want to be offensive or rude to the Senator from Texas. May I point out, however, that we have only 16 legislative days left of this Congress; that there are 12,000,000 people out of employment, 5,000 banks have failed, there is economic chaos from one end of the Nation to the other, and as long as we take up these extraneous matters we can not do a thing for the distress of the country.

Mr. SHEPPARD. The country will also be frightfully injured if the liquor traffic is ever restored.

Mr. SHEPPARD resumed his speech. After having spoken for some time—

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield to the Senator.

Mr. TYDINGS. I want to say preliminarily that no one concedes more than does the Senator from Maryland the sincerity and idealistic motives of the Senator from Texas. May I point out to him, however, that this is not a question of whether we shall have liquor or no liquor. This is a question as to whether or not the American people have a right to pass upon the form of government under which they live. They can either adopt it or reject it; but the Senator from Texas, by the very long oration he is delivering—which has now gone on for an hour and a half and promises to go for at least another hour and a half—is denying to the people of America the right to alter or amend the form of government under which they live.

Mr. SHEPPARD. This motion is a step toward the return of the liquor traffic. I am fighting it at every step, and I feel justified in doing so.

Mr. SHEPPARD resumed his speech. After having spoken for a few moments—

Mr. TYDINGS. Mr. President, will the Senator yield before he goes on with the next table? Then I will not bother him any more.

Mr. SHEPPARD. I yield.

Mr. TYDINGS. I admit that the Senator is sincere and wishes to fight this motion; but may I again point out to him that he is fighting it at the expense of the institution we call the people; that they can not, notwithstanding they may want to do so, amend the Constitution because the Senator from Texas will not allow them the opportunity to pass upon it.

Mr. SHEPPARD. Mr. President, I am in favor of the people's rule. Ordinarily, I am in favor of the submission of any question when a substantial number of the people desire the question submitted. National prohibition, however, was adopted by the States in 1920, only 13 years ago. Powerful wet minorities have not permitted it to have a fair trial. That is why I am not in favor of submitting now the question of its repeal. It would be unfair to prohibition and to the people to submit the question at this time.

Mr. DILL. Mr. President, will the Senator yield for a question before resuming his speech?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Washington?

Mr. SHEPPARD. I yield.

Mr. DILL. In the light of the fact that we are in the midst of what is probably the greatest panic in history, with great banks crashing and one State now with all of its banks closed, does not the Senator from Texas think it is the height of foolishness to take up a controversial question such as this, when it is going to take days of debate even to get the motion voted upon?

Mr. SHEPPARD. Certainly; and the Senator from Wisconsin ought to withdraw it. I shall stop speaking if he will withdraw it.

Mr. DILL. I am glad to know that the Senator has that spirit.

Mr. SHEPPARD resumed his speech. After speaking for some time—

Mr. BLAINE. Mr. President, will the Senator yield?

Mr. SHEPPARD. For a question.

Mr. BLAINE. So that I may ask unanimous consent?

Mr. SHEPPARD. No.

Mr. BLAINE. Then may I ask the Senator a question?

Mr. SHEPPARD. The Senator may ask me a question.

Mr. BLAINE. How long does the Senator think he may continue with his debate on the pending motion?

Mr. SHEPPARD. That depends on how long the spirit moves me. I can not tell how long I may speak when I am under the inspiration of a sense of duty.

Mr. BLAINE. It may be indefinitely?

Mr. SHEPPARD. It might be indefinitely.

Mr. BLAINE. The Senator does not anticipate concluding before 6 o'clock?

Mr. SHEPPARD. I do not.

Mr. BLAINE. Or before 10 o'clock?

Mr. SHEPPARD. I do not; if I can hold out.

### ADDRESS BY THE PRESIDENT OF THE UNITED STATES

During the delivery of Mr. SHEPPARD's speech—

Mr. FESS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FESS. If the Senator from Texas yields for an insertion in the RECORD by unanimous consent, will he lose the floor?

The VICE PRESIDENT. Not if it is done by unanimous consent.

Mr. SHEPPARD. By unanimous consent, I yield if it does not take me off the floor. I ask to have the matter inserted at the conclusion of my speech.

The VICE PRESIDENT. That will be done.

Mr. FESS. I ask unanimous consent to insert in the RECORD the address delivered last night by the President of the United States.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

[From the New York Herald Tribune of Tuesday, February 14, 1933]

### TEXT OF PRESIDENT'S ADDRESS POINTING ROAD TO WORLD ECONOMIC RECOVERY

It is a pleasure for me to address you upon the day when this club and our countrymen of all faiths throughout the land are paying tribute to the memory of Abraham Lincoln. We to-night also pay tribute to him as founder of the Republican Party and the inspirer of its ideals. He, more than any other man, created the living, virile organization which has given responsible interpretation of those ideals to our people in each succeeding generation. The party has brought these ideals to realization in government and development of a great nation. An organization that can show more than 15,000,000 adherents after 70 years—an irreducible minimum in the reaction from the worst depression the world has ever seen—is, indeed, testimony to the virility of the principles which Lincoln enunciated.

Those principles, the fiber and the determination of the party, assure that it will be recalled to power by the American people. One of the sure guaranties that this will be so was the extraordinary support of the youth of the country in the last campaign. There has never been a time in the history of the party when it received such a large adherence of young men and women, when they exerted themselves with such capable organization, devotion, and effort as they did in that campaign. It is to them that the party must look. It is in their idealism, their energy, and their vitality that the Republican Party can take assured hope for the future.

The people determined the election. Those of us who believe in the most basic principle insisted upon by Abraham Lincoln—the transcendent importance of popular government—have no complaint. We accept and, as Americans, will continue wholeheartedly to do our part in promoting the well-being of the country. Our party can truly feel that we have held the faith; that we shall do so in the future is our solemn responsibility.

It has ever been the party of constructive action. The Republican Party will support the new administration in every measure which will promote public welfare. It must and will be vigilant in opposing those which are harmful.

#### PARTISANSHIP PUT ASIDE

My purpose is not to speak upon divided issues on this occasion; rather it is to discuss matters concerning which there should be no partisanship.

Further steps toward economic recovery is the urgent problem before the entire world. Ceaseless effort must be directed to restoration of confidence, the vanquishing of fear and apprehension, and thus the release of the recuperative spirit of the world.

It is therefore my purpose to discuss some of the broad measures which confront us in reaching further to the roots of this tragic disturbance, particularly in the field of foreign relations. While we have many concerns in the domestic field, we must realize that so long as we engage in the export and import of goods and in financial activities abroad our price levels and credit system, our employment, and, above all, our fears will be greatly affected by foreign influences.

During the last two years the crash of one foreign nation after another under direct and indirect war inheritances has dominated our whole economic life. The time has now come when nations must accept, in self-interest no less than in altruism, the obligations to cooperate in achieving world stability, so mankind may again resume the march of progress. Daily it becomes more certain that the next great constructive step in remedy of the illimitable human suffering from this depression lies in the international field. It is in that field where the tide of prices can be most surely and quickly turned and the tragic despair of unemployment, agriculture, and business transformed to hope and confidence.

Economic degeneration is always a series of vicious cycles of cause and effect. Whatever the causes may be, we must grasp these cycles at some segment and deal with them. Perhaps it would add clarity to the position I wish to make later if I should shortly follow through the cycle of financial failure which has at least in part taken place in countries abroad.

#### TRACES CYCLES OF COLLAPSE

Many countries in addition to the other pressures of the depression were overburdened with debt and obligations from the World War or from excessive borrowing from abroad for rehabilitation or expansion. Many created or added to their difficulties through unbalanced budgets due to vast social programs or armament, finally reaching the point where collapse in governmental credit was inevitable. Foreigners in fear withdrew their deposits in such countries. Citizens in fright exported their capital. The result was a large movement of gold from such a country followed by the immediate undermining of confidence in its currency and its credit system. Runs on its banks ensued. Restrictions were imposed upon exchange to stop the flight of capital. Barriers were erected against the imports and commodities in endeavor to reduce the spending of her citizens for foreign goods and in an effort to establish equilibrium in exchange and retention of their gold reserves. Failure in such efforts resulted in abandonment of the gold standard.

Currency depreciation, stagnation of their industries, increase in their unemployment, and further shrinkage in consumption of

world goods again and again affected all other nations. Depreciated currencies gave some nations the hope to manufacture goods more cheaply than their neighbors and thus to rehabilitate their financial position by invasion of the markets of other nations. Those nations in turn have sought to protect themselves by erecting barriers until to-day as the result of such financial breakdown we are in the presence of an incipient outbreak of economic war in the world with the weapons of depreciated currencies, artificial barriers to trade by quotas, reciprocal trade agreements, discriminations, nationalistic campaigns to consume home-made goods, and a score of tactics each of which can be justified for the moment, but each of which adds to world confusion and dangers.

Out of the storm center of Europe this devastation has spread until, if we survey the world situation at the present moment, we find some 44 countries which have placed restrictions upon the movement of gold and exchange or are otherwise definitely off of the gold standard. In practically all of them these actions have within the last 12 months been accompanied by new restrictions upon imports in an endeavor to hold or attract gold or to give some stability to currencies.

These depreciations of currency and regulations of exchange and restrictions of imports originated as defense measures by nations to meet their domestic financial difficulties. But a new phase is now developing among these nations—that is, the rapid degeneration into economic war which threatens to engulf the world. The imperative call to the world to-day is to prevent this war.

### AMERICA'S PART IN CHECKING CHAOS

Ever since the storm began in Europe the United States has held stanchly to the gold standard. In the present setting of depreciated currencies and in the light of differences in costs of production our tariffs are below those of most countries; we have held free from quotas, preferences, discriminations among nations. We have thereby maintained one Gibraltar of stability in the world and contributed to check the movement to chaos.

We are ourselves now confronted with an unnatural movement of goods from the lowered costs and standards of countries of depreciated currencies, which daily increase our unemployment and our difficulties. We are confronted with discriminatory actions and barriers stifling our agricultural and other markets. We will be ourselves forced to defensive action to protect ourselves unless this mad race is stopped. We must not be the major victim of it all.

In all this competition of degeneration, these beginnings of economic war between scores of nations, we see a gradual shrinkage in demand for international commodities throughout the world and continuing fall of prices in terms of gold. From falling prices and unemployment we have at once the inability of debtors to meet their obligations to their creditors, the dispossession of people from their farms and homes and businesses.

If the world is to secure economic peace, if it is to turn in the tide of degeneration, if it is to restore the functioning of the production and distribution systems of the world, it must start somewhere to break these vicious fiscal and financial circles. I am convinced that the first point of attack is to secure assured greater stability in the currencies of the important commercial nations. Without such stability the continued results of uncertainty, the destruction of confidence by currency fluctuations, exchange controls, and artificial import restrictions can not be overcome but will continue to increase. With effective stability of currencies these dangers can be at once relaxed. I am not unaware that currency instability is both a cause and an effect in the vicious cycle, but we must start somewhere.

### GOLD'S RELATION TO SITUATION

This brings me to a phase which has gradually developed during the past months, and that is the reactions and relation of gold itself upon this situation. For, independent of other causes of degeneration, I am convinced that the circumstances which surround this commodity are contributing to drive nations to these interferences with free commerce and to other destructive artificialities.

Outside minor use in the arts there are two dominant uses of gold. First, the important commercial nations have builded their domestic currency and credit systems upon a foundation of convertibility into gold. Secondly, gold is the most acceptable of all commodities in international payments. Even the nations that have abandoned the gold standard must still depend upon gold for this purpose. It is true that nations must in the long run balance their international trade by goods, services, or investments, but in the intermediate ebb and flow balances must still be settled by the use of gold.

In all the welter of discussion over these problems we find some who are maintaining that the world has outgrown the use of gold as a basis of currency and exchange. We can all agree that gold as a commodity of universal exchange has not worked perfectly in the face of this great economic eruption. But we have to remember that it is a commodity the value of which is enshrined in human instincts for over 10,000 years. The time may come when the world can safely abandon its use altogether for these purposes, but it has not yet reached that point.

It may be that by theoretically managed currencies some form of stability may be found a score or two years hence, but we have no time to wait. They are subject to great human fallibilities. Sooner or later political pressure of special groups and interests will direct their use. But in any event it would take many years' demonstration to convince men that a nongold currency would certainly a year hence be worth what he paid for it to-day.

It is noticeable that most of the nations off the gold standard are even to-day seeking to increase their gold reserves. In the view of many economists these measures and the restrictions which have been placed on the movement of gold or exchange by twoscore of nations have created the same practical effect as if there were a scarcity of gold in the world. That while there has in the last few years been a very large increase in the quantity of visible gold in the possession of institutions and governments, the effect of all these regulatory actions by governments attempting to protect their gold reserves from runs and flights of capital and their attempts to increase their supply has been to divide the gold of the world into twoscore of pockets and in many of them to freeze it from full freedom of action. In other words, this view holds that we are to-day not dealing with a shortage of the commodity; we are dealing with its being partly immobilized in its functioning.

### "RUNS" ON A WORLD-WIDE SCALE

To add to the confusion another phenomenon of the gold situation has increased disturbances and wrought havoc; that is, the effect of waves of fear and apprehension. We have a parallel in nations to an unreasoning panic run on a bank. The fears and apprehensions directed in turn to the stability of first one nation and then another have caused withdrawal of foreign balances from a particular nation, followed by flights of capital, through purchases of exchange by its own citizens seeking refuge and security for their property.

These movements are followed by large flows of gold to meet exchange demands, thus undermining the domestic currency and credit system of the victim nation and leading to an unnatural piling up of gold in some nation temporarily considered safe. These movements, themselves in large degree unwarranted, have forced some nations off the gold standard that could otherwise have maintained their position. We ourselves a year ago suffered from the effects of such a movement. Thus a mass of the gold dashing hither and yon from one nation to another, seeking maximum safety, has acted like a cannon loose on the deck of the world in a storm.

In the meantime the currencies of the world are fluctuating spasmodically. Countries off of the gold standard are in reality suffering from their managed paper currencies by reason of the fact that men are unable to make contracts for the future with security, and that insecurity itself again dries up enterprise, business, employment, consumption of goods, and further causes reductions of prices. Other nations to hold their own are attempting to compete in destruction.

Broadly, the solution lies in the reestablishment of confidence. That confidence can not be reestablished by the abandonment of gold as a standard in the world. So far as the human race has yet developed and established its methods and systems of stable exchange, that solution can only be found now and found quickly through the reestablishment of gold standards among important nations. The huge gold reserves of the world can be made to function in relation to currencies, standards of value, and exchange. And I say with emphasis that I am not proposing this as a favor to the United States. It is the need of the whole world. The United States is so situated that it can protect itself better than almost any country on earth.

Nor is it necessary from an international point of view that those nations who have been forced off the gold standard shall be again restored to former gold values. It will suffice if it only is fixed. From this source are the principal hopes for restoring world confidence and reversing the growing barriers to the movement of goods, and making possible the security in trade which will again revive a demand for such goods. To do this it is necessary to have strong and courageous action on the part of the leading commercial nations. If some sort of international financial action is necessary to enable central banks to cooperate for the purpose of stabilizing currencies, nations should have no hesitation in joining in such an operation under proper safeguards. If some part of the debt payments to us could be set aside from temporary use for this purpose, we should not hesitate to do so. At the same time the world should endeavor to find a place for silver, at least in enlarged subsidiary coinage.

If the major nations will enter the road leading to the early reestablishment of the gold standard, then and then only can the abnormal barriers to trade, the quotas, preferences, discriminatory agreements, and tariffs which exceed the differences in costs of production between nations be removed, uniform trade privileges among all nations be reestablished, and the threat of economic war averted.

A reasonable period of comparative stability in the world's currencies would repay the cost of such effort a hundred times over in the increase of consumption, the increase of employment, the lessening of the difficulties of debtors throughout the land, with the avoidance of millions of tragedies. The world would quickly see a renewed movement of goods and would have an immediate rise in prices everywhere, thereby bringing immediate relief to the whole economic system.

I do not underestimate the difficulties nor the vast fiscal and financial problems which lie behind the restoration of stability and economic peace. Bold action alone can succeed. The alternative to such constructive action is a condition too grave to be contemplated in passive acceptance.

THREE ROADS AHEAD FOR AMERICA

The American people will soon be at the fork of three roads. The first is the highway of cooperation among nations, thereby to remove the obstructions to world consumption and rising prices. This road leads to real stability, to expanding standard of living, to a resumption of the march of progress by all peoples. It is to-day the immediate road to relief of agriculture and unemployment, not alone for us but the entire world.

The second road is to rely upon our high degree of national self-containment, to increase our tariffs, to create quotas and discriminations, and to engage in definite methods of curtailment of production of agricultural and other products and thus to secure a larger measure of economic isolation from world influences. It would be a long road of readjustments into unknown and uncertain fields. But it may be necessary if the first way out is closed to us. Some measures may be necessary pending cooperative conclusions with other nations.

The third road is that we inflate our currency, consequently abandon the gold standard, and with our depreciated currency attempt to enter a world economic war, with the certainty that leads to complete destruction, both at home and abroad.

The first road can only be undertaken by the cooperation among all important nations. Last April, in conjunction with the leaders of Europe, our Government developed the idea of a world economic conference to deal with these questions. It is unfortunate that the delay of events in Europe and the election in the United States necessarily postponed the convening of that conference. It has been further delayed by the change of our administration.

BASIS FOR COOPERATION

The question naturally arises whether other nations will cooperate to restore world confidence, stability, and economic peace. In this connection, I trust the American people will not be misled or influenced by the ceaseless stream of foreign propaganda that cancellation of war debts would give this international relief and remedy. That is not true. These debts are but a segment of the problem. Their world-trade importance is being exaggerated.

In this respect, I stated some months ago, the American people can well contend that most of the debtor countries have the capacity to raise these annual amounts from their taxpayers, as witness the fact that in most cases the payments to us amount to less than one-third of the military expenditures of each country. But at the same time we can well realize that in some instances the transfer of these sums may gravely disturb their currency or international exchanges. But if we are asked for sacrifices because of such injury we should have assurances of cooperation that will positively result in monetary stability and the restoration of world prosperity. If we are asked for sacrifices because of incapacity to pay, we should have tangible compensation in restoration of our proportion of their agricultural and other imports.

The world should have relief from the sore burden of armaments. If they are unwilling to meet us in these fields, this Nation, whether you or I like it or not, will be driven by our own internal forces more and more to its own self-containment and isolation, as harmful to the world and as little satisfactory to us as this course may be.

But this is the counsel of despair. The full need of prosperity among nations can not be builded upon mutual impoverishment. It is to the interest of the world to join in bold and courageous action which will bring about economic peace—in which the benefits to the rest of the world are as great as to us—and we should cooperate to the full. Any other course in the world to-day endangers civilization itself. Unless the world takes heed it will find that it has lost its standards of living and culture, not for a few years of depression but for generations.

Despite many discouragements, the world has shown an increasing ability in establishment of effective agencies in the solution of many controversies which might have led to war. When we compare the attitude of nations toward each other which existed 20 years ago with that of to-day, we can say that there have been developed both the spirit and the method of cooperation in the prevention of war which gives profound hope of the future.

WORK TOGETHER FOR MUTUAL GOOD

In its broad light the problem before the world to-day is to work together to prevent the dangers of developing economic conflict—to secure economic peace. That is a field in which the world can cooperate even more easily than in the field of prevention of war, because there is involved in it no background of century-old controversies, injustices, or hates. The problems in that economic field contain less of the imponderables and more of the concrete. There is involved in it the most important and appealing self-interest of every nation. Through such cooperation the world can mitigate the forces which are destroying the systems of production and distribution upon the maintenance of which its gigantic population is dependent.

There is a driving force before the eyes of every statesman in the misery and suffering which have infected every nation. Throughout the world the people are distraught with unemployment; the decline of prices which has plunged farmers into despair; the loss of homes, of savings and provisions for old age. Therefore, just as there is an obligation amongst nations to engage in every possible step for the prevention of war itself, there is before us to-day the necessity for world cooperation to prevent economic warfare. And who can say but the greatest act in prevention of war is to allay economic friction.

On our side this problem is not to be solved by partisan action but by national unity. Whatever our differences of view may be on domestic policies, the welfare of the American people rests upon solidarity before the world, not merely in resisting proposals which would weaken the United States and the world, but solidarity in cooperation with other nations in strengthening the whole economic fabric of the world. These problems are not insoluble. There is a latent, earnest, and underlying purpose on the part of all nations to find their solution. Of our own determination there should be no question.

CONFIDENCE MAIN PROBLEM

The problem before the world is to restore confidence and hope by the release of the strong, natural forces of recovery which are inherent in this civilization. Civilization is the history of surmounted difficulties.

We of this world to-day are of the same strain as our fathers who builded this civilization. They passed through most terrible conflicts. They met many great depressions.

They created a state of human well-being in normal times such as the world has never seen. The next forward step is as great as any in history. It is that we perpetuate the welfare of mankind through the immense objectives of world recovery and world peace.

AMENDMENT OF THE CONSTITUTION—REPEAL OF PROHIBITION

The Senate resumed the consideration of Mr. BLAINE'S motion to consider Senate Joint Resolution 211.

Mr. SHEPPARD continued his speech. After some time, when commenting on the liquor traffic, he said:

One of the principal reasons for my belief in the league is the fact that it has an active and effective bureau for the control of the liquor traffic. Some of the most instructive utterances on the effect of alcohol, especially on backward peoples, can be found in the proceedings of the league.

Mr. SHEPPARD continued his speech. After some time—

Mr. McNARY. Mr. President, will the Senator from Texas yield?

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Texas yield to the Senator from Oregon?

Mr. SHEPPARD. I yield.

Mr. McNARY. I want to offer a unanimous-consent agreement which will not take the Senator from the floor. I ask unanimous consent that when we conclude our work to-day the Senate shall recess until 11 o'clock to-morrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and that order will be entered.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Maryland?

Mr. SHEPPARD. I yield to my friend from Maryland.

Mr. TYDINGS. May I ask the Senator from Texas if under the conditions I am about to state he will not yield the floor? I have polled most of the so-called wet Members of the Senate, and, with one exception, those with whom I have talked will vote to support a motion to lay the proposition that is now pending on the table, which will kill it. We are anxious to have it killed. I should like the privilege if the Senator from Texas will yield the floor, in absolute good faith, believing the motion will be killed, to make a short 10-minute statement, at the conclusion of which I will move to lay the pending motion on the table.

I will ask the Senator from Iowa [Mr. BROOKHART], who is also opposed to this motion, if he would object to having it killed now?

Mr. BROOKHART. What motion?

Mr. TYDINGS. The motion to take up the joint resolution proposing a constitutional amendment, and kill it?

Mr. BROOKHART. The Senator means to kill it by moving to lay it on the table?

Mr. TYDINGS. Yes.

Mr. BLAINE. Mr. President, a parliamentary inquiry.

Mr. SHEPPARD. Mr. President, I should like to have it understood that this proceeding is by unanimous consent.

Mr. BROOKHART. Would it take the Senator from Texas from the floor if the motion were lost?

Mr. TYDINGS. No, indeed.

Mr. BLAINE. Mr. President, I desire to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SHEPPARD. I repeat, that this proceeding is all by unanimous consent.

The PRESIDING OFFICER. The Chair will so hold.

Mr. BLAINE. My parliamentary inquiry is if the motion is made will the Senator from Texas lose the floor?

Mr. BROOKHART. If he does not lose the floor, I have no objection.

Mr. TYDINGS. I would not want the Senator from Texas to lose the floor if my motion failed to be agreed to, but may I say, Mr. President, that I will make the motion in absolute good faith, believing, after conferring with most of the so-called wets with whom I have been able to talk, that the motion will be adopted, and then we may proceed with the business of the session. If the Senator from Texas will yield for 10 minutes, I will be glad to make the motion without taking him from the floor.

Mr. BLAINE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his parliamentary inquiry.

Mr. BLAINE. Can the Senator from Maryland enter into a unanimous-consent agreement with himself and the Senator from Texas that the Senator from Texas will not lose the floor?

The PRESIDENT pro tempore. The Chair does not regard that as a parliamentary inquiry; that is a matter of practical parliamentary procedure. The Senator from Texas has the floor.

Mr. SHEPPARD. I shall desist for the present, and, if the motion shall not be adopted, I shall take the floor again.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. The Chair is not sure that the Senator from Texas can yield the floor for the purpose of having a motion made, and can then regain it.

Mr. SHEPPARD. If I yield the floor for that purpose, I may be recognized a second time, may I not, in my own right?

The PRESIDENT pro tempore. If the Chair recognizes the Senator; yes.

Mr. SHEPPARD. The Chair, I am sure, will recognize me before there shall be a final vote.

Mr. BROOKHART. As I understand, if the Senator yields for the purpose of submitting a unanimous-consent request that will not take him off the floor.

The PRESIDENT pro tempore. It will not.

Mr. TYDINGS. No; I want to make a motion to lay on the table.

Mr. BROOKHART. Well, that can be done by unanimous consent.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. Just a minute. The Senator from Texas still has the floor.

Mr. VANDENBERG. Where?

Mr. BLAINE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BLAINE. What is and who is before the Senate? Who has the floor?

The PRESIDENT pro tempore. The Senator from Texas has the floor. The Senator from Texas insists that he may yield the floor to the Senator from Maryland for the purpose of making a motion, and the Senator from Texas insists that he may thereupon regain the floor. The Chair rules that he may regain the floor if he gets recognition from the Chair; otherwise not.

Mr. TYDINGS. Mr. President——

Mr. SHEPPARD. Just a moment.

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Maryland?

Mr. SHEPPARD. Mr. President, my confidence in the sense of fairness of the Chair is such that I shall take my chances on getting recognition again, and I yield the floor.

The PRESIDENT pro tempore. The Senator from Texas, being adventurous, yields the floor. [Laughter.]

Mr. TYDINGS obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator from Maryland yield to me?

Mr. TYDINGS. I yield for a question.

Mr. VANDENBERG. I suggest the absence of a quorum, if the Senator will permit me.

The PRESIDENT pro tempore. Does the Senator from Maryland yield for that purpose?

Mr. TYDINGS. I yield for that purpose.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Austin | Couzens | La Follette | Sheppard |
| Bailey | Dale | Lewis | Shipstead |
| Bankhead | Davis | McGill | Shortridge |
| Barbour | Dickinson | McKellar | Smith |
| Barkley | Dill | McNary | Smoot |
| Bingham | Fess | Moses | Steiwer |
| Black | Frazier | Neely | Swanson |
| Blaine | George | Norbeck | Thomas, Okla. |
| Bratton | Glass | Norris | Townsend |
| Brookhart | Gore | Nye | Trammell |
| Bulow | Hale | Oddie | Tydings |
| Byrnes | Harrison | Pittman | Vandenberg |
| Capper | Hatfield | Reed | Wagner |
| Clark | Hayden | Reynolds | Walcott |
| Connally | Hebert | Robinson, Ark. | Walsh, Mass. |
| Coolidge | Kean | Robinson, Ind. | Watson |
| Copeland | Kendrick | Russell | White |
| Costigan | King | Schuyler | |

The PRESIDENT pro tempore. Seventy-one Senators having answered to their names, a quorum is present. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. BLAINE].

Mr. TYDINGS. Mr. President, I desire to make a very short statement, at the conclusion of which I shall make a motion to lay upon the table the motion of the Senator from Wisconsin [Mr. BLAINE].

No business has been transacted in the Senate to-day. We have fourteen and a half days of this session left, with seven appropriation bills yet to be acted upon, with unemployment relief yet to come before us, and many other major measures; and obviously there is not sufficient time to act upon them all.

The Senator from Texas [Mr. SHEPPARD] has been speaking for several hours. When he concludes, I understand that the Senator from Iowa [Mr. BROOKHART] has a 5-hour speech, and that other Senators are prepared to filibuster against this joint resolution.

It is absolutely asinine, in my opinion, with only fourteen and a half days remaining, with important legislation to be considered, to sit here while one or two Senators talk about the League of Nations and other things that have nothing to do with this depression; and, mark you, that upon a day on which 540 banks closed in a single State; that at a time when 12,000,000 people are out of employment, when 5,000 banks have failed, when a million farms have been thrown under the auctioneer's hammer. At such a time we can not even get this proposition to a point where we can vote upon it, because of obstructive tactics.

I will ask my friend the Senator from Michigan [Mr. VANDENBERG] whether he is not ready to vote now, without further debate.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. I most certainly am ready to vote immediately, and in the affirmative. Meanwhile, I want to concur in the Senator's notion that it is utter folly to proceed upon a futile and inconclusive debate.

Mr. TYDINGS. Are there any other Senators who wish to ask me a question in which they can indicate their readiness to vote now, without further debate?

Mr. REED. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Pennsylvania?

Mr. TYDINGS. I yield to the Senator for a question.

Mr. REED. Does the Senator know that I am willing to stay here all night to force this joint resolution to a vote?

Mr. BARBOUR. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BARBOUR. I am ready and anxious to vote now.

Mr. TYDINGS. I yield only for a question.

Mr. DAVIS and Mr. KEAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Maryland yield; and if so, to whom?

Mr. TYDINGS. I yield to the Senator from Pennsylvania for a question.

Mr. DAVIS. Mr. President, why can we not vote now?

Mr. TYDINGS. I yield only for a question.

Mr. NORRIS. That is a question.

Mr. KEAN. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes; I yield.

Mr. KEAN. I am ready to stay here not only to-night but every night this week to get an opportunity to vote "yea" on the pending motion.

Mr. TYDINGS. I take it for granted that if we were to call the entire roll, there would not be eight Senators in the Chamber who are not ready to vote now. I think it is a shame that the Senate has to be indicted and criticized as a body, and that the responsibility can not be fixed upon the six or eight men who are ready to filibuster on this proposition at a time like this. I am satisfied that the indictment and the criticism which will flow from this day's proceedings, and which will encompass every one of us, as a matter of fact justly ought to be applied to a very, very few Senators.

Mr. WALCOTT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Connecticut?

Mr. TYDINGS. I yield to the Senator for a question.

Mr. WALCOTT. I am ready and eager to vote, and vote in the affirmative. It seems to me an outrage that this filibuster is allowed to go on. If it does go on, I am in favor of going on night and day until those engaged in the filibuster are tired out.

Mr. TYDINGS. Mr. President, if I thought there was the slightest chance of this measure being enacted, I would not make the motion which I am about to make; but every Senator in this body knows that it is doubtful if the joint resolution can pass here. He further knows that in the public press the leading member of another body is reported as saying that the joint resolution can not pass the House; that it will not even be submitted to the House in its present form. Why we want to consider something that there is not the slightest chance of passing, with only 14½ days left, is absolutely beyond me.

I wish it were possible that a roll call could be had to find those who want to filibuster on this matter, who want to deny to the American people a vote, not on whether they will be wet or dry but on the form of government and constitution under which they shall live. That is all that is involved here—the right of the people to pass upon their form of government—and yet, with all our boasted democracy, we are afraid to let the people pass upon their form of government. They can reject the amendment if the joint resolution is passed, or they can adopt it.

Mr. COUZENS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Michigan?

Mr. TYDINGS. I yield for a question.

Mr. COUZENS. Will not the Senator move to suspend the rules, so that we can limit debate?

Mr. TYDINGS. I should be glad to do that; but as I have looked into the matter, with the parliamentary situation as it is at present, as long as this motion is pending there is no way in which we can have a proposition considered to suspend the rules. I thought of that, and submitted it to the Parliamentarian, and he tells me that that would not now be in order.

Mr. President, on behalf of those who favor submitting this amendment to the people, I want to say that a vote to lay this motion upon the table does not mean that we are opposed to submitting this so-called repeal or modification, in whatever form it may pass, to the legislatures or conventions of the States. It simply means that knowing that it can not be adopted, with only 14½ days left, it should be laid aside in order to do at least whatever little bit we can toward bettering conditions in America.

Mr. REED. Mr. President, will the Senator permit a question?

Mr. TYDINGS. I yield to the Senator from Pennsylvania for a question.

Mr. REED. Since we have all, or most of us, promised our constituents that we will favor a submission of this question to them, what will they think of our sincerity if, after five hours and a half of filibuster, we cave in without making any effort to break that filibuster?

Mr. TYDINGS. The Senator's question is a very pertinent one; and I am sure that many of us may be misunderstood. However, I pointed out in my first statement that as soon as the Senator from Texas completes his speech, which I understand is to go on for three or four more hours, the Senator from Iowa [Mr. BROOKHART] is to try to get the floor and speak for four or five more hours; and it was only because I realized that perhaps two or three days of valuable time would be consumed, which we could employ to better use in other fields, that I reluctantly have made this motion, realizing that there is no way to break this filibuster except by laying the motion on the table and devoting our attention to other things.

Therefore, Mr. President, I move—not that we who will vote for the motion are opposed to the general philosophy of this joint resolution, but because it is the only way in which we can make the most of the 14½ days which yet remain—I move, sir, that the motion of the Senator from Wisconsin [Mr. BLAINE] be laid upon the table.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDENT pro tempore. The motion is not debatable.

Mr. ROBINSON of Arkansas. The Senator from Maryland has debated his motion by consent of the Senate. I ask five minutes in which to address the Senate regarding it.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Arkansas is recognized for five minutes.

Mr. ROBINSON of Arkansas. Mr. President, it is well known that at this stage of the session it is a physical and moral impossibility to pass measures which are filibustered against by an organization in the Senate.

This motion, however, was made by the Senator from Wisconsin [Mr. BLAINE]. He recognizes the difficulties that inhere in the situation. I am advised that he is not disposed to hold this motion before the Senate to the exclusion of other business. I think, however, that he has not had a fair opportunity to determine whether there is, or will be, a persistent, organized filibuster against his motion, and I think he is entitled to some additional time for the consideration of his motion.

Mr. President, this is a pitiable spectacle. It repeats what happened here just a few weeks ago, when with substantially little opposition to a bill, when the opposition consisted of just a few Senators, we were kept in session indefinitely in order to dispose of the Glass banking bill.

I wish to know now whether immediately upon the demonstration of a disposition to filibuster the Senate is going to surrender its right and its opportunity to legislate. If so, I point out to Senators that every bill that is coming on following this motion is liable to encounter the same conditions that are presented here.

One Senator has spoken against the motion of the Senator from Wisconsin. I know that the Senator from Wisconsin does not wish to obstruct legislation. I have talked with him about the matter. I feel that the action of the Senator from Texas in yielding the floor to the Senator from Maryland in order to make a motion to table this motion is in a measure an unfair prejudgment of the attitude of the Senate on this question.

For my part, I recognize, as suggested by the Senator from Maryland, that if there is a persistent filibuster conducted by a number of Senators, it would be impossible to

have a vote on this motion and a vote on this joint resolution providing for submitting a resolution of repeal; but I do not believe that the matter ought to be concluded until it has been developed that there is a determination to prevent a vote, and I do not think that the display of the attitude of one Senator is sufficient to justify this body in reaching that conclusion.

For that reason I shall vote against the motion of the Senator from Maryland.

Mr. KEAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I call for the yeas and nays.

Mr. LA FOLLETTE. Regular order!

Mr. KEAN. I should like to ask the Senator a question.

Mr. TYDINGS. Let us have the yeas and nays.

Mr. KEAN. I want to ask the Senator if he will not bring in a motion for cloture, so that we can have a vote on the merits of this matter.

The PRESIDENT pro tempore. The time of the Senator from Arkansas has expired.

Mr. ROBINSON of Arkansas. I am denied the privilege of replying.

Mr. TYDINGS. I call for the yeas and nays.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The clerk will call the roll upon the motion of the Senator from Maryland [Mr. TYDINGS] to lay upon the table the motion of the Senator from Wisconsin [Mr. BLAINE].

The Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I have a pair with the junior Senator from Nebraska [Mr. HOWELL], who is absent from the city on official business of the Senate. I transfer that pair to the senior Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. FESS (when his name was called). On this vote I am paired with the senior Senator from New York [Mr. COPELAND], who has been called from the Chamber on account of a death in his family. I therefore withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). My colleague [Mr. HOWELL] is absent from the city on official business of the Senate. If he were present and permitted to vote, he would vote "yea."

Mr. SWANSON (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. GLENN]. In his absence I withhold my vote, not knowing how he would vote. If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. BINGHAM. If the senior Senator from Rhode Island [Mr. METCALF] were present, he would vote "nay."

Mr. DAVIS (after having voted in the negative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how that Senator would vote, I withdraw my vote.

Mr. TYDINGS (after having voted in the affirmative). I understand from the announcement of the senior Senator from Connecticut [Mr. BINGHAM] that he believes that the senior Senator from Rhode Island [Mr. METCALF] if present would vote "nay." In view of that announcement, I withdraw my vote.

Mr. SHIPSTEAD. My colleague [Mr. SCHALL] is unavoidably absent from the Senate.

Mr. FRAZIER (after having voted in the affirmative). On this question I have a pair with the junior Senator from Louisiana [Mr. LONG], who is absent from the city. I therefore withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Delaware [Mr. HASTINGS] with the Senator from Arizona [Mr. ASHURST];

The Senator from Wyoming [Mr. CAREY] with the Senator from Arkansas [Mrs. CARAWAY];

The Senator from Minnesota [Mr. SCHALL] with the Senator from Florida [Mr. FLETCHER];

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Montana [Mr. WALSH]; and

The Senator from Idaho [Mr. THOMAS] with the Senator from Montana [Mr. WHEELER].

Mr. WAGNER (after having voted in the negative). I transfer my general pair with the Senator from Missouri [Mr. PATTERSON] to the Senator from Ohio [Mr. BULKLEY] and allow my vote to stand.

Mr. FESS. I have been requested to announce that the Senator from Wyoming [Mr. CAREY] is absent on the business of the Senate. If present he would vote "nay."

I also wish to announce that the Senator from California [Mr. JOHNSON] is unavoidably detained. If present he would vote "nay."

The result was announced—yeas 28, nays 39, as follows:

YEAS—28

| | | | |
|---|---|---|---|
| Black | Couzens | Hatfield | Russell |
| Brookhart | Dale | McGill | Sheppard |
| Bulow | Dickinson | Neely | Smith |
| Capper | Dill | Norris | Smoot |
| Clark | George | Nye | Stephens |
| Connally | Glass | Reynolds | Thomas, Okla. |
| Costigan | Gore | Robinson, Ind. | Vandenberg |

NAYS—39

| | | | |
|---|---|---|---|
| Austin | Hale | McKellar | Shortridge |
| Bailey | Harrison | McNary | Steiwer |
| Bankhead | Hayden | Moses | Townsend |
| Barbour | Hebert | Norbeck | Trammell |
| Barkley | Hull | Oddie | Wagner |
| Bingham | Kean | Pittman | Walcott |
| Blaine | Kendrick | Reed | Walsh, Mass. |
| Bratton | King | Robinson, Ark. | Watson |
| Byrnes | La Follette | Schuyler | White |
| Coolidge | Lewis | Shipstead | |

NOT VOTING—29

| | | | |
|---|---|---|---|
| Ashurst | Davis | Howell | Swanson |
| Borah | Fess | Johnson | Thomas, Idaho |
| Broussard | Fletcher | Keyes | Tydings |
| Bulkley | Frazier | Logan | Walsh, Mont. |
| Caraway | Glenn | Long | Wheeler |
| Carey | Goldsborough | Metcalf | |
| Copeland | Grammer | Patterson | |
| Cutting | Hastings | Schall | |

So the Senate refused to lay on the table Mr. BLAINE'S motion to proceed to the consideration of Senate Joint Resolution 211.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). The Senator from Texas is recognized.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Indiana?

Mr. SHEPPARD. I yield if it does not take me from the floor.

Mr. WATSON. I would like to ask the Senator from Wisconsin, in order that Senators may be informed, as to how long he intends to try to hold the Senate in session to-night for the purpose of testing the strength of this filibuster, or getting a vote?

Mr. BLAINE. Mr. President, it is my hope that the Senate will stay in continuous session just so long as it is possible to hold a quorum in order that we may obtain a vote upon the pending motion; as the junior Senator from Utah (Mr. KING) has suggested to me, if it be necessary, that the Senate remain in session during the night.

Mr. TOWNSEND. Mr. President——

Mr. SHEPPARD. I yield to the Senator if it will not take me off the floor.

Mr. TOWNSEND. From the Committee to Audit and Control the Contingent Expenses of the Senate I desire to report——

Mr. BLAINE. I object.

Mr. KING and several other Senators demanded the regular order.

The PRESIDING OFFICER. Objection is made, and the regular order is demanded. The Senator from Texas will proceed.

During the delivery of Mr. SHEPPARD's speech—

Mr. BINGHAM. Mr. President——

Mr. SHEPPARD. I yield for a question.

Mr. BINGHAM. I desire to enter a privileged motion.

Mr. SHEPPARD. I yield with the understanding that it will not take me off the floor.

Mr. BINGHAM. It will not. I have no desire to take the Senator off the floor. I submit the motion which I send to the desk.

The VICE PRESIDENT. The motion will be stated.

The Chief Clerk read as follows:

We, the undersigned Senators, hereby move to bring to a close the debate on the motion of the Senator from Wisconsin [Mr. BLAINE] that the Senate proceed to the consideration of the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States:

| | |
|---|---|
| HIRAM BINGHAM. | JOHN B. KENDRICK. |
| CARTER GLASS. | KEY PITTMAN. |
| F. C. WALCOTT. | WARREN R. AUSTIN. |
| W. WARREN BARBOUR. | WALLACE H. WHITE, Jr. |
| TASKER L. ODDIE. | A. H. VANDENBERG. |
| HAMILTON F. KEAN. | ROBERT F. WAGNER. |
| JAMES F. BYRNES. | JOHN J. BLAINE. |
| BENNETT C. CLARK. | FREDERICK HALE. |

Mr. SHEPPARD resumed his speech. After having spoken for some time—

Mr. MOSES. Mr. President——

The PRESIDING OFFICER (Mr. McGILL in the chair). Does the Senator from Texas yield to the Senator from New Hampshire?

Mr. SHEPPARD. I yield for a question, Mr. President.

Mr. MOSES. I am sorry to have missed any portion of the Senator's discussion; but I ask him if, in the progress of his study of the matter of the minorities, he has at all given attention in what he has said to the Senate this afternoon to the question of the minorities involved in that portion of central Europe which is concerned with Rumania and Hungary, let us say; that is to say, the Banat and Transylvania; and, if the Senator has attempted at all to criticize the action of the council of Versailles in the decisions which they made with reference to the minority peoples?

Mr. SHEPPARD. No; I have made no exhaustive study along that line. I should like to have the Senator's opinion regarding it.

Mr. MOSES. I am sorry that the Senator has not spent the wealth of his research and scholarship upon this question, because, if he will know, there is still existing a most acute problem, so far especially as Hungary is concerned, with reference to those territories which were taken into Rumania, let us say, wherein, for example, there were to be found—is the Senator yielding the floor?

Mr. SHEPPARD. Not at all.

Mr. MOSES. The Senator sat down and I wondered if he was yielding the floor—wherein, for example, there were found those acute questions which grew out of the treaty of Versailles with reference to the consideration of the interests and the rights of the minorities—linguistic, racial, and religious.

If the Senator will recall, there were certain provisions in the treaty of Versailles which undertook to set up certain commissions—international in their character, but, after all, American in their results, because the American member happened to be the umpire in each case—to determine the rights of these linguistic, racial, and religious minorities which were set up, and particularly in the section of the globe to which the Senator at this minute has been directing his attention; that is to say, in Central Europe, where in Transylvania, where in the Banat, where in all the interests of Hungary, let us say, without going beyond the confines of any other country, there arose these acute situations.

The Senator, having been here, will remember that I happened to be one of that small group who resisted the ratification of the treaty of Versailles, not with reference at all to the 26 articles which made up the Covenant of the League of Nations, but because of those things in the treaty itself which, as I then foresaw, would produce exactly these international controversies to which the Senator is now paying his attention.

The Senator at that time resisted me in what I had to say, in what I thought, in what I foresaw. Now he joins me apparently in denunciation of the injustices which grew out of the treaty; and I am glad to welcome him now to the small, diminishing, but still resisting group of the irreconcilables. I want to ask him, as he discusses this particular question, Why it is that in the course of what he is having to say regarding these problems of which I have now spoken, which involve the rights and the interests of religions, of races, and of nationalities, he is not willing to point out a remedy?

Inasmuch as the Senator yielded to me only for a question, I now come to the question:

Does the Senator join with me in declaring that the injustices of the treaty of Versailles are of such a character that the Senate of the United States should now denounce them?

Mr. SHEPPARD. Has the Senator concluded?

Mr. MOSES. No; I am waiting for the answer to the question, which may be "yes" or "no."

Mr. SHEPPARD. The treaty of Versailles provided the machinery for the settlement of all these questions——

Mr. MOSES. O Mr. President——

Mr. SHEPPARD. The Senator asked me a question, and he will not permit me to answer it.

Mr. MOSES. I pause for a reply.

Mr. SHEPPARD. The treaty of Versailles set up machinery for the settlement of all these questions when it created the League of Nations; and I suggest that the Senator join with me in joining the League of Nations, so that we can aid in remedying whatever wrongs exist.

Mr. MOSES. Mr. President, if the Senator will permit me, the League of Nations has been adequately described as being an instrumentality for settling small disputes among great nations, and as utterly useless in settling great disputes among any nations. I will join with the Senator if he will join with me in a declaration on the part of the United States Senate that the League of Nations, for example, should now take absolute steps for determining what is going to take place in the Far East; whether we and the League of Nations shall permit the Japanese to go forward in Jehol and Manchukuo, and set up there these wholly irresponsible governments under the ægis of the Japanese flag.

Will the Senator join me in making the protest of the United States effective, in connection with the League of Nations, or any other body, that is to say, to the extent of sending the boys from Texas over there to see to it that the Japanese may not overrun Manchuria?

Mr. SHEPPARD. The Senator has leaped from Rumania to Japan.

Mr. MOSES. And I will cover the whole globe, because that is what the Senator has done.

Mr. SHEPPARD. No; I have confined myself to these minorities, for the present.

Mr. MOSES. I beg the Senator's pardon; the Senator began at Saloniki.

Mr. SHEPPARD. The Senator is not asking me a question now.

Mr. MOSES. All right; I will when I finish.

Mr. SHEPPARD. Go ahead.

Mr. MOSES. The Senator has leaped from Saloniki into the middle East, and his next step, of course, will be into the Far East, and does he intend to take the United States with him? That is my question.

Mr. SHEPPARD. The League of Nations is amply able to settle all those questions.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SHEPPARD. Does the Senator want to ask the Senator from New Hampshire a question?

Mr. BARKLEY. I want to ask the Senator from Texas whether the League of Nations has under consideration now the repeal of the eighteenth amendment? [Laughter.]

Mr. SHEPPARD. The League of Nations?

Mr. BARKLEY. Yes.

Mr. SHEPPARD. The League of Nations has a strong organization for the stuty and control of the liquor traffic,

and that organization, I am sure, would be against the repeal of the eighteenth amendment.

Mr. BARKLEY. Has the League of Nations the repeal of the eighteenth amendment under consideration at this time?

Mr. SHEPPARD. It has the eighteenth amendment under consideration at times, because it has the effects of the liquor traffic in all countries under consideration.

Mr. BARKLEY. When will the League of Nations vote on the repeal of the eighteenth amendment? Will it vote on it as soon as we vote on it?

Mr. MOSES. Mr. President, will the Senator from Texas yield to me?

Mr. SHEPPARD. No; the Senator may answer in a moment.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. SHEPPARD. In just a moment. I hope Senators will not all ask me questions at once.

Mr. TYDINGS. I will not; I am going to be fair. Will the Senator yield?

Mr. SHEPPARD. The League of Nations, through one of its organizations, as I have said, has the prohibition question under constant consideration.

Now I yield to the Senator from Maryland.

Mr. TYDINGS. Does not my friend the Senator from Texas know that in that pink cup which I lately deposited on his desk there is nothing but water, without even the slightest trace of alcohol in it?

Mr. SHEPPARD. I am afraid the Senator put half of one per cent in it. [Laughter.]

Mr. MOSES. Mr. President, in reference to what the Senator from Kentucky has said, if he had been here, and had followed with as close attention as I have——

Mr. SHEPPARD. Is the Senator asking me a question?

Mr. MOSES. I am going to.

Mr. SHEPPARD. I wish the Senator would, because I want to finish this address by 10 o'clock.

Mr. MOSES. Mr. President, if I conclude with a question I am within the rules. If the Senator from Texas wishes to take me off my feet, all right. [Laughter.]

Mr. SHEPPARD. No, Mr. President; I am not trying to take the Senator off his feet.

Mr. MOSES. Is the Senator from Texas going to let me ask a question or is he not?

Mr. SHEPPARD. My friend the Senator from New Hampshire knows that I want to be fair with him. He did not seem to be asking a question, and I simply called that to his attention. Now, let him ask me a question.

Mr. MOSES. All right; I thank the Senator very much. The Senator from Kentucky made a reference with regard to the pendency of the question. If the Senator from Kentucky had been here as continuously as I have, either in the chair or on the floor, and had listened to the argument made by the Senator from Texas, the Senator from Kentucky would have known that I this afternoon opened my discussion by referring to the intimate relationship of the question before the Senate to the argument which the Senator from Texas was presenting; and, having called attention to that, I now join with the Senator from Kentucky in asking the Senator from Texas just where does he connect any portion of what he has said, aside from that which related to Macedonia, to the question immediately before the Senate?

Mr. SHEPPARD. Through the bureau of the league for the control of the traffic in intoxicating liquors.

Mr. MOSES. May I ask another question?

Mr. SHEPPARD. Certainly.

Mr. MOSES. Has the United States a representative in that bureau, either as an observer or as a member?

Mr. SHEPPARD. It may have an unofficial observer, because it has been the practice of the Republican administration to haunt the back door of the league and have unofficial observers present on all occasions.

Mr. MOSES. May I ask the Senator another question?

Mr. SHEPPARD. We were a backdoor member of the League of Nations. I know we became so over the Senator's protest.

Mr. MOSES. Why does the Senator say "was"? Does the Senator regard the Republican administration as already in the past tense?

Mr. SHEPPARD. Yes, it is already dead.

Mr. MOSES. Without question, that is true, Mr. President, if the Senator will permit me to say so; the Republican Party is no longer in control of this branch of the Congress or the one at the other end of the Capitol.

Mr. SHEPPARD. I thank the Senator for his illuminating contribution to the debate.

Mr. MOSES. That was shown by the vote we had here the other day on the question of going into executive session.

Mr. SHEPPARD. I am always glad to have the Senator interrupt.

Mr. BARKLEY. Mr. President, I have no desire to delay the Senator from Texas, because I know how anxious he is to draw his remarks to an immediate conclusion, in which all of us join, I may say; but what I wanted to know was, when will the League of Nations vote on the Blaine resolution?

Mr. SHEPPARD. I can not give the Senator that information. It will not vote on it but it is interested in prohibition.

Mr. BYRNES. Mr. President, will the Senator yield to me?

Mr. SHEPPARD. I yield.

Mr. BYRNES. Could the Senator tell us when the United States Senate will vote on the Blaine resolution?

Mr. SHEPPARD. I think it will vote some time to-morrow.

Mr. BYRNES. That is comforting.

Mr. MOSES. Mr. President, may I ask the Senator another question?

Mr. SHEPPARD. I will state to the Senator from South Carolina that I am making a connected legitimate speech on an important subject. I have not asked for a quorum call. I have attempted no undue delay, and I intend to finish shortly. To say that one is engaged in a filibuster when he speaks one day at the beginning of a debate, and does not speak any more, is entirely unjustified, and I do not think the Senator from South Carolina would join any one else in saying I am filibustering.

Mr. BYRNES. I simply asked the Senator if he could give us some indication as to when the United States Senate would vote on the Blaine resolution, and the Senator has said to-morrow. As far as the Senator from Texas is concerned, will he say that he will not seek to prevent a vote on the resolution to-morrow?

Mr. SHEPPARD. I am not seeking to prevent a vote.

Mr. BYRNES. And that after this night he will do nothing to prevent a vote?

Mr. SHEPPARD. I am not making an effort now to prevent a vote. I am simply making a speech on a very important subject.

Mr. MOSES. Mr. President, I would like to present a unanimous-consent request.

Mr. SHEPPARD. I would like to finish now.

Mr. MOSES. I ask unanimous consent——

The PRESIDING OFFICER. Does the Senator from Texas yield for that purpose?

Mr. SHEPPARD. No; I do not yield for that purpose.

Mr. SHEPPARD resumed his speech. After having spoken for some time—

Mr. LEWIS. Mr. President, may I call the attention of my able and learned friend to the fact that Lord Robert Cecil was representing England? It was Smuts who represented South Africa.

Mr. SHEPPARD. Lord Cecil represented South Africa by request.

Mr. LEWIS. That is a matter of which I was not cognizant. I was present at some of the conferences, but was not acquainted with that detail.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. SHEPPARD. I yield.

Mr. TYDINGS. Did I understand the Senator to say that Mr. Smuts was not representing anybody?

Mr. SHEPPARD. He was representing South Africa, too.

Mr. TYDINGS. Lord Robert Cecil and Mr. Smuts both were representing South Africa?

Mr. SHEPPARD. That is true, if I am correctly advised.

Mr. TYDINGS. That was rather a complete representation.

Mr. SHEPPARD. I think so myself.

Mr. SHEPPARD continued his speech. After having spoken some time he said:

Mr. President, I ask that the statement under the title "Armenian and Greek Refugees" may be printed in the RECORD without reading.

The VICE PRESIDENT. Is there objection?

Mr. MOSES. Mr. President, I would like to ask the Senator to state briefly what is set forth under that heading.

Mr. SHEPPARD. Would the Senator like to hear it read?

Mr. MOSES. I would like to have a summary in the Senator's own words.

Mr. SHEPPARD. I shall read it for the Senator.

Mr. MOSES. If it means what was done by Doctor Nansen and by the League of Nations, association, or whatever they call it, in Athens, which seized the palace of Prince Nicholas and lived in it without rent and tried to charge up the expense to the United States—if that is what the Senator has in mind, I want it read and I want to discuss it with him.

Mr. SHEPPARD. I shall read it, but the Senator did not ask me a question.

Mr. MOSES. Very well. Will the Senator read it and say whether it has to do with what I have just mentioned?

Mr. SHEPPARD. I shall read it.

Mr. MOSES. Just a minute.

Mr. SHEPPARD. I decline to yield further.

Mr. MOSES. May I finish——

Mr. SHEPPARD. I decline to yield further.

Mr. MOSES. May I not finish my question?

Mr. SHEPPARD. I decline to yield further.

Mr. MOSES. I submit to the inevitable.

Mr. SHEPPARD. I decline to yield further.

The VICE PRESIDENT. The Senator from Texas declines to yield further.

Mr. SHEPPARD. I shall read it to the Senator.

After the conclusion of Mr. SHEPPARD's speech—

Mr. MOSES. Mr. President, will the Senator yield to me for a question?

Mr. SHEPPARD. I yield.

Mr. MOSES. The Senator was speaking just now, was he not, of that period when the League of Nations arranged for a loan to Austria, at the time when the Abbé Seipel was the Chancellor of Austria? Is not that so?

Mr. SHEPPARD. I take it the Senator is familiar with that matter.

Mr. MOSES. The Senator has just been talking about it at length.

Mr. SHEPPARD. Yes; but I have not gone completely into the history of Austria.

Mr. MOSES. This is not the history of Austria, Mr. President; it is the history of the League of Nations in connection with the Austrian Government, and I am asking the Senator whether he has not been speaking of that period when the League of Nations arranged for a loan to the Austrian Government.

Mr. SHEPPARD. It began its arrangements for the loan then; yes.

Mr. MOSES. It was about 1923, was it not?

Mr. SHEPPARD. Yes; it began to make the arrangements then.

Mr. MOSES. Does the Senator know the history of that loan?

Mr. SHEPPARD. I know something about it.

Mr. MOSES. Will the Senator be good enough to tell the Senate the history of that loan—how much of it was paid, how often the interest was paid, how often they had to readjust it?

Mr. ROBINSON of Arkansas. I object, Mr. President. [Laughter.]

Mr. SHEPPARD. That would require a speech of almost the same length as the one I have made. I respectfully decline to answer to that extent.

Mr. MOSES. I am entirely willing to listen. Will the Senator permit still further questions? Does the Senator still yield to me for further questions?

Mr. SHEPPARD. I surrender the floor.

Mr. MOSES. I do not want the Senator to surrender the floor. I am seeking information.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. The Senator from Oregon is recognized.

Mr. McNARY. I ask unanimous consent that the Senate shall vote on the pending motion at 1 o'clock to-morrow afternoon.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. BROOKHART. Mr. President, in view of the agreement to vote at 1 o'clock, it occurs to me that we should modify the agreement previously entered into to meet at 11 o'clock. Some of us want to attend committee meetings in the morning.

The VICE PRESIDENT. The unanimous-consent agreement previously entered into is to recess until 11 o'clock to-morrow morning.

Mr. BROOKHART. I am wondering if the Senator from Oregon will not agree to modify that agreement?

Mr. McNARY. Mr. President, in view of the fact that we have a unanimous-consent agreement to vote at 1 o'clock to-morrow, and in order to accommodate the Senator from Iowa and others, I ask unanimous consent that the order by which we agreed to meet at 11 o'clock to-morrow morning be vacated, and that when the Senate takes a recess to-night it shall be until 12 o'clock noon to-morrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

### ADDITIONAL REPORTS OF A COMMITTEE

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 5408) relating to the revolving fund established by the joint resolution of December 21, 1928, for the relief of Puerto Rico, reported it without amendment and submitted a report (No. 1224) thereon.

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 183) to amend a joint resolution entitled "Joint resolution for the relief of Porto Rico," approved December 21, 1928, as amended by the second deficiency act, fiscal year 1929, approved March 4, 1929, reported it with amendments and submitted a report (No. 1225) thereon.

### RECESS

Mr. McNARY. I now move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and the Senate (at 10 o'clock and 5 minutes p. m.) took a recess until to-morrow, Wednesday, February 15, 1933, at 12 o'clock meridian.

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## HOUSE OF REPRESENTATIVES

### TUESDAY, FEBRUARY 14, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Have mercy upon us, O God, according to Thy loving kindness. According to the multitude of Thy tender mercies, blot out our transgressions. O speak to us, dear Lord, and a sense of quiet duty, quiet thought, and freshness of energy of life shall steal upon us. Life is so varied; there is such an array

of possibilities! O let us work in the spirit of a noble faith and consecration. Then we shall realize Thine approval and our labors shall live in the heart of our Republic. Let Thy rule of justice and righteousness be our master law. By wise and persistent effort may we seek constructive good and understand that true merit lies in hard work and personal sacrifice. Hear our prayer we beseech Thee. In the name of Jesus our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendments of the House to bills of the Senate of the following titles:

S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.); and

S. 3438. An act authorizing adjustment of the claim of Lindley Nurseries (Inc.).

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13710) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes."

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 14199. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6456. An act to amend section 98 of the Judicial Code, as amended.

The message also announced that the Senate disagrees to the amendments of the House to the joint resolution (S. J. Res. 223) entitled "Joint resolution establishing the United States Georgia Bicentennial Commission, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FESS, Mr. BINGHAM, and Mr. MCKELLAR to be the conferees on the part of the Senate.

AMERICAN SAMOA

Mr. POU, from the Committee on Rules, submitted the following resolution (H. Res. 378), which was referred to the House Calendar and ordered printed:

House Resolution 378

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 417, an act to provide a government for American Samoa. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1934

Mr. TAYLOR of Colorado. Mr. Speaker, I submit a conference report and statement upon the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, for printing under the rules.

CALENDAR WEDNESDAY BUSINESS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

NIGHT SESSION THURSDAY, FEBRUARY 16, 1933

Mr. RAINEY. Mr. Speaker, I move the adoption of a resolution (H. Res. 379) which I send to the desk.

The Clerk read as follows:

*Resolved*, That on Thursday, February 16, 1933, it shall be in order to move that the House take a recess until 8 o'clock p. m., and that at the evening session, until 10.30 o'clock p. m., it shall be in order to consider bills on the Private Calendar unobjected to in the House as in Committee of the Whole, the call of bills on said calendar to begin where the last call ended.

The SPEAKER. Without objection, the resolution will be agreed to.

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1934

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes. Pending that, I would like to reach some agreement as to time with the gentleman from Illinois.

Mr. HOLADAY. I may say to the gentleman from Missouri that I have additional requests for time; and perhaps when gentlemen who did not speak Saturday find there is opportunity they may wish to speak to-day.

Mr. CANNON. Would it be agreeable to let the general debate run along for the present and close debate later on?

Mr. HOLADAY. That will be satisfactory.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that time for general debate be divided equally between the gentleman from Illinois and myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 14643, with Mr. PRALL in the chair.

The Clerk read the title of the bill.

Mr. CANNON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, there remain only 14 working days of this session of this Congress. There is barely time remaining in which to pass the supply bills without attempting to take up other legislation. But there is one bill which should have consideration and should be disposed of before Congress adjourns. It is a bill which has the unqualified indorsement of every thinking business man in the country to-day. That is a strong statement, but I believe it is true. I have yet to hear a single Member of the House express disapproval of it.

Mr. Chairman, these are critical times. Just a little while ago this was the most prosperous country in the world. Our people enjoyed the highest standard of living with which any country or any people have ever been blessed.

To-day 12,000,000 men are unemployed. Our factories are closed. Our fields lie untilled, and millions of people are being fed at public expense.

But, as serious as this situation is, it is not so bad that it could not be worse. And it is infinitely worse when the local bank pulls down its blinds, places a notice on the window, pushes the long line of panic-stricken depositors out into the street, and closes its doors.

In every community the bank is the nerve center of the local business system. Through it flows the life pulse of the community's commercial interests, and no greater catastrophe can befall a community than the failure of its banks.

And yet in the last few years this disaster has overtaken more than 10,000 communities in the United States. For many years the failure of a bank even in the smallest town in the United States was news. It was carried in headlines on the front page of the newspapers. There were many States in which there was not a single bank failure in a

year. In some States there was not a bank failure in 20 years.

But to-day it is such a common occurrence that it attracts little attention. The newspapers give a bank failure a line or two in an obscure inside corner. Bank failures have become the order of the day; and the tragic thing about it is that this Government, this administration, and this Congress have had a very large part in closing many of these banks.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CANNON. Not just now.

Of course, it is absurd to say that any man or group of men would willingly or knowingly take any step that would bring disaster to a bank or to the business interests of any community. No man in his sane mind would think of such a thing. But the fact remains that, whether wittingly or unwittingly, this Congress has broken a thousand banks and is continuing to break them in every State in the Union. Intentionally or unintentionally, the Government in the last 10 or 12 years seems to have taken every possible step to embarrass and handicap the banks of the country.

There has been a great deal of talk about the Government in business, and Members of the House are insisting that the Government be taken out of business, and yet there is no business which has had to meet the competition from the Government that our banks have had to meet. Through the Postal Savings System the Government has gone into the remotest hamlet in the country and has sucked from its banks its surplus funds and siphoned them over into the depositories in the great commercial and financial centers.

The Government is supplying the keenest competition with which our banks have to deal to-day. It is bidding for every dollar in the trade territory of the average bank—and this is especially true in the agricultural sections. Although the deadly effects of the competition is apparent to all observers, the Postal Savings System is being constantly extended, and in the last year new units have been installed in every part of the country. They are advertising for business through every known channel of publicity and are drawing funds from the smaller banks into the central depositories at an alarming rate. To indicate the rapidity with which funds are being transferred from the inland banks to these depositories, on March 1, 1931, the total deposits reported by the Postal Savings System amounted to $175,000,000. On December 1 of that year they had grown to $550,000,000, an increase of over 200 per cent in nine months. By March 1, 1932, they aggregated $692,620,882, and on the first day of the current year, January 1, 1933, they had reached $900,238,726. At this rate of increase, by March 1 of this year they will have passed the $1,000,000,000 mark, an increase of more than 500 per cent in two years.

A billion dollars taken out of the home banks at the most critical time in the financial history of the Nation. A billion dollars which belongs back home where it was earned, where it was accumulated, where it is owned, and where it should be to-day rendering service to the people who produced it. The steady withdrawal of this vast sum at this critical time has contributed directly to the closing of many banks, and it is not stating the case too emphatically to say that it has been one of the determining factors in the misfortune of every bank which has had to close its doors.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield myself 10 minutes more.

The Government again forces itself into competition with the banks of the country by its campaign to sell Government bonds to the small depositor. And it has the effrontery to insist that the bank act as an agent in these selling campaigns, and to demand that they push these bonds to their customers.

What happens when a Government bond is sold in this crisis? The transaction takes from the community—which needs money as it never needed it before—the price of the bond and leaves the local bank just that much less able to finance the local needs for which the bank is responsible.

In order to be certain not to overlook a single loose penny that a depositor of the little country bank may have, the Government has reduced the denomination of these bonds until they can be bought in denominations as low as $50. Now no one disapproves of the purchase of Government bonds. They are the safest investments in the world and should be available to all who want them. But we do object to the frequent and insistent campaigns of the Government to dissatisfy the small investor with the time deposit certificate of his local bank. In effect it neutralizes the efforts of the Reconstruction Finance Corporation to help the banks and nullifies practically every effort of other departments of the Government to protect them from the depression panics which from time to time sweep every banking territory.

Let us consider the situation of the average country bank to-day. Upon the recommendation and insistence of both State and Federal banking officials, the banks began three or four years ago to take their money out of farm loans, out of local business enterprises, and invest it in bonds. Government authorities, both State and Federal, insisted that this be done for the sake of safety, or, as they said, in order to keep the banks liquid. "Keep liquid" was their slogan and, in response to these instructions to keep liquid, the banks began to withdraw their funds and invest them in bonds. What has happened to these bonds? They have depreciated until to-day they are worth from a fraction of their former value to nothing—and a great many of them are worth absolutely nothing. The best of them have fallen to a point where to cash them involves a tremendous loss.

Now the Government comes in and takes money from these banks through the Postal Savings System or through the sale of its bonds to the bank's customers. What follows? The bank must realize on its negotiable securities. It must take these bonds it bought at par and sell them on the open market at any price it can get. Triple A bonds, which they had every reason to believe would always be worth face value, and which they were told by the Government officials who insisted that they buy them, would always bring the amount put into them any day they wanted to cash them, must be sold at any sacrifice.

Mr. GLOVER. Will the gentleman yield for a question?

Mr. CANNON. Pardon me. Not just now.

If they could hold these bonds until they mature, or until the effects of the depression are past, there would be no loss. But the Government will not let them wait. It takes money out of the bank and puts it into the postal savings system. It draws the customers' funds out of the bank to buy Government bonds. It must have its pound of flesh. And the bank must sacrifice its assets to supply the money. It must sell its bonds at a discount and shoulder its loss until the burden becomes unbearable. Then the bank goes down and the community suffers a financial wreck from which it will not recover for a generation to come.

The latest discrimination against the local bank is the publicity given those banks unfortunate enough to borrow from the Reconstruction Finance Corporation. This agency for advancing funds to banks which hold good collateral but lack ready cash would be of invaluable service. It affords a much needed facility and should be available to any bank in temporary need. But the publication of the names of such banks and the significance of such loans are so misunderstood and misinterpreted by the public in their present disturbed state of mind that these newspaper articles have precipitated runs which have resulted most disastrously.

Every month the newspapers carry on the first page under scare headlines the name of every bank that has borrowed from the Reconstruction Finance Corporation, and the next morning the line of depositors begins to form at the teller's window of every bank named in the list, and this valuable Government agency which was intended to save our banks has through this one absurd requirement become the very instrument of their destruction.

If you will look over the reports of the liquidating agent on the banks which have closed, you will find listed among

the liabilities of every one of them a loan from the Reconstruction Finance Corporation. And the crash followed closely on the heels of the announcement of that loan in the newspapers.

All information relative to the loans and other activities of the Reconstruction Finance Corporation should be available to Members of Congress and other interested public officials. But the nation-wide advertisement of every bank which applies for a loan should be promptly and permanently abandoned. You might as well administer a dose of strychnine. The situation in Michigan this morning is a fair sample.

But as serious as are the inroads of these various governmental activities, there is one particular imposition by the Federal Government which is inflicting a greater injury on the banks of the country than all of them combined. It is doing more harm than the Postal Service or the Government bond campaigns or the publication of Reconstruction Finance Corporation loans.

It is breaking banks every day, and it will continue to break them as long as it is permitted to operate.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. CANNON. Mr. Chairman, I yield myself 10 minutes more.

When President Hoover submitted his Budget estimate at the opening of the last Congress—just a little over a year ago—recommending a program for Federal taxation, he transmitted with his message the annual report of the Secretary of the Treasury outlining the proposed tax schedule in specific items. Far down in the labyrinth of this report was a brief line—just a single clause, less than a dozen words—"a stamp tax of 2 cents on each check." I do not know what was in the minds of the committee to which the bill was referred, but I do not believe the average Member of the House gave a thought to that line. Here was a proposal to impose drastic taxes on 1,700,000 people—taxes in some instances running up into the hundreds of thousands on a single corporation or individual. The average Member of the House hardly gave a second thought to a proposal to tax somebody 2 cents. I emphasize that because I do not believe it would ever have been included in the bill, if attention had not been diverted to larger amounts and to debates over the sales tax, the oil tax, the lumber tax, and every other sort of tax that human engenuity could devise. But it has wrought greater havoc in the few months it has been in force than any other one tax ever imposed by the American Congress. Its effect on the banks and especially on the country banks has been deadly.

In the first place, it imposes an unfair and inequitable burden on the bank by requiring the bank to collect the tax and supply a costly and irritating service for which it receives no return.

President Hoover and Secretary Mellon specified a "stamp tax." The tax as imposed during the Spanish-American War was a stamp tax. The customer bought his own stamps and affixed them and all the bank had to do was to see that the stamp was there when the check was cashed. But under the law as finally adopted the banks are charged with the responsibility and expense of acting as a collection agency and saddled with a great amount of extra bookkeeping and all attendant expense without fee or compensating remuneration of any kind whatever.

That disadvantage, however, is small compared with the effect of the tax on deposits. The Government has given a great deal of attention in recent months to discouraging hoarding. This tax effectually neutralizes any effect the antihoarding campaigns may have had. Customers announce that they will not pay to check their own money out of a bank, and the withdrawal of accounts—especially in the rural districts, where the tax on one check this summer amounted to a third of the price of a dozen eggs—has been in the nature of an epidemic. As a result millions of dollars are now in hiding, carried around in pockets, or sequestered in safety-deposit boxes or buried in sardine cans or tucked away in the proverbial sock.

Incidentally, merely one of the by-products of the evil is its acceleration of the crime wave. The fact that people are now known to carry cash instead of a check book and secret money about the premises instead of depositing it in the bank is an open invitation to the footpad and the second-story man. Business firms with large pay rolls have discontinued the use of checks and are paying their employees in cash. We had an instance of the unhappy results of this method of payment when two paymasters were held up a block from the Capitol here the other day and one killed and the other seriously wounded. We read in the newspapers this morning of a veteran of the Civil War so savagely tortured to make him reveal the hiding place of his savings that he died last night. Such instances are of common occurrence.

But that is incidental. I want to emphasize the extent of this withdrawal of accounts and the consequent decline in bank deposits and in the circulating medium immediately following the imposition of this tax.

Reports from the 12 reserve banks confirm the general trend away from payment of bills by check following the imposition of the tax and the loss of deposits on that account. No less a personage than Gov. Eugene Meyer, of the Federal Reserve Board, is given as authority for the statement that the tax on checks has been a noticeable factor in the withdrawal of bank deposits and the increase of currency in circulation. Some banks in my own State with which I had personal contact report a loss as high as 50 per cent of their deposits as result of the tax. It is no exaggeration to say that this tax has taken money out of every bank in the country, has reduced business transactions to a primitive basis of barter and sale or cash in hand, and, most unfortunate of all, it has greatly reduced the amounts available in agricultural banks for farm loans.

It is axiomatic that a dollar in the bank will support $10 of purchasing power in the community, but a dollar in the pocket is only a dollar. A bank can lend only in proportion to its deposits. The reduction of deposits inevitably means a restriction of credits and the refusal of loans or the calling of loans at a time when farm credit is desperately needed. The farmer no longer has any other source of credit. He can not borrow from the insurance companies. He can not borrow from the Federal land banks. He can not borrow from the local money lender, who now invests his surplus in Government bonds. In brief he can not borrow a dollar to finance his crops from any other source except his local bank, and when this tax drains the credit reservoirs of that bank he is left with no hope of securing means to operate his farm. This provision in the revenue law taxing bank checks is drying up the last remaining source of farm agricultural credits at a time when it is a matter of life and death not only to the farm but to the Nation.

Mr. MAY. And at the same time the measure failed to yield the anticipated revenue.

Mr. CANNON. Unfortunately that is true. The tax is failing in the purpose for which it was enacted. It is not bringing in the revenue anticipated at the time of its enactment. Every Member of Congress received a circular from a New York firm last week advertising a system under which 90 per cent of the tax on checks could be avoided. Large business concerns are availing themselves of the loopholes in the law while the small depositor pays the tax or discontinues his account. At the time it was under consideration it was predicted the tax would produce revenue at the rate of $95,000,000 a year. Later those figures were revised to $78,000,000. But reports by the Treasury Department now indicate that it will not bring in half of that amount, the returns to date being: June, $1,094,287.34; July, $3,364,-251.06; August, $3,793,136.51; September, $3,538,415.37; October, $3,835,995.76; November, $3,642,530.06; aggregating to date of last report $19,268,616.10. At that rate it can not bring in much more than $40,000,000 a year. And in the meantime it is doing a thousand times $40,000,000 worth of damage to the country at large. [Applause.]

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. BLANTON. During the last six days of this Congress the Speaker can recognize any Member he is willing to recognize to pull a bill out of his hip pocket that never even has been sent to a committee to pass it under suspension of the rules. I wish my friend from Missouri would prepare such a bill and get the Speaker to let him call it up under suspension and repeal this tax of 2 cents on bank checks and repeal the law that caused the increase of postage from 2 cents to 3 cents, so that the letter postage will be 2 cents again, and repeal the tax on electrical current that the poor people all over the country can not afford to pay, which above taxes should never have been passed; and if the Speaker will recognize him and let us pass it under suspension of the rules and get it passed in the other body before we adjourn we will grant much relief to the people. It will be the least that should be done for the American people. [Applause.]

Mr. CANNON. I sincerely hope that the suggestion of the gentleman from Texas can be carried into effect. There would be no difficulty securing the requisite two-thirds vote.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I am always glad to yield to my friend from New York.

Mr. CLARKE of New York. I am heartily in accord with the suggestion of the gentleman from Texas; but in addition to that would it not also be well to couple with those things a provision to stop the publication of the names of borrowers who go to the Reconstruction Finance Corporation for money?

Mr. CANNON. They are all excellent measures, and every one of them should have consideration.

Mr. CLARKE of New York. Then why should we not stand up here and assert our rights?

Mr. CANNON. The gentleman can count on my standing with him.

Mr. CLARKE of New York. I am in the minority, but I am willing to join hands with the gentleman to-day or tomorrow or next week to get something done along these lines. [Applause.]

Mr. CANNON. Permit me to again call the attention of the House to the effect of this tax on the farmer. There is no source from which the farmer can get credit to finance his farm operations to tide him over during the peak of the crop season except the little country bank, and when you take the country bank away from him you take away the last source of credit to which he can apply. And remember this: You will never bring this country back to prosperity until you start with the farmer. [Applause.] As soon as you restore the farmer's purchasing power he is going to the merchant. The merchant orders from the factory. The factories go out on the streets and call in the unemployed, and prosperity is on its way back again; but we will never start it back until you begin with the farm. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. CANNON. Mr. Chairman, I yield myself 10 additional minutes.

I wish you gentlemen who represent city constituencies and you who represent labor constituencies would realize the importance of cooperating with us in this matter. It is your battle as well as our battle.

Mr. BLAND. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. BLAND. Will the gentleman indicate the bill to which he referred, which he said should be passed within the next 14 days?

Mr. CANNON. It is a bill introduced in the last session, House Joint Resolution 463, now pending before the Committee on Ways and Means, repealing one clause in the revenue act, the 2-cent tax on checks. The tax should be repealed before this session adjourns. It is breaking banks every day and will continue to break them until it is repealed. It ought to go to the Senate in the next 14 days. [Applause.]

Mr. BALDRIGE. Will the gentleman yield for a question?

Mr. CANNON. Certainly.

Mr. BALDRIGE. We all agree absolutely with what the gentleman has just said, but why do not the leaders of this House step up and do what the gentleman has suggested?

Mr. CANNON. I believe it is because good fellows like the gentleman and myself have failed to call it to their attention. Now is the time to remedy that omission. The bill can be passed if we can secure a vote on it. I have yet to talk with a single Member of the House who does not want to repeal it, and who does not say that every man in his district who has expressed himself on the subject wants it repealed.

Mr. CLARKE of New York. If the gentleman will furnish the leadership I will help furnish the followers on this side.

Mr. BALDRIGE. We all feel the same way as the gentleman about this matter, but it does not mean much unless the leaders will let it go through.

Mr. CANNON. I have never heard of the leaders on either side of the aisle opposing it.

Mr. SCHAFER. Will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Wisconsin.

Mr. SCHAFER. In view of the fact that the gentleman's party controls the House, and in view of the fact that we have been adjourning every day at 3.30 and 3.45 and 4 o'clock, day after day, will the gentleman not ask the leaders, instead of adjourning at 4 o'clock this afternoon or tomorrow, to sit later and give the House an opportunity to consider some of these measures?

Mr. CANNON. We shall be glad to sit to-day as long as the gentleman desires.

This is the most objectionable of all the nuisance taxes. If the Government had deliberately planned to destroy rural credits it could not have adopted a more effective weapon. The fact that the injury was not foreseen and is wholly unintentional is all the more reason why it should be repealed as speadily as possible. Only 14 days of the session remain. The time is short. It is to be hoped that in that time the Committee on Ways and Means will find a way to permit us to vote on the question. [Applause.]

Mr. HOLADAY. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Chairman, I am sure the entire Membership of the House has listened not only with much interest but with some amazement to the speech of the gentleman from Missouri [Mr. CANNON]. Personally I want to congratulate him upon his courage and frankness in discussing some of our economic ills and particularly the condition of the banks at this moment. It happens that to-day some very disconcerting news has come to us in regard to the banking situation.

I find myself in much agreement with what the gentleman from Missouri has said, but I want to say to him in all kindliness that some Democratic chickens appear to be coming home to roost. The gentleman denounced the publicity of the loans made by the Reconstruction Finance Corporation. I have denounced that publicity and voted against that proposal, but the leadership on the Democratic side of the House compelled the House to adopt the measure under which that publicity must be given to the loans of the Reconstruction Finance Corporation. The gentleman said something about the present 2-cent tax on checks. Why, bless you, that tax is one of the numerous substitutes proposed in this House last year after the Democratic side of the House—I will not say the leadership but the Democratic Membership of the House—had destroyed the manufacturers' sales tax. We Republicans, all the Republicans on the Ways and Means Committee and a large majority of the Republicans in the House, supported that tax, but the Democratic majority on the Ways and Means Committee were deserted by four-fifths of their party colleagues, who forced the substitution for the manufacturers' sales tax of a hodgepodge of miscellaneous revenue proposals—the 2-cent tax on checks, the gasoline tax, the increased tax on trades

on produce exchanges, the increase of postage rates, and a lot of other discriminatory and special taxes—many of which have been designated as "nuisance" exactions, often producing small revenue but irritating and vexatious to the public. That is the history of the revenue act of 1932.

Mr. CANNON. Mr. Chairman, will the gentleman yield for a moment?

Mr. CHINDBLOM. Yes.

Mr. CANNON. May I suggest to the gentleman, in all comity, that this is a matter from which partisanship should be divorced. This is a matter on which we should get together for the good of the country. Let us not seek to make political capital out of the distress of the Nation. Let us lay aside other considerations and cooperate to secure the repeal of this destructive tax and save the rest of our banks.

Mr. CHINDBLOM. I agree with the gentleman. Let us look the facts in the face. If you do not like the 2-cent tax on checks, if you do not like some of these other discriminatory taxes in the revenue act of 1932, why not let us get together, both sides of this House and all the Members of this House, and frame some other legislation? [Applause.]

The Committee on Ways and Means have determined that they will not consider any revenue legislation at this session of the Congress. So far as revenue legislation is concerned, that form of relief seems to have gone by the board.

The gentleman speaks about the sale of Government bonds to banks. Government bonds must be sold. Money must be obtained for the necessary expenses of the Government so long as Congress does not reduce expenditures sufficiently and so long as adequate means of revenue are not provided.

I agree with the gentleman entirely on the subject of postal savings deposits. I think the Government is engaged in a savings-bank business through the medium of the postal savings deposit system from which it should withdraw as soon as possible. It is another instance where the Government has invaded the field of private enterprise, private banking; but we have it, and to-day it happens to be the only place where many people of the country feel they can with any safety deposit their earnings.

We had a matter before the House yesterday which was not a party matter. It should not have been a matter of party cleavage. Everybody recognizes that the United States is being inundated and flooded with foreign importations to the great loss and detriment of the workers of America. Some argument was made to show that these importations were less from the countries which have departed from the gold standard than from those which have not departed from the gold standard. That is not the question. The question is, Where does the competition arise? If you want to make comparisons, compare these importations with American production and consumption, not with former imports. Our consumption has gone down until it is estimated that the national income for last year was $37,500,000,000, as compared with $85,000,000,000 to $90,000,000,000 three years ago. And yet the Democratic majority on yesterday, by caucus rule, had bound their Members not to permit the deficiency currencies legislation, as applied to the tariff, to be taken up for consideration. If we are to banish partisanship, these matters should not be made the subjects of caucus or conference action by either party.

Mr. Chairman, I agree entirely with my good friend the gentleman from Missouri that these questions should not be approached and should not be determined from a partisan standpoint. The gentleman's party has a majority here; the gentleman's party has the leadership; the gentleman's party has the initiative. We are powerless. Give us a chance to vote for some of the things that you propose and you will be surprised at the response you will get from this side of the House. [Applause.] Give us a chance to join you in a patriotic effort to redeem the people of this country from the present great distress and we will do all we can to help you along these lines while we have the opportunity; but some of the Members on this side will not be in the next House and will not be able to join you in such remedial legislation as I understand you are proposing. They would like an opportunity to do something now in order that the people may not continue to suffer even during the two months which must elapse before your new administration will be operative. [Applause.]

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Chairman, I had asked for this time in order to cover practically the same ground which has been covered by my Republican colleague the gentleman from Illinois [Mr. CHINDBLOM].

Verily, the chickens are coming home to roost. Who led the fight, booted and spurred, for the adoption of the publicity features of the Reconstruction Finance Corporation loans and applications for loans? None other than that Mussolini leader of the Democratic majority of the House, the present Speaker, the gentleman from Texas [Mr. GARNER]. The record speaks for itself. The situation portrayed and now condemned by the Democratic gentleman from Missouri is the exact picture as to what would occur as painted on the floor of the House by Republicans who opposed the publicity feature so strongly championed and supported by the Democratic majority.

We know that a small bank out in the country or in a city can not accept deposits over a period of several months amounting to $500,000 or $1,000,000, keep these funds in its vaults so the depositors can withdraw all of their money at once on demand, and still be able to pay interest to its depositors. These funds placed on deposit with the bank are put out by the bank into channels of trade in the form of loans and mortgages and the purchase of bonds. Even in the case of a perfectly sound bank, if its depositors all ask for all of their deposits on or about the same time, the bank can not realize immediately on those mortgages, loans, and bonds and, therefore, does not have sufficient ready cash to meet its obligations to its depositors who desire to withdraw. Therefore, perfectly sound banks which could not liquidate their loans and mortgages by reason of excessive withdrawals have placed with the Reconstruction Finance Corporation proper securities and made loans from that corporation to carry on their business and keep from closing their doors.

What was the result of this publicity feature? Take a case of the average man with a few hundred dollars of savings or a thousands dollars, or with his entire life savings tied up in a bank, what would his reaction be when the headlines of his home newspaper indicated that the bank was in such condition that it had to apply for a loan from the Reconstruction Finance Corporation? The first thing when that bank opens in the morning, said ordinary citizen would be waiting on the steps to make application to withdraw his entire funds. Therefore the situation complained of by the gentleman from Missouri does exist, and the gentleman himself has confirmed the allegation of the Republican minority that this very thing would happen. Certainly my Democratic friend from Missouri can not pass the responsibility to the Republican minority, because it was his Democratic majority which brought about this serious condition which he so vividly pictures. It was the child of the Democratic Party, fathered by your Mussolini leader, the distinguished Speaker of the House.

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. If the gentleman wants to ask a pertinent question I will yield, but not for a facetious one.

Mr. BLANTON. It is a most pertinent question. I am wondering what on earth the great Republican Party is going to do after March 4 when the gentleman from Wisconsin, its great leader, will not be here.

Mr. SCHAFER. That is another one of the gentleman's facetious interjections. I wonder what the gentleman from Texas is going to do with reference to the program of the Democratic Party. Your party has had control of the House for two years; your party has had control of the other body for two years, when you consider the Members of that body who, although elected as Republicans, sup-

ported Mr. Roosevelt. All that your Democratic majority has been doing is howling and growling and complaining and denouncing.

Why, last Saturday one of your leaders, the gentleman from Arkansas [Mr. RAGON] waxed eloquent in wonderful burst of oratory, boasting about the attacks that the Democratic Party had made on the Republican tariff in the past two campaigns. But has your Democratic majority done anything to correct or change the law complained of and denounced? Absolutely nothing. All you do is to talk, talk—attack, complain, denounce—demagoguery.

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. In a moment. I will let the gentleman know when I am ready to yield.

Mr. BLANTON. I want to give the gentleman some definite information.

Mr. SCHAFER. If the gentleman will be patient and listen, he will be reminded of some definite, positive facts. Under the Constitution, tariff legislation must originate in the House of Representatives, and the Democratic Party, which in two campaigns has denounced the existing protective tariff, has been in control of the House for two years, with a majority of its Members, and during that time has not sponsored legislation to reduce one tariff rate.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. In just one moment. I will yield after I have given the gentleman a few more definite, positive facts.

Since the gentleman from Arkansas admits his party has denounced in two campaigns the tariff put upon the statute books by the Republican Party, I wonder how the gentleman from Arkansas or any of the other Democratic leaders can present an alibi for the failure of the Democratic majority in control of this House for two years to report out a bill to reduce even one tariff rate.

I notice in the press of yesterday that the entire delegations of Congressmen from Florida and from Georgia, and they are not Republicans, appeared before the Tariff Commission and strongly protested against any reduction in the tariff on tomatoes, indicating that a reduction would do their States harm. [Laughter and applause.]

I yield now to the Democratic leaders who admit they have denounced the protective tariff, to ask if they are going to reduce the tariff on tomatoes in the near future.

Mr. RAMSPECK. Will the gentleman yield?

Mr. SCHAFER. I yield to the gentleman from Georgia.

Mr. RAMSPECK. I may state to the gentleman that the entire delegation from Georgia did not appear there.

Mr. SCHAFER. Well, a substantial majority of them.

Mr. RAMSPECK. I can not state about that, because I was not there.

Mr. BLANTON. Will the gentleman yield to a humble Member?

Mr. SCHAFER. Now I yield to any and all of the Democrats in this House, including the gentleman from Texas, to ask them what particular rate or rates in the Hawley-Smoot tariff bill are too high and how much of a reduction they believe should be made to carry out the policies announced by the Democratic demagogues on the stump for the past two years. [Laughter.] Is there any Democrat here who will name one specific rate in the Hawley-Smoot tariff bill which should be reduced and indicate the amount of reduction that should be made?

Mr. HOWARD. I accept the challenge.

Mr. SCHAFER. I yield to the gentleman from Nebraska.

Mr. HOWARD. I will state for the benefit of the gentleman that I have introduced a bill to cut down the profits of his own Mussolini in his dealings in aluminum to the extent of 50 per cent of the present tariff now levied upon cooking utensils in the homes of the American people and upon the surgical instruments in the hospitals of our country.

Mr. SCHAFER. The gentleman's bill has been strangled and chloroformed in committee by the Democratic majority.

Now, one Democratic brother has testified. Are there any more? I yield again. [Laughter and applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. SCHAFER. I yield to the gentleman from Texas with respect to advising what tariff rate he would reduce.

Mr. BLANTON. I would reduce all that are not strictly competitive. I want to remind my friend that last year when the people of the country were dissatisfied with the Congress and the White House and the Senate, they elected a new Congress and a new White House and a new Senate. But the new Members of the House, and Senate, and White House will not take office until March 4, and after March 4, and not until then, can the new Democratic régime be held responsible.

Mr. SCHAFER. I will then put the question this way: After March 4 what particular rate or rates would the gentleman ask to be reduced, and in what amount?

Mr. BLANTON. Oh, there will be a complete revision then.

Mr. SCHAFER. The gentleman does not know. I now yield to any or all of the Democratic brethren to rise in their places and give the House information as to what particular rate or rates in the Hawley-Smoot bill should be reduced and in what amount they should be reduced, after March 4.

Mr. PARKER of Georgia. Will the gentleman yield?

Mr. SCHAFER. Is the gentleman going to answer the question?

Mr. PARKER of Georgia. I want to——

Mr. SCHAFER. I am not yielding for a correction.

Mr. PARKER of Georgia. I want to correct a statement which the gentleman made.

Mr. SCHAFER. I pause one minute, I pause two minutes, and I hear no answer. [Laughter.] This shows the demagoguery of the Democratic Party. They only want to denounce and not act to reduce the tariff rates. I expected that the gentleman from Arkansas might rise and indicate that we should reduce the tariff rates on long-staple cotton and on rice.

Mr. RAGON. Since the gentleman has mentioned me, will the gentleman yield?

Mr. SCHAFER. I yield to the gentleman from Arkansas.

Mr. RAGON. I used to be connected with the management of a nervous hospital and such whining as the gentleman is doing never did bother me.

Mr. SCHAFER. It is just like the Democrats to inject a facetious remark as a defense when they have no other. The gentleman has no defense. The gentleman's party has been in control of the House for two years and has been denouncing existing tariff rates, but has not moved to reduce even one of the many. That record might meet with the approval of those connected with and confined in the gentleman's nervous hospital. Of course, we well know, and medical authority will confirm the fact, that residents in, and managers of, certain kinds of nervous hospitals are experts when it comes to complaining and denouncing.

Mr. PARKER of Georgia. Will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. PARKER of Georgia. I understand the gentleman made the statement that the entire Georgia delegation appeared before the Tariff Commission on yesterday. I am sure the gentleman does not wish to make a statement that is not borne out by the facts.

Mr. SCHAFER. I was quoting from a newspaper report which I hold in my hand.

Mr. PARKER of Georgia. There were only three members of the Georgia delegation who went before the commission on yesterday——

Mr. SCHAFER. Who were they?

Mr. PARKER of Georgia. I did not go. The gentlemen from Georgia, Mr. VINSON, Mr. TARVER, and Mr. WOOD, were the only members who appeared. Not one of them said a solitary word for the tariff. They went down there and laid the resolution of the Georgia General Assembly on the table without comment.

Mr. SCHAFER. Is the gentleman from Georgia against the tariff on tomatoes?

Mr. PARKER of Georgia. I am.

Mr. SCHAFER. The gentleman is not in accord with the resolution of the Georgia Assembly?

Mr. PARKER of Georgia. I am not.

Mr. PARKS. Will the gentleman yield? Does the gentleman think that if we should reduce the Smoot-Hawley tariff it could do the country more harm than has been done it by the Republican Party?

Mr. SCHAFER. Before a year rolls by the people will find that the Democratic cry of fire with reference to the Republican Party was a false alarm. They will find that the Democratic Party is long on denunciations and promises and short on deeds and accomplishments. Your party has eloquently claimed that the Smoot-Hawley tariff bill has wrecked the prosperity of this country and the world, and yet you have had control of the House of Representatives for two years and haven't made a single move to reduce a single tariff rate. If the Smoot-Hawley tariff rates caused all this trouble, and you have had a Democratic majority in this House for two years, why have you not made some move to reduce the rates. On the other hand the Democratic program in the sales-tax provision of the revenue bill in the last session raised nearly every tariff rate on the protected list and placed a tariff on nearly every import on the free list. Your Democratic allotment bill in this session also provides for a multitude of increases in the tariff rates of the Smoot-Hawley Act and also for a tariff on a multitude of imports on the free list under that act. Many of these rates in the Democratic sales-tax and allotment bills are of an embargo nature. I notice that one of your Democratic leaders, Mr. Baruch, testified yesterday and opposed the Democratic farm-allotment monstrosity. He advocated that a portion of the farm lands be taken out of production and that the Federal Government pay rent to the farmers for that portion with funds raised by taxation of our citizens. That is how Mr. Baruch would take care of the surplus of farm products.

On the other hand, the Democratic leader who goes into the White House on March 4 indicates that the Federal Government should take hundreds of millions of dollars from the overburdened American taxpayers to develop the Tennessee River Basin and bring into cultivation and production thousands of acres of additional fertile lands.

Mr. BOYLAN. Will the gentleman yield?

Mr. SCHAFER. No; I can not yield to the humorous gentleman from New York at this time as my time is limited.

Mr. BOYLAN. But this is a very serious question.

Mr. SCHAFER. Yesterday you Democrats demonstrated that the Democratic discharge rule was a vehicle for talk for the past several years, but not one for actual use, according to the principles of your party. You would not even use your own vehicle to give the House an opportunity to consider the Crowther bill or similar legislation, notwithstanding the fact that 145 Members desired such consideration.

Your leaders have said that such consideration would interfere with the Democratic program, and yet you adjourned yesterday at 3.55 p. m. Look over the RECORD, and you will see that the Democratic majority of this House has adjourned many afternoons at 3.45, at 4.15, and still it criticizes the Republican minority, the lame-duck Republican minority, as interfering with the legislative program of the Democratic Party. Why, the Democratic majority in this House for two years has had no program except to mark time, criticize, condemn, and denounce the Republican minority and the Republican President. You Democrats have been the majority party in the House for two years and you can not evade your responsibility by throwing up a smoke screen. You might have fooled some of the people in the last election but they will pierce the smoke screen before the next and see the light. [Applause.]

Why, even your great leaders are divided on farm-relief legislation. Your next President, and one of his chief advisers, Mr. Baruch, and the chairman of the Democratic-controlled Agricultural Committee absolutely face different ways on farm-relief legislation.

For the sake of our common country and the millions of our fellow citizens I hope and pray that the Democratic Party will be able to unite on a constructive program and will have a successful administration, although their Speaker admits that the Democratic majority in this House could not function on appropriations, could not function on balancing the Budget or on tax reduction, and that the new majority of the Democratic Party in the next Congress, a majority of over 130, can not function, but will have to abdicate most of the prerogatives of the Congress and give them to the President. It is a sad state of affairs from the standpoint of the American people, a very sad state of affairs, when the Speaker of the House indicts his own Democratic majority, which has had control of the House for two years.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. And a working majority of his party and its followers in the other body, which has had control of that body for almost four years. I am afraid that before a year rolls by the people will wish to high Heaven that they had voted differently at the last November election. [Applause on the Republican side.]

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman, I have introduced a resolution to immediately close the House restaurant and the public restaurant adjacent to the House restaurant, and the House barber shop and the public barber shop adjacent thereto for the reason that it will save a little money and that there is a general impression over the country that these institutions operate free to Members of Congress, when as a matter of fact every meal or hair cut or shave is paid for by the Member.

The resolution reads as follows:

*Resolved*, That immediately after the adoption of this resolution the House restaurant and the public restaurant adjacent thereto and the House barber shop and the public barber shop adjacent thereto be permanently closed.

I hold in my hand the House of Representatives restaurant menu for Saturday, February 11, 1933, showing the reduced or depression prices now effective. Here they are:

Hearts of celery for one person, 20 cents.

Stuffed mangoes for one person, 20 cents.

Bean soup, 15 cents.

A plate luncheon of chopped sirloin (that means the fragments), with potatoes, peas, spaghetti, and pie, 50 cents.

Another plate luncheon of lamb, jelly, potatoes, peas, pie, and coffee, 65 cents.

A dietary platter of salad, bread, cottage cheese, custard, and buttermilk is priced at 60 cents.

Under "ready to serve" we find:

Chicken, cranberry sauce, potatoes, and peas, 60 cents; and with dessert and coffee added, 85 cents.

A tenderloin steak is $1—that would almost pay for a calf—then add two vegetables, 30 cents; dessert, 15 cents; and a cup of coffee, 10 cents—it totals $1.55.

A cheese sandwich costs you 15 cents, a chicken sandwich 40 cents. A chicken salad for one person is 75 cents. Coleslaw, which consists of a half a penny's worth of chopped cabbage, is 20 cents; apple dumpling, 20 cents; coffee or tea, 10 cents a cup.

We pay 50 cents for a hair cut and 25 cents for a shave.

During the 14 years I have been here no one to my knowledge has had a morsel of food nor a hair cut nor a shave at the taxpayers' expense. I ask now, Has any Member here ever had a free meal or free hair cut or a free shave? No response. No, not one—this year, nor last year, nor at any other time. You can get a hair cut and shave for 75 cents in the House barber shop.

There are restaurants and barber shops from 3 to 10 blocks from the Capitol. To save a little money and to secure better understanding I propose we close the Capitol restaurants and barber shops and patronize these outside places or fast during the day.

At going prices our restaurants that feed Members and the public who come to the Capitol by thousands as sightseers or on business lose money. Let us close them up. Because of the necessary food loss from vastly unequal patronage from day to day there is an annual loss of 1 penny for every 125 of our population.

Mr. HOLADAY. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman, I think it is well that the gentleman from Washington [Mr. SUMMERS] has brought this matter to the attention of the House and more particularly to the attention of the public. The trouble with the situation is that there has been no differentiation on the part of newspaper reporters with reference to so-called abuse of privileges of the House and those of another body. I have had something to do, as all Members know, in the past with running the restaurant. So far as the restaurant is concerned, the Members pay exactly the same price there for food as does the general public. As a matter of fact, more of the general public patronize the restaurant than do Members of the House.

There are evils in the barber shop which ought to be corrected. Those men are on the pay roll as cloakroom employees. They are paid a salary, and yet when you go there for a shave or a haircut you are charged the prevailing prices that exist elsewhere. It is my understanding, unless it has been changed, that some of the material, particularly the towels that are used in the barber shop, are furnished at the expense of the House and that the laundering is done at the expense of the House. That ought not to be.

I want to say just a word in defense of the restaurant. The restaurant is not only a matter of public convenience but it is absolutely essential to the transaction of public business. Most of the Members attend committee meetings in the morning, which adjourn about a quarter to 12. The Members go immediately to the floor of the House and there important business awaits their action. They can not go out in the middle of the day and get a sandwich or a cup of coffee, nor can they buy a decent meal in the vicinity of the Capitol.

It is necessary also that those who come to the Capitol on public business should have a place where they can get good food. It is necessary to public health and it is necessary to the transaction of public business. I do not approve of the abolition of the restaurant. There may be some economies which can be observed there. What they are I do not know. The cost has been brought down to a minimum. The uncertainty of the number which will be served during the day is one cause of the deficit. You can not prepare a meal for several hundred people and then have the House unexpectedly adjourn with a consequent reduction in the number of people to serve, without a deficit. The restaurant has to be run for the peak of the load. In other words, you can not tell what day the restaurant is going to be crowded to overflowing. Tables will be set in the corridors, they will be set in the room of the Committee on Accounts, they will be set everywhere that we can find a place to put a table—in order to accommodate whom? The Members of the House? Oh, no. It is to accommodate the general public who come here transacting business. It is very necessary to have some of these conveniences. They are not luxuries. However, I would advise the gentleman from Washington [Mr. SUMMERS], if Congress wants to do it, it can save a million dollars a year on the hill by the abolition of certain places and positions, jobs which are now filled under patronage. For one, the cafeteria in the coat rooms, under the galleries, operated by employees of the House who are paid a salary, provided with equipment at public expense, and who put the profits in their pockets.

Patronage is the curse of Capitol Hill. There are men employed here who have absolutely nothing to do and who seek a haven of refuge down in the House library or elsewhere.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. UNDERHILL] has expired.

Mr. HOLADAY. Mr. Chairman, I yield five additional minutes to the gentleman from Massachusetts.

Mr. UNDERHILL. How many Members of this House know there is a House library? We have the Congressional Library. There is a railroad running underneath the Plaza, and in two minutes you can get a book from the Congressional Library shelves. We have a library on each side of the Hall. There is quite a library in the Clerk's office; and yet down in the basement of the House Office Building there is a library, and this library is nothing more nor less than a refuge for certain jobholders. They do little or no work.

Mr. BLANTON. Will the gentleman yield?

Mr. UNDERHILL. Yes. I yield.

Mr. BLANTON. I do not know why such a valuable Member as the gentleman from Massachusetts has been, and one who is so active now and who has always been so active, has not used the House library. I call on it frequently for statistics and data. There are two very fine expert employees of the Government in that place, a lady and a gentleman. The lady is most proficient in looking up statistics.

Mr. UNDERHILL. I am willing to yield for a question but not for a speech.

Mr. BLANTON. I am with my friend from Massachusetts 100 per cent in eliminating all waste and extravagance. But I think those two employees in the library in the House Office Building are very essential and are two of the most valuable employees we have here, and neither of them is from Texas. I just wanted to say that.

Mr. UNDERHILL. Well, that is a matter of opinion.

The gentleman from Texas may use that library, but I doubt if 1 per cent of the Members ever were in it or ever got a book from it, and I doubt if the public should be obliged to pay the cost for the sole benefit or convenience of the Member from Texas.

When I brought that matter before the House some three or four years ago the Speaker of the House at that time did not know there was such a library in the House Building, and he was one of the commissioners in charge of the building. There are other places. They were all presented to the House four years ago, and you did not do anything. Why? Because of patronage—that most inviolate, that most sacred thing here on the hill. Gentlemen, if you will remove patronage and put such employees as may be needed here under civil service, you will stop this criticism of the House.

Mr. BLANTON. Will the gentleman yield for one other question?

Mr. UNDERHILL. I yield for a question only.

Mr. BLANTON. Is it not a fact that those two positions in that library have been there all through the past 12 years of Republican régime, ever since the gentleman has been a Member?

Mr. UNDERHILL. Oh, yes.

Mr. BLANTON. And, as the gentleman is now going out of this Congress, this is the first I have ever heard him make a speech against it.

Mr. UNDERHILL. I am not saying this is anything recent. The gentleman will remember I introduced into the House, after four months' work on a subcommittee, a resolution suggesting to the House the elimination of some 25 positions. That committee consisted of three, but the work was done by one, and may I take the credit for what work was done?

Some of those positions we could not even find, and the holders of those posts had never even reported to the pay office. They had their checks sent to them. Some of those positions may have been abolished, but more have been created. Two years after I made my report for economy, the Committee on Appropriations were given the same job, and they raised the expenses on Capitol Hill to the taxpayers over $1,000,000.

Mr. BLANTON. That was under past years of the Republican régime.

Mr. UNDERHILL. Oh, never mind what régime it was. It was under patronage, and nothing has been done to re-

move the patronage. Now, I say to all of you, not because I am a Republican or you are a Democrat, but for your own protection, if you want to be honest with yourselves, if you want to stop this criticism of Congress, you will get after this patronage, and you will remove that fester here on the Hill. If you will do that there will not be much with which the taxpayers can find fault, or that the newspapers can find to exploit as far as special privilege, waste, extravagance, or business management in the House of Representatives is concerned, and another body might be obliged to follow a good example. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. HOWARD].

Mr. HOWARD. Mr. Chairman, I very much regret that I was not here at the beginning of the address made by the gentleman from Missouri [Mr. CANNON] a little while ago with particular reference to my resolution which lifted the blanket of concealment from the doings of the Reconstruction Finance Corporation during those dark days of 1932, when transactions were made under cover.

I have no apology to offer for that resolution. I am receiving a vast volume of correspondence with reference to that subject, and I recall receiving one letter from a constituent in the gentleman's own home State telling me that a certain loan had been made down there, and in his judgment there were no securities worth while behind it, and telling me it was my duty to go ahead and investigate.

Mr. Chairman, I replied very courteously to the gentleman, and told him I thought he ought to address the Senators from his own State or his own Congressman and ask them to perform the investigation; that I had performed my duty when I introduced my resolution which lifted the blanket of concealment.

Now, with reference to the "Ogden Mills address" which the gentleman from Missouri [Mr. CANNON] has made this morning, I have a proposition to offer the gentleman. I trust he will hear me and I trust he will grant it. This is my proposition: I would like to have the gentleman from Missouri arrange for a joint debate between the man who makes just such a speech as the gentleman made this morning, Mr. Ogden Mills, and this humble Member from Nebraska with particular reference to the problem of publicity of the doings of the Reconstruction Finance Corporation. Of course, I want to have that debate conducted on neutral ground, so I suggest it might be conducted within the confines of the State from which the gentleman from Illinois, Mr. CHINDBLOM, hails. That is very near to the State of Missouri. Why would I like to have it on neutral ground?

Because the people out there in that particular neutrality of which I speak are magnificently human; I think they would give me a square deal. That is all I ask.

I have been somewhat astounded that the gentleman from Missouri, when speaking as a Democrat here, would so assail the Speaker of this House, who is the real author and who has been the whole soul of the proceedings directing publicity of the loans made by the Reconstruction Finance Corporation. I frankly stated here on the floor the other day when I introduced that resolution that I felt I was carrying out the wishes of the Speaker, my Speaker, of this House.

A little while ago the gentleman from Wisconsin [Mr. SCHAFER] stood here and made some very pertinent remarks and asked some very pertinent questions. With permission of the gentleman from Wisconsin, I shall emulate him for a moment. I would like to ask the gentleman from Illinois [Mr. CHINDBLOM]—he is absent, I see.

I would like to ask the gentleman from Missouri [Mr. CANNON] who protests against publicity of the loans made by the Reconstruction Finance Corporation to these great banks and trust companies, if he has ever protested against the publication of the Federal loans made to the farmers of America in the sum of a few hundreds of dollars for the purpose of enabling them to get feed for their animals or seed to carry on their crop-production efforts during the ensuing year? Has the gentleman made any protest against the publicity of those little loans? [After a pause.] Silence is a hideous answer to the question.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield? I understand the gentleman was inquiring for me while I was out for a moment.

Mr. HOWARD. Oh, I am glad the gentleman has arrived. The gentleman in his tenderness, and he is always tender, was deprecating the fact that the loans made by the Reconstruction Finance Corporation to the great banks and trust companies must be given to the eye of the public. He thought this should not be done. Now the question I want to ask is, Has the gentleman from Illinois ever uttered a protest against the publication of the names of the farmers in his own State who received a Federal feed or seed loan?

Mr. CHINDBLOM. I never knew they were published.

Mr. HOWARD. But they are.

Mr. CHINDBLOM. I never heard of their being published.

Mr. HOWARD. The gentleman should know that.

Mr. CHINDBLOM. I am opposed to their being published, I will say to the gentleman from Nebraska. Not only do I read the large daily papers but I read half a dozen small newspapers of my own State, and I have never seen any attempt to publish the names of farmers receiving loans from the Federal Treasury.

Mr. HOWARD. I may say to the gentleman that in his own State their names are posted on the doors of elevators where these farmers must go to sell their grain. The practical effect is that the elevator people are warned not to purchase this or that man's property because it is under mortgage to the Government.

Mr. CHINDBLOM. In what particular town in my State did the gentleman see that?

Mr. HOWARD. I do not refer to any particular town. I refer to the general practice over the country. This is the practice. So I suggest to the gentlemen—the gentleman from Illinois and the gentleman from Missouri—the next time they come on the floor to utter the Ogden Mills plea in behalf of the larger interests that receive Federal aid, that they be so kind as also to make just a little bit of a plea in behalf of the American farmer who received a little feed or seed loan.

Mr. CANNON. Mr. Chairman, will the gentleman yield, having mentioned my name?

Mr. HOWARD. I yield.

Mr. CANNON. I may say it has not been my good fortune to read any statement by Mr. Mills on the subject, but I have read the resolution adopted by the bankers' association of my State, an association made up of small country bankers and their patrons who are being embarrassed by this situation.

Mr. HOWARD. The gentleman does not believe in the transaction of public business in a public way, then? He is in favor of its being practically transacted in the dark?

Mr. CANNON. Certainly not; but the gentleman knows that every committee of this House and, as a matter of fact, any legislative or administrative body engaged in the formulation of policy in peace or war must be accorded some privacy and some degree of immunity from outside interference.

Mr. HOWARD. To what does the gentleman refer? I would like to be enlightened. He tells me there are some transactions here that should not be made known. I want to know what they are. I am a Member of this House; I want to know.

Mr. CANNON. The gentleman knows that almost daily the Committee on Ways and Means and the other committees of the House meet in executive session. The gentleman knows that the President's Cabinet meets constantly in executive session. It is absurd to insist that a committee should have half a dozen reporters present and half a room full of lobbyists in attendance before it can take up the private business of the House.

Mr. HOWARD. What is the private business of the House; will the gentleman explain?

Mr. CANNON. The business of the House as referred to its various committees.

It has been the practice for the committee to go into executive session at the close of public hearings on bills referred to them from the beginning of the Government. The gentleman is evidently not familiar with the customs of the House.

Mr. HOWARD. I resent the idea that there shall be any private business in this House. I understand the House is governed by rules, and I want to be obedient to every rule of the House which does not take from me my right as an American citizen; but I want to say to the gentleman and to all others that I stand in defiance of any rule of this House which shall deny to me, as a Member of the House, to divulge to my home people or to my country, if need be, anything that goes on here as a matter of public service. They are entitled to know it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield.

Mr. BLANTON. The gentleman knows that even in any of these executive sessions he, as a Member of Congress, has a perfect, inherent right to be present at every one of them. It is only when certain kinds of matters are being discussed that reporters are kept away, but the gentleman always has the right to be there. Is there anything wrong with that?

I would like to remind my friend from Nebraska that there is always a swarm of lobbyists here wanting appropriations for every kind of scheme imaginable. If the Committee on Appropriations were to throw open to everyone its hearings on the big annual supply bills, lobbyists would be so thick in the hearing room that orderly procedure and careful painstaking investigation into the estimates for bureaus and departments would be impossible. The heads of every department and bureau involved in an appropriation bill are always present, and are always heard, and know everything that takes place in a hearing, but lobbyists and the public are excluded so that the committee may carefully look into and review estimates in the hopes of eliminating all waste and extravagance and appropriations that are unnecessary.

Mr. HOWARD. What has that to do with it?

Mr. BLANTON. That explains why hearings before the committee on appropriations are not public.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. HOWARD. Yes; if I have time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CHINDBLOM. I would like to ask the gentleman from Nebraska whether he voted for the war veterans' act under which we are giving compensation and disability allowances and various other benefits to veterans?

Mr. HOWARD. I did.

Mr. CHINDBLOM. Does the gentleman know that not even he as a Member of Congress can get all the information he might want with regard to moneys paid out of the Federal Treasury to veterans?

Mr. HOWARD. He does know that, and he knows the shame of it.

Mr. CHINDBLOM. Then the gentleman disagrees with the policy of the very act for which he voted?

Mr. HOWARD. I could not get that phase of it eliminated, and I proposed to take the whole good thing notwithstanding its one bad feature.

Mr. CHINDBLOM. That was done to keep "peeping Toms" from finding out what men who served their country are receiving.

Mr. HOWARD. I try to live my life so that I stand in no fear of men, devils, women, or "peeping Toms."

Mr. CHINDBLOM. Will the gentleman yield further?

Mr. HOWARD. Yes.

Mr. CHINDBLOM. The Reconstruction Finance Corporation is a Government organization created by Congress. So is the Agricultural Credit Corporation. So are the Federal land banks. Does the gentleman know that neither the Agricultural Credit Corporation nor the Federal land banks will give him as a Member of Congress information as to the loans which they make?

Mr. HOWARD. Unhappily, the gentleman does know that, but it is not the fault of the gentleman. If the gentleman from Nebraska had his way, that information would be open to every Member of the Congress upon demand, because the Members of Congress are here for the purpose of performing the service of the country; and I resent the attitude of any organization created by this body to act in any manner superior to this tribune of the people.

Mr. CHINDBLOM. But we are now discussing what the policy of this tribune of the people should be. The gentleman has taken a great deal of exception to the loans made, as he calls it, to the big banks and trust companies. Of course, the gentleman would take the same exception with reference to loans made to a small bank in his own community or in mine, where publication of the information that a bank has found it necessary to go to the Reconstruction Finance Corporation to get a temporary loan tends to destroy the usefulness of that bank in its community and starts a run on it immediately.

That is just exactly what is happening to-day, and it is why we have a new situation of peril throughout the country. We read to-day that the Governor of Michigan even declared a moratorium for eight days, closing every bank in that State.

Mr. HOWARD. Just let me have a little of my time. I replied to the gentleman from Illinois who asked me if I would be in favor of publishing the name of a bank that has secured a loan from the Reconstruction Finance Corporation. Then he tells about the fear that would be in the heart of the public that that bank was in trouble or it would not have gotten that loan.

Let me call the gentleman's attention to the fact that the largest loan made to any bank in the country was made to a bank in his own State. It was made when that bank had one foot over the precipice of insolvency and the other foot slipping; and yet as soon as it became known to the people that this bank was able to get unlimited money from the Reconstruction Finance Corporation the public had confidence and the bank was saved.

O my friends, I do not believe that publication of the action of the Reconstruction Finance Corporation in granting money to any bank will be harmful to the bank. That is not reasonable. It is not reasonable to think that the depositors will be annoyed or that they will be frightened by the fact that a lot of new money has been poured into the bank. That is not reasonable. Dawes did not think it was reasonable.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. HOWARD. Oh, yes.

Mr. CHINDBLOM. The Central Republic Bank & Trust Co. was not saved; as a matter of fact, it was closed. It is now liquidating its assets and the Dawes interests have organized an entirely new bank, the City National Bank & Trust Co. of Chicago. The result of the publicity was to make it absolutely impossible for the Central Republic Bank & Trust Co. to continue its business.

Mr. HOWARD. The way it was running, I think it was a pretty good thing.

Mr. CHINDBLOM. The gentleman should be careful in his references to the running of the bank. There was no fault to be found with the running of the bank.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. FIESINGER].

Mr. FIESINGER. Mr. Chairman, I think it is known to a great many Members of the House that I have been a member of the committee that has been making a study of the effect of the low price of silver. I think I have stated before on this floor that I have no interest in silver whatsoever. I am interested, however, in the restoration or the reversal of the downward trend of the commodity-price level, and this is the angle from which we have been studying silver. We have been studying this for nearly a year and I was interested to note that the President of the United

States last night in New York gave expression to the thought that it would be advisable to recognize silver as a part of our monetary reserves. I want to read what he said for the purposes of this record, and I would like to have it stand out emblazoned before the American people:

Nor is it necessary from an international point of view that those nations who have been forced off the gold standard shall be again restored to former gold values. It will suffice if it only is fixed. From this source are the principal hopes for restoring world confidence and reversing the growing barriers to the movement of goods, and making possible the security in trade which will again revive a demand for such goods. To do this it is necessary to have strong and courageous action on the part of the leading commercial nations. If some sort of international financial action is necessary to enable central banks to cooperate for the purpose of stabilizing currencies, nations should have no hesitation in joining in such an operation under proper safeguards. If some part of the debt payments to us could be set aside from temporary use for this purpose, we should not hesitate to do so. At the same time the world should endeavor to find a place for silver, at least in enlarged subsidiary coinage.

I would like to have the House note that the President does not confine his thought to subsidiary coinage of silver or to using silver for subsidiary coinage, but he emphatically states that he would find a place for silver.

I am happy to state that the committee upon which I have had the honor to serve, I think within two or three days, will report out a measure. This measure, I hope—in fact, I know—will contemplate that we stand upon the gold standard; that we must not deviate from the gold standard. However, the committee feels, not perhaps because there is a shortage of gold in the world, but as the President said, this gold has become pocketed, nations and banks are hoarding this gold and do not give it free movement—so the committee, I think, will report out a bill to allow silver to be put into our reserves at the gold price of silver; that is, to extend the monetary reserves.

Along about last August an article appeared in the Saturday Evening Post, which is a conservative journal, on the subject of gold.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield the gentleman five more minutes.

Mr. FIESINGER. I do not want to take the time to read this article, but I will point out the high spots. The point of the article is that in 1816 England went off silver. She went upon a single monetary base, and as a result of this action England went into a depression; in fact, the world went into a depression much as we have it in this country to-day, and as it exists throughout the world. As a matter of fact, there were some 4,000,000 people in England at that time who were upon the rolls. There were bread riots, and people thought that the British Empire was about to fall to pieces.

From 1819 until 1848 there was a fall in the commodity price level; and when new gold was discovered in California and in Australia, and this gold found its way into the circulatory system of the world, commodity prices rose in the United States from 84 in 1851 to 114 in 1854.

Then again, in 1873, when the United States demonetized silver, we had a world falling price level until 1896, when John Hays Hammond discovered gold in the Rand and that gold found its way again into the circulatory system. Commodity prices rose as a result of this gold coming into the circulatory system from 66 in 1896 to 107 in 1910.

Mr. Chairman, I think the President is right. If you had a condition of anemia, we will say, and a doctor came along and prescribed a certain medicine for you and you recovered as a result of this medicine, and 10 years later you had another attack of anemia, and the doctor came along and gave you the same medicine, and you were again restored to health, and then, we will say, that 10 years after this you had another attack of the same disease, what would you do? What would anyone do? They would go back to the same doctor that had restored them on two previous occasions.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. FIESINGER. I yield.

Mr. CHINDBLOM. Does the gentleman recall the medicines that were administered to the American people following the election of 1896?

Mr. FIESINGER. I recall that, but I am saying to you that neither Mr. Bryan nor Mr. McKinley produced that medicine. It was produced in South Africa; and when that gold came into the world, prices were rising before the election of 1896.

Mr. CHINDBLOM. It was produced by the establishment, permanently, of the gold standard in the United States and by the adoption of the McKinley tariff law following the election of 1896.

Mr. FIESINGER. I think the gentleman is mistaken, in that we did not go on the gold standard until 1900.

Mr. CHINDBLOM. It followed the election of 1896, and was followed by legislation two or three years later.

Mr. FIESINGER. The chart will show that commodity prices were rising before the election of 1896 and that it was not due to the tariff.

It seems to be quite generally understood that business stagnation and unemployment are due to the appreciated value of gold. This appreciation of gold is the result of world conditions, and its effect is great injustice as between producer and consumer and debtors and creditors. Gold has appreciated about 50 per cent above normal as reflected in commodity prices and as much as two or three hundred per cent when it reflects real-estate values, which are the base of all our wealth. Gold is a commodity like other commodities, except that it is used as an instrument of measurement in our monetary systems. That is to say, it is a yardstick wherewith to measure the value of other forms of property. That yardstick has increased in measuring length and has the same effect as though a business man buying and selling silk at a dollar a yard should have slipped into his store a measurement for the yard that he used, and did not know about, that was twice as long as the yard. It is conceded by everyone that if we were to increase the quantity of gold by some sudden means, like the discovery of new gold mines, if the quantity were sufficient, that the value of gold would fall and commodity prices as measured by gold would rise. Now, in order to accomplish this in the absence of new gold being discovered it is the purpose of a bill I introduced, No. 14645, to put silver in our metallic reserves at the gold price of silver, so as to extend the base of our metallic reserves much as though new gold were to be placed in our reserves. The effect of this should be to take the strain off gold and thus reflect a rise in commodity price level. It is generally conceded that if the general commodity price level was at 100, as fixed by the United States Department of Labor statistics, that that commodity price level would be a fair relation between producer and consumer and debtors and creditors. In other words, when the commodity price level is at 100, as fixed by the Department of Labor statistics, the purchasing power of gold is in fair relationship to commodities and permits the doing of business between producer and consumer and allows debtors to pay their creditors on a fair basis. The nations of the world, by the manipulation of their currencies with reference to gold, seriously affect the world commodity price level. It is practically within their power by manipulation to say what prices the American farmer shall be given for his wheat, cotton, and other commodities, as well as all wealth which springs from the land. It is the design of this bill to take away from those nations that power and give that power to the United States, which is interested in a fair commodity price level in order to effectually distribute the products of its farms, mines, and factories. This is necessary if we are to restore prosperity, because some of the nations that import prime commodities are interested in a different and a lower commodity price level than we must have in the United States, which is a large producer of prime commodities. It must be understood that this bill does not affect the gold standard nor does it affect the use of gold as the measuring rod, except to bring down the appreciated value of gold where it should be, in our interest, to do justice between producer and consumer and debtor

and creditor. This bill does not recognize free and unlimited coinage of silver at any fixed ratio, thereby calling for a double standard of measurement and making our gold subject to Gresham's law. It would remonetize silver at the gold value of silver and increase the primary money of the world, thus giving a purchasing power to more than half the people of the world. This purchasing power would be translated into terms of commodities, and with that demand for commodities the price level would rise, and with the rise of the price level the banks and our Federal reserve system would again function to nourish commerce and industry.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, we have had some most amusing exhibitions in the Chamber within the last few days. Our brethren across the aisle have put up frequently our friend from Wisconsin [Mr. SCHAFER] to speak for them and inveigh against promises made in the last campaign as not having been fulfilled.

We have our friend from Massachusetts [Mr. UNDERHILL], complaining about extravagances when they have existed ever since he came to Congress and throughout all the 12 years of Republican régime. I was with him 100 per cent on his report, but since then not at any time have I ever heard him speak against them. But now he is going out in a few days and all of a sudden he becomes interested in the subject. I wish that he were going to be here in the next Congress to help us Democrats stop waste and extravagance.

I want to say to my friend that in the last election the people had become tired of the present House of Representatives. They elected a new one. The people had become tired of the occupant of the White House. They elected a new one. The people had become tired of the present membership of the Senate. They elected a new Senate. The people had become tired of the old Congress coming in a year after the election. They passed the lame-duck amendment providing that with the next election the new Congress shall begin to function soon after election.

The new occupant of the White House will not take his oath of office until March 4. If we look outside the Capitol, we will see great preparations are being made for the inaugural of the new President on March 4. The new Senate and the new House of Representatives will not come in until March 4. When March 4 comes, it will be time for holding Democrats responsible for the present conditions.

Mr. BOYLAN. It is only manifestly fair for people to wait until the new government begins to function.

Mr. BLANTON. Yes; but Republicans here can not wait. They are in too big a hurry. I think there will be a change for the better after March 4. I have such confidence in the man who is going into the White House, I have such confidence about his concern respecting the difficulties under which Americans now live, that I believe we are going to have a decided change for the better.

But I want to say that there is one act that was passed by Congress, which I fought against and tried to keep from passing, that if any great relief comes in the direction of the reduction of governmental expenses must be repealed, and that is the reclassification act of 1923.

Why should not Congress have control over the purse strings of the Treasury? Why should not Congress determine what salaries shall be paid? Why should Congress pass that over to some board of employees to determine for themselves and, in effect, fix their own salaries?

I wonder if the American people know that neither the House nor the Senate can control the salaries of employees of the Government under the present law? They can not do it. When the reclassification act was passed in 1923 with respect to salaries, Congress lost all control.

There has been a reorganization for every little unit, and every bureau has been made a separate department of that bureau; and some little clerk, some $1,200 or $1,400 clerk, has been put at the head of that unit, called a department, and he has been made a director or made a deputy or made a superintendent or made a chief or made this, that, or the other in order to form some excuse for raising his salary. We find the salaries raised, doubled, and in instances almost trebled, and that exists to-day. I can exemplify that to you by calling your attention to what has happened in the District of Columbia. Before doing so, I call the attention of the gentleman from Nebraska, Mr. HOWARD, to what would happen if we opened up the hearings on appropriation bills to the general public. Since we have been sitting here to-day there has been a great big printed document of several pages sent here by lobbyists and handed to every Member on this floor, lobbying against one little provision in this bill. If you opened up those hearings to the lobbyists of the United States, you would absolutely make it possible for the big lobbyists of this country to influence almost every appropriation that was put into the bill. You would have them hounding to death every member of the committee. They would be calling at our offices; they would be calling us over the phone; they would be writing us letters, sending us telegrams, and it would be impossible for a member of the Committee on Appropriations to properly function if you would open up those rooms to the lobbyists of the country when hearings were going on on appropriation bills.

I want to call your attention now to the way the 1923 classification act has raised these salaries for the city government of the District of Columbia. I have gathered the statistics respecting every bureau of the Government, but to have authentic figures I had the auditor of the District, Mr. Donovan, prepare a list of the employees who get more than $2,500 a year in the District government, and give their raises in salary since 1923. Remember you are paying about $8,500,000 right now of the people's money toward the expense of this District every year, and you have paid as high as $11,000,000 in past times. I ask unanimous consent to extend my remarks in the RECORD and to include some tables, because I shall refer in my remarks only to certain items in such tables.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I will now quote from the hearings before the Committee on Appropriations held on the District of Columbia appropriation bill for the fiscal year 1933, and the positions relate to employees of the District of Columbia only, whose salaries are above $2,500 per annum:

NAMES AND POSITIONS OF EMPLOYEES RECEIVING OVER $2,500 AND SALARIES PRIOR TO RECLASSIFICATION ACT

Mr. BLANTON. Mr. Chairman, in that connection, I want to ask that the committee have Mr. Donovan prepare and submit a table in the hearing showing the names of all employees of the District government who now receive over $2,500 per annum, showing what salaries they drew prior to the reclassification act, under what names their positions then were designated, and also showing those who have come into new positions, who are now drawing over $2,500, and showing what their predecessors drew prior to the reclassification act.

I am making a study of that with respect to all the departments of the Government, and that has been done in regard to the other departments. I would like to have that included in the hearing on the District bill.

Mr. CANNON. That data is being compiled for all the departments, and we will be glad if the auditor could give us that information in regard to the District government.

Mr. DONOVAN. We will prepare such information and insert it in the record.

(The statement referred to is as follows:)

*Statement of positions in the government of the District of Columbia under the classification act of 1923, the present salaries of which are over $2,500, together with the salaries of the positions in 1923, immediately prior to the date the classification act became effective*

| Name of employee | Present salary | Position | Salary of position prior to classification act of 1923 |
|---|---|---|---|
| Executive office: | | | |
| Commissioner | $9,000 | Commissioner | $5,000 |
| Do | 9,000 | do | 5,000 |
| Garges, Daniel E | 5,600 | Secretary, Board of Commissioners | 2,700 |

*Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.*—Continued

| Name of employee | Present salary | Position | Salary of position prior to classification act of 1923 |
|---|---|---|---|
| Purchasing division: | | | |
| Hargrove, M. C | $5,400 | Purchasing officer | $3,000 |
| Lindsay, M. D | 3,300 | Principal assistant purchasing officer | (1) |
| Gelbman, J. I | 3,300 | Chief, printing section | (1) |
| Kennedy, J. T | 3,100 | Deputy purchasing officer | 1,800 |
| Teachum, G. F | 2,900 | Assistant purchasing officer | 1,800 |
| Teepe, W. T | 2,600 | Chief clerk | 1,500 |
| Building-inspection division: | | | |
| Oehmann, J. W | 5,800 | Inspector of buildings | 3,000 |
| Scullen, A. J | 3,400 | Chief engineer computer | (1) |
| Lindholm, S. G | 3,400 | Zoning engineer, zoning commission | (1) |
| McGuire, J. J | 3,400 | Engineer computer | 2,000 |
| Daly, J. B | 3,400 | do | 1,800 |
| Downing, J. W | 3,300 | Deputy inspector of buildings | 2,000 |
| Dollins, H. D | 3,300 | Engineer computer | 1,800 |
| Gedney, Ralph | 3,200 | Chief engineer inspector | (1) |
| Johnstone, J. E | 3,200 | Zoning engineer, building department. | (1) |
| Ritchie, John | 2,800 | Chief clerk | 1,800 |
| Frankhouser, R. V | 2,700 | Steel inspector | (2) |
| Newman, William | 2,700 | do | (1) |
| Rogers, A. T | 2,700 | Concrete inspector | (1) |
| Downman, J. R | 2,700 | do | 1,800 |
| Sherrier, C. W | 2,600 | Steel inspector | (1) |
| Dulin, E. M | 2,600 | Concrete inspector | (1) |
| Price, Roy A | 2,600 | do | (1) |
| Kimball, J. J | 2,600 | Chief field inspector | 1,500 |
| Roche, T. F | 2,600 | Inspector of signs | (1) |
| Brown, J. M | 2,600 | Chief elevator inspector | 1,680 |
| Plumbing-inspection division: | | | |
| McGonegal, A. R | 3,200 | Inspector of plumbing | 2,000 |
| Tapp, Samuel | 2,600 | Assistant inspector of plumbing | 1,550 |
| Mallet, Edmond | 2,600 | do | 1,360 |
| Lucas, Reese H | 2,600 | Inspector of refrigeration | (1) |
| Care of District Building: Brooke, E. P. | 3,500 | Superintendent, District Building | 2,240 |
| Assessor's office: | | | |
| Richards, W. P | 7,500 | Assessor | 3,500 |
| Russell, Charles A | 5,600 | Deputy assessor | (1) |
| Allen, Fred A | 4,800 | Assistant assessors | 3,000 |
| Johnson, L. S | 4,800 | do | 3,000 |
| Bardroff, John T | 4,800 | do | 3,000 |
| Gunther, Frank A | 4,800 | do | 3,000 |
| Edwards, Daniel H | 4,800 | do | 2,000 |
| Willige, Augustus | 4,800 | do | 2,000 |
| Gaines, Lloyd F | 4,800 | do | 3,000 |
| Fletcher, Edward B | 4,600 | do | 3,000 |
| Fitzgerald, M. C | 3,000 | do | 2,000 |
| Allmond, Harry | 2,700 | Field man | 2,000 |
| Causey, Foster | 2,500 | Chief, special assessment | 2,000 |
| Collector's office: | | | |
| Towers, C. M | 6,000 | Collector of taxes | 4,000 |
| Clark, W. D | 3,000 | Deputy collector of taxes | |
| Auditor's office: | | | |
| Donovan, D. J | 9,000 | Auditor and Budget officer | 4,000 |
| Pilkerton, A. R | 4,600 | Principal assistant auditor | (1) |
| Wilding, W. G | 3,100 | Assistant auditor | (1) |
| McKimmie, S | 3,400 | do | 2,700 |
| Cain, B. J | 3,000 | Chief, bookkeeping section | 2,160 |
| Harrison, B. A | 2,900 | Property survey officer | 2,160 |
| Hipkins, W. A | 2,600 | Chief, pay-roll section | 1,800 |
| Ward, J. H | 2,700 | Chief, audit section | 1,600 |
| Lepson, F. P | 2,600 | Chief, retirement section | 2,040 |
| Thornett, G. M | 2,700 | Secretary, District personnel board | (1) |
| Lusby, J. R | 3,600 | Disbursing officer | 3,000 |
| Wright, K. P | 3,000 | Deputy disbursing officer | 1,840 |
| Corporation counsel: | | | |
| Bride, W. W | 9,000 | Corporation counsel | 5,500 |
| West, Vernon E | 7,000 | Principal assistant corporation counsel. | 3,000 |
| Roberts, Wm. A | 7,000 | Special assistant corporation counsel | (1) |
| Lynch, Robert E | 6,000 | Assistant corporation counsel | (1) |
| Fowler, Walter L | 5,600 | do | 1,800 |
| Stephens, F. H | 4,800 | do | 2,500 |
| Thomas, Edw. W | 4,000 | do | (1) |
| Wahly, William H | 3,800 | do | 2,000 |
| Cameron, Thomas F | 3,200 | do | 1,606 |
| Walsh, T. G | 3,200 | do | 1,500 |
| DeNeale, Stanley | 3,200 | do | 1,000 |
| Gray, Chester H | 3,200 | do | (1) |
| Welliver, E. M | 2,800 | do | 1,500 |
| Sparks, Raymond | 2,600 | do | 1,500 |
| Dawson, Edw. S | 3,200 | Inspector of claims | 1,878 |
| Giebel, Adam A | 2,700 | Chief clerk | 1,400 |
| Coroner's office: Rogers, Joseph D. | 3,200 | Coroner | 1,800 |
| Weights, measures, and markets: Roberts, George M. | 3,700 | Superintendent | 2,740 |
| Chief clerk, engineer department. | | | |
| Brennan, Roland M | 4,000 | Chief clerk, engineer department | 2,490 |
| Handiboe, William N | 3,000 | Assistant chief clerk, engineer department. | 2,040 |
| Meaney, John | 2,600 | Clerk | (1) |
| Municipal architect's office: | | | |
| Harris, A. L | 7,500 | Municipal architect | 3,600 |
| Walsh, S. B | 5,600 | Assistant municipal architect | (1) |
| Marsh, H. H | 4,600 | Chief, structural division | 2,640 |

[1] Created since 1923. [2] Per diem.

*Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.*—Continued

| Name of employee | Present salary | Position | Salary of position prior to classification act of 1923 |
|---|---|---|---|
| Municipal architect's office—Continued. | | | |
| Bennett, C. A | $4,600 | Chief, mechanical division | $2,118 |
| Coe, M. A | 3,800 | Chief, architectural division | 2,431 |
| Warren, George | 3,800 | Chief, inspection division | (1) |
| Holmes, Osgood | 3,200 | Associate engineer | 2,431 |
| Thrasher, R. H | 3,300 | do | (1) |
| Blatt, R. C | 3,200 | do | (1) |
| Hutson, A. G | 3,200 | do | (1) |
| Gregg, Charles | 3,800 | Chief, specification division | (1) |
| Peckham, C. I | 3,800 | Engineer | (1) |
| Soars, L | 3,300 | Associate engineer | (1) |
| Bubb, Ralph S | 3,200 | do | (1) |
| Greenleaf, A. H | 3,200 | do | (1) |
| Myers, H. F | 3,200 | do | (1) |
| Hooe, H. H | 3,200 | do | (1) |
| Cullinane, J. J | 3,200 | do | (1) |
| Redington, R. B | 3,200 | do | (1) |
| Johnston, L. P | 3,200 | do | (1) |
| Smith, H. J | 3,200 | do | (1) |
| Cuthriell, J. I | 3,200 | do | (1) |
| Conway, R. A | 3,200 | do | (1) |
| Draper, W. A | 3,200 | do | (1) |
| Brown, L. H | 2,600 | do | (1) |
| Newman, L. J | 2,600 | do | (1) |
| Grant, Paul | 2,600 | do | (1) |
| Phillips, F. D | 2,600 | Superintendent of construction | 2,240 |
| Dicks, R. L | 2,600 | Assistant engineer | (1) |
| Wotier, A. A | 2,600 | do | (1) |
| Sweet, T. S | 2,600 | do | (1) |
| Durfee, N. B | 2,600 | do | (1) |
| Horton, E. F | 2,600 | do | (1) |
| Lind, A. R | 2,600 | do | (1) |
| Hale, W. T | 2,600 | do | (1) |
| Morrett, O. F | 2,600 | do | (1) |
| Whitcomb, R. L | 2,600 | do | (1) |
| Schultz, A. H | 2,600 | do | (1) |
| Freeman, D. C | 2,600 | do | (1) |
| Bradley, J. E | 2,600 | Chief engineering inspector | 1,961 |
| Repair shop: | | | |
| Wormington, L. C | 3,800 | Engineer in charge | (1) |
| Storey, Henry | 3,100 | Superintendent of repairs | 1,800 |
| Public Utilities Commission: | | | |
| Bachman, B. M | 5,000 | Chief accountant | 3,000 |
| Fisher, Earl V | 4,800 | Executive secretary | 4,000 |
| Reynolds, I. L | 4,600 | Chief engineer | (1) |
| Murray, J. D | 3,800 | Valuation accountant | (1) |
| Tate, T. R | 3,800 | Valuation engineer | (1) |
| Martin, J. L | 3,500 | Senior accountant | (1) |
| Dunlap, W. H | 3,300 | Engineer | 3,000 |
| Steele, H. B | 3,300 | Accountant and auditor | (1) |
| Runyan, E. G | 3,200 | Inspector of gas and meters | 2,240 |
| Porter, W. T | 2,900 | Associate accountant | (1) |
| Hoysradt, H. V | 2,700 | Inspector of electric meters | 2,040 |
| Milligan, E. J | 2,700 | Chief clerk | 2,040 |
| Nicholson, J. M | 2,700 | Research assistant | (1) |
| Falk, J. W | 2,600 | Assistant accountant and auditor | (1) |
| Putnam, A. C | 2,600 | Assistant engineer | (1) |
| Insurance department: | | | |
| Davis, H. L | 4,600 | Superintendent | 3,500 |
| Bryan, F. D | 3,500 | First deputy | 3,000 |
| Creighton, C. F | 2,900 | Second deputy | 2,000 |
| Surveyor's office: | | | |
| Hazen, M. C | 5,000 | Surveyor | 3,000 |
| Boyd, W. I | 3,500 | Assistant surveyor | 2,000 |
| Dent, E. A | 3,500 | Assistant engineer | 1,800 |
| Pelz, C. E | 3,000 | do | 1,500 |
| Williams, W. A | 2,900 | do | (1) |
| Armstrong, J. C | 2,800 | do | 1,565 |
| Jarboe, J. A | 2,800 | do | 1,500 |
| Hale, M. J | 2,800 | Computer | 1,565 |
| Healy, F. F | 2,800 | Assistant engineer | 1,200 |
| Crickenberger, G. W | 2,700 | do | (1) |
| Vehicles and traffic: | | | |
| Van Duzer, W. A | 7,500 | Director of traffic | (1) |
| Harland, W. H | 5,400 | Assistant director | (1) |
| Eldridge, M. O | 4,800 | do | (1) |
| Seiler, A. G | 2,900 | Office engineer | (1) |
| Bell, M. W | 2,600 | Chief clerk | (1) |
| Free public library: | | | |
| Bowerman, G. F | 8,000 | Chief librarian | 4,000 |
| Herbert, Clara W | 4,600 | Assistant librarian | 2,000 |
| Hance, Emma | 3,400 | Director reference work | 1,500 |
| Latimer, Louise P | 3,300 | Director children's work | 1,600 |
| Thompson, Ralph L | 3,300 | Librarian, Mount Pleasant branch | (1) |
| Finney, Grace B | 3,300 | Chief, circulating department | 1,760 |
| Laskey, Julia H | 3,200 | Chief, catalogue department | 1,400 |
| Purdum, W. T | 3,200 | Chief, acquisitions and binding | (1) |
| McHale, Cecil J | 3,200 | Librarian, northeast branch | (1) |
| Osborne, Frances S | 2,700 | Librarian, southeast branch | 1,400 |
| Bubb, M. Ethel | 2,700 | Assistant director children's work | (1) |
| Clark, C. H | 2,600 | Superintendent, school work | 1,260 |
| Williams, M. D | 2,600 | Superintendent, extension work | (1) |
| Lacey, Ethel A. L | 2,600 | Curator of Washingtonians | (1) |
| Cavanagh, Helen L | 2,800 | Chief clerk | 1,560 |
| Chaney, Alvan C | 2,600 | Superintendent of buildings and grounds. | (1) |
| Register of wills: | | | |
| Cogswell, Theodore | 6,400 | Register of wills | 4,000 |
| Mersch, Victor S | 4,800 | First deputy | 3,200 |
| Melvin, J. Margues | 3,100 | Second deputy | 2,700 |

[1] Created since 1923.

*Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.*—Continued

| Name of employee | Present salary | Position | Salary of position prior to classification act of 1923 |
|---|---|---|---|
| Register of wills—Con. | | | |
| James, Chas. J | $2,700 | Appraiser | $1,800 |
| McLaughlin, Francesca. | 2,700 | Disbursing clerk | 2,250 |
| Recorder of deeds: | | | |
| Coage, Jefferson S | 5,500 | Recorder of deeds | 4,000 |
| Fisher, Wm. N | 3,500 | First deputy recorder | 2,500 |
| Tompkins, R. W | 2,900 | Second deputy recorder | 2,000 |
| Highways department: | | | |
| Whitehurst, H. C | 7,500 | Director of highways | (1) |
| Robertson, L. P | 5,600 | Engineer of streets | (1) |
| Whyte, C. R | 4,800 | Engineer of bridges | 2,740 |
| Fennell, A. S | 4,800 | Engineer of construction | (1) |
| Clemmer, H. F | 4,800 | Engineer of tests | (1) |
| Davison, F. M | 4,800 | Engineer of maintenance | (1) |
| Howser, H. R | 3,800 | Assistant engineer of bridges | (1) |
| Couch, F. B | 3,400 | Superintendent of streets | 2,240 |
| Gass, S. J | 3,400 | Superintendent of roads | 2,490 |
| Cleaver, Vernon | 3,400 | Inspector asphalt and cements | 2,640 |
| Grabill, L. R | 3,300 | Assistant engineer of maintenance | (1) |
| Robertson, J. N | 3,300 | Assistant engineer of construction | (1) |
| Emack, E. G | 3,100 | Assistant engineer | 2,040 |
| Wager, C. E | 2,800 | Topographic engineer | 2,275 |
| MacGregor, W. B | 2,800 | Assistant engineer (grading) | 2,275 |
| Rousseau, J. G | 2,700 | Assistant engineer (asphalt) | 2,440 |
| Elbert, J. C | 3,100 | Assistant engineer computations | (1) |
| Curtin, J. J | 3,000 | Assistant engineer of alleys | (1) |
| Champion, W. B | 2,900 | Chief inspector | (1) |
| Roach, G. H | 2,800 | Assistant engineer (concrete) | (1) |
| Preston, H. C | 2,700 | Assistant engineer (substitute repairs). | (1) |
| Watson, L. R., jr | 2,600 | Assistant engineer (concrete) | (1) |
| Sencindiver, J. A | 2,600 | Assistant engineer (asphalt) | (1) |
| Gainey, Morris | 2,600 | Principal inspector | (1) |
| Hoover, Walter | 2,600 | do | (1) |
| Bourgois, R. L | 1,960 | Superintendent of minor repairs | (1) |
| Trees and parking: | | | |
| Lanham, C | 5,200 | Superintendent | 2,000 |
| Wallace, C. B | 3,200 | Assistant superintendent | 1,350 |
| Sewer department: | | | |
| Gordon, J. B | 7,500 | Director of sanitary engineering | (1) |
| Black, A. D | 5,000 | Engineer of sewers | 3,300 |
| Chapin, R. S | 4,000 | Operation and maintenance | 2,118 |
| Baden, C. C | 3,500 | Assistant engineer | 2,040 |
| Sagrario, S. C | 3,300 | Mechanical designer | 2,118 |
| Johnson, Elwood | 3,200 | Associate maintenance engineer | 2,118 |
| Robinson, J. F | 2,900 | Assistant engineer | 1,740 |
| Iden, F. H | 2,900 | do | 2,118 |
| Fitzpatrick, W. T | 2,900 | do | 1,740 |
| Byrnes, W. M | 2,900 | do | 2,118 |
| Dick, J. H | 2,900 | Chief clerk | 2,118 |
| Steele, F. K | 2,900 | Principal steam engineer | 2,330 |
| Harbaugh, Y. D | 2,700 | Assistant engineer | 1,840 |
| Pearson, G. W | 2,700 | Assistant to sanitary engineer | (1) |
| Auld, D. V | 2,600 | Draftsman | 1,440 |
| Press, E. A | 2,600 | do | 1,648 |
| Gleason, J. F | 2,600 | Chief inspector | 1,640 |
| Dent, J. T | 2,600 | Chief overseer | 2,431 |
| City refuse division: | | | |
| Hacker, Morris | 6,000 | Supervisor, city refuse | 4,000 |
| Costigan, T. L | 5,000 | Superintendent, street cleaning | 3,000 |
| Crane, J. G | 5,000 | Superintendent, garbage reduction plant. | 2,500 |
| Russell, H. O | 3,000 | Assistant superintendent, garbage plant. | 2,100 |
| Corder, G. K | 2,800 | Superintendent, trash service | 2,000 |
| Murray, J. D | 3,200 | Master mechanic | 2,000 |
| Edgington, F. E | 2,900 | Administrative assistant | 2,400 |
| Meeks, B. M | 2,600 | Chief clerk | 1,800 |
| Krams, H. F | 2,700 | Accountant | 1,800 |
| Wood, W. R | 2,700 | Superintendent garbage collection | 2,000 |
| Brooke, A. G | 2,600 | Superintendent ash service | 1,760 |
| Santmyer, E. L | 2,600 | Master mechanic | 1,600 |
| Grenfell, F. W | 2,850 | Veterinarian (part time) | 1,400 |
| Greene, A. B | 3,800 | Resident engineer | (1) |
| Playground department: | | | |
| Baker, Sybil | 4,600 | Supervisor of playgrounds | 2,500 |
| Tennyson, R. S | 2,900 | Assistant supervisor | (1) |
| Electrical department: | | | |
| Kern, W. E | 4,600 | Electrical engineer | 2,750 |
| Simpson, J. C | 3,400 | Electrical inspector | 2,000 |
| Lyman, F. C | 3,400 | do | 1,800 |
| Murray, J. J | 2,600 | do | 1,350 |
| Zebley, J. S | 2,700 | Chief electrical inspector | 1,560 |
| Public schools: | | | |
| Anderson, R. S | 3,200 | Statistician | (1) |
| Hine, H. O | 3,500 | Secretary, board of education | 2,000 |
| Holt, R. W | 3,500 | Chief accountant | 2,000 |
| McQueeney, H. F | 3,500 | Superintendent of janitors | 1,500 |
| Metropolitan police: | | | |
| Crawford, H. E | 3,500 | Chief clerk | 2,400 |
| Brandenburg, W. H | 3,040 | Police and fire surgeon | 1,600 |
| Reed, J. A | 3,040 | do | 1,600 |
| Borden, D. L | 3,040 | do | 1,600 |
| Allen, F. McJ | 3,040 | do | 1,600 |
| Marbury, W. B | 3,040 | do | (1) |
| Williamson, F. Y | 3,040 | do | (1) |
| Health department: | | | |
| Fowler, W. C | 7,000 | Health officer | 4,000 |
| Schwartz, E. J | 5,600 | Assistant health officer | 2,500 |
| Cumming, J. G | 4,600 | Chief, preventable diseases | 2,750 |
| Reed, J. B | $4,600 | Chemist | $2,000 |
| Donaldson, E. R | 3,800 | Microanalyst | (1) |
| Cole, A. G | 3,200 | Chief clerk and deputy | 2,500 |
| Porch, J. P | 3,200 | Serologist | 2,500 |
| Yongue, N. E | 2,600 | Assistant chemist | 1,500 |
| Butts, J. F | 2,600 | Chief sanitary inspector | 1,800 |
| Ashworth, R. R | 4,600 | Chief food inspector | 1,800 |
| Gelston, S. L | 2,700 | Food inspector | 1,400 |
| Neale, H. V | 2,700 | do | 1,400 |
| Shumate, T. J | 2,700 | do | 1,000 |
| Conroy, J. G | 2,700 | do | 1,200 |
| Lanahan, F. R | 2,700 | do | 1,400 |
| Sando, E. R | 2,700 | do | 1,400 |
| Sproesser, T. W | 2,700 | do | 1,200 |
| Hailman, J. A | 2,600 | do | 1,400 |
| Martin, R. L | 2,600 | do | 1,200 |
| Smith, W. R | 3,080 | Poundmaster | 1,400 |
| Murphy, J. A | 4,800 | Chief medical and sanitary inspector of schools. | 2,500 |
| Davis, H. J | 2,800 | Director, child hygiene service | 1,500 |
| Noble, J. E | 4,800 | Bacteriologist | 2,240 |
| Bradfield, J. D | 3,400 | Medical inspector | 2,000 |
| Grayson, S. M | 3,400 | do | 1,720 |
| Fisher, Howard | 2,800 | do | 1,250 |
| Juvenile court: | | | |
| Sellers, Kathryn | 7,000 | Judge | 3,600 |
| Sellers, C. F | 2,600 | Clerk of the court | 2,000 |
| Ezekiels, Jeannette | 3,200 | Chief probation officer | 2,000 |
| Lyons, J. Leonard | 2,600 | Assistant chief probation officer | 1,500 |
| Bayles, Mary H | 2,600 | Director department of inquiry | (1) |
| Police court: | | | |
| Sebring, F. A | 3,800 | Clerk of the court | 2,200 |
| Norgren, W. A | 2,900 | Chief deputy clerk | (1) |
| Alienist: Hickling, D. Percy. | 3,500 | Alienist | 1,500 |
| Board of Public Welfare: | | | |
| Wilson, George S | 8,000 | Director of public welfare | (1) |
| Kirby, Paul L | 5,600 | Assistant director | (1) |
| Tobin, Dr. R. F | 3,400 | Medical officer | 1,400 |
| Allen, Mary P | 3,200 | Administrative assistant | 1,600 |
| Davies, Emma | 2,800 | Supervisor, home care | (1) |
| Snyder, Wm. I | 3,000 | War veterans' service | (1) |
| Morss, A. Patricia | 3,200 | Chief, child welfare | 1,800 |
| Donahue, A. M | 2,700 | Supervisor | 1,740 |
| Closson, Eleanor | 2,600 | do | 1,500 |
| Miller, R. R | 2,600 | Social worker | 900 |
| Jail: | | | |
| Peak, W. L | 4,400 | Superintendent | 1,680 |
| Angevine, W. K | 2,600 | Physician | (1) |
| Workhouse and reformatory: | | | |
| Hornbaker, F. W | 3,200 | do | 1,680 |
| Barnard, M. M | 6,000 | Superintendent, penal institution | 3,500 |
| Tawse, A. C | 5,000 | Superintendent, reformatory | 1,800 |
| Bischoff, J. E. C | 4,600 | Business manager | (1) |
| Petitt, A. L | 4,200 | Superintendent, workhouse | 1,680 |
| Haar, H. R | 3,400 | Construction engineer | 1,800 |
| Schreyer, Geo | 3,100 | Superintendent of foundry | (1) |
| Selecman, J. R | 3,000 | Superintendent of brick plant | 1,500 |
| Fling, J. A | 2,600 | Chief agriculturist | (1) |
| Hanger, Chas. W | 2,800 | Chief accountant | (1) |
| Green, E. Allen | 2,800 | Chief mechanical division | (1) |
| Coffin, Frank | 2,500 | Steward | 1,500 |
| Lambert, N. S | 2,500 | Head brick burner | (1) |
| National Training School for Girls: Richardson, L. R. | 3,000 | Superintendent | 1,440 |
| Tuberculosis Hospital: | | | |
| Peabody, Dr. J. W | 4,600 | Superintendent | 2,040 |
| Risk, Dr. W. A | 2,800 | Resident physician | 840 |
| Finucane, Dr. D. L | 2,600 | Assistant resident physician | 840 |
| Gallinger Municipal Hospital: | | | |
| Bocock, Dr. E. A | 7,500 | Superintendent | (1) |
| Gilbert, Dr. J. G | 5,600 | Chief psychiatrist | (1) |
| Leffler, Dr. H. H | 4,600 | Medical officer | (1) |
| Kelk, Dr. J. A | 3,200 | Associate medical officer | (1) |
| King, Dr. C. V | 3,200 | Röntgenologist | (1) |
| Silverman, Dr. I | 3,200 | Associate medical officer | (1) |
| Malone, Dr. Lillian | 2,600 | Resident clinical director | (1) |
| McCullagh, Dr. Wm | 2,600 | do | (1) |
| Collins, Dr. J. L | 2,600 | Assistant medical officer | (1) |
| Skinner, Dr. V. V | 2,600 | Assistant dentist | (1) |
| Moran, Catherine E | 2,600 | Superintendent of nurses | 1,440 |
| Snyder, Bradley A | 2,600 | Chief engineer | (1) |
| District Training School: Jones, K. B. | 6,000 | Superintendent | (1) |
| Industrial Home School (colored): Tucker, Wendell P. | 2,600 | do | 1,200 |
| Industrial Home School (white): Cassie, E. W. | 3,000 | do | 1,740 |
| Home for Aged and Infirm: Haskell, Frank B. | 3,500 | do | 1,200 |
| Militia: Nevitt, P. G | 3,200 | Administrative assistant | 2,040 |
| Public buildings and parks: | | | |
| Gartside, Frank T | 5,000 | Division chief | 2,500 |
| Clark, George E | 4,800 | Engineer in charge | 3,000 |
| Payne, Irving W | 4,600 | Landscape architect | 3,300 |

[1] Created since 1923.

*Statement of positions in the government of the District of Columbia under the classification act of 1923, etc.*—Continued

| Name of employee | Present salary | Position | Salary of position prior to classification act of 1923 |
|---|---|---|---|
| Public buildings and parks—Continued. | | | |
| Ranger, Donald R. | $3,200 | Associate civil engineer | $(1) |
| Saunders, David E. | 3,200 | Section chief | 1,860 |
| Hanson, August H. | 3,200 | Assistant landscape architect | (1) |
| Emmett, Thomas T. | 2,700 | Chief of party | 1,502 |
| Bailey, T. L. | 2,600 | Assistant civil engineer | (1) |
| Wigglesworth, T. H. | 2,600 | do | (1) |
| Smith, Percy E. | 2,600 | do | (1) |
| Hoffman, Irvin N. | 2,700 | Engineer draftsman | (1) |
| Kinnear, Wm. E. | 2,600 | do | (1) |
| Balluff, R. B. | 2,600 | Assistant chief section | 1,860 |
| Clyde-Burton, A. | 3,400 | Assistant division chief | 1,800 |
| Ely, Lewis B. | 3,400 | do | 1,860 |
| Taylor, Hazel F. | 2,600 | Deputy disbursing clerk | 1,860 |
| Sheets, Wm. S. | 3,000 | Section chief | (1) |
| Kincheloe, R. W. | 2,700 | Foreman carpenter | 2,100 |
| Littleton, Edwin C. | 2,600 | Chief painter | 2,040 |
| Lewis, Harry B. | 2,600 | General foreman | 1,920 |
| McNally, William | 2,600 | do | 1,860 |
| Roche, John | 2,600 | do | 2,040 |
| Watt, George | 2,600 | do | 2,100 |
| National Capital Park and Planning Commission: | | | |
| Nolen, John J. | 4,600 | City planner | (1) |
| Settle, Thomas S. | 4,600 | Secretary | (1) |
| Jeffers, Thomas S. | 3,800 | Landscape architect | (1) |
| Ryder, James A. | 3,200 | Associate engineer | (1) |
| Haiber, William F. | 2,800 | Draftsman | (1) |
| Kelly, Edward J. | 3,400 | Assistant motion-picture producer | (1) |
| Nolte, Carl R. | 2,600 | Assistant secretary | (1) |
| Eliot, Charles W. | [2] 20 | Director of planning | (1) |
| Zoological Park: | | | |
| Mann, W. M. | 6,500 | Director | 3,300 |
| Walker, E. P. | 4,800 | Assistant director | 2,500 |
| Blackburne, W. H. | 3,200 | Head keeper | 2,400 |
| Clark, T. F. | 3,100 | Department disbursing agent | 2,200 |
| DuPre, D. L. | 2,600 | Property clerk | 1,800 |
| Water department: | | | |
| Holton, D. W. | 5,800 | Superintendent | 3,300 |
| Beckett, H. | 4,800 | Engineer | 2,640 |
| Lanham, Paul | 4,000 | do | 1,928 |
| Grove, E. H. | 3,500 | Water registrar | 2,640 |
| Lay, A. S. | 3,300 | Assistant engineer | 2,040 |
| Woodward, W. R. | 3,200 | do | 1,940 |
| Hibbs, L. I. | 3,200 | do | 1,752 |
| Van Doren, W. T. | 3,200 | do | 2,003 |
| Gibbons, A. E. | 3,200 | Master mechanic | 2,740 |
| Robertson, W. V. | 2,900 | Property officer | 2,160 |
| Lybrand, A. W. | 2,800 | Assistant engineer | 1,565 |
| Beckett, C. C. | 2,800 | do | 1,643 |
| Hebbard, R. L. | 2,800 | do | 1,752 |
| Wilson, T. L. | 2,700 | do | 2,040 |
| Hoeke, H. W. | 2,600 | do | (1) |
| Robertson, N. B. | 2,600 | Chief clerk | 2,040 |

[1] Created since 1923. [2] Per diem.

Mr. BLANTON. Mr. Chairman, the foregoing are merely the employees of the District government whose salaries are over $2,500 per year. There is a great army of them who get less than $2,500.

I also had the following information given by the auditor:

DISTRICT EMPLOYEES RECEIVING PAY AS RETIRED EMERGENCY OFFICERS, ETC.

Mr. BLANTON. In that connection, there is one other matter that should be included in that table, and that is a list of all employees of the District government, if there are any, who are drawing, in addition to their salaries, emergency retired pay as retired emergency officers.

I want that information also because I am checking that up in the other departments.

Mr. DONOVAN. I insert in the record the following statements.

(The statements referred to are as follows:)

*Statement listing employees of the District government who are receiving "emergency retired pay" showing their present positions with the salary received therefrom*

| Name | Official position | Salary | Pension |
|---|---|---|---|
| Register of wills, Cogswell, Theodore. | Register of wills | $6,400 | $125 per month. |
| Police department, McGrath, William H. | Private, class 6 | 2,400 | $116.87 per month. |
| Tuberculosis Hospital, Lavalley, George E. | Property officer | 1,440 | $133.78 per month. |

You will note, Mr. Chairman, that I had Auditor Donovan put in the amount of the salary the individual drew before the 1923 classification act was passed and the salary that he now draws. Look at some of these positions and how they have been changed and made into director or superintendent or chiefs and deputies.

Take the Commissioners of the District. When that act was passed they got $5,000 a year, and they now get $9,000. Quite a raise, is it not? Then take Daniel E. Garges, the secretary. He got $2,700 a year before the act was passed, and now he gets $5,600. Then there is Mr. Hargrave, who is in the purchasing division. He used to get $3,000 a year, and now he gets $5,400 a year. He has an assistant getting $3,200 a year. Then the chief of the printing section gets $3,300 and the deputy $3,100. There is another assistant at $2,900, and another chief clerk at $2,600. Remember, if you please, before you passed the reclassification act you had three commissioners, and each one of them controlled certain units of the Government's business. There were just three units, one for each commissioner, and they had one clerk and one secretary, but they have divided all those things up now into bureaus and divisions and departments, with a clerk and secretary for each one of them.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CANNON. Mr. Chairman, I yield 10 minutes more to the gentleman from Texas.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a minute. You will find a clerk for almost every unit at a tremendous salary, nearly double what the clerk for the whole business used to get. Here is the building inspection division. The salary of Mr. Oehmann was raised from $3,000 to $5,800, and Mr. McGuire's from $2,000 to $3,400, that of Mr. J. B. Daley from $1,800 to $3,400. There is another here from $1,800 to $3,300, and then all these assistants and deputies. There is another at $3,200, then Mr. Johnson at $3,200, Mr. Richie at $2,500, Mr. Newman at $2,700, Mr. Hodges at $2,700, Mr. Downey at $2,700, another at $2,600, Mr. Price at $2,600, Mr. Campbell at $2,600, Mr. Roach at $2,600, Mr. Brown at $2,600. They are all assistants and deputies who are in charge of certain little divisions under that one division.

Then we have here the assessor's office. Mr. Richards used to get $3,500 before the act was passed, and now he gets $7,500, and his deputy gets $5,600. Then he has six assistant assessors who used to get $3,000, and all of them now get $4,800. He has two more assistants that used to get $2,000, and they have been raised to $4,800 each by this board. Then you have the collector of taxes, raised from $4,000 to $6,000, and a deputy of $3,000, and then the auditor, Mr. Donovan. Before this act was passed he got $4,000, and he has been raised to $9,000, a $5,000 raise. There is an assistant auditor at $3,100, and another assistant auditor at $3,400, and then a principal assistant auditor at $4,600, and then a chief bookkeeper at $3,000. Pretty high for a bookkeeper, is it not? How many bookkeepers have you in your banks at home who get $3,000 a year?

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes. Certainly.

Mr. GOSS. Is the gentleman giving notice to the House that he is going to offer amendments to limit these salaries?

Mr. BLANTON. What is the use? You can not do it. The board fixes them.

Mr. GOSS. Not under a limitation.

Mr. BLANTON. I want to say to the gentleman that I have before the committee a bill, House Joint Resolution No. 344, that has been there for over a year to repeal this act. The gentleman could help us get the committee to vote that bill out and pass it.

Mr. GOSS. Under the emergency retirement act? I am for it.

Mr. BLANTON. The gentleman has in mind my bill, House Joint Resolution No. 355, to repeal the emergency officers' retirement act, that I have before his committee, but he has not taken any action on many features of it.

Mr. GOSS. It is not before our committee.

Mr. BLANTON. Oh, yes, it is. It is my resolution 355 before his committee and 344 is before another committee.

Mr. GOSS. The chairman of the committee is here. He might answer the gentleman better than I can.

Mr. BLANTON. Well, I want the gentleman to get busy and vote out the entire resolution, No. 355. The committee has reported a part of my resolution, and passed part of it, but not all of it. I wish the gentleman would report the balance of it.

Mr. GOSS. I hope the gentleman will talk to some of his Democratic colleagues on that committee.

Mr. BLANTON. Oh, there is no man here who deserves more credit and commendation than the chairman of the gentleman's committee [Mr. McSWAIN]. He is a splendid, hard working, earnest representative of the people, and he has done a lot of work in there. He has shown me that he has got the guts to act and is not afraid. He is not afraid to act. Within a reasonable time we will get some action on No. 355, but we must repeal this classification act. We must retain control of Congress over the purse strings of the Treasury. It is outrageous that we permit a board to sit here and double and treble salaries, paying ordinary bookkeepers three and four thousand dollars a year out of the people's Treasury, when bookkeepers in banks back home get fifteen hundred and eighteen hundred and two thousand dollars, and not much more than that.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CANNON. I yield the gentleman 10 additional minutes.

Mr. BLANTON. Here is the corporation counsel. He is a splendid fellow. He is a good friend of mine and I like him. He is a bully good fellow, but before this act he received $4,000 a year. Now he is getting $9,000. That is a $5,000 raise. Then he has an assistant at $7,000, another assistant at $7,000, another at $6,000, another at $5,000 who used to get $1,800, another at $4,800 who used to get $2,500, another one at $4,000, another one at $3,000, another one at $3,200 who used to get $1,600, another one at $3,200 who used to get $1,500.

Mr. HARLAN. Will the gentleman yield for a question?

Mr. BLANTON. In just a minute.

The corporation counsel has another assistant at $3,200; one other at $3,200; another at $2,800; another at $2,600; another at $2,200; another at $2,700 who used to get $1,400 before this act was passed.

Mr. HARLAN. Will the gentleman give the date of the act?

Mr. BLANTON. 1923.

Here is the coroner, who is just an ordinary justice of the peace. There are justices of the peace in the United States who do not make a thousand dollars a year, who do three times as much work. Here is this coroner who had his salary raised from $1,800 to $3,200.

Here is the weights and measures man, $3,700. Here is a chief clerk who had his salary raised from $2,490 to $4,000. Here is a whole bunch of them in the municipal architect's office. Just notice how they run. The municipal architect, before the act was passed in 1923, received $3,600. Now he gets $7,500. He has an assistant at $5,000; another at $4,600; another at $4,600; another at $3,800; another at $3,800; another at $3,200; another at $3,300; another at $3,200; another at $3,200; and so on down the line. He has about a dozen associate engineers getting from $2,600 to $3,800, all in that one office. The Public Utilities Commission, not the members of the commission but employees of the commission: Mr. Bachman used to get $3,000. Now he is getting $5,000. There is a whole bunch of them.

Here is Mr. Theodore Cogswell, register of wills, who is a splendid, good fellow. He is probably up in the gallery now. He has been around this Capitol for quite a while trying to overturn the action of the chairman on this bill. He used to be a clerk at $1,200 down there. When this act was passed he was getting $4,000. He was immediately raised to $6,400; a $2,400 raise. In addition to that, last year he was professor of wills out at Howard University. He was paid last year $700 salary for that. Then he is retired, as a disabled emergency officer of the United States, supposed to be disabled so he can not work, and he gets $125 per month for life for that—retired pay. When I asked him how much time it took to prepare these lectures that he gave at Howard University on wills, he said three or four hours per lecture. He is a disabled emergency officer, getting $125 a month and has been getting $700 a year from Howard University, and as his salary he is getting $6,400 from the District government. I told him the other day when he came into my office that if he would give all of his time to the Government and cut out these Howard University lectures and if the rest of his employees would do a good, hard day's work like Congressmen have to do, the chairman of the committee would not be criticized for cutting his force.

I am backing our chairman on his bill. You will have a lot of these propagandists and a lot of these lobbyists here to try to tear the bill to pieces. I am wondering if you are going to let them do it?

Let me mention just a few bureaus, to show you how the 1923 classification act raised salaries of all bureaus.

BUREAU OF THE CENSUS

Let me show you how the classification act of 1923 affected the employees in the Census Bureau. Mr. William M. Steuart was raised from $6,000 to $9,000 per year. Mr. Joseph A. Hill was raised from $4,015 to $6,000. Mr. Arthur J. Hirsch was raised from $3,300 to $6,400. Mr. LeVerne Beales was raised from $2,920 to $6,400. Mr. William L. Austin was raised from $3,300 to $6,000. Mr. Leon E. Truesdell was raised from $2,920 to $6,000. Mr. Starke M. Grogan was raised from $3,300 to $5,800. Mr. Harvey J. Zimmerman was raised from $2,920 to $5,800. Mr. Clarence E. Batschelet was raised from $2,190 to $5,800. Mr. Timothy F. Murphy was raised from $2,920 to $5,800. Mr. George W. Potter was raised from $1,400 to $3,000.

BUREAU OF FISHERIES

Here is how the 1923 classification act shot upward the salaries of the employees of the fisheries, a few of which I will mention: Mr. Henry O'Malley's salary was raised from $5,000 to $9,000 per year. Mr. Lewis Radcliffe was raised from $3,500 to $7,000. Mr. Reginald H. Fiedler was raised from $1,680 to $4,600. Mr. Glen C. Leach was raised from $2,700 to $5,000. Mr. Ward T. Bower was raised from $3,000 to $5,000. Mr. Albert K. Brown was raised from $2,000 to $4,600. Mr. Wallace T. Conn was raised from $2,400 to $4,600. Mr. Herbert S. Davis was raised from $2,500 to $4,800. Mr. Samuel F. Hildebrand was raised from $2,500 to $4,600. Mr. John R. Manning was raised from $2,200 to $4,200. Mr. Milton C. James was raised from $1,200 to $4,200. Mr. James M. Lemon was raised from $2,100 to $3,400. Mr. John R. Gardner was raised from $1,320 to $2,700. Alice W. Stearns was raised from $1,800 to $3,200. Edgar W. Fearnow was raised from $1,600 to $2,700. John R. Van Houten was raised from $1,400 to $2,500. Carl B. Tendick was raised from $1,000 to $2,500. Helen K. Collins was raised from $1,400 to $2,700. Oscar E. Sette was raised from $2,500 to $5,000. John Van Oosten was raised from $1,400 to $4,200. Dennis Winn was raised from $2,500 to $4,100. Herbert F. Prytherch was raised from $1,400 to $3,800. Edward M. Ball was raised from $2,000 to $3,800. Thomas K. Chamberlain was raised from $1,400 to $3,500. Gustav W. Carlson was raised from $1,700 to $3,200. Harlan B. Holmes was raised from $1,400 to $3,200.

COAST AND GEODETIC SURVEY

Let me mention a few positions in the Coast and Geodetic Survey to illustrate how the classification act of 1923 boosted their salaries: Oscar S. Adams was raised from $2,500 to $4,800. Henry G. Avers was raised from $2,600 to $5,200. Harlow Bacon was raised from $2,700 to $5,000. Oscar R. Baker was raised from $1,200 to $2,600. Dudley P. Barnette was raised from $2,440 to $5,000. Percy B. Castles was raised from $2,500 to $4,600. Clara B. Church was raised from $2,040 to $3,400. Charles H. Deetz was raised from $2,900 to $5,200. Lindsey P. Disney was raised from $1,840 to $3,800. Edmund P. Ellis was raised from $2,700 to $5,000. George L. Flower was raised from $2,900

to $6,200. Henry S. Gamble was raised from $2,500 to $4,600. Daniel L. Hazard was raised from $3,000 to $5,200. Walter D. Lambert was raised from $2,500 to $4,800. Harry A. Marmer was raised from $2,700 to $5,200. Frank Neumann was raised from $2,040 to $4,000. Douglas L. Parkhurst was raised from $3,000 to $5,600. Walter F. Reynolds was raised from $2,700 to $5,000. Aaron L. Shalowitz was raised from $2,300 to $5,000. Clarence H. Swick was raised from $2,500 to $5,000. Walter J. Bilby was raised from $1,200 to $3,200. Ralph R. Bodle was raised from $1,620 to $3,000. William Mussetter was raised from $2,040 to $4,700.

PATENT BUREAU

Here are some in the Patent Office: Thomas E. Robertson was raised from $6,000 to $9,000. William A. Kinnan was raised from $5,000 to $7,500. Millard J. Moore was raised from $4,000 to $7,000. Fred M. Hopkins was raised from $3,900 to $6,500. James W. Clift was raised from $3,900 to $6,500. Frank P. Edenburg, Elonzo T. Morgan, Paul P. Pierce, Walter L. Redrow, and William L. Thurber were all raised from $3,900 to $6,500 each. Eugene Landers was raised from $4,000 to $6,500. Irvin P. Disney was raised from $4,000 to $5,600. Harry I. Houston was raised from $3,300 to $5,600. Harold H. Jacobs was raised from $2,800 to $5,600. Franklin L. Adams was raised from $2,800 to $5,600. Robert E. Adams was raised from $3,100 to $5,600. Winfred M. Adams was raised from $3,900 to $5,600. Leo P. McCann was raised from $1,500 to $4,600. Samuel Levin was raised from $1,925 to $4,600. Edwin L. Reynolds and Philip W. Shepard were each raised from $1,925 to $4,600. Louis J. Dembo, Pasquale J. Federico, Alfred B. Goodall, and Revere P. Gurley were all raised from $1,650 to $3,500 each. Leighton W. Johnston was raised from $1,200 to $3,500.

The above will illustrate just how the salaries have been raised by the 1923 classification act in all of the numerous bureaus of this Government. I fought against that act when it passed. I did everything within my power to stop it. The unions of the various employees of this Government under whip and spur forced it through Congress. And the above is the result.

Mr. FULBRIGHT. Will the gentleman yield for a question?

Mr. BLANTON. Please let me get these facts in here. They are important. I have already taken too much time. These are important statistics. You will find this same condition in every bureau and every department of this Government where this Classification Board has taken fourteen and fifteen hundred dollar clerks and put them in as chiefs or deputies or superintendents or directors in charge of units and called them department heads and raised their salaries double and sometimes treble since 1923. It is not right. I am one who is going to fight them until something freezes over.

Mr. FULBRIGHT. I just wanted to ask the gentleman if this increase in salary had increased the efficiency of service, or if they got a better personnel?

Mr. BLANTON. Oh, no. They got the same ones, and they usually put somebody else in his place as assistant at a bigger salary than he got formerly to do the work for him.

I have been trying to get the secretary of the Reconstruction Finance Corporation on the phone all the morning. I tried to get his assistant. I could not even get his assistant. Finally, I got a subsecretary down the line four or five times removed. She promised to give me some information in two or three hours, and I have not gotten it yet. I will have to go down there to get it.

You usually destroy efficiency when you raise salaries in the way these salaries have been raised.

Did you know that you can not control the salary of a single one of these bureau chiefs? Did you know that? You have not got a bit of control; you are absolutely helpless. You go back home and your people say, "Why do not you do so and so?" I want you to tell them you can not do it because there is a law here, the classification act of 1923, that puts it in the hands of a board of Government employees to say how much salaries the employees of the Government shall receive.

Now, I am for the employees. God knows I sympathize with the real workers who do the work down there on little measly salaries. It is these up-above chiefs who are getting paid and do not do the work, who spend lots of their time on the golf links in golf weather, and who are doing extra work outside the Government, lecturing somewhere, or getting outside salaries for something else that I complain about. It ought to stop. I want you to read the facts I have mentioned to-morrow. Did you know that I have gotten a list of every employee in the Government, in every bureau and department, who draws over $2,500 a year, showing what they drew in 1923 and what they have drawn since the 1923 act was passed? I wish the Congress would give me authority to publish it in document form and let you have it. It is worth the money. I have spent a long time in accumulating this information, and I hope the Committee on Printing, before we adjourn, will pass a resolution to give me authority to publish it in pamphlet form.

Now I am through and shall be pleased to answer the gentleman's question.

Mr. HOLMES. On what page of the hearings are these figures to be found?

Mr. BLANTON. These figures are printed in the hearings on the District of Columbia appropriation bill for 1933, beginning at page 30. From the RECORD to-day the gentleman will have the figures on District of Columbia employees who draw over $2,500 per annum.

If there are no further questions, I gladly yield the floor.

Mr. HOLADAY. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. MCGUGIN].

Mr. MCGUGIN. Mr. Chairman, along the line of the remarks of the gentleman from Ohio [Mr. FIESINGER], a member of the Committee on Coinage, Weights, and Measures, which committee has been discussing the silver question and other related monetary questions, I wish to make a few remarks.

In the beginning I may say that it seems to me we are just about at the end of the road on the principle involved in the Reconstruction Finance Corporation, of Government credit being extended to private institutions. That is, we are about at the end of the road so far as is concerned the ability of the Government to carry out this program. However, we have just barely started in trying this program, unless we obtain some monetary reform very quickly.

Now, let us see what confronts the country. The Reconstruction Finance Corporation has an authorization of a total amount of $4,000,000,000. We started out with the idea that we would only bolster up the credit of certain key institutions, such as the banks, insurance companies, and railroad companies. The first Reconstruction Finance Corporation movement contemplated the use of $2,000,000,000.

When we were considering the first Reconstruction Finance Corporation bill it was suggested by gentlemen from Chicago and New York City that municipalities be made eligible for loans. The House literally howled that down; they gave it no consideration. We had not gone more than three or four months with the Reconstruction Finance Corporation plan until the President himself had to bow to the inevitable and ask to make loans to cities.

What has happened? We now find the farm mortgagees demanding that they be given relief through the principle of borrowing money from the Reconstruction Finance Corporation. We have bills here for $1,000,000,000 of farm mortgage relief to take care of some interest. This will be but a drop in the bucket. There is $9,000,000,000 of farm mortgages, and if we are going to furnish credit to take care of the interest we are ultimately going to have to furnish money to take care of the principal. Then, when we take care of the farm mortgages it follows, as night follows day, that Uncle Sam must be as good to his city children as he is to his rural children and take care of the city mortgages, and that will be another $14,000,000,000.

Having taken the course of trying to use public credit, Government credit, to bolster up private obligations, we find

ourselves confronted with this situation: That there is now a total of nearly $24,000,000,000 of debt in this country which is clamoring for the same protection; and, sooner or later, Congress will be forced to give in. When this happens what will be the situation of the Government of the United States? The very Government that is being called upon to take care of these obligations is a Government which can not balance its own Budget and is unable to get enough revenue to meet 50 per cent of its current obligations.

We have not played the game exactly square with ourselves or with the country. We have said we would not make appropriations for the Reconstruction Finance Corporation but would have the corporation borrow the money. It was obvious from the beginning that the Reconstruction Finance Corporation could not go out and borrow that $4,000,000,000, or the $2,000,000,000 to start with, from the public, and it was necessary to provide for the Secretary of the Treasury to take up the Reconstruction Finance Corporation bonds. This is what has been happening. The Secretary of the Treasury has been buying the bonds. Where has the Secretary of the Treasury been getting the money? By issuing short-term notes and selling them to the banks, the same identical way the Secretary of the Treasury would have gotten the money had we made the appropriation to provide funds for the Reconstruction Finance Corporation.

It appears now that our Budget has become unbalanced to the extent of about $1,500,000,000 since July 1 of this last year. That is what appears in the Budget. The truth is it has become unbalanced nearly $2,500,000,000 to $3,000,000,000 since July 1 last year, because there should be added thereto the money the Secretary of the Treasury has borrowed and turned over to the Reconstruction Finance Corporation.

There is $198,000,000,000 of debt in this country. This much is certain: If the people can not pay the debt themselves directly, then they can not pay it through the processes of paying taxes into the Government and the Government lending the money back to them to take care of their debts. We are reaching the phase where neither the people nor the Government can borrow itself out of debt. The truth of the matter is we have now about reached the end of our program, and the American people are squarely confronted with making a choice between two alternatives: Either going through a liquidation, which means a repudiation in whole or in part of the debts of the country, or bringing about a reduction in the value of the dollar which pays the debts.

We can simply take our choice. Personally I think it is more humane to take an honest, fair, frank reduction in the value of the dollar that pays the debts.

Now, what is the value of a dollar? Some one says a dollar is worth 100 cents. That is an illusion. A dollar is worth 22.23 fine grains of gold, because that is the gold content of a dollar; and when you talk about reducing the value of the dollar there is just one way to reduce it, and that is to reduce the amount of gold in the dollar. As long as you leave the same gold content in the dollar it is going to have the same identical value.

There are those who seem to think it is exceptionally hazardous to think about reducing the gold content of the dollar. What is sacred about 22.23 fine grains of gold in a dollar? Why is that the content of our gold dollar? Because Congress at a former time provided by law that that would be the content of a gold dollar.

At that time the gold dollar did not have to bear the responsibility of paying $21,000,000,000 of national debt and countless billions of dollars of State and local public debt. The gold dollar at that time did not have to bear the responsibility of paying a total debt in this country of $198,000,000,000. It does to-day, and the amount of gold has not increased in proportion to the increase in our debts. That simply means that this amount is not going to be paid in full on the basis of a dollar of 22.23 grains of gold.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. EATON of Colorado. The gentleman has given this subject a great deal of thought and attention. I wonder what his answer is to what would be done with the value of additional gold which is now in existence and which would be increased by such a reduction in the value of the gold dollar. For example, if you reduce it one-third then the present four and a half billion of gold would have the same intrinsic value, and you would have a third more for coins which would be in the hands of the people who have the actual gold. How are you going to equalize that if you make such a change?

Mr. McGUGIN. We have now approximately four billion in gold based upon 22.23 grains to the gold dollar. Of course, if we reduce the gold content one-third it would mean we have six billion of gold instead of four; no more gold, but we would have $6,000,000,000 of 15-grain dollars instead of $4,000,000,000 of 22.23-grain gold dollars.

Now, as I understood the gentleman's question, suppose I have a thousand dollars of gold. The minute you reduce the content of the gold dollar a third it means that I have approximately 1,500 of the new dollars of 15 grains each. You say I make a third. Yes; the man that has his money invested in gold makes one-third; but the man that has his money invested in anything else will make a third, measured in the value of new dollars. If he has a farm which to-day is worth five thousand of present dollars, if you reduce the content of the dollar one-third the farm is then worth one-third more dollars—not 22.23 grains but of 15 grains.

Mr. EATON of Colorado. Then, if you have changed the measuring rod and you have said that this thousand dollars in gold which has 1,000 as its mark, you leave the gold exactly as it was and say that its mark is now 1,500, how have you done anything but just change words?

In other words, the gold is the gold, and the figures representing its value have been changed, but the quantity of gold is the same. Its intrinsic value for trading or other purposes does not change even though you change the figures representing it.

Mr. McGUGIN. Measured in the number of dollars, it is increased one-third. It is changed. It is increased one-third. If you have a pound of metal here and divide it by 22 you have fewer units than you do if you divide it by 15, do you not? That is obviously the situation.

Mr. STEVENSON. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. STEVENSON. The gentleman spoke of there being two alternatives—one to repudiate and one to reduce the amount of gold in the dollar.

Mr. McGUGIN. No; I did not say that. I said we had the alternative of either going through repudiation, which we are now going through, or reducing the value of the dollar which pays the debt.

Mr. STEVENSON. Then the method the gentleman would employ would be reducing the number of grains that go into the dollar?

Mr. McGUGIN. Yes.

Mr. STEVENSON. Then, take this twenty-one billion of to-day that the United States owes, most of which is written payable in dollars of the present standard of weight and fineness, do you not present to the people who hold these bonds one-third more dollars than they are entitled to? You either do that or, if you make them take the reduced dollar in the debts named in the bond, then you have repudiated the debt to the extent of one-third.

Mr. McGUGIN. Certainly.

Mr. STEVENSON. How are you going to handle that situation?

Mr. McGUGIN. There is no question in my mind but that you are either going to repudiate in part the number of dollars due or you are going to repudiate it in part by reducing the value of the dollar.

Mr. STEVENSON. Then there is the further question, How are you going to settle with the bondholders of this country? Are you going to repudiate the bond in part or are you going to pay them more of these dollars? How are you going to make such a settlement and has Congress the

power to repudiate and not maintain the faith of the Government?

Mr. McGUGIN. Here is the power that Congress has: Congress has the power to coin money and regulate the value thereof. I think this means, primarily, coining a metal coin which is our basic coin or gold coin and regulating the value thereof by prescribing the amount of gold in the coin. Now, answering the question, whenever the Congress of the United States under its constitutional power provides that the gold dollar shall have 15 grains in it, I think this 15-grain dollar will pay any dollar of debt in this country, and I do not believe that by private contract a debtor may be made to pay a dollar different from the dollar which is prescribed by Congress, under constitutional authority vested in Congress to coin money and regulate its value.

Mr. PITTENGER. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. PITTENGER. Most of these mortgages and contract obligations now provide for payment in gold coin of the United States of the present weight and fineness. Does the gentleman mean that under the Constitution of the United States you can break that kind of contract?

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. McGUGIN. Answering the gentleman's question, let us take this illustration. I borrow $1,000 of you to-day with the clause in it, payable in gold of the present weight and fineness. Within six months the Congress changes the content of the gold dollar until it is a 15-grain dollar. When this note falls due, I come to you and offer you my check and you say, "I do not want a check, I want gold dollars." I go back and get you gold dollars from the Treasury of the United States and bring them to you. You toss one of them into the scales and say, "I do not want that dollar; I want a 22-grain dollar and this is only a 15-grain dollar." I say to you, "I can not get any such dollar and there is not any such dollar. The Government of the United States has quit making it." You then say to me, "You can give me more dollars," and I say to you, "No; I agreed to pay you $1,000."

Now, obviously, this contract must be breached in one of two respects, either I must be made to pay you approximately $1,500 when I agreed to pay you $1,000, or you must take a 15-grain dollar instead of a 22.23-grain dollar. In the last analysis, this is a question that only the Supreme Court of the United States can decide, but I do not believe the Supreme Court is ever going to say that I, a debtor, must pay to you, a creditor, a dollar different from the dollar prescribed by the Congress of the United States under the Constitution.

Mr. PITTENGER. So that the gentleman believes you can be compelled to take a dollar that has fewer grains in it than the old dollar that you agreed to pay.

Mr. McGUGIN. Certainly. I believe that all private contracts must bow to and adjust themselves to the majesty of the Constitution. The Constitution vests in Congress, not private contractors, the power to prescribe the content of gold dollars. In addition to this, Congress can place in such legislation an equalizing tax that will take 100 per cent of all profits made from collecting dollars of more than 15 grains of gold.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. CAMPBELL of Iowa. In the CONGRESSIONAL RECORD of Thursday, the gentleman will find a brief on this subject in a speech of the gentleman from North Dakota [Mr. BURTNESS].

Mr. McGUGIN. Yes; I may say to those who are interested in this phase of the question that the address of the gentleman from North Dakota [Mr. BURTNESS] of Thursday, February 9, discusses this question and cites Supreme Court decisions, none of which is directly in point because the specific question has never been before the Supreme Court of the United States. But in the legal-tender cases the court does recognize the proposition that Congress is all powerful in coining money and regulating its value under this section of the Constitution.

Now, there is one other thing I wanted to discuss. Last night President Hoover, in his address at New York, made the statement that the one hope of the world to-day is for the gold standard to be reestablished in foreign countries.

What constitutes the gold standard? We say that France to-day is on the gold standard. She is; but the franc to-day is only worth about one-fourth as much as it was prior to the war. Why? The content of the franc was reduced some 80 per cent. France is still on the gold standard, and we can reduce the content of the gold dollar one-third and we are still on the gold standard, but not a gold standard by which we redeem our dollars with 22.23 grains of gold, but by which we redeem them with 15 grains of gold. Now, how are you going to reestablish the gold standard in foreign countries? How can England reestablish her gold standard? When England went off the gold standard her pound was worth $4.86 in exchange for American dollars. This was equivalent to saying that England was redeeming a gold pound with 108.3 grains of gold because that represents $4.86 or 22.23 grains of gold per dollar. To-day the British pound is worth $3.30, and this is equivalent to saying that the British pound is worth 73.35 grains of gold.

If you want to do away with depreciated foreign currencies, if you want to reestablish the exchange value of American dollars with foreign money, we have one of two courses to take—either foreign countries agree to redeem their money in gold of the former weight and fineness or we reduce the weight and fineness of our dollar.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. McGUGIN. If we were to-day to reduce the content of the gold dollar one-third or approximately to 15 grains, this would mean that the British pound, now worth 73.35 grains of gold, would be worth $4.90. It would be worth $4.90 of 15 grains of gold each, whereas to-day the same British pound is worth $3.30 of 22.23 grains of gold each.

Now, when you talk about reestablishing the gold standard in foreign countries, it seems to me there is only one course left, and that is for the value of the American dollar to be reduced proportionately to the depreciation of foreign currency. Why? Foreign countries do not have the gold. They can not possibly go back on their former gold standard, for they have not the gold with which to do it.

The average depreciation of the foreign currency is from 30 to 40 per cent. If we depreciate the value of our gold dollar accordingly, there will be no such thing as a depreciated foreign currency as compared with our dollar. We shall have reestablished the rate of exchange.

If there were some way that England could go back to her former gold standard, that would be preferable.

Mr. PITTENGER. Will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. PITTENGER. Does the gentleman think that we are going to restore prosperity by depreciation of our currency?

Mr. McGUGIN. I am glad the gentleman brought that up. The gentleman and I know that the foreign debts, as matters now stand, are going to be canceled or repudiated, and will not be paid dollar for dollar on the basis of gold dollars of 22.23 grains of gold. Why? Because the foreign debtors, France excepted, do not have the gold. But if you reduce the content of our gold dollar one-third you have reduced the foreign debt one-third.

Mr. PITTENGER. The gentleman means that that is an indirect way of cancellation?

Mr. McGUGIN. Yes; it is an indirect reduction, but that is less costly than an inevitable direct reduction, with the reduction placed squarely on the shoulders of the American taxpayers.

Mr. PITTENGER. It is a depreciation of the dollar.

Mr. McGUGIN. Sure.

Mr. SCHAFER. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. SCHAFER. The Democratic Party promised in the campaign that they would collect the foreign debts dollar for dollar.

Mr. McGUGIN. All I can say to my friend is that as far as I am concerned, this is too serious a matter for us to bog it down in the mire of party politics. I say to Democrats and Republicans that the time has gone by when we can stand on the floor of this House and criticize each other. The banks of Michigan to-day closed, and the Republicans and Democrats alike are suffering in that State and do not care a damn about party politics; what they want is a financial system which will permit payment of liabilities. [Applause.]

Coming back to that, we discussed here the other day the giving of Mr. Roosevelt more power. That which was suggested by the Speaker of this House is an infinitesimal part of the power that will be given the President of the United States by January 1, 1934. This country is going to be in a desperate condition that will cause 122,000,000 people to be ready to say to him, "Save this country if you can, God speed you—we can not save ourselves." [Applause.]

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, I have listened with a great deal of interest to the argument of the distinguished gentleman from Kansas [Mr. McGUGIN] in favor of cutting down the gold content of the dollar. I have said before, and I repeat it to-day, that one of three things must happen.

We are going to have currency expansion, whether it be in the manner provided in my bill (H. R. 13012), whether it be by cutting down the gold content of the dollar, or whether it be by remonetization of silver.

If we fail to secure an expansion of the currency, then we will have to have a readjustment of all public and private debts, scaling them down, extending the time for payments, and reducing interest rates almost to the vanishing point.

Unless we do one of these two things, without much more delay, we are going to be swept into a saturnalia of wholesale repudiation of public and private obligations—ultimately including all district, municipal, county, State, and Government bonds. You say that will be revolution. So it will; but we must face the facts. The revolution has already begun. Its echoes are rolling in every day from the cornfields of Iowa, the wheat fields of Kansas, and the cotton fields of the South, where the embattled farmers are resisting the efforts of their creditors to drive them from their homes and take from the mouths of their children the bread produced by their own toil. Frankly, I do not blame them; I would fight, too. They are the victims of conditions for which they are not responsible—conditions which Congress could relieve in 30 days if it would only act in the interest of all the people and stop yielding to the dictates of the money changers of Wall Street.

The dollar is too high. A farmer who pays a debt now, or pays on a bond issued or contracted four years ago, is paying about four dollars for one, when measured in terms of the agricultural commodities or the land he must sell, or other raw materials, or even manufactured articles he must sell, in order to raise the money to meet these obligations.

Let me discuss just for a moment the three methods of expanding the currency to which I have just referred and give you briefly my reasons for preferring the method proposed in H. R. 13012, known as the Rankin-Thomas bill.

There are two things necessary to maintain commodity prices. One of them is a sufficient volume of money and the other is a sufficient velocity of its circulation. The trouble to-day is not so much a shortage of volume of currency as it is stagnation of its circulation. To reduce the gold content of the dollar would undoubtedly have the effect of increasing the volume of our circulating medium, or at least broadening the base for such an increase. If the same forces were in control of our financial system that are in control to-day, they could even then prevent any expansion of the amount of currency in circulation.

The remonetization of silver would even be more desirable than cutting down the gold content of the dollar, provided that its coinage should be so limited or controlled as to stabilize price levels when they reach the 1926 level and thereby prevent those abnormal fluctuations that have always proved disastrous to the masses of the people in the end. Such a provision is incorporated in H. R. 13012 which I shall discuss next.

Another trouble of remonetization of silver is that some of its chief sponsors insist on its being done through an international conference which would probably take months, or even years. The country can not wait. We are sweeping on to disaster. Something must be done without delay! For me it is the first order of business from now on, whether in this Congress or the next.

The third method, and the one which I propose, is to expand the currency by issuing United States notes against the gold we now have, and putting that money into circulation by paying the running expenses of the Government with it—everything from the salary of the President to that of the rural letter carrier in the most remote precinct, soldiers' compensation, loans to farmers, and other transactions that take money out of the Treasury to be paid in these notes. That would put this money in circulation at once and start commodity prices up. It would also eliminate the necessity for increasing taxes at this or the next session of Congress.

We do not propose to issue an unlimited quantity of these notes, but to continue issuing them and putting them in circulation until commodity prices reach the 1926 level. If there should be a tendency toward an abnormal inflation, as soon as this price level rises to 103, then we provide for the sale of bonds to call in a sufficient amount of these notes to check the advance and prevent what the financiers call skyrocketing of prices. If values again decline, as soon as the price level reaches 97, we provide for the issuance of more notes and the purchase of bonds to put them in circulation until the price level again advances to 100. In that way we raise commodity prices back to what they were in 1926 and stabilize them within a 6 per cent margin ranging from 97 to 103.

You will hear this denounced by the representatives of Wall Street as "fiat money." People who have their money invested in tax-exempt securities or have their wealth in cash and are hoarding it in their vaults, snugly conscious of the fact that it has risen in purchasing power 300 or 400 per cent, do not want any expansion, because they do not want commodity prices to rise. Their holdings would not buy so much if normal conditions were restored. Like Shylock of old, they prefer to exact the last pound of flesh. They and their spokesmen on this floor will call these notes "fiat money," when they know that they are not fiat money but good and lawful money of the United States and worth 100 cents on the dollar.

Under the present Federal reserve act we are required to retain a gold reserve behind each note of only 40 per cent. We have more than $4,000,000,000 worth of gold—a sufficient amount to have outstanding currency of $10,000,000,000 when as a matter of fact, at the present time we have only about $5,600,000,000 in outstanding currency, practically all of which is being hoarded by the large banks and wealthy individuals, and very little of it is in circulation among the people. Start to issing these new notes and putting them in circulation and you will see commodity prices begin to rise. Not only will wheat, corn, and cotton advance in value, but land values will return, labor will advance in price, houses and other properties, whose values have virtually disappeared, will come back. Then you will see this hoarded money come out and begin to seek legitimate investments, and this panic will disappear with a swiftness that will thrill the world.

The argument has been made time and time again that this is a world condition, and that expanding the currency in the United States would not restore the purchasing power

of the people of other countries, and therefore would not relieve the situation. That argument was ably answered a year or two ago by Hon. T. B. McCauley, president of the Sun Life Insurance Co. of Canada, when he pointed out the fact that whereas formerly London was the money market and gold was the standard, to-day the United States is the money market, whether it be New York or Washington, and the standard is the American dollar.

Prices throughout the world are to-day measured in terms of the American dollar. Even the currencies of other countries are so measured. The value of the pounds of Great Britain, the francs of France, the rubles of Russia, the yens of the Orient, the pesos of Spanish America, are all measured in terms of the American dollar.

Therefore, when we expand the currency and raise commodity prices in America, it will have a corresponding effect on commodity prices throughout the world. It will not only restore the purchasing power of the American people, but it will automatically restore the purchasing power of our customers in every foreign land.

On yesterday there appeared in this Capitol a Wall Street international banker, Mr. Barney Baruch, one of the three wise men from the East. The other two are Ogden L. Mills and Eugene Meyer. If the policies of these three Shylocks of finance were carried out indefinitely, this panic would last for a thousand years. There is absolutely no hope of relief in anything that anyone of them advocates. But, on the other hand, the very policies for which they stand are responsible for the present conditions of wreck and ruin.

Here are some of the things that Mr. Baruch in his statement before the Finance Committee of the Senate laid down: First, he started his drive against currency expansion with the old camouflage cry of "Balance the Budget!"

Mr. Chairman, it is utterly impossible to balance this Budget and keep it balanced on the present price levels. If every pound of cotton grown in the United States last year had been sold on the market last night it would have brought a little less than $360,000,000. If every grain of wheat grown in the United States last year had been sold last night it would have brought considerably less than $400,000,000. If every grain of corn grown in this country last year had been sold last night it would have brought less than $700,000,000. All of them put together, the three principal crops of the country on which our balance of trade depends, would have brought less than $1,400,000,000. Yet we have a National Budget alone of more than $4,000,000,000, to say nothing of the budgets of the States, counties, and municipalities. You can never balance this Budget and keep it balanced until the value of these three principal crops exceeds the national expenditures. At the prices prevailing in 1920 they would have brought approximately $8,000,000,000; at the prices prevailing in 1926 they would have brought $5,600,000,000, whereas now they bring the pitiful sum of $1,400,000,000.

I know what Mr. Baruch is after. He wants a Federal sales tax to wring from the toiling masses of America the last drop of financial blood. Our present leader, Mr. RAINEY, said last year as an excuse for his capitulation on the sales tax that Mr. Baruch had converted him. They want to levy a further tribute upon the man who is already bankrupt, who is already poverty stricken, who is out of work, whose farm or home is being swept away for debt or confiscated for taxes. They want the sales tax, and why? Mr. William Randolph Hearst is one man who is honest about it. He says he wants to relieve people from paying income and inheritance taxes. Those fortunate individuals who now own millions and billions of American wealth want to escape the payment of taxes and put them onto the backs of the great mass of the people of America and drive them down to poverty, peonage, and degradation.

Mr. Baruch says that he is a Democrat. But there is nothing Democratic in anything that he advocates. He suggests "lightening the burden of debt." Of what debt is he talking? The debt on the back of the man at home? The way to lighten the burden of his debt is to raise the price of the commodity that he has to sell. You can not do it by canceling the foreign debt.

I opposed the Hoover moratorium, and I voted against every one of the debt settlements, because every time you cancel one dollar of the foreign debt you unload it onto the backs of the American people. You can not cure this situation by canceling the international debts and unloading that burden onto the already overburdened American people.

What is wrong with the country? We are in a money panic. Let me call your attention to a statement made by a great financier. He said that when Rome fell a few people owned the Roman Empire. They had gathered unto themselves the wealth of Europe. Gold was the money of all those countries. They hoarded it. They charged as high as 48 and 50 per cent interest. To-day, when the farmer pays his taxes or pays his interest, measured in terms of his own commodities, he is paying 25 to 45 per cent interest. What was the result? People were driven to barter and trade, international trade fell off, commerce died, poverty, depression, and stagnation prevailed, Rome fell, and Europe lapsed into an economic lethargy that lasted for a thousand years. It was broken only by the discovery of America with its new and apparently unlimited supplies of gold. When that gold was added to the circulating medium of the world, Europe awoke from her lethargy of centuries and leaped forward into an era of prosperity the like of which mankind had scarcely dreamed.

We are now at the point where Europe was at the time of the fall of the Roman Empire. We have reached the end of gold. We have exhausted every field. We have prospected every mine. We have searched every territory. There are no more fields to be brought in. The per capita supply of gold is diminishing day by day. Every country, except about three, has gone off the gold standard. South Africa, which produces 55 per cent of the world's gold, suspended the gold standard less than three weeks ago, and since that time there has been a crisis in the Parliament of Holland as a result. While we have nearly one-half of the monetary gold of the world, the large financial interests of this country, who profit by high money and cheap commodities, are blocking every move to expand our currency and put that gold to work for humanity.

We have a sufficient amount of gold to issue $4,000,000,000 of extra money, United States notes or Federal Reserve notes, and if we will do it and put that money into circulation this panic will be broken over night. In fact, it will not take that much. When we begin to expand in earnest, this hoarded money will come out and seek investments, and prosperity will return.

Now, let us see what Mr. Baruch says about that. I want to show you the fallacy of the arguments of these Wall Street bankers, these men who have their money invested in tax-exempt securities or in the institutions which are hoarding a large part of $5,600,000,000 of currency that we now have.

Mr. Baruch calls attention to the fact that in 1928 we had $4,700,000,000 in circulation and that prices were high, whereas in 1932 we had $5,700,000,000 in circulation and that prices were low. All of which is true—on paper.

There are two things necessary to maintain commodity prices: One of them is a sufficient volume of money, and the other is a sufficient velocity of its circulation. Where the volume is low you must have a rapid velocity, or prices will decline. If the velocity slows down, as it has done, and is doing now, then its loss must be made up by an increase in volume.

When I was a boy we owned a water mill. When farmers would bring their corn to get it ground the miller would raise the water gate almost to the top of the dam. When the rocks started to turn they would increase in velocity very rapidly. Then the miller would drive the gate down till it was almost closed. I asked him why he raised it so high and then shut it down, or almost shut it down. He explained that he raised the gate high in the beginning in order to get the rocks started to turning and give them the

proper momentum or velocity. Then, he said, it would not take so much water to keep them going.

It is the same way with money. You must make up in volume what you lack in velocity, and vice versa, in order to maintain commodity prices. In 1914 we had $3,400,000,000 in circulation, or a little better than $34 per capita. That was before the war broke out. About that time the Federal reserve act was passed, and we immediately began to expand the currency through the issuance of Federal reserve notes. By 1920 or 1921 it had increased to around $6,000,000,000, or about $54 per capita, and there was a reasonable velocity of circulation. What was the result? Wheat advanced to $2.50 a bushel, corn went to $1.50 a bushel, and cotton to 30 cents a pound. Land, labor, clothes, and all other commodities advanced in price, and people enjoyed an unusual measure of prosperity. While those price levels prevailed we all got into debt. We floated bonds of all kinds, we fixed our standards of living, and our tax rates, wages, salaries, and so forth.

We had a slump in 1920 and 1921 due to a contraction of the currency, which I shall not take the time to discuss, which was later partially cured by further expansion.

About 1926 there began a systematic contraction of the currency that lasted until after the crash of 1929. As Mr. Baruch pointed out, the currency was contracted from around $6,000,000,000 in 1921 down to $4,700,000,000 in 1928, or back to about $35 per capita—almost to where it was per capita in 1914. At that time Wall Street was "shearing the sheep." The financial elements represented by Mr. Baruch, Ogden Mills, Andrew Mellon, and Eugene Meyers were unloading their watered stocks onto the unsuspecting American people. Also they were unloading about $2,000,000,000 worth of foreign bonds that are now scarcely worth the paper they are written on. There was a veritable jamboree of trading which speeded up the velocity of the circulation of what money we had. That held commodity prices up until the crash came in October, 1929.

During that time the number of people in the United States with incomes of $1,000,000 a year grew from 21 in 1921 to 513 in 1929. During those short years there was the greatest concentration of wealth ever known in the history of mankind. When the crash came in 1929, when the criminal stock market "racket" was laid bare, the velocity of the circulation came almost to a standstill. Our foreign trade was gone. Our high protective tariff laws had provoked retaliation on the part of practically every country on earth. Our farmers were already bled white. Their purchasing power was gone. Therefore there was no one to buy our manufactured goods, especially at the high prices our high protective tariff laws had inspired. The result was that when the crash came those men who had sold watered stocks in their manufacturing enterprises invested their surpluses in tax-exempt securities, closed their factories, and turned their workmen onto the street. Our circulating medium had already been reduced below the danger point, as Mr. Baruch's figures show, and then when the circulation was paralyzed by the crash commodity prices swept to the lowest price levels in all history. Wheat went to the lowest price it has reached in more than 400 years. Cotton to the lowest level known in all the history of the exchange, and corn to the lowest price level since the first grain was purchased from the Indians.

It is true there has been expansion since that crash, and the volume of currency, on the books, has risen to $5,700,000,000. But where is it? I wonder why Mr. Baruch did not pause to explain that this money is not really in circulation, but that it is packed away in the vaults of the big banks and wealthy individuals who are now hoarding it and opposing every effort at real expansion, because their hoarded money has doubled and trebled in purchasing power and they do not want to lose what they have gained. The money that has been expended through the Reconstruction Finance Corporation has, as a rule, found its way almost immediately into those large banks, where it is now hoarded.

These big financiers are opposing expansion and clamoring for "an honest dollar." The men who got rich out of the war, coining their money out of the blood and tears of the suffering peoples of the world, as well as those who got rich out of the tariff, have their wealth invested in tax-exempt securities, and they too are clamoring for "an honest dollar." They do not want any currency expansion. They forbid us to touch that sacred ark of the covenant, known as the gold standard, which they understand to mean a gold standard so manipulated as to keep their dollars high at the expense of human misery.

Is it an honest dollar that bankrupts the Nation, drives farmers from their homes, fills the streets with hungry men, women, and children begging for bread, undermines and destroys our sacred institutions, and threatens to plunge our country into a devastating revolution that may destroy our civilization? No; it is a dishonest dollar; and I question the honesty of any intelligent man who calls it an honest dollar and demands that it be perpetuated on its present high pinnacle while the suffering people of an impoverished nation pay the terrible price in human suffering they are now forced to endure. Here we are in a land rich in natural resources beyond the dreams of avarice. Protected by the most wonderful natural barriers, with a wonderful climate, a fertile soil, and peopled with the offspring of the pioneer races of the earth—the "heirs of all the ages in the foremost files of time." Our land is teeming with abundance. We have more wheat, more corn, more cotton, more manufactured articles, more of everything necessary to sustain human life and contribute to the human comforts than was ever known before in all the tides of time. We live in an advanced age when we have gained the greatest ascendency over the forces of nature and the greatest command over our surroundings ever attained before in all the ages. We have gathered unto ourselves more gold than was ever held before by any nation since the fabled days of Midas.

Yet with all that we have more poverty, more bankruptcies, more failures, more suicides, and more suffering than was ever known before in any one country at a given time.

We have the power to relieve the situation, yet we sit, with an impotent leadership, and let the influence of such men as Ogden Mills, Barney Baruch, and Eugene Meyer continue to paralyze the country and intensify its suffering merely because the Congress of the United States does not have the courage and the statesmanship to properly assert itself and pass legislation to expand our currency, put that currency in circulation, and bring back the purchasing power and restore the prosperity of the American people.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. CAMPBELL of Iowa. I want to call attention to the fact that the Federal Reserve Bank of Chicago at the present time has a backing of over 90 per cent against every dollar in circulation, and regardless of that fact, in my country and, I notice, in Michigan, practically one-half the banks have closed.

Mr. RANKIN. Yes. I thank the gentleman from Iowa, and that is just the symptom of the real disease. Unless something is done this crash is going on and on until all those banks go down.

Mr. RAGON. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RAGON. Have those countries which have gone off the gold standard in recent years inflated their currency, or what has been their tactics?

Mr. RANKIN. Well, some of them have, but when they go off the gold standard and realize that they do not have to have gold behind their currency, it is a relaxation, just like a man waking up from a nightmare. It would have the same effect here if we expanded to a reasonable extent. We do not have to abandon the gold standard. We have a sufficient amount of gold to expand and stay on the gold standard.

Mr. RAGON. What has been the experience of Great Britain, for instance, or the United Kingdom, in increasing or decreasing or modifying in any way their commodity prices? Does the gentleman know that?

Mr. RANKIN. All I can say with reference to Great Britain is that I read a statement by Mr. Kayne. I think he is the ablest economist in Great Britain. He said a year ago

that Great Britain had improved in prosperity; that she was at that time the most prosperous country under the shining sun. The gentleman will find that statement in the Atlantic Monthly. I believe it was the issue of May, 1932.

A few months ago this condition arose in South Africa: There are two parties in South Africa, what they call the Dutch Party, that is headed by Prime Minister Herzog, and the South African Party, headed by Gen. Jan Christian Smuts, who is of English descent. When Great Britain suspended the gold standard Smuts wanted South Africa to follow her, but Herzog opposed it. Conditions grew worse, just as they have here, until they almost had a revolution in South Africa. About three weeks ago Judge Teilman Roos, who had been a Member of Parliament, but who was at that time a judge of the Supreme Court of South Africa and a member of the Herzog party; resigned his place on the Supreme Bench and took up the fight for a suspension of the gold standard. He said, "We must save the people of South Africa if we save South Africa." He went down to Johannesburg to speak, a town that ordinarily pays little or no attention to political matters. He was greeted at the train by 5,000 people. He made a speaking tour and so aroused public sentiment that he forced the suspension of the gold standard in less than a week, and commodities went up 20 per cent in only a few days.

But, as I said, we do not have to go off the gold standard. We have ample gold here to back up all the currency we need. The thing we need is an expansion and new money put into circulation among the American people.

The Department of Labor worked out a chart that shows the average price of 784 commodities from 1921 to 1928. The average price level from 1921 to 1930 represents 100.

The 100 mark was passed in 1926, and that year was practically stable. Using that as the basis, we provide that whenever the commodity price level reaches 100 we cease to expand. If it goes to 103 we sell bonds, in order to call in a sufficient amount of these notes until the price level reaches 100. If the price level takes a slump and goes below 97, we propose to buy bonds and put more money in circulation until the price level rises to 100. In this way we can stabilize it within that 6-point margin, and save our people from the direful effects of violent and devastating fluctuations in the future.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Carolina.

Mr. McSWAIN. May I suggest to the gentleman that he discuss the third alternative he said was a possible and thinkable way out, to wit, the matter of the scaling down of the $200,000,000,000 of mortgaged and bonded debts of this Nation in the ratio of the increased purchasing power of the dollar? May I ask whether or not he thinks any such suggestion is at all feasible or practicable?

Mr. RANKIN. No; not unless we scale them all down, bonds and all, so as to reduce taxes.

Mr. McSWAIN. Then we can eliminate that?

Mr. RANKIN. Yes; unless it is our last resort. If we are going to scale down one debt we should and must scale down all debts.

Mr. McSWAIN. That would have to be done.

Mr. RANKIN. And if we are going to scale down private debts we will have to scale down public debts and scale down the values of United States bonds. Do not get the idea from Mr. Baruch, Mr. Mills, and Mr. Meyers that the people who own these Government bonds are going to be able to exact the last pound of flesh from the suffering people of America. If we stay on these low-price levels then there must be a scaling down of the bonds, along with other debts. Under such a system you will have to begin at the dome of the Capitol and go to the most remote precinct of the United States.

Last year we attempted to do this by expanding the currency and paying off the soldiers' adjusted-service certificates. The very ones who opposed us then are now encouraging the idea of canceling $9,000,000,000 of the foreign debts—more than three times what it would have cost, even if raised by taxing the American people, to obtain the money to pay off these adjusted-service certificates. What we proposed to do was to expand the currency $2,400,000,000 and put this money in circulation in that way, which would have sent commodity prices back up to normal levels and relieved this deplorable depression, without levying one additional dollar of taxes. But we were defeated in our efforts, and conditions have gone from bad to worse.

Something must be done. We can not go on this way another year. Some man said the other day that this advertisement was doing a great deal of harm. But I submit this advertisement is not what is doing the harm. This advertisement is not what is selling the farms all over the country. This advertisement is not what is bankrupting business men and breaking the small banks of the country. This advertisement is not what is driving our farmers from their homes. It is not what is filling our bread lines and our soup kitchens.

Pass this bill. Start this policy of expansion, putting this money into circulation and you will see cotton begin to rise, you will see the value of corn begin to come back, you will see wheat, hogs and cattle, lumber, land, and other commodities coming back. Then you will see this money they are hoarding begin to come out and join it. You will not have to flood this country with new money. By the time we issued $1,000,000,000 of new money, when the people realize that the Congress is coming to their relief, rather than keep their hoarded fortunes in their vaults, people who are hoarding money will begin to invest, and then you will see commodity values return.

What will be the result with you men from the cities? You will never put men to work until you restore the purchasing power of the American farmer. You can follow Barney Baruch and Ogden Mills and Eugene Meyer until doomsday, you are never going to break up your bread lines until you restore the purchasing power of agriculture.

Our farmers are naked. I had a letter from one of the best men I know, who told me of seeing children on the streets at this time of the year barefooted. People are absolutely poverty-stricken. But give them purchasing power to buy clothes and shoes and hats and harness and other things to work with, and you will see your factory wheels begin to turn, your bread lines will disappear, your unemployment will diminish, and America will step forward into a new day of happiness and prosperity. [Applause.]

Mr. CANNON. Mr. Chairman, I yield 25 minutes to the gentleman from Illinois [Mr. KUNZ].

Mr. KUNZ. Mr. Chairman, we hear much said about the condition of our country. There is not any question but that the depression has brought on a chaotic condition. There are many remedies for the ailment, and for the last 12 years every Member of Congress has had a cure; but I believe the last speaker, the gentleman from Mississippi [Mr. RANKIN], struck the keynote and hit the nail on the head when he said that we are in the same position the Roman Empire was in just before it fell—the hoarding of money by a few and the taxation of the many who can not afford it.

I have introduced an amendment to Article XVI of the Constitution, whereby tax-exempt securities can be assessed for taxation. If this were done, the tax on them would pay the war debt and bring about a condition in this country where we would be in a position to balance the Budget and bring about prosperity.

It is estimated that $60,000,000,000 is invested in tax-exempt securities. The gentlemen who have invested this money pay no income tax or any other tax, and the individual who earns a measly salary pays the tax for the rich man.

Why, only the other day I read in the paper where Rabbi Wise stated that the patience of the people is exhausted and that one-fifth of the people of the Nation are in bread lines because of financial stupidity.

Then, again, Father Ryan—and this comes from the pulpit—says, "Greed, timidity, cowardice blamed for economic crisis."

Every Sunday afternoon at 4 o'clock you hear a reverend gentleman by the name of Coughlin, who talks to the country at large. He tells them that the hoarding of millions by capital is causing the destruction of our Nation.

You hear these things everywhere. You have heard them for years, and yet the ears of Congress are deaf. If Congress desires to cure the ailment, pass this resolution, send it to the States, and if the people feel that present tax-exempt securities ought to be taxed, let them elect delegates who will return this amendment to Congress so that those who have hoarded money since the days of war and paid no tax, may pay the war debt for those who have suffered or lost their lives or property during or since the war.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. KUNZ. Yes.

Mr. FULBRIGHT. Does the gentleman understand that tax-exempt securities now in existence would be subject to taxation with the adoption of such an amendment?

Mr. KUNZ. Tax-exempt securities could be recalled and if the amendment were passed, other securities could be issued and a tax put upon them.

Mr. EATON of Colorado. If the gentleman will yield further, would not that cause the new issue of securities to carry a higher rate of interest to take care of the difference?

Mr. KUNZ. No; not at all. I see in the Washington Herald, under date of Saturday, February 11, "Treasury issue oversubscribed at 0.23 of 1 per cent."

And yet throughout the world you hear of this depression; you hear of people in the bread line; everywhere throughout the world you see this depression and the chaotic conditions; and yet, as this paper says, there was an oversubscription of this loan of $75,000,000 for 91 days. That does not look like depression.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. KUNZ. I yield.

Mr. CHINDBLOM. Does not the gentleman realize that there is so much money available for public securities that it shows that the money is not being used for private enterprise, and that that is the result of the depression?

Mr. KUNZ. I thank the gentleman for his suggestion; there is no question about it. But if the Liberty bonds, eight billion callable in November, if those were brought in and Federal bank certificates issued, you would put in circulation $8,000,000,000. And even now you are not going to get it unless something is done to bring out the money hoarded by capital.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. KUNZ. I do.

Mr. FULBRIGHT. Under the gentleman's resolution, would State and municipal securities be subject to taxation?

Mr. KUNZ. Yes; I permit the State governments to tax them.

Mr. FULBRIGHT. Would it prohibit the further issue of tax-exempt bonds?

Mr. KUNZ. No, it would not; but they could recall them and place a tax upon them, and by doing that reduce the surplus.

Mr. FULBRIGHT. Would it prevent any State or municipality from issuing bonds tax free?

Mr. KUNZ. There would not be any tax-free bonds.

Mr. FULBRIGHT. They would all be subject to taxation?

Mr. KUNZ. Yes, subject to taxation.

Mr. FULBRIGHT. In other words, the bonds issued by States and municipalities would be subject to taxation?

Mr. KUNZ. Yes. I have introduced the following House joint resolution to amend the Constitution of the United States:

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued after the ratification of this article by or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of this article by or under the authority of the United States or any other State.

SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued after the ratification of this article by or under the authority of the United States, but without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of this article by or under the authority of each State.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. KUNZ. Yes.

Mr. CHINDBLOM. It seems to me there is an error in limiting this taxing power to income by residents of a State. There is property in a State which is taxed on account of the situs of the property itself.

Mr. KUNZ. This gives the power to assess and tax.

Mr. CHINDBLOM. But it refers only to income by the residents of a State. There might be incomes in the State by nonresidents.

Mr. KUNZ. Apart from the creation of trusts, the three principal methods of avoiding taxation are perhaps investment in tax-exempt securities, losses, real or artificial, and the transfer of property to corporations that pay few or no dividends. Investment in tax-exempt securities is the surest method, in that the protection it affords is based on the Constitution, and therefore the taxpayer resorting to it is not under the necessity of keeping a weather eye constantly lifting for any action of Congress that might affect his status. On the other hand, though the cost is small in proportion to the tax saved in the case of a wealthy man, it is nevertheless substantial. Even, however, if surtaxes be substantially reduced, we will recognize that in this emergency high taxes on income may become a national necessity, and we should endeavor to put our income-tax system on a basis which would enable high tax rates to be levied more simply, more equitably, and more effectively than has been accomplished under recent and existing laws.

Prohibition of future issues of tax-exempt securities is clearly one of the first and most important requirements to this end. No part of the Nation's wealth should be in the position in which tax-exempt securities now are, that of being immune from taxation in any national emergency, however great.

Are tax-exempt securities taking an important or unduly large fraction of the new capital? Mr. Mellon has stated his own conviction on this point and his opinion of the serious nature of the problem raised, in a letter to the Hon. Joseph W. Fordney, chairman of the Committee on Ways and Means of the House of Representatives. The following is an excerpt from that letter:

The most important consideration is that the existence of the growing mass of tax-exempt securities, coupled with the extremely high surtax rates still imposed by the law, tends to drive persons of large income more and more to invest in wholly exempt securities issued and still being issued by the Federal Government. The result is to impair the revenues of the Federal Government and to pervert the surtaxes so that, instead of raising revenue, they frequently operate rather to encourage investment in wholly tax-exempt securities and even to encourage the issue of such securities by States and municipalities. This process tends to divert investment funds from the development of productive enterprises, transportation, housing, and the like, into nonproductive enterprises or wasteful State or municipal expenditures, and forces both the Federal Government and those engaged in business and industry to compete with wholly tax-exempt issues and on that account to pay high rates of interest.

The greatest value of the full exemption from taxation arises, of course, from the exemption it confers in respect to Federal income surtaxes, and the constantly increasing volume of tax-free securities, therefore, constitutes a real menace to the revenues of Federal Government. At the same time it makes the high surtaxes operate as inducements to investments in nonproductive public indebtedness and is gradually destroying them as revenue producers. As a consequence, the yield of the surtaxes is dwindling, and there is a premium on the issue of bonds of States and cities. In the last analysis this is at the expense of the Federal Government, and it is having a most unfortunate and far-reaching effect upon the development of the whole country, because of the diversion of wealth from productive enterprise.

The greatest challenge to scientific American government and to political engineers, great and small, is the orderly organization and simplification of our tax system. As matters stand, government simply sets up a set of tollgates at the points where money passes, estates, customs, ticket offices, and the like and takes a crack at cash in passing. We have customs duties, income taxes, excise taxes, sales and luxury taxes, entertainment taxes, inherit-

ance taxes, poll taxes, and general property taxes, all writhing together in a matted mass of conflicting jurisdictions and governmental cross purposes. To-day the American tax system is in chaos, and most of the large cities of the country are bankrupt, with State taxes still rising.

In the United States Daily, under date of February 10, in regard to the proposal to tax public securities, Mr. Mills is quoted as saying the measure was practically useless in meeting the present financial crisis, but that the Government funds would be in better shape to-day if such a provision had been adopted 10 years ago. What is oil for the goose is oil for the gander. Ten years ago Mr. Mills was in Congress when his predecessor, Mr. Mellon, advocated the taxing of tax-exempt securities, and to-day he has stated what should have been done 10 years ago. If 10 years ago you could have taxed the tax-exempt securities, why not do it now, when an emergency exists, and the country is in a chaotic condition?

In the last 30 years the cost of American government has been multiplying out of all proportion to the growth of American wealth. Since 1900 our wealth has increased from about $90,000,000,000 to about $360,000,000,000, an increase of 300 per cent. In the same period the cost of Federal Government has increased from a little over half a billion to over $4,000,000,000, an increase of 700 per cent. State levies on general property have increased from $72,000,000 to nearly $4,000,000,000, an increase of nearly 500 per cent, and municipal taxation for all cities over 30,000 population now amounts to well over $3,000,000,000. The cost of American Government to-day is around $12,000,000,000 and is still going up. The debts of the Government are rising steadily. In 1902 all governmental debts amounted to less than $3,000,000,000. To-day they are over $30,000,000,000, an increase of 900 per cent. The State debts have increased from $2.99 per capita in 1902 to $15.38 per capita in 1929. In the 20 years from 1902 to 1922 the combined debts of all State and local governments increased from less than $2,000,000,000 to nearly $9,000,000,000, and then they really began borrowing in a big way. Since the war the expenditures of our cities have exceeded their revenues by at least a quarter of a billion dollars a year. In 1929 out of 74 cities which had a population of 100,000 or over only 19 had balanced their budgets. In that year, which was one of the most prosperous on record, Chicago had a deficit of $150,000,000. In Chicago the per capita revenue for 1922 was $54.20 and, in 1929, $30.43. The cost of administration for Chicago in 1920 per capita was $39.92 and in 1929, $50.93. In other words, while during that period the cost of living decreased 10 per cent the cost of city government rose 50 per cent. Stated differently, the cost of city government to the inhabitants of a city was greater than the combined cost of State and National Governments to the same individual. For every cent saved in taxes in Washington, 5 cents were added to his taxes at the city hall in Chicago. Of course the condition of Chicago was very different from other cities. Chicago at that time was placed in the position by a very resourceful gentleman who was seeking the high office of mayor, and in 1927 while president of the county board he had passed a resolution on July 10, 1928, nullifying the assessment and ordering a new assessment, so that in Chicago in 1928 and 1929 no taxes were collected, and the entire county of Cook was compelled to borrow money on tax warrants issued by the county and by the city and the drainage board at, I believe, the rate of 6 per cent per annum. Of course that caused consternation among the employees of the city, county, and drainage district in the city of Chicago.

In 1927 the Board of Assessors in Cook County made what was presumed to be an honest assessment on the valuation of all the property in Cook County. It seemed that the Loop district, which represents the capital of Chicago, was assessed much higher than on previous occasions, and the district outside of the Loop lowered. Mr. Kelly, representing the Loop business district with other gentlemen, instigated a movement and a resolution was introduced by the president of the board for a revaluation of the property and that this revaluation be made by one of the representatives of the president of the county board and who was afterwards appointed. That gentleman was Mr. Jacobs, who afterwards reduced the valuation of the Loop district and increased the valuation of the property outside of the Loop, which, of course, compelled the poor property owners to carry the burden of taxation of the rich. Not only that, but one of the advisors of the mayor, Mr. Sargent, who represents the First National Bank and the Morgan interests and president of the Northwestern Railroad, had the valuation of the railroad properties reduced $20,000,000, according to my information. This revaluation cost the taxpayers of Cook County $4,000,000, and the interest that has been paid on money that was borrowed on tax warrants amounts to a million dollars a month. Of course, 1927 and 1928 were the most prosperous years we had, and the foresight of the present mayor, who had this resolution passed while he was president of the Cook County board, could not see that depression would stare the country in the face. If he had, I do not believe that he would have taken the opportunity of spending the people's money to revalue and reassess the property in Cook County at the expense of the taxpayers. That is why in 1929 the tax was $50.93 per capita, and that is why the taxpayers outside of the Loop district were paying the Loop district's share of the taxes.

Only 2,411,000 individuals were liable to tax out of the 48,000,000 gainfully employed Americans in 1930. Unless prompt action is taken to stop the issuing of tax-exempt securities and divert the money now hoarded by the vested interests of the country into channels of business which will be productive to the people of the country as a whole, the authority and stability of the Government of the United States will go by default in the face of a wild clamor for funds for the farmer, funds for the veteran, funds for the unemployed, funds for nice new court houses and municipal henchmen.

The position of the Treasury grows continually worse. The long period of Treasury surpluses is plainly over. From 1920 to 1930 they totaled about $4,000,000,000, nearly all of which was devoted to reducing the public debt. During the present year we shall actually increase public indebtedness. It is plainly time for a serious consideration of fiscal policy. Unfortunately instead of facing the situation like a statesman and inviting his countrymen to think soberly what ought to be done, the President on March 31, 1929, made a political plea as follows:

> There will be no increase of taxes if the next Congress imposes no increases upon the Budget which the administration will present. But for Congress to do this, the people must cooperate to effectively discourage and postpone consideration of sectional and group interests.

This is political buncombe and nothing else. The President knew or ought to have known that such was not the case as the facts have proven that the Congress actually appropriated $28,000,000 less than the Budget officers recommended. The attempt of the President's statement was to shift to Congress in advance the blame for the anticipated deficit and an effort to prejudice public opinion in advance against any expenditures the President might see fit to oppose, whether unemployment or farm relief or something else as the demands of sectional and group interests. The President and his supporters proposed a policy of drift in the hope that things would turn for the better. Let the Treasury meet this year's deficit by short-term borrowing as it must; it will simply face another shortage next year. This can not go on indefinitely. It is a time for tax increases, despite the anxiety of some to avoid it.

Where should the increased revenue come from? Out of higher individual income and estate taxes. We have really only started to use these powerful modern fiscal engines. In 1929 customs yielded $602,000,000; miscellaneous internal-revenue taxes (tobacco) $480,000,000; the corporation income tax, $1,236,000,000; individual income tax, $1,095,000,000; and estate tax (inheritance) $65,000,000. Taxes on consumption, customs, tobacco, and corporation income taxes, thus yield two-thirds of the Federal revenue. Mr. David

Lawrence figures that the present tax on tobacco, cigars, and cigarettes will bring in $500,000,000, which is three-fourths of the $678,000,000 ordinary cost of running the Government. The customs duties are bringing in another $290,000,000. The real trouble lies in three things: (1) The enormous interest and sinking-fund charges on Federal debt, which the Federal Budget for the fiscal year ending June 30, 1933, states will be $1,136,700,000; (2) the cost of past wars; and (3) the preparation for future wars. About three billion of our four billion Budget for 1933 goes to pay for past wars and to prepare for future wars.

INCOMES TIED UP IN TAX-EXEMPT SECURITIES

In 1929, 504 individuals reported incomes of a million and over and 967 individuals reported incomes of between $500,000 and $1,000,000. In 1930 the former group had shrunk to 149 and the latter 311, as compared with 206 and 576, respectively, in 1916. Individuals returning incomes from $5,000 to $10,000 had grown from 150,000 in 1916 to 505,000 in 1930. Now, how many of the gentlemen reporting incomes of one million or $500,000 to $1,000,000 have their money tied up in tax-exempt securities, the interest of which is paid by the smaller taxpayer to these gentlemen who do not only fail to pay any income tax on their tax-exempt securities but who are sucking the lifeblood out of the Nation by having the poor pay the rich. This Government is not for the people but for the few who are protected and kept by the people. It is claimed that our long-term bonds are selling to-day at a discount, even those bearing as high an interest as 3¾ per cent.

Of the total interest-bearing debt, aggregating $17,040,000,000, $14,310,000,000 consists of long-term bonds, some of which were callable in 1932 and others this year. In November of this year $6,268,000,000 of fourth Liberty Loan 4½ per cent bonds become callable. They mature as early as 1938 and this immense issue must be retired or refunded over the comparatively short period of five years. If the increase in public debt can be arrested this year the Treasury's general debt retirement and refunding program might be managed. According to reliable sources an additional revenue in excess of $900,000,000 is required for the year 1933.

SURTAXES

The persons who gain most from exemption are those who pay the highest surtax rates, yet the bonds must be sold on such terms as to make them attractive to the lowest class of taxpayers which has to be appealed to in order to make sure of marketing the entire issue. It is to the advantage of this lowest class, not to the advantage of the highest class, which limits the gain to the Government from marketing tax-exempt securities on more advantageous terms. Tax exemption also destroys the personal character of the income tax and builds up a tax-exempt class of the wealthier citizens which makes them and the Government peculiarly liable to popular prejudice and demagogic attacks.

Our transportation systems and other essential industries of the first order complain that they can not attract surplus property income into the investments they are able to offer. They recognize that, in order to obtain fresh capital needed, they would require to offer a rate of interest which would provide, after deduction of income tax, a return equal to that offered by State and local governing bodies whom the law permits to issue stock free from taxation. The rate of interest necessary to make such a provision would be a rate that would make their undertakings too costly to return an adequate profit. A reduction in surtaxes to a maximum of 25 per cent would at once divert a huge amount of capital from tax-exempt securities to productive enterprises. The net result would not only be an actual increase in the aggregate tax collected but increased competition in productive lines would inevitably tend to lower the cost of living.

Andrew W. Mellon wrote Ernest Hamlin Abbott, editor of Outlook, in December, 1923, and his words are prophetic:

> It seems difficult for some to understand that high rates of tax do not necessarily mean large revenue to the Government and that more revenue may often be obtained by lower rates.
>
> With the open invitation to all men who have wealth to be relieved from taxation by the simple expedient of investing in the more than $11,000,000,000 of tax-exempt securities now available and which would be unaffected by any constitutional amendment, the rich need not pay taxes. We violate Adam Smith's first maxim. Where these high surtaxes do bear is not on the man who has acquired and holds available wealth but on the man who through his own initiative is making wealth. The idle man is relieved; the producer is penalized. We violate the fourth maxim. We do not reach the people in proportion to their ability to pay, and we destroy the initiative which produces the wealth in which the whole country should share and which is the source of revenue to the Government.

WHY MILLS TAKES ACTION

What rates will bring in the maximum amount of revenue to the Government? The Treasury estimates that the highest surtax should not exceed 25 per cent, which, with a normal tax of 6 per cent, will impose a total tax of 31 per cent on incomes of $100,000 and over. It arrived at this conclusion in the following way: At the present time a man with an income of $200,000 pays a tax of 58 per cent. He can invest in tax-exempt securities paying 4½ per cent and receive as much net income as he would make in a business enterprise paying 11 per cent. Good investments paying 11 per cent are hard to find, so the man of large income is more and more tending to avoid the risks of business and to put his money into tax-free bonds. There is no dearth of such securities available for investment. At the present time more than $15,000,000,000 of tax-free securities are outstanding, and the loss of revenue to the Government over what it would receive if the income were taxable has been estimated at a very large amount. Surtaxes are rapidly failing as a source of revenue to the Government, as they not only encourage State and municipal extravagance and thereby increase local taxes but they also retard the natural growth of industrial enterprise.

This all brings us back to the original proposition that, while the Government may seem to have the power to fix its taxation rates at will, in reality it is bound by the same economic laws as any other business. If the Treasury is to be assured of a continuous source of income, our citizens must prosper and if they are to prosper, the appropriation by the State of their earnings and property must be based upon economically sound principles.

I do not say that it is within our power to fix with mathematical certainty the exact surtax rates which will yield the most revenue to the Treasury with the least disturbance to business. We can, however, demonstrate the upper brackets beyond which no rate can go and be economically sound. For instance, a man with a high income of a taxable and a tax-exempt investment to go into. Uusually the tax-exempt investment is a municipal bond and the risk of loss is small. On the other hand, a taxable investment can be instanced by a productive business which involves some risk for which the investor demands an additional income return. We may assume that the weight given by the average investor to this risk is about 2 per cent. Taxes aside, we should then treat a 4½ per cent investment, absolutely safe, as the equivalent of a 6½ per cent investment where there was an element of risk. Under our present maximum income-tax rates, the productive business must show a gross return of 12 per cent to be the equivalent, tax and normal risk considered of a 4½ per cent tax-exempt bond. Now, no business, however successful, can insure a gross return of 12 per cent on the investment. If the maximum rate of normal tax and surtax were cut to 20 per cent total a 4½ per cent tax-exempt security would stand on equality, tax and risk considered, with an 8 per cent productive investment. The difference between an 8 and 12 per cent gross return is the difference between reasonable assurance of safety and speculative risk; the first will attract a conservative investor, the latter repel him.

THE COST OF TAX-EXEMPT SECURITIES TO THE UNITED STATES GOVERNMENT

A few years ago William Rockefeller, who had borrowed $31,000,000 and whose estate consisted of $44,000,000 of tax-exempt securities, had two-thirds of his estate in tax-exempt bonds. Forty-four million dollars' worth of tax-

exempt bonds consisting of two-thirds of his assets! As to that much he sat by and paid no tax, and to that extent the rest of his fellow countrymen were paying for the Government, and he was not.

Mr. Rockefeller borrowed $31,000,000. Now, at least $11,000,000 of that must have been spent for tax-exempt securities, because he only had $20,000,000 of taxable securities in his estate when he died. That much we have. Let me show how he worked it. His interest on $44,000,000 of tax-exempt securities was approximately $2,000,000 a year. All of that $2,000,000 was absolutely tax exempt. The interest that he paid his creditors, who happened in this case to be his children, if he paid 6 per cent, was $1,800,000 a year. Under the law as it stands, as we are trying to correct it, that $1,800,000 was deductible from his taxable income. He had about $20,000,000 of taxable securities. Now, let us suppose that he got a high rate of interest on the $20,000,000. Let us suppose that he got as much as 9 per cent upon all of his taxable income. It would absolutely be wiped out by the deduction of the $1,800,000 of interest that he was paying to his children. Therefore he got $2,000,000 of tax-exempt income and did not pay one penny of tax on it, and he got 9 per cent on his $20,000,000 of taxable securities and paid no tax on that.

Now, let me apply it to a simpler case. Suppose that I have a business that yields me $50,000 a year. If I let matters rest, I pay an income tax; but if I go to my banker and borrow $1,000,000 at 5 per cent and put it into municipal bonds and pay 5 per cent to the bank, what happens? The 5 per cent I get on the $1,000,000 of tax exempts comes into me, and I pay no tax on it—the $50,000 of nontaxable income—and I actually get the same amount net each year but pay no tax.

I pass my share of the burden of paying for the Government over to my fellow citizens.

SUMMARY

The first section of the resolution which I have introduced provides that the United States Government can assess taxes upon incomes from State securities issued after the ratification of this article, which it can not do at the present time; but the really important thing also in the first section is that it must be done without discrimination against income derived from other securities issued by the State, any other State, or the Federal Government itself.

The second section gives the State government the right to tax Federal securities that might be issued after the time this amendment is adopted the same as the Federal Government is protected in the first section. The two clauses are necessary in order to be sure that the tax-levying authority conferred on both the Federal Government and the individual States shall be reciprocal.

CONCLUSION

Wealth will go into tax-exempt securities as long as the surtax rate is higher than 25 per cent. There is no way to tax tax-exempt securities now outstanding unless these securities are called in and new securities issued; and this would be in any event trying to do indirectly what can not be done directly under the Constitution, as it would be in violation of the contract clause of the Constitution. If we ever want to get out of the rut and force wealth to pay its just cost of government then stop the issuance of tax-exempt securities, raise the surtax rates, or place a tax on tax-exempt securities to be issued in the future and raise the surtax rates. Unless one of these two policies are followed the well of wealth of the people will eventually be milked dry by the vested interests of the country who are now behind a wall of protection with tax-exempt securities and a good crop to draw from in the future. [Applause.]

Mr. HOLADAY. I yield 20 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, ladies and gentlemen of the committee, Uncle Sam's money has been so sound in its value and so general in its distribution and so rapid in its velocity that we had come to think of our financial system as being well-nigh perfect. In our search for a cause or causes of the depression nothing is free from investigation and suspicion. Not many understand the money question. Not many understand the relation of finance to industry, commerce, and government. In these days we hear much discussion of the subject. From the platform, over the radio, and through the press we are constantly being advised with reference to the gold standard, inflation of the currency, and other kindred subjects. Because of the fact that heretofore we have considered our monetary system safe we have not given ourselves to a study of it, and consequently we find it difficult to follow these discussions.

It shall not be my purpose to enter into the intricacies of these subjects, but rather to present some facts concerning our money. I shall not dwell with theories or with the depression, but with facts concerning the various kinds of money which Uncle Sam issues. The facts that I shall give have been verified by the office of the Treasurer of the United States, Maj. Walter O. Wood. He is an authority on American finance and is the author of an instructive and interesting work on the various money issues of the United States.

Uncle Sam's money can be put into two classes—metal money and paper money. The former is basically the more important, but the latter circulates more rapidly. The latter has no intrinsic value but is valuable because of the fact that gold or silver or other securities are held in the United States Treasury to secure it. Uncle Sam's paper money will be good so long as he can be permitted to keep this security in his vaults. Gold and silver receive value because of their scarcity. Gold is more valuable than silver because of its greater scarcity. Gold is our standard money, hence the term "gold standard." An ounce of gold is of fixed value at $20.67183. An ounce of silver is now worth $0.25625 in the world competitive market. It is estimated that the available monetary gold in the world is worth $12,000,000,000 and that the available silver is worth $4,000,000,000. The gold dollar contains 25.8 grains of gold, which is nine-tenths fine in gold and one-tenth alloy. Hence it contains 23.22 grains of pure gold. The silver dollar contains 412½ grains of silver, nine-tenths fine, or 371.25 grains of pure silver, which is intrinsically worth $0.1982. One ounce of gold is therefore now worth approximately 80 ounces of silver. The quantity of gold and silver in the world varies from year to year for the reason that both of these metals wear out by usage and also because the production of each varies each year. We have in the United States 37 per cent of the gold reserve of the world. Uncle Sam has much gold that is not coined as yet. It is in gold bars, or bullion. At the present time the Government has 112,000,000 ounces of gold bars of the value of $2,300,000,000. The value of the gold coins now outstanding is $1,840,000,000.

The Government now has $17,981,624 in silver bars. The value of the silver coins now outstanding is as follows:

Five hundred and forty million dollars in silver dollars.

Three hundred and six million dollars in subsidiary silver coin which includes half dollars, quarters, and dimes. There is not much coining of silver being done now. The silver dollar is not in demand for usage for it is cumbersome compared with the splendidly designed currency. There are 540,000,000 silver dollars in existence but only about 29,000,000 are in use. The difference is represented by the silver certificates issued by the Government. The latter are used as money. The silver represented by the certificate is kept in the Treasury, as a trust fund for the certificate holder and will be paid to him on demand.

Minor coins such as nickels and pennies do not represent much in value but enough to consider. The minor coin outstanding amounts to $126,000,000.

The United States Government purchases practically all the gold produced in the United States. It is provided by law that the Government buy all that is presented. The amount paid for the gold is $20.67183 per ounce. The Government also purchases much silver. This is purchased at the market price, which fluctuates. The price now is about $0.25 per ounce.

The Government at this time owns about 162,000,000 ounces of gold valued at $3,300,000,000. It has about 400,-

000,000 ounces of silver which is valued at $100,000,000 at the current market price.

About two-thirds of the Government's gold is in gold bars. Each of these bars is worth about $8,000. It is estimated that at this time there is in the United States $9,700,000,000 in money. This includes the gold and silver bullion and the coined gold and silver, and the paper money not represented by the bullion deposited. To count both the paper money against which trust-fund gold and trust-fund silver is held and also the latter obviously would be counting the same thing twice. The amount of gold in circulation is about $470,000,000. The balance is held as security or tied up in one of many various ways.

Uncle Sam's paper money is of no intrinsic value in itself. It is as valuable though in commerce and trade and in the everyday walks of life as gold or silver. The reason for this is that it is secured in whole or in a large part by valuable gold or silver or other securities deposited as a guarantee for it, and it is guaranteed by the honor and the wealth of the Nation. So long as it is accepted without question the Republic is safe.

There are five kinds of paper money now in circulation: Gold certificates, silver certificates, United States notes commonly called greenbacks, national-bank notes, and Federal reserve notes. Each is easily distinguished by the inscriptions thereon. Each carries printed upon its face the contract it makes between the Government and the person who holds it.

A gold certificate states on its face that the Government will pay the holder the amount of its face in gold at any time that the certificate is presented by him to the Government Treasury. The certificate is therefore "as good as gold" and is much easier to carry and pass around. There is about $1,320,000,000 in gold certificates outstanding at this time.

A silver certificate certifies that there has been deposited in the Treasury of the United States silver dollars equal in number to the denomination of the certificates which are payable to the holder of the certificate at any time he presents that certificate. The silver certificates pass as readily as gold certificates, for they have back of them the honor of the Government. Although the silver dollar is a legal tender everywhere, still the silver certificate that calls for that dollar is not a legal tender except as to the payment for "all public dues." This fact makes no apparent difference for the silver certificate circulates with the same velocity as any other paper money.

There are $484,000,000 in outstanding silver certificates. There is deposited in the United States Treasury that amount of silver dollars ready to secure the silver certificates. Uncle Sam would be glad if the holders of all these silver certificates would demand the silver dollars, for he would save the price of the manufacture of the paper money. The paper dollar only lasts on an average of eight months, while the silver dollar lasts almost indefinitely. There are about 470,000,000 one dollar silver certificates outstanding. It costs about 1 penny to manufacture a $1 silver certificate. To manufacture 470,000,000 certificates every eight months it would cost the Government about $4,000,000. This is sufficient reason why Uncle Sam would be glad if the holders of silver certificates would demand the silver dollars which secure them. This $4,000,000 is the price that we pay for the convenience of paper money. In the eastern part of the United States silver dollars are seldom used in business, but in the western parts silver dollars are used very generally. Why this difference Treasury officials are at a loss to know unless it is a prejudice in favor of silver in sections where silver is mined.

United States notes commonly known as "greenbacks" were first issued during the Civil War. These were not secured by a deposit of silver or gold, but were issued purely upon the honor of the Government. A law was passed making them a legal tender. This was a new principle in Government finance. The law said in effect that a piece of paper was as good as gold. This plan was the subject of much public discussion for years after the Civil War. Under the pressure of this discussion the "greenbacks" depreciated in value to 38 cents on the dollar. When it became evident that the Union forces would win the Civil War greenbacks rose in value, but the matter continued to be a subject for nation-wide discussion until Congress passed a law known as the resumption of specie payment law, which provided that the Government should secure the value of greenbacks by the deposit of a sufficient amount of gold with the Treasury of the United States. Since then the greenbacks have been held to be as valuable as any other kind of money.

There is back of the $346,680,000 of greenbacks now in circulation $156,000,000 in gold and the promise of the Government to pay them. The difference between $346,680,000 and $156,000,000 is $190,680,000. This amount of greenbacks is secured only by the good credit of the Government. This is purely fiat money. This saves the Government from tying up that amount in its vaults to be idle. In other words the Government uses $190,680,000 upon which it pays no interest. This shows the strength of our country. How much more of such "fiat" money our country could issue without some dire consequences is uncertain. There is a sure limit somewhere. To permit that limit to be reached might bring disastrous consequences.

Another kind of paper money is that kind known as national bank notes. These were first issued in Civil War times to help the Government meet its obligations. They grew from the custom of State banks issuing their own paper money. This State bank's money being different in each State, became a nuisance. The Government, therefore, decided to issue national bank notes. Legislation was passed in 1863 providing for the establishment of national banks. In the same year Congress passed a law providing that national banks might issue bank notes up to 33⅓ per cent of their capital stock, providing further that said bank had deposited a certain amount of its capital stock in United States Government bonds. When a national bank had complied with these preliminary conditions, the Government would supply the bank with bank notes and would superintend the issuing thereof. The Government required the depositing with it of the Government bonds owned by the bank in order to secure the issuance of that money. Thus gradually the national bank notes reached the same position as other paper money and passed through the channels of commerce with the same velocity as any other money. The amount that any bank might issue is controlled by the Government and does not exceed the value of the Government bonds deposited with the Government to secure the issuance of such bank notes. These notes are primarily an obligation of the bank that issues them and is not an obligation of the Government. But the Government would honor such notes if the bank failed to do so, and would honor them from the bonds which the bank had deposited with the Government for the purpose of guaranteeing the value of said notes. If the bank at any time wishes to take up its outstanding bank notes it can arrange to deposit with the Government Treasury an amount equal in value to the face value of the outstanding notes, and the Government will release to the bank the bonds that it has been holding as security and will redeem the bank notes from the money deposited as fast as they come into the bank for redemption. National banks are not required to issue bank notes. It is a privilege but is not compulsory. Only certain Government bonds are permitted to be accepted as security upon which national banks can issue national bank notes. Up to last July only 2 per cent Consols and 2 per cent Panama Canal bonds were eligible, but under the act of July 22, 1932, all United States bonds bearing not in excess of 3⅜ per cent interest were also made eligible for a period of three years. There are now $880,000,000 in national bank notes in circulation.

Federal reserve notes represent another class of paper currency. The name implies their source of issue. This class of paper money was designed to furnish to our financial system an elasticity that was generally thought to be necessary. Before the Federal reserve act was passed business experienced difficulty in securing adequate money at certain intervals and at times when business conditions were abnormal. To keep in circulation at all times sufficient

currency to meet all conditions would result in an excessive supply most of the time and thereby might result in price inflations that would be a constant invitation to reckless speculation. To reach this situation legislation was enacted establishing the Federal reserve system. A Federal Reserve Board was established and the country divided into 12 Federal reserve districts, each district having one Federal reserve bank. Every national bank was required to subscribe to stock in that district reserve bank. The reserve banks are not permitted to accept deposits or to make commercial loans. They accept for rediscount short-time commercial and agricultural paper of satisfactory value. This bankable paper, when supported by a deposit of gold in certain required percentage, is the basis upon which the Federal Reserve Board will issue Federal reserve notes to a member bank. The amount of Federal reserve notes issuable to such member bank is dependent upon the amount and value of the bankable paper and gold deposited by that member bank. When a member bank finds it desirable to put out a quantity of paper currency in its community it may make application for the same to the Federal reserve bank. This bank has the authority to issue Federal reserve notes to the member bank. The amount that will be issued will, as heretofore stated, depend upon the amount and value of bankable paper and gold which that member bank has on deposit with the reserve bank.

The Reserve Board must have in its possession an amount of gold equal to $40 on each $100 of Federal reserve notes issued. In other words, before the board issued a Federal reserve note for $100 it must have adequate security for the full value of the note and $40 in gold in reserve, all of which is to stand behind that reserve note and guarantee its redemption. The Government is behind these reserve notes, for according to the language printed on these notes the United States promises to redeem them.

When a bank has received a quantity of these Federal reserve notes and has put them into circulation and wishes to take up the bankable paper and other security left with the Federal reserve bank, it must return to the reserve bank a sufficient amount of reserve bank notes to accomplish this purpose. When this is done the reserve bank retires this amount of currency so as to keep in circulation only the amount required.

There is now $2,390,000,000 of Federal reserve notes in circulation. This amount varies daily, as does the amount of all other kinds and classes of money.

The inflationists claim, in justification of their position, that because of the failure of money to circulate with its former velocity more money should be printed and circulated. But those opposed to inflation show that there is more money available for circulation now than in the prosperous times of five years ago, and that inflation is not necessary and would be a great deterrent to the return of prosperity. If steps are taken to inflate through the revaluation of the gold dollar, there is danger of undermining the corner stone of our financial system in an effort to try a questionable experiment. Attempts on our part to match or checkmate the fluctuating currencies of foreign nations will only result in putting our currency system into a fluctuating race with them, thereby endangering them all. The strength of a financial system is not in its capacity to reach great heights and great depths but in its capacity to withstand influences that tend to drive it to great heights and great depths. Its strength is in its ability to remain at a standard. The American dollar is the nearest to a standard of any money in the world. A program that would tend to bring the currencies of all the other nations to our standard should prove more beneficial to us and to the world than a program that would tend to unstabilize all currencies. I think a final settlement of the debts due to the United States by foreign nations, together with a stable currency and with a balanced Budget as proof that we intend to operate the Government within its income, will do more to restore national confidence than anything else that we can do. With national confidence restored we will be able to remedy our own domestic troubles ourselves, as we have always done.

Mr. HOLADAY. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. EATON].

Mr. EATON of Colorado. Mr. Chairman, I am very glad that such a large number have remained to hear me tell you once again about silver. The Committee on Coinage, Weights and Measures has had under consideration a number of bills, all of them looking toward finding a remedy in the coinage of silver. It is most interesting to those of us who come from the Western States to see the make-up of the committee. The chairman is from New York. The ranking Republican member is from New Jersey. Two come from Southern States. There are two, one each from Kansas and Nebraska, and the rest come from intermediate Eastern States.

When the hearings upon this subject first commenced over a year ago, it was difficult to determine what attitude the members of this committee would take. Most of them seemed to be afraid of the subject of silver. They wanted to know the meaning of remonetization, free coinage, 16 to 1, and some of the other expressions that have been used to put silver in disgrace. Since that time the Members of this Congress have begun to think, not merely about silver, but to think about money. They have given it serious thought. Some of them have looked back into their old books on money and banking, and their old books on economics, and some of them have refreshed their recollections and begun to apply the old rules to present conditions to determine what is the matter with the money and the credit of the country.

I attended one meeting where one of the high officials of the Government, representing the Federal reserve bank, stated as I thought, unequivocally, that there was no money panic; that there is plenty of money, and that the Federal reserve bank has enough gold in its possession to issue all the money that is necessary to carry on the business of the Government. At the same meeting a plan was outlined which was then being put into effect of the Federal reserve bank pushing money out, "pumping money into the banks," he said, and buying back United States bonds. Now, we come to the month of February, 1933. Let me just quote to you from a few newspaper clippings that have been collected within the last week to show whether or not there is any kind of a money shortage. I might first take to-day's newspaper and read two sentences from the Washington Times:

DETROIT, February 14.—Wielding the power of a dictator to save the State from financial chaos, Gov. William A. Comstock closed every bank and trust company in Michigan for an 8-day period. The State legislature was to be asked later to approve the action.

Those are the first two sentences of the story. Do you suppose those banks were closed because there was plenty of money? Of course not. There is a money panic on, and it is at the height now. It is fear. The bankers are afraid. People in Congress are afraid. People throughout the country are afraid.

Here is a newspaper article from the Rocky Mountain News of February 8:

Business men of Golden last night moved to inaugurate a scrip money system for the benefit of needy Golden families who are now being aided through the Golden Welfare League.

From the Washington Star of February 10 a question was asked in their question department:

Where is wooden money being used in this country?

Will you believe me when I tell you the writer lists 29 different States where some kind of medium is used other than gold and silver to furnish the necessary tokens for the business to be done in those communities? Here are the States and the answer:

It is said that there are 144 organizations throughout the country using so-called wooden money. The States where this movement is under way in some form are: Arizona, California, Colorado, Connecticut, Florida, Georgia, Idaho, Indiana, Illinois, Iowa, Kansas, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Jersey, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Utah, Washington, Wisconsin, and Wyoming. One of the strongest organizations is the Natural Development Association at Salt Lake City, Utah.

In 144 different towns and places in these United States on February 10, 1933—that is right now—they have had to find something to use instead of gold or silver or paper money, by using some kind of scrip, something for a token to use in the ordinary transaction of daily business.

Before proceeding, let me read you another clipping from an editorial by Mr. Albert E. Hayes, recently printed in the Denver Post:

A general mistake of writers is to confuse inflation of paper currency with the remonetization of silver. There is no connection between the two. Enemies of silver talk about a flood of unsound money. What a fallacy. After years of intensive research our Department of Commerce says the world's total silver production since 1492 to date is 15,478,000,000 ounces. Not counting the tremendous losses through the centuries, if all this could be collected in the United States Treasury at the present price for silver bullion, it would represent only $3,869,000,000 in gold dollars. If it were all coined into silver dollars and fractions, it would not entail a penny of tax burden on the people of the United States. An official graph also shows that for 70 years commodity prices have risen and fallen with the rise and fall in silver. Our statesmen and college professors might well ponder these figures.

The holders of gold securities, including bonds and mortgages, should remember they have nothing to fear from the stabilization or remonetization of silver. It will support our monetary structure and restore trade with half the world that knows only silver as money. Our Treasury can hold silver as a reserve to back up silver certificates exactly as it holds gold reserves. That is in no sense inflation in the sense that Germany used inflation.

All this gold and silver that has been the subject of speeches to-day, and editorials and other recent writings, is now in existence. It is here. Our wealth used to be composed of land and gold and silver and precious stones. In the one hundred and forty-odd years of the existence of this country we have helped change all wealth. Some men have tried to change the basis of wealth. The basis of wealth could not be changed. It is tangible. It is in existence; but we have built up what they call credit; and while there are a certain amount of gold and a certain amount of silver, different obligations are written, and we believe that a promise to pay interest and principal at a future time is wealth. It is a state of mind. It is confidence. In this Congress many of you believe that is wealth. Most of the people back home believe that is wealth. You in the Congress to-day hear talks of repudiation of all promises to pay. Not only the interest but the principal. You hear talk to-day of the amounts being cut down. It is called repudiation or discount, and other descriptive words may be used; different schemes are suggested to bring a change of the promise to pay into existence.

I never thought I would hear spoken by men in authority a challenge to the Congress to cut down the quantity of gold in the gold dollar. Let us call it demonetization of gold. It was in 1834 that the current gold coins of the United States were demonetized in part, and in 1837 the present weight and fineness were decreed by Congress for United States gold coins. They have not been changed since then.

It was in 1873 that silver was demonetized, but the proposition made here to-day, and the subject of several bills, the demonetization of gold, I never thought I would hear seriously presented, but I did hear it presented to-day. I asked the speaker while he was speaking how he was going to equalize the intrinsic value of the gold in the possession of those who had gold. I do not know the answer to that question. I have asked it of different ones, and none have told me.

Of course, if the Government is going to call back all the gold that is out—and of the $4,500,000,000 of gold we have in the United States to-day, about $2,000,000,000 is out—if some scheme was made to bring back to the Treasury this $2,000,000,000 and then to reissue it, that might be done. But will it come back? I can only answer by making a prophecy, because it is all in the future, but the logical conclusion would be that the man who has the gold is not going to give it up. The situation will be just as it is in India and China where wealth is still measured by the actual metal and lands and jewels a person may have in his possession. When the value of the gold is changed downward, they buy it in. When the value of the gold is changed upwards, they continue to accumulate. No matter which way the market goes they lay their wealth aside. They do it on a low market, they do it on a high market.

Mr. McGUGIN. Mr. Chairman, will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. McGUGIN. Assuming you reduced the gold content of the dollar one-half, would not the man who has the gold want to exchange his gold for the new dollars to receive the benefit of the appreciation?

Mr. EATON of Colorado. Of course, if he looked at it in that way, yes; but the man who has the gold, the man who has the wealth, does not look at it that way. Why? Whether he is in the United States, in England, in India, or China, gold is gold, and no legislative body in the world has changed the intrinsic value of gold. When France cut the value of the franc to 4 cents, all she did was to cut down the pocket-money value of some silver coins and other coins. The value of the gold franc has not been changed. In their international transactions, in their world-wide transactions, the gold is weighed, gold for gold, ounce for ounce, and in that way those who are busy in the dealings in exchange figure the values one against the other and continue to make their profits, but the gold continues in existence as a mass.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I yield 10 additional minutes to the gentleman from Colorado.

Mr. EATON of Colorado. There is approximately $4,500,000,000 of gold in this country to-day.

Mr. BUSBY. Mr. Chairman, will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. BUSBY. I may suggest to the gentleman that in 1834 Congress reduced the value of the gold dollar about 6½ per cent by legislative act. The gentleman uses as an illustration the franc and its worth in the exchange market. It is the gold weight and not the denominative weight, according to the statements of a statute enacted by the French body, which evaluates gold, which controls.

Mr. EATON of Colorado. I agree with the gentleman's statement.

Mr. BUSBY. That is true of the currencies of all countries, whether they are on the gold standard or not. The only way our dollar is evaluated by foreign countries is by the amount of gold it contains when weighed. If we cut down the weight of gold in our dollar, the foreign trader coming into America and securing our dollar would get less gold and, therefore, be able to get less of his depreciated money when he returned home with our currency and made the exchange.

Mr. EATON of Colorado. May I suggest to the gentleman that the only trouble with his statement is in his use of the phrase "less gold." When you trade a cargo of wheat for gold the gold is marked in pounds, in francs, or in dollars. A computation is made of the intrinsic value of the metal, and in the last analysis it takes the same quantity of gold, whether it is in the form of dollars, pounds, or francs, to make the trade for the cargo of wheat; and if you are in the banking business, in the exchange business, you will weigh one item of gold against the other. You would take a quantity of gold in weight, evaluate it, and then translate the dollars, or francs, or pounds into wheat. You would use exactly the same weight of gold of any country less the exchange charges. Now, that is the principle of the use of gold in barter. So when you change the quantity of gold from 23.22 grains in a dollar to something less or something more, you are then either giving the owners of the gold a value they did not have before or you are taking it away from them, but those who have the actual gold are going to keep that gold; they are going to hoard it. One of the troubles with the country is that not merely is gold being hoarded but paper currency representing it and everything that we believe has value and substance is being hoarded, hidden, and held tight, and not allowed to go out.

Until we can start the circulation going, until we can begin to make it move, this condition is going to continue.

Mr. BUSBY. May I suggest to the gentleman in this connection that nine-tenths of our circulating medium is bank checks, representing bank credits.

Mr. EATON of Colorado. Yes.

Mr. BUSBY. Having reduced the bank credits to where they have less than three-tenths of their normal efficiency, the one-tenth of the circulating medium that is in the form of currency can not perform the functions of exchange that have normally been performed by currency in the form of bank credits, and that is why wooden money and other mediums of exchange have come into being. When bank credits shrink, go into hiding, or become inactive, then the man who has the cash naturally becomes less free to spend his cash. Alluding to a statement made by the gentleman a little while ago, all the banks in the United States do not have more than $700,000,000 of currency while they have $16,000,000,000 of checking accounts. It would take but a very short time for those people having the $16,000,000,000 in checking accounts and $24,000,000,000 of time deposits to draw out the $700,000,000 of coined and issued currency from circulation, and coined and issued currency is what you pay to them; it is not bank credits; it is not notes. So they could not draw to-day one-eighth of their checking accounts without robbing the banks of every dollar of cash, or twice as many dollars in cash as there are in all the banks. That is the trouble now.

Mr. EATON of Colorado. I thank the gentleman, and to supplement the gentleman's statement there is in circulation not several hundred million dollars but $5,647,000,000 in and out of the banks, which is not in the possession of the United States Government right now, and with this money the busines of the country is carried on.

Mr. BUSBY. May I offer the suggestion at this point that the Federal Reserve Bulletin for December says there is not more than 40 per cent of that amount, which would reduce it to $2,000,000,000.

Mr. EATON of Colorado. The statement of the Federal reserve bulletin is, of course, just as accurate as this circulation statement of United States money from which I am reading, but this comment is at least pertinent. It may be prophetic rather than a statement of fact, but the money that is not in the possession of the United States Government, as such, is out of the Government, out of the Treasury and in the Federal reserve and other banks and in your pocket and in mine, and is the subject of circulation. How much of it is hoarded may be computed by the Federal Reserve Board and they may be able to tell you accurately that $2,000,000,000 is hoarded and that only $2,000,000,000 is available for circulation.

This brings me to my reason for speaking to-day. I want to say once more in this Congress that I can see the progress in the minds of those who have been studying the money question toward the use of something more in money that is recognized as money, which is a natural part of money, and as I said the first time I spoke of it, this is the use of silver dollars in our currency. I have been laughed at for continuing to harp upon this, but it is not a laughing matter.

The circulation of money is dammed. It is stopped and something has got to break this dam. By the organization of the reconstruction finance scheme it was sought to increase circulation, and this caused some circulation, but all it did was to circulate what it had and this did not begin to break down the dam, and I submit to you that the dam has not yet been broken. What I am trying to get in your minds, and I do not care whether you believe it to-day or not, because if you do not believe it to-day you will believe it to-morrow—when you take the available silver of this country, just as you take the available gold of this country and monopolize it for this country, for its money purposes and do not let it get away, and create our own wealth and have the people use it as our own wealth, then you will begin to erode this dam a little bit, and pretty soon natural circulation will result and, perhaps, in two years or four years we will get back to somewhere near normal; but until you use your production of silver, a natural money metal, you have not anything else to use that people will recognize and believe in as a money metal.

Silver is a complement of gold. Its purpose is parallel to if not an extension of gold for money purposes. It has weight, it has value, and it is recognized not alone by our people but by the people of all the world as a money metal.

Mr. CAMPBELL of Iowa and Mr. MAY rose.

Mr. EATON of Colorado. Before I yield for another question I want to say that the debasement of gold proposed to-day ought to be considered by you gentlemen in connection with the debasement of silver in the European countries during the last decade that began to bring about a reduction in the price of commodity silver. Commodity silver has its function. It has its place and it has its price. This country may just as well say that our silver and our gold are our money. We can even go as far as to monopolize it and say you may not use silver for all purposes or for certain purposes and that it shall only be used for money. When you do this you do not violate the views of any collector of wealth in any country of the world, no matter how civilized or uncivilized. You are following the natural function of these two metals that has been followed for more than 4,000 years.

I yield now to the gentleman from Iowa.

Mr. CAMPBELL of Iowa. The question has been asked here of several of the speakers, Where is the gold? I think the gentleman has a record here of the amount of gold that is held in reserve by the Federal reserve system and I think if you will take the amount of gold in the Federal reserve system and the amount owed by the Treasury itself, you can tell where a large percentage of the gold is to-day. If the gentleman has that record, will he please put it in his remarks?

Mr. EATON of Colorado. The circulation statement which I have with me to-day is of November 30, 1932. It is prepared monthly by the Treasury Department. I could not get the one for January 31, 1933; it is not yet ready, and I did not notice that this was the November statement until this moment. Suffice it to say that there is little difference. For example, by inquiry to-day of the director of the division of research and statistics of the Federal Reserve Board, I am informed that the total amount of gold in round figures of February 8, 1933, was $4,535,000,000, while this statement shows $4,339,545,395. The total gold held in the Treasury on the same date was, in round figures, $3,303,000,000, instead of the $3,073,316,291 shown in the statement as of November 30, 1932. This makes the total money outside the Treasury practically the same amount then and now. I will give the statement to the reporter to have printed at the end of my remarks.

Mr. Chairman, during the hearings of the past few weeks before the Committee on Coinage, Weights, and Measures, practically all the existing facts and opinions have been again presented on the subject of silver. It is only necessary for those who have the wisdom to arrange the facts and draw therefrom the logical conclusions. Until that is done, there will always be a "silver" question.

Therefore, I have not gone over the whole field, but have confined my remarks to one feature only, namely, the actual use of silver money in the United States. On January 5, 1932, I directed the attention of this House to the subject and stated "that one correction in the present monetary crisis to be made is the use of actual metal silver dollars as money of the United States instead of the paper substitute."

Since that date, I have had a voluminous correspondence from people all over the country from which these facts stand forth:

First. Bank tellers do not like to handle the silver dollars.

Second. Most cashiers and money handlers of mercantile institutions do not like to handle silver dollars.

Third. Many individuals in the East resist taking silver dollars as money.

Fourth. An incredible number of people have never seen a silver dollar.

I also stated:

I am trying to point out that the battle is between those who now have possession of the gold, the notes, and the bonds, and those who have not. They have designated the amount of credit thereon, and with every turn of the financial wheel they exact and pyramid more interest.

I submit that in so far as the United States Government is concerned that when we begin to get the interest charge cut down will be the first day for the beginning of the substantial upturn in business and commodity prices.

Most of what has been said and published as a means of overcoming the depression seems to suggest that the only way money can be put into circulation is to borrow and keep on borrowing. Nothing is said about payment. The only other subject is how to increase taxes. The trouble with us and with the whole world is that we want to keep on borrowing and merely continue the discussion of the date of our own payment.

We are not paying. We are not economizing. We are merely increasing our obligations and promising to pay more usury for the privilege.

That statement was true then. It is true now. When the United States demonetized silver what it did was to stop the coinage of silver dollars. When coinage was resumed, it was also provided that the silver should not be used as pocket money by the simple device of issuing paper dollar bills therefor and causing the silver dollars to be stored in the Treasury of the United States. The result is that practically half a billion dollars is so stored, takes up a lot of room, and, if I may use the hackneyed adjective "psychological," I will say that the psychological effect of the storing in the Treasury and banks has been to cause those to whom we have been accustomed to look for our money advice to tell us there is already too much silver. I will say to you that if that silver were put into circulation in place of half or some other part of the paper bills, under the present circumstances there would be an insistent demand for the coinage and circulation of more silver to replace that which is in storage.

I have been told that the Director of the Mint is not willing to recommend the distribution of silver dollars for use in actual circulation as pocket money on account of an experiment made by him some time ago. It appears that he ordered silver dollars to be paid out in coin on certain weekly payments for all dollar amounts less than five, and continued the experiment for several weeks; that the bank reports showed that most of the silver dollars were back in the banks by Thursday of the following week, and for that reason he believes that the people do not want to use them. If I were to make a suggestion to him—and he is one of the most efficient and best informed men in the Government in charge of a department—I would state that the period of time used for the experiment was not long enough; that the return to the banks of the coins was the natural result of circulation, and if it were possible to conduct a similar experiment with dollar bills that the same result would have been reported by the banks. When an individual receives change for a $5 paper bill, the pocket money so received is spent in various amounts until it is all gone and another bill changed to provide the same money facility. If silver dollars are to be recognized as an actual part of our daily trading, they must be kept in circulation. Bank tellers and cashiers of business houses will pass them back and forth as other money is exchanged, and the use of silver dollars will loosen the hoard now in the vaults of the United States Treasury and the banks. Circulation having been started again, then the other incidents to the use of silver dollars will follow and the psychological effect of the quantities on hand will be changed; a demand for more silver dollars for use in the ordinary daily transactions will be naturally created, and circulation continue.

May I remind you of the history of the use of silver dollars in the United States. From the year of the first United States coinage of silver dollars, 1793, up to the year 1932, the Government had coined 848,586,596 silver dollars, and in 1932 there appeared to be only 540,007,911 accounted for by the Treasury. What has become of the $308,578,685? No one in authority gives a sufficient answer. You may call it profit to the Government. You may say that that $300,000,000 was melted up and put into the silver products. Or you may say they have been abstracted from our currency by China and India and hoarded. Or perhaps you have your own individual guess.

No matter what your opinion may be, the fact is that of the total coinage, $300,000,000 in silver dollars has been coined, the Government has issued them and received full value therefor, and they have never returned. Call it for want of a better phrase, the consumptive use of $800,000,000 in silver dollars during a period of 138 years. If we divide the shortage by 138, we find that the annual consumptive use of silver dollars in our currency is approximately two and a quarter million dollars per year.

By the failure to continue the use of that type of money, the consumptive use has been relatively stopped, but the production of silver has continued.

In conclusion, I believe that the committee will report a bill authorizing the coinage of silver dollars from the present production of the United States. If you and I, by legislative action or otherwise, can also obtain the actual circulation of this new money, as well as the silver now in the vaults, we will begin the little stream of circulation which will start a disintegration of the dam which has stopped, not money circulation alone, but circulation of its auxiliary credit, and once the flow commences the natural result will be a start toward the return of normal conditions.

[Here the gavel fell.]

*Circulation statement of United States money, November 30, 1932*

| Kind of money | Total amount | Money held in the Treasury | | | | | Money outside of the Treasury | | | | Population of continental United States (estimated) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total | Amount held in trust against gold and silver certificates (and Treasury notes of 1890) | Reserve against United States notes (and Treasury notes of 1890) | Held for Federal reserve banks and agents | All other money | Total | Held by Federal reserve banks and agents [1] | In circulation [2] | | |
| | | | | | | | | | Amount | Per capita | |
| Gold coin and bullion | [3] $4,339,545,395 | $3,073,316,291 | $1,335,604,829 | $156,039,088 | $1,496,969,467 | $84,702,907 | $1,266,229,104 | $811,777,795 | $454,451,309 | $3.63 | |
| Gold certificates | [4] (1,335,604,829) | | | | | | 1,335,604,829 | 700,528,410 | 635,076,419 | 5.08 | |
| Standard silver dollars | 540,007,911 | 501,285,696 | 492,553,450 | | | 8,732,246 | 38,722,215 | 9,334,903 | 29,387,312 | .24 | |
| Silver certificates | [4] (491,336,050) | | | | | | 491,336,050 | 130,675,750 | 360,660,300 | 2.88 | |
| Treasury notes of 1890 | [4] (1,217,400) | | | | | | 1,217,400 | | 1,217,400 | .01 | |
| Subsidiary silver | 306,671,409 | 12,685,221 | | | | 12,685,221 | 293,986,188 | 35,620,296 | 258,365,892 | 2.06 | |
| Minor coin | 126,572,987 | 5,161,458 | | | | 5,161,458 | 121,411,529 | 7,995,072 | 113,416,457 | .91 | |
| United States notes | 346,681,016 | 2,859,311 | | | | 2,859,311 | 343,821,705 | 52,626,075 | 291,195,630 | 2.33 | |
| Federal-reserve notes | 2,913,682,115 | 5,295,360 | | | | 5,295,360 | 2,908,386,755 | 233,651,783 | 2,674,734,972 | 21.37 | |
| Federal-reserve bank notes | 2,694,012 | 25,744 | | | | 25,744 | 2,668,268 | | 2,668,268 | .02 | |
| National-bank notes | 875,880,908 | 16,030,345 | | | | 16,030,345 | 859,850,563 | 33,454,706 | 826,395,857 | 6.60 | |
| Total, Nov. 30, 1932 | 9,451,735,753 | [5] 3,616,659,426 | 1,828,158,279 | 156,039,088 | 1,496,969,467 | [6] 135,492,592 | 7,663,234,606 | 2,015,664,790 | 5,647,569,816 | 45.13 | 125,135,000 |

[1] Includes money held by the Cuban agency of the Federal Reserve Bank of Atlanta.

[2] The money in circulation includes any paper currency held outside the continental limits of the United States.

[3] Does not include gold bullion or foreign coin other than that held by the Treasury, Federal reserve banks, and Federal reserve agents. Gold held by Federal reserve banks under earmark for foreign account is excluded, and gold held abroad for Federal reserve banks is included.

[4] These amounts are not included in the total since the money held in trust against gold and silver certificates and Treasury notes of 1890 is included under gold coin and bullion and standard silver dollars, respectively.

[5] The amount of money held in trust against gold and silver certificates and Treasury notes of 1890 should be deducted from this total before combining it with total money outside of the Treasury to arrive at the stock of money in the United States.

[6] This total includes $39,825,496 gold deposited for the redemption of Federal reserve notes ($1,194,210 in process of redemption), $36,714,651 lawful money deposited for the redemption of national-bank notes ($15,986,387 in process of redemption, including notes chargeable to the retirement fund), $1,350 lawful money deposited for the retirement of additional circulation (act of May 30, 1908), and $23,036,077 lawful money deposited as a reserve for postal savings deposits.

Mr. EATON of Colorado. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain citations.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, I rise to clarify the record. This afternoon my esteemed colleague from Texas made a very interesting speech in which he analyzed the salaries and the work of various employees.

In the course of his remarks he made allusion to one of the finest, ablest, and best men we have in the employ of the Government. I have the highest respect for my colleague; he is earnest, sincere, and enthusiastic, but, as often happens where a man is enthusiastic, he may sometimes say things that are capable of misconstruction. Personally, he assures me that he had no intention of reflecting on this officer of the Government, but I think we can make the record clear if I refer specifically to this man—who he is, what he is, and what he has been doing and the degree to which he is entitled to our respect.

It is Theodore L. Cogswell, the register of wills, a man who has served the Government 20 years, and raised himself practically from boyhood to this important office in the District.

In 1917, when came the call to arms, he went to the other side and served a year and a half, was wounded in battle so severely, in fact, that he was hospitalized for over 12 months. He received the distinguished-service cross and two citations for bravery in action.

I will give the official citation:

Theodore L. Cogswell, first lieutenant, Three hundred and nineteenth Infantry, Eightieth Division, American Expeditionary Forces, received the distinguished-service cross for extraordinary heroism in action with the enemy at Landres-et-St. Georges, France, November 1, 1918. In the advance of that day his company was halted by intense machine-gun fire while passing through the barbed-wire entanglements. In the face of this fire Lieutenant Cogswell voluntarily crawled down a slope in front of the enemy's position and, in full view thereof, discovered a sunken road at the foot of the slope, crawled back to his company, and led them to the advanced position. Immediately upon reaching the new position he again voluntarily sought a favorable forward position for his command, crawling a distance of 75 yards toward the enemy, during which exploit he was seriously wounded. The outstanding bravery and devotion to duty of Lieutenant Cogswell served to incite the men of his company to heroic endeavors, enabling them to assist in the capture of Landres-et-St. Georges, together with 209 prisoners, 9 field pieces, and 15 machine guns.

This brave soldier is an emergency officer under the laws which we have enacted. He is entitled to the pay of an emergency officer, and I fear my colleague gave the impression that he was drawing such pay. I want to make it clear to my colleagues that he is not drawing such pay as an emergency officer but only his pay as register of wills.

Mr. HOLADAY. Will the gentleman yield?

Mr. GRIFFIN. I yield.

Mr. HOLADAY. I would like to add that his office is now collecting almost $100,000 a year. While there has been such an increase in the receipts of the office, the cost of the operation of the office has not increased in proportion to the receipts of the office, indicating that he is giving a very good administration.

Mr. GRIFFIN. I thank the gentleman. It shows the efficiency of this man, that he is as efficient in civil life as he was in war. [Applause.]

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. I think there is no greater or more reliable newspaper in all the land than the Dallas News, and I have clipped from to-day's front page of that paper the following, which I shall read:

MEXICAN BANDITS MAKE NIGHT RAID ON BORDER RANCH—FOURTH INCURSION SINCE REMOVAL OF TROOPS AT MARFA IS REPORTED

MARFA, TEX., February 9.—Texas Rangers and a sheriff's posse left here Thursday to investigate a raid by Mexican border bandits made Wednesday night on the Jake Baldwin ranch, 14 miles south of Presidio.

The raid was the fourth since United States cavalrymen were withdrawn from Fort D. A. Russell here early in January. Rumors were persistent along the border that bandits are concentrating for a foray on the Terlingua quicksilver mine.

Five raiders were in the band which crossed the Rio Grande from Mexico, held occupants of the Baldwin house at guns' point, looted the house, and robbed the men. When the bandits started to loot the commissary they became frightened and fled back across the river.

This newspaper report may be exaggerated; I do not know; but I do claim that I know the fear that American citizens along that long stretch of border feel about this matter.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. Yes.

Mr. DICKSTEIN. Is it not also true that a number of men on the border patrol have been given furloughs and that they have to alternate with one another?

Mr. THOMASON. That is my understanding. In addition to that, there are only about 60 Texas Rangers in all Texas.

I still contend that the removal of those troops from the Mexican border was absolutely unwarranted, and I am becoming more and more convinced every day that it was done in a spirit of spite and was prompted very largely by politics. Fort Clark at Brackettville, Fort McIntyre at Laredo, and Fort Brown at Brownsville, all on the Mexican border, were on the original list for abandonment. In the final wind-up, through some unknown influence, Fort Russell was the only one abandoned. Here is a long stretch of border, from El Paso east for 500 miles, the river meandering along the so-called Big Bend country, that has had these raids for years; but now, according to the Dallas News, they have had four of them in the last 40 days. I repeat what I have said several times before. If soldiers are needed anywhere, it is along the Mexican border.

Whether the raids have been large or small, whether they have been exaggerated or not, I hope this does not mean that worse trouble is to come to American citizens along that long line of the Rio Grande. Frankly, I fear trouble if troops are not sent back there. After Fort Russell was established there were no more raids until the post was abandoned. Those soldiers were a stabilizing influence along that whole border line of Texas. I hope my people will not suffer as did those at Columbus, N. Mex., after the Villa raid. Those soldiers ought to be sent back there. It is just as I predicted. This story may be exaggerated but I do know how those people feel about it. They are entitled to protection, and I hope justice will yet be done about the matter. [Applause.]

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD of Georgia. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the question of the inflation of the currency, and to include an article written by the late Senator Watson, of Georgia, on the subject.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. LANKFORD]?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Chairman, during these awful times, when everyone should be endeavoring to find the cause of the depression and endeavoring to find a way of escape from its devastating effects in order that our people might live, I thought it proper to see what was said about our monetary system by men who have given special study to this question and who expressed their views long before the present depression. I was anxious to see how those views as to the advantages and dangers of the system coincide with the views of many of us who believe that the present monetary system is largely to blame for the depression and that there can be no return of real prosperity until the control of the issuance of our currency is taken from the bankers and exercised by Congress or some fair and impartial agency acting for Congress and disconnected with the big banking interest and using a much broader currency base.

Knowing that the late Senator Thomas E. Watson, of Georgia, was an untiring student of this subject, I took occa-

sion to look up some of the things he said about money and its deflation and inflation, nearly two decades ago, and found that his writings on this subject are most prophetic of the very condition we now have, and that he believed that the proper cure for such a condition can only be effected by a properly controlled inflation of the currency. I wish that every student of this important subject would read all his writings on the subject of money.

Under unanimous consent of the committee, I am glad to extend in the RECORD an article on the subject of money, written by Senator Watson before the World War, as follows:

Mankind travels slowly from one stage of evolution to another, and nobody knows how long it was before the crude exchange of one commodity for another was discarded, in order that some common measure of value should be substituted and thus obviate the necessity of taking the commodity from one country to another, in many cases involving a long journey through the deserts and over mountains, in other cases involving long and dangerous voyages on deep seas.

In the Old Testament we read of Abraham buying the field of Macpelah, and weighing out the silver that paid for it—silver being, as the Bible says, "the money of the merchant." It was not coined; it bore no stamp; it was simply sold by weight, as we would now sell cotton or butter, or any other of the necessaries of life which are offered to us in the market.

The only places in the Bible, so far as I can recall, where mention is made of coin, are when Christ pays his tribute to Cæsar, and when he assaults and strikes the money changers who were plying their trade in the temple.

Aristotle, the greatest of all the thinkers of ancient times, stated, in his masterly work on government, that money was not the creation of God or of nature, but was something which the state had agreed upon to take the place of barter and exchange, and to act as a universal measure of value. In other words, Aristotle laid down the doctrine that the sovereign power to create money was inherent in the state, or was a matter of convention among the people of any particular society.

Lycurgus, the Spartan legislator, forbade the incoming of gold and silver; he restricted the coinage to iron, his purpose being that no man should accumulate too much money. He knew that iron was so heavy that no one would be tempted to heap it up, to hoard it, and to keep it out of circulation. This simple system was the basis of the great power of Sparta; and it was not until ages afterwards that a king by the name of Aegis changed this law and allowed gold and silver to come into the country. After that began the reign of luxury and self-indulgence, of indolent pleasure, of effeminacy, of elegant vices, and these finally brought about the downfall of Sparta.

In the annals of great statesmen, the name of Solon will always shine as a star of the first magnitude, and it was Solon who relieved the debtor class in Athens by expanding the currency.

By doing this, he made it much easier for the debtors to pay their creditors, and these creditors were not at all hurt, because with the money in which they had been paid they could buy relatively as much as they could have done before.

Solon proudly said: "I found my country a slave, and I left it free."

He found the finance in the control of the few. These greedy seekers of gain had so fixed the laws that, in the race of life, the poor man had no chance against the rich. The laws all favored the creditor class. The debtor class was kept under the wheels. The situation had become so bad that a revolution was about to break out.

The masses of the people will endure a great deal—are wonderfully patient under tyranny and robbery when the tyrant and the robber can give to his crimes the sanction of a written statute.

But there is a limit. Man is an animal after all, and when driven too far, he breaks through the shell which civilization has molded round him and he becomes again the fierce brute he used to be, when he lived in the woods and ate raw meat.

At Athens, the creditor class had almost got to the dead line.

Solon with one sweep of his pen relieved the tension and saved his country.

How?

By cheapening money.

The historian says he depreciated the currency.

What he did was this: He found that the existing supply of money had been gathered into the hands of the few. Therefore, money was hard to get. Therefore, the demand for money was constantly increased. Therefore, the price of money constantly rose. Therefore, debts were harder to pay at maturity than they had been when contracted. The poor debtor had to buy money to pay his debts with; and the amount of labor or of property required to buy enough money to pay the debts grew greater and greater all the time.

This was unjust. Solon expanded the currency; that is, he increased the supply of money. In the language of to-day, money sharks had "cornered" the market, and Solon smashed the "corner."

He also lowered the rate of interest on loans, and abolished imprisonment for debt. The result of these reforms was most happy. Debtors found that more money meant cheaper money, and were thus saved from ruin; whereas the creditors lost nothing but an unfair advantage which they had been harshly using to oppress their fellow men.

The money system of Athens was established by Solon. The coins were the drachma, worth about 15 cents in our money; the mina, one hundred times as much, or $15; and the talent, $900. The obolus was worth about 2½ cents.

According to the German scholar Boeckh, the purchasing power of Grecian money in ancient times was three times greater than it is now. Others contend that it was ten times greater.

Both gold and silver were coined, the ratio varying from 10 to 1 to 14 to 1, according to the difference in time and place.

In Dr. J. P. Mahaffy's Survey of Grecian Civilization we find a statement which seems to show that in addition to gold and silver coin there was a species of fiat money used.

Says the learned Doctor Mahaffy:

"The practice of the Phœnicians was to seal up small bags, professing to have within them a certain sum which was stamped on the outside with the seal of the State. Though it was notorious that the coin was not there, such a bag, so long as it carried the seal guaranteeing its value in exchange, passed as actual money."

Hence it appears that the Greeks and Phœnicians used a currency based upon Government fiat. The credit system was in its infancy at Athens, and therefore they knew nothing of financial panics. There were no booms and no crashes, no bulls and no bears, no shearers and no lambs, no flotation of watered stocks and no organization of thievery such as we see in our stock exchanges.

The Romans used copper as their money for hundreds of years. When they overcame the Samnites, the war indemnity was paid in millions of pounds of copper. It was not until Julius Cæsar established the imperialism which yet bears his name that gold coin was introduced. Gold is preeminently the money of imperialism. It was so then, and it is so now.

Let me remind you of the Bank of Venice, established in the twelfth century, when the Venetian Republic held possession of the principal trade routes to the east, and when her ships of commerce dotted almost every sea. It became inconvenient for her to deal in metallic money, because her trade was so vast that her outgoing vessels, reaching for eastern markets, would have been almost laden down with gold or silver, or both.

To meet this need of her ocean-going commerce she established the Bank of Venice, in which merchants could deposit their coin and could take a certificate of deposit. These certificates could be transferred as you would indorse a check or a promissory note, and these transfers would be noted on the books of the bank just as you would now have transfers of bank stock noted on the books of a bank.

By the use of this simple method all of the physical trouble of handling great sums of silver and gold was eliminated, and the certificates of credit were accepted as so much cash throughout the mercantile world.

It came to pass that men preferred these slips of paper to the possession of the gold and silver; and for hundreds of years no gold or silver was used in the mercantile transactions of the Venetian Republic.

It was not until 1798 that the bank went out of existence, and it only did so in the downfall of the Republic itself, during Napoleon's great campaign in Italy. It had financed the Crusades; it had financed some of the greatest campaigns of the Roman Empire; it had stood the test of every foreign storm and every domestic convulsion; it lived as long as its country lived, and it died only when the independence of its country perished.

During the chaotic centuries which we now call the Dark or the Middle Ages, each great feudal lord arrogated to himself the right to make war upon other feudal lords and the right to make peace when he saw fit.

In those ages were built great stone fortresses upon the highest accessible ground, and those feudal castles are yet to be seen (in their ruins, at least) throughout England and continental Europe.

Each lord had his army, each lord had his system of taxation, each lord had his serfs, each lord controlled the markets, each lord coined the money that circulated throughout his domains. It was a time when there was scarcely any such thing as personal rights for a man or a woman who did not belong to the nobility.

The very first step that was taken towards centralization, both in England and on the Continent, was to take away from the feudal lords the right to maintain troops, the right to administer justice (the high, the middle, and the low), the right to wage private war, the right to fix prices, and the right to coin money. In England this great work of consolidation was done by William the Conqueror; in France it was done by Richelieu.

Let us speak of England, since that is our mother country, and our institutions are based upon hers. After William the Conqueror had subdued the feudal lords and established a universal authority throughout the realm it was the King who made the laws, who made the wars, and who coined the money.

No private citizen was allowed to coin money any more than he was allowed to declare war or to maintain troops. It was not until Charles II had come back to the throne, which his father had lost during the Cromwellian days, that the King allowed private citizens to exercise the sovereign function of creating money.

One of the scarlet women who thronged around the dissolute Stuart King was named Barbara Villiers, and she was bribed by the goldsmiths of London—the money lenders of that day—to

wheedle her royal lover into signing an act which gave to them the right to coin money for use in Hindustan.

The act of 1666, which gave these London bankers the right to coin money for use in India, carried on its face the evidence that a very bad woman was used to persuade a very bad king into granting this very bad concession to a lot of very bad men.

From the use of this special privilege in India the London money changers soon saw the vast power which it bestowed upon them, and therefore the coinage of money for the use of the East India Co. soon came back to the homeland, and the practice was incorporated and perpetuated when a canny Scotchman induced the Government to establish the Bank of England.

In this country the money power was first enthroned by Alexander Hamilton, who in 1791 convinced President Washington that a national bank was necessary to fiscal operations of the Federal Government. Mr. Jefferson and Mr. Randolph strongly opposed Mr. Hamilton, but President Washington took the side of Hamilton, as he usually did.

This first national Bank of America expired, by limitation of its charter, in 1811. In 1816 another bank was chartered, because the War of 1812, which did not end until 1815, had changed the mind of Mr. Madison, and caused him to think that a national bank was a national necessity. He therefore signed the act creating this second national bank, which was to run for 20 years.

When Andrew Jackson became President he soon found fault with the way in which Nicholas Biddle was managing the bank, and he called the attention of Congress to it in his annual message.

Mr. Clay and Mr. Webster took sides with the bank, but Mr. Thomas H. Benton, the Senator from Missouri, took sides with Jackson. The fight was long and bitter, but in the end Jackson was triumphant.

The bank had offered to pay off the national debt for a renewal of its charter, but Jackson was determined to crush it, and he did. The bank used every sort of intimidation, bribery, and corruption to turn the country against the President, but his popularity was so great that it overrode all obstacles.

After this second national bank was put out of commission we had no more national banks until 1864, when President Lincoln approved the national bank system now in operation through successive renewals of charter.

In the early days of the reign of Queen Victoria there came on to be heard before her Lord Chancellor a very unusual case.

The Emperor of Austria had brought process against Louis Kossuth, the Hungarian patriot, to restrain him from issuing certain bits of paper which he had caused to be printed in England for the purpose of circulation in Hungary.

Translated into our language, the wording of these strips of paper was as follows:

"One florin. This monetary note will be received in every Hungarian state and public pay office as 1 florin in silver. Its nominal value is guaranteed by the state. In the name of the nation.

"KOSSUTH, LOUIS."

It was shown that more than 100,000,000 of these florin notes had been prepared and were intended to be used in Hungary as money.

The Emperor contended that "the introduction of said notes into Hungary will create a spurious circulation and thereby cause great detriment to the state and to the subjects of the plaintiff."

It further appeared in evidence that the Emperor had surrendered to the National Bank of Austria the privilege of supplying the Empire with paper money, and doubtless this bank was the instigator of the bill in equity brought against Kossuth. The National Bank of Austria had the same feeling against Kossuth that our Whisky Trust has against the moonshiner. In each case the name and power and money of the Government is used by a monopoly to stamp out competition.

In delivering his opinion, the Lord Chancellor uttered this truism: "The right of issuing notes for the payment of money, as a part of the circulating medium in Hungary seems to follow from the right to create money belonging to the supreme power in every state. This right is not confined to the issue of portions of the precious metals of intrinsic value according to their weight and fineness, but under it portions of the coarser metals, or of other substances, may be made to represent varying amounts in gold and silver, for which they may pass current."

Kossuth was enjoined from issuing the notes upon the sole ground that he was an exile in England with no de facto authority in Hungary. He, himself, had admitted that the Emperor Francis Joseph reigned over Hungary, and was in fact its Emperor. For this reason the Chancellor held, properly, that the Emperor alone had the right to supply Hungary with notes to be used as money.

In the history of the world there never was a period when a strong, orderly government allowed a subject to coin money. The state invariably held on to this mighty lever as one of the indispensable prerogatives of sovereign power. To make laws, to appoint public functionaries, to levy taxes, to control navigable streams, to police the public highways, to control the army and navy, to hold the national purse and sword, to negotiate treaties with other nations, to regulate foreign commerce, to establish courts, to declare war or make peace, and to create money, were among the universal, inseparable attributes of royalty.

When the state was weak, powerful vassals waged private war, robbers infested the highways, pirates roamed the seas, and private citizens created money. When the state recovered its strength it invariably swept the pirate off the sea, the lord, and took back with stern admonitions the exclusive right to create money.

Historians, writing of the Dark Ages, never fail to tell us how the anarchy of the times revealed itself in the disintegration of sovereign power. Private citizens encroached upon the state; the lords usurped the prerogatives of the king; the security of the rights of the individual disappeared. Each man held what he or his order was strong enough to hold, and no more. Even in the Middle Ages it required all the resolute courage of the strongest kings to redeem the sovereign prerogative which the feudal lords had arrogantly usurped.

As chaos gave way to systematic government the state was seen to have reconquered the sovereign attributes which the haughty nobles had usurped, and thereafter no lord had courts of his own, dungeons of his own, gibbets of his own, warfare of his own, or money coinage of his own. The king's law, the king's courts, the king's money, were supreme and exclusive.

Was gold usable as money before the king placed his stamp upon it and declared by law that a certain amount of gold thus stamped should be a guinea? Did God make pounds, shillings, and pence, or did the king do it? Was silver usable as money until similarly favored by the law and the royal stamp? Could one take a silver cup and go into the market and pass it about as money? Could the king himself take gold plate off his table and go into the market and circulate the gold plate as money?

Before the passage of the law making the stamped gold legal tender money does not exist. The law and the stamp make the money out of the gold. God made the pine trees but the sawmill makes the lumber. God made the chicken, but the cook makes the fricassee. God made the swine, but man made the sausage.

Ricardo declared that the universal adoption of gold and silver as money metals had been an immense benefit to the world for they drove out such clumsy currency as the wooden stick of England ("tally rod" of the British Exchequer), the tobacco of Maryland and Virginia, the peltries of the Western States, wampum of New England, leather of France and Spain, bark in China, lead of Burma, etc., but he said that the time had come when a still greater benefit to the world would result from the abandonment of metallic money, altogether, and the adoption of a scientific paper currency.

Upon this all independent thinkers who understand the subject have long been agreed. Those who really know how completely the Money Trust dominates the world and how that remorseless tyranny is based upon metallic money can not but denounce with "divine indignation" the horrible greed of the comparatively few money changers who use the coin fetish to hypnotize and plunder the nations of earth. When gold threatens to be plentiful (as was the case after the discoveries in California) the money changer loses his affection for gold and pays his court to silver; when silver becomes too common and gold scarce silver loses favor and gold is again the money king's favorite.

Why does the Money Trust want to limit the supply of real money? For the same reason that any other trust wants to limit the supply. The bankers seek control, and the smaller the volume of real money the more easily they can control it. If the bankers control the money, they rule. Even the Emperor of Germany, with all of his imperious arbitrariness, would never dare to go to war until he had consulted the Rothschilds, Bleichroders, and other monarchs of the realm of money. This tyranny of the banker is world-wide. Come war or peace, come famine and pestilence, come seven fat years or seven lean years, the banker rules, and he does it with "coin." He first chains the nations to the word "coin," then he gets his grip on the supply of "coin"; thus he holds the chain which fetters the globe.

How simple it would be to shatter the chain and escape this odious servitude by precisely what Louis Kossuth proposed to do for Hungary. By the exercise of that right which the Chancellor of Great Britain declared to be a part of the supreme power of every state a scientific system of paper currency could be created, based on the strength of the state, answering the needs of every citizen of the state, and absolutely independent of the bankers. To smash the Money Trust, whose monstrous rapacity preys upon every nation, it is but necessary that the state shall assert its inherent power to create its own currency. A dollar, whether in metal or paper, should be inscribed, "This is a dollar." That declaration and the law which makes the dollar a legal tender for debts are sufficient. There should be simply the sovereign mandate, "This is a dollar." Absolutely nothing more is necessary to make that currency as good and as strong as the government which creates it.

All governments, being composed of human beings, may perish. Of course, when the government is overturned its currency is lost. But that is true of its bonds also.

The editors of our daily papers are dreadfully uneasy lest the small notes issued by the Government should go the way of Confederate money. But why are they not nervous about the bonds?

If the Union should go to pieces, as the Southern Confederacy did, the bonds would fare no better than the notes.

The East India Co., acting through the King's mistress, decoyed Charles II into sanctioning a scheme which gave to the company and to the goldsmith class control over the royal mint. The law by which this was done is known as the mint act of 1666, and the bribe to the Villiers woman is named in the act. The joker clause of this act was so framed that the goldsmith class and the East India Co. obtained almost absolute control of the supply of money. Moreover, these same intriguers secured a fourth charter for the East India Co. in 1677, which authorized the corporation to coin in India with its own stamp gold, silver, copper, and lead.

The Constitution of the United States expressly invests the Federal Government with every sovereign prerogative necessary to its performance of those functions for which it was created. To

make peace and war, to collect and disburse taxes, to control national and foreign commerce, to make laws and enforce them, to create offices and fill them, to control the Army and Navy, to create money are among the necessary sovereign powers conferred upon the General Government. To surrender any one of these royal prerogatives in whole or in part is to maim the Government. Who would not protest if it was proposed to delegate to private individuals or corporations the power to control the Army, or the navigable waters, or to operate our postal system? Yet in abdicating in favor of 6,000 national banks the sovereign prerogative of creating money, the Government has surrendered a power infinitely more precious than that of regulating foreign commerce.

The very lifeblood of the commercial and industrial world is money; the artificial creation by which we have agreed to take the measure of value of all commodities in exchange. And we have surrendered to a rapacious 6,000 the terribly dangerous power of saying how much lifeblood shall flow into the veins of the body politic!

With their unconstitutional and calamitous gold standard, their absorption of all the surplus cash of the National Treasury, and their usurpation of the right to stamp their own notes as money, the 6,000 national bankers have as complete a trust as the Standard Oil or the Steel Trust.

What a shameful spectacle, that of a government of 95,000,000 people chained to a fetish by a handful of Wall Street rascals! Oh, for one year of Andrew Jackson, to smite these infamous scoundrels and to assert the power of the Government!

Listen to the Supreme Court of the United States (39 Barb. 427), announcing its decision in Hague *v.* Powers:

"Money is the medium of exchange—the standard or representative of all commercial values. It is that which men receive in exchange and in satisfaction of labor and its various products; and whether it is intrinsically valuable or otherwise, it is the standard of value by which alone they are all measured. Gold and silver are not naturally money, any more than any other metal product or fabric. They are made so by law only.

"These metals become money by the force and operation of law alone.

"The power [to crèate paper money] is clearly one of the attributes of governmental sovereignty and may be exercised wherever it is deemed necessary or proper by the sovereign power."

Thus the highest court of the United States has done, as the highest court of Great Britain did—made a clear statement of a fact that is as old as government itself, and which was never disputed until the money-changers, using the libertine king's harlot as their tool, took possession of the irresistible and sovereign power to control the money supply of the world.

Mr. LANKFORD of Georgia. Mr. Chairman, in looking over some files of the Columbia Sentinel (Senator WATSON'S paper) I found where the Senator completed an editorial in the issue of February 13, 1922—11 years ago yesterday—by saying:

It is the same old national bank principle which was fought by Benton, by Jackson, and by Jefferson, and no mere jumble of words can long hide the facts.

The power vested in the seven members of the Federal Reserve Board here in Washington is the despotic power of life and death over every bank and business in these United States, and the horrible sufferings through which our people have gone for the last year or more, are due to W. P. G. Harding, Governor of the Federal Reserve Board.

He has retired from circulation nearly $1,800,000,000 of the money which was stimulating enterprise throughout the Union. The only way to restore prosperity is to put that money back in circulation.

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, I rise to speak about a matter that is, to my mind, of transcendant importance to us. It is something that does not affect the valuation of the gold dollar, nor is it again a tax matter, but it is something that affects our very life and limb.

Like all of you, I use the taxicabs and the street cars of the District of Columbia. Conditions have reached such a stage that every time you use a taxicab, you do it at the peril of your life. Coming up from the Union Station a week or so ago, only that we landed on the front stoop of a dwelling house, we would have been in a serious collision. There is absolutely no regulation in the District of the taxicabs. You who have known me during the time I have served here know that I have always taken the side of the underdog and tried to help those who needed help, tried to help those without friends and without influence, but I do say it is necessary for our own preservation and for the safety of life and limb that we have some regulation of taxicabs in the District of Columbia.

There is a provision in this bill which precludes the Public Utilities Commission from using any money for the installation of meters in taxicabs operating within the District of Columbia. The commission has stated it can not exercise their authority in the regulation of these vehicles unless it can compel them to install meters and to prescribe the hours of labor of the drivers.

The condition has come to this pass: A large percentage of the taxicabs in the District of Columbia are ostensibly purchased but really rented from the big companies and owners of cabs. There is no way the owner can rent out a cab and keep track of the mileage without a meter. So how do they do it? A driver goes to one of these companies and they will sell him a cab and give him a conditional bill of sale at the rate of $2.50 or $3 a day. He has the use of the cab and must furnish the gas and oil and keep the car running. On account of this conditional bill of sale the company is not responsible. The real owner of the vehicle escapes all responsibility, and the responsibility is solely on the shoulders of the operator of the cab. What happens? If there is a collision, if you are injured or are incapacitated from your work or your business, you have no redress other than to sue this poor fellow who pays $3 or $2.50 a day for the use of the cab. I am credibly informed there are judgments to-day exceeding a half million dollars in the courts of the District of Columbia; judgments secured on account of personal injuries caused through the reckless operation of these taxicabs.

Again, a man who hires a cab, in order to make $3, which he must pay for the rental, and pay for the gas and oil, must work about 16 or 18 or 20 hours a day in order to get anything out of the operation of the cab as a return for his labor.

Surely you will agree with me that this is absolutely unfair. It is unfair to the people living in the District of Columbia. It is unfair to us who have to live here during the session of Congress, it is unfair to visitors who come to the city, and it is unfair to the drivers. Five or six times I have heard statements made here about four girls getting into a taxicab and riding to their office, costing them each 5 cents. That would be 20 cents for the cost of the cab, but if they did not reach their destination in a condition to be able to go to work, if they were injured or maimed during this trip, how much would it cost them? I know and you know the result of automobile accidents, where fractures and other injuries are received, where there may be thousands of dollars expense before you are able to get back to work. There is absolutely no redress under the existing chaotic conditions. Why? Because the ostensible owner of the cab is the poor fellow who has paid $2.50 or $3 for the use of the cab for that day in order to try to eke out a living.

I do not believe there is a city or town of any size in the country where there is not some regulation of taxicabs. It is only fair that they should be so regulated and bonded. Some people say, "Well, it will make the rates higher and people can not afford to patronize them." Under the proposed regulation of the Utilities Commission, they could ride 2 miles for 25 cents. One drop of the meter 25 cents, and you could ride 2 miles. That is about coincident with what is now known as the first zone. You can ride anywhere in Washington in the first zone for 25 cents; in the second zone for 40 cents, and in the third zone for 60 cents.

Under the proposed regulation of the Utilities Commission, with the installation of meters, you can ride 2 miles for 25 cents. Then you pay 5 cents for each additional one-third of a mile. So that would be 15 cents more for 3 miles, which is approximately the same as the second zone now in operation, and the total amount would be 40 cents. That would be 3 miles for 40 cents, and 2 miles for 25 cents. This would afford not only regulation of the taxicab situation by the Utilities Commission and provide protection against injury, but it would also regulate the hours of labor of the drivers, the maximum being 12 hours. So you would not only help the public by having the drivers work a reasonable time, so that they could have a chance to get a little rest and recuperate for the next day, but you would be saved the possibility of injury during the trip.

While I like to see taxi service as cheap as possible in order to keep down expenses in these days when economy must

be practiced, at the same time I would like to have a reasonable degree of certainty that when I entered a cab I would arrive at my destination whole. I had a little experience in a taxicab about three years ago. I had my leg fractured. By the time I got through it cost me quite a little money. So it is with all of us. We take a chance when we take a cab which the driver must operate at high speed in order to get anything as a day's wages, and not only at top speed, but, as I say, for a very long day of 16, 18, or perhaps 20 hours.

So I think, in all fairness to the people of the District and to the traveling public in Washington, there should be proper regulation of the taxicab situation in the District. We have tried here for the last two years to bring this about, but up to now we have not been successful. Of course, Congress, sitting and acting as the board of aldermen for the District, is responsible for this condition; but I think that we, realizing the responsibility as ours, should discharge it in the proper manner. It means much, because if we should be injured in traveling to and from the House, see what the country would lose. It would lose our services; and you can not tell but, perhaps, that very day your vote on an important subject would mean much to our distressed country. So I think we ought to preclude the possibility of an accident of this kind occurring by properly regulating the operation of taxicabs in the District of Columbia.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks by inserting some data that I have here.

Mr. STAFFORD. Mr. Chairman, reserving the right to object, I do not think we should cumber the RECORD with a large volume of details. It is very voluminous.

Mr. BOYLAN. I will not go into very great detail but only far enough to show the approximate cost of taxi service under the present zoning system, and what it would be under a meter system. These are outstanding facts, and we should have them for our information.

Mr. STAFFORD. Still further reserving the right to object, Mr. Speaker, the gentleman is still seeking the graces of the House, and he always is gracious in seeking the graces of the House. It is necessary that we have legislation to correct these intolerable conditions in the District. I made a few remarks yesterday calling attention to the need of having some corrective legislation, but my purpose in rising now is to prevent a cumbering of the RECORD.

Mr. BOYLAN. I assure the gentleman I will boil it down very much.

THE EFFECT OF THE METER RATES AS PRESCRIBED BY THE UTILITIES COMMISSION

As to the public: The public will receive a vastly improved service, and a service that will be infinitely safer. Fast and reckless driving on the part of the driver will not be necessary, since every trip, regardless of its length, will be a paying trip. The profit from operations will be sufficient to enable the owners to carry public liability insurance, to keep their cabs in better condition, and generally to improve their entire service.

As to the drivers: The drivers will be enabled to earn a fair living wage in 12 hours of work. Since meters automatically register the total fare receipts, owners can determine these receipts and take their proper share of the same. This will eliminate all renting.

The meter rates will not cause unemployment among the drivers and independent owners. If the 12-hour working law is enforced, every driver and owner-driver working to-day would find employment in taxicab driving, even if there should be a 30 per cent reduction in the number of cabs operated.

Greatly increase the cost to the public: The new meter rates will represent a very slight increase in fares for the average trip, and these rates are far below the rates prevailing in other cities of comparable size.

Put the independent owner out of business: The cost of the meter installation will be only $35, with only $10 down payment. The meter will pay for itself in 30 days in increased profits. The independent owners to-day represent 70 per cent of the total number of cabs on the streets, and even under the meter rates they will remain the predominant factor in the local cab situation.

Congress created the Public Utilities Commission for the purpose of regulating public utilities and fixing rates. The public utilities act provides for review of rate decisions by the District of Columbia Supreme Court and the District of Columbia Court of Appeals.

The taxicab industry in Washington does an annual business of $8,000,000; it directly gives employment to nearly 5,000 people, with an annual "pay roll" of some $3,500,000; it pays some $650,000 annually in local and Government taxes.

Congress having created the Public Utilities Commission for the purpose of regulating local utilities, should either give the commission a free hand subject only to review by the courts as provided in the utilities act or abolish the Utilities Commission and take unto itself the complete handling of local utility matters.

WILL ENFORCEMENT OF THE METER ORDER CAUSE UNEMPLOYMENT IN THE CAB INDUSTRY?

The opponents of the meter order have attempted to uphold their position by advancing the theory that the enforcement of the order will cause great unemployment among the cab drivers and independent cab owners. The fallacy of such a theory is easily demonstrated. As of February 4, 1933, there were 3,746 licensed taxicabs in Washington. On that day there was a total of 4,518 drivers (including owner-drivers) engaged in driving cabs, of which number slightly over 50 per cent had the exclusive use of their cab for 24 hours. (These figures are based on an actual survey made by the Public Utilities Commission.)

The day in question, being a snowy Saturday, was a peak day for driver employment. Yet there were several hundred cabs that did not go out on the streets due to lack of drivers. It is well known that on the average week day there is a very pronounced surplus of cabs over drivers. So it can be accepted as a fact that the maximum number of men making all or a part of their livelihood from cab driving is 4,518.

The Public Utilities Commission has issued a regulation prohibiting any driver from operating a cab more than 12 hours out of any 24 hours. This regulation is not now enforced; but is enforceable. If this regulation were enforced, the above 4,518 men could be given employment by 2,600 cabs, allowing for the fact that some independent owner-drivers will not permit other men to drive their cabs.

Therefore, even if the meter order would cause 1,145 cabs to go off the streets, which is decidedly not the case, as hereinbelow set forth, every man who is driving to-day would still have employment, and under better working conditions, and the opportunity of earning a more decent and livable wage than at present.

Of course a certain number of cabs would go off the streets if the meter order is enforced. These would be worn-out and dilapidated cabs not worth spending additional money on; cabs of some independent owners who would prefer to drive for some other owner rather than continue as independent owners, retaining their present cabs as private pleasure cars. But at the very highest estimate these cabs going off the streets would not number more than 800. So that there would still be available some 2,950 cabs, enough to give employment to 750 more men than are driving to-day.

Of the present 3,746 cabs, 2,556 of them, or 70 per cent, are owned by independent owners; while of the remaining 1,190 company-owned cabs, 706 belong to rental companies and only 484 belong to the seven different companies that might be classed as taxicab companies. Among the latter, the Black and White and Yellow Co. has only 200 cabs operating, and at its all-time peak had only 500 cabs, while of the remaining six taxicab companies not a single one now has, or has ever had, more than 50 cabs.

The Independent Taxi Owners Association—Diamond cabs—includes 550 independent owners operating 1,045 cabs, the largest fleet in the city and one of the largest in the United States. They have been well established here for

many years, and are to-day doing some 70 per cent to 80 per cent of the white telephone-call business. If anything, the enforcement of the meter order would add to their fleet and their membership, through other independent owners joining the association and present members buying additional cabs. But certainly the meter order will not put the independent members of this strong cooperative association out of business.

The Bell Cab Association—298 cabs—the Premier Cab Association—175 cabs—and other cooperative associations of independent owners will certainly not be put out of business by enforcement of the meter order. These various independent owner associations will always remain the predominant factor in the Washington cab situation.

The independent owner who is not a member of one of these associations is also not going to be put out of business. He may join one of the associations in order to get the benefit of call service, gas discounts, extra drivers, and so forth, or he may voluntarily give up his own cab in order to drive for some other owner on commission. But we have always had, and always will have, the fully independent owner-driver. The enforcement of the meter order will give him a "break" that he is not getting to-day and can not get under a low-rate zone system.

THE TRUE EFFECT OF THE METER ORDER ON DRIVERS AND OWNERS

Drivers will have their working conditions improved, their hours of work reduced, and will be able to earn the fair, living wage to which they are entitled. They will not be forced to "rent" a cab but will work on a commission basis, the only fair method of compensating them. Owners will be able to keep their cabs in better condition and the drivers will not continually lose time through breakdowns as at present. Under meter rates a driver may expect fewer trips but more money for each trip. He will not be handicapped by a succession of long hauls at 20 cents or 25 cents each as now happens should he have an "unlucky" streak. When he does have a long haul at the meter rates, it will be profitable, and he will not be forced to risk his own and his passengers' lives in the attempt to "fight against time."

Cab owners, under the meter rates, will have cab mileage—and consequently depreciation and repairs—greatly reduced. Their drivers will not be forced to drive at high speed in order to complete their long 20-cent runs in the fastest possible time—that will reduce the owner's accident risk. Their drivers will take better care of the cab, reducing repair bills. The owner will have an income per mile of operation that will give him a reasonable profit, enable him to purchase better equipment, enable him to pay for liability insurance or set up a reserve fund—all of which are impossible under present conditions.

The attitude taken by the meter opponents that the public will not ride in sufficient numbers at meter rates to enable the drivers and owners to make money is thoroughly unsound. If the new meter rates were as high as those of most other cities there might be some ground for the fear that cab business will tremendously fall off. But the meter rates set by the Public Utilities Commission are so extremely reasonable and will represent so slight an increase for the average cab rider that it is ridiculous to assume that the public will not continue to use cabs in great numbers. Where the added cost is only a matter of 5 cents, 10 cents, or even 20 cents above the present low zone fares, that slight additional cost is not going to throw the vast majority of the present riders back to the use of other forms of transportation. That there are many of the present riders who take 4 to 6 mile trips for 20 cents who will not use cabs for such a trip at meter rates is unquestionably true. But if such losing trips are eliminated, are not both the driver and the owner better off? Especially so when meter rates will insure that every trip, regardless of its length, will be a paying trip.

One of the greatest single advantages of the meter rates from the driver's angle is that it will end the present pernicious "rental system." And in no other way will this "rental system" be eliminated. As long as we have any zone system, there will be the "rental system" as the prevailing relation between owner and driver. The simple reason for this is that where cabs are operating on a flat-rate zone system, there is no way in which the cab owner can determine the correct amount of fares taken in by the driver; therefore the owner is going to require a fixed "rent" from the driver. This is the owner's method of protecting himself; but it is unfair to the driver, since it forces the latter to pay the owner first and then take for himself whatever is left; and it often happens that there is little or sometimes even nothing left for the driver. This system was so scored by Justice Adkins in his lengthy opinion and has been so universally denounced that no further comment is necessary.

Meters automatically register the total fare receipts, and the owner's share—usually 60 per cent, with the owner furnishing gasoline and all other expenses—is easily determinable. Therefore "renting" will cease and the driver will receive his fair share of the receipts.

It is obvious that so long as we have a zone system there will be certain losing trips for the driver and owner. To attempt to lay out a zone system in which there were no conceivable trips on which the driver and owner would lose money would mean setting the initial zone fare so high that it would kill off the short-haul business. That was tried here at the very beginning of the zone system of operation, when the first zone rate was set at 35 cents. That rate was a failure because it did not attract the short-haul riders in sufficient numbers to offset the long hauls on which there was little or no profit.

And just so long as we have a rate system which permits losing trips, we will have the evils which go with it—speeding, discourtesy, refusal to accept passengers for long hauls, and the other evils that are so loudly complained of to-day.

Meter rates will bring to the public a vastly improved taxicab service—better equipment, better call service, safer service, courtesy and consideration from the drivers, and what is most important of all from the standpoint of the public—a financially responsible service that will protect the passenger and the general public in the matter of accident and damage claims. Is not this worth the few cents additional cost of the meter rates?

LIABILITY INSURANCE

This subject is of such importance that no discussion of the rate question would be complete without including it, for there is a very definite relation between the two.

Liability insurance is a matter of vital interest to every citizen and every cab patron. The situation existing in Washington to-day has been so thoroughly condemned that it needs no comment here. It is universally agreed that cab operators should be required to carry some form of public liability protection, at least in so far as their passengers are concerned. It is also agreed by all who have inquired into the matter that the present cab rates are too low to permit cab owners to pay the cost of any liability insurance.

Therefore, if the public wishes to be protected by liability insurance, it must submit to an increase in cab fares. The present rate for taxicab public liability insurance in Washington is $365 per year per cab—and though the insurance companies will quote this rate, they decline to write the policy under existing conditions.

The majority of the cab owners would not oppose this compulsory insurance if they are given a rate of fare that will enable them to pay for it. But to impose this insurance on the cab owners without giving them the meter rates, their only possibility of paying for it, will simply result in driving the independent owner out of business and leaving the taxicab field to the well-financed taxicab companies who can get this insurance by blanket coverage at lower cost and who, with the bulk of the independents out of the way, can then set their own zone rates.

Even though the legislation prohibiting the enforcement of the meter order does not prohibit any taxicab operators from voluntarily adopting the meter rates, nevertheless such an action would be economic suicide for any operator or

operators trying it. Even though several groups of operators took this action in unison the ultimate result would be the same—the cutthroat competition from the lower zone rates would make it impossible for the meter groups to operate at a profit. The cab industry will therefore stand or fall as a whole on this rate question.

Mr. BOYLAN. Mr. Chairman, I yield back the balance of my time.

Mr. HOLADAY. Mr. Chairman, I yield myself three minutes.

I yield myself this time to reply to the remarks of the gentleman. I think he is somewhat mistaken with reference to the facts. The Public Utilities Commission have not tried very hard to regulate the taxis. They can regulate them without putting in meters. Moreover, the evidence before the committee was that the number of accidents caused by taxis was not any higher than the number of accidents caused by privately owned vehicles.

But a small percentage of the taxicabs are rented. The larger percentage of them are owned by individuals, and the fight in Washington is simply between the big companies and the independent operators. I presume the gentleman was in a cab belonging to one of the big companies if he got on at the Union Station, because the big companies have exclusive rights there. If cabs are required to be equipped with meters, it will mean that a thousand or so independent operators, for the most part ex-service men, will be put out of business.

Mr. COCHRAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. COCHRAN of Missouri. Has the Public Utilities Commission power to require cab operators to carry insurance?

Mr. HOLADAY. I believe they have.

Mr. COCHRAN of Missouri. I pay $175 a year for insurance on my car. If I damage a taxicab, the operator is going to be paid. On the other hand, if one of these 20-cent cabs run into me or hurt some one riding in my car, they can not be made to pay.

Mr. HOLADAY. Let me say to the gentleman, I think it has been estimated that insurance on taxicabs in Washington would cost something like $300 a year.

Mr. COCHRAN of Missouri. That does not sound reasonable. My car is larger than the ordinary taxicab, and insurance costs me $175.

Mr. HOLADAY. But there is a difference in rates for insurance on private cars as compared with taxicabs. There is no other way in which the big companies could so quickly or so effectively put a large number of these independent operators out of business than to have all cabs required to be equipped with meters and the operators required to carry liability insurance.

Mr. STAFFORD. Mr. Chairman, the gentleman stated that there is existing law for placing these taxicabs under surety insurance. On yesterday when this subject was under consideration on District day, I referred to a bill which the gentleman from Illinois [Mr. REID], from the Committee on the District of Columbia, in the last Congress reported providing for surety insurance. That bill naturally was predicated upon the idea that there was no authority in the District commissioners or in the Public Utilities Commission to exact liability insurance from these taxicab drivers.

Mr. HOLADAY. There is no such regulation in effect. I have not looked into it, but I am rather of the opinion that the commission has the authority if it wanted to exercise it. If the commission has not the authority, then I am hopeful they will never be granted this right; because I am not in favor of putting these 1,000 independent operators out of business and turning it all over to a monopoly of two large companies.

Mr. STAFFORD. Only yesterday, after the conclusion of the session, I was almost mowed down by a reckless taxicab driver. I consider my life, as well as the lives of others here, somewhat of consequence to the people of the country and of the District.

Mr. PARKER of New York. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. PARKER of New York. I want to ask the gentleman if he believes anybody should operate a public utility without liability insurance? I do not think anybody in interstate or intrastate commerce should operate a vehicle one foot without liability insurance.

Mr. HOLADAY. I do not know that I can agree with the gentleman.

Mr. PARKER of New York. I do not see how the gentleman can fail to agree with me.

Mr. BOYLAN. Will the gentleman yield?

Mr. HOLADAY. I yield; yes.

Mr. BOYLAN. The gentleman has made the statement that such a regulation would put the independents out of business. This would not be the case. The gentleman speaks about the renting of cabs, and the men who rent the cabs are the ones who have to work 16 or 18 or even 20 hours a day in order to make a living.

Mr. HOLADAY. Only a small percentage of the taxicab drivers are renting their cabs.

Mr. BOYLAN. It is a very large percentage, as the gentleman will find out if he reads the figures which I have put in the RECORD.

[Here the gavel fell.]

The Clerk read as follows:

*Be it enacted, etc.*, That in order to defray the expenses of the District of Columbia for the fiscal year ending June 30, 1934, any revenue (not including the proportionate share of the United States in any revenue arising as the result of the expenditure of appropriations made for the fiscal year 1924 and prior fiscal years) now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived shall be credited wholly to the District of Columbia, and, in addition, $6,500,000 is appropriated, out of any money in the Treasury not otherwise appropriated, to be advanced July 1, 1933, and all the remainder out of the combined revenues of the District of Columbia, and the tax rate in effect in the fiscal year 1933 on real estate and tangible personal property subject to taxation in the District of Columbia shall not be decreased for the fiscal year 1934, namely:

Mr. CANNON and Mr. SMITH of Virginia rose.

Mr. CANNON. Mr. Chairman, I move that the committee do now rise.

Mr. SMITH of Virginia. Mr. Chairman, I was on my feet to make a point of order against certain portions of the paragraph just read. I wish it understood that I reserve the point of order.

The CHAIRMAN. The gentleman may reserve the point of order.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. PRALL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 14643, the District of Columbia appropriation bill, had come to no resolution thereon.

## THE PANAMA CANAL ZONE

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7518) to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Senate amendment is as follows:

Page 2, line 5, strike out "public health board" and insert "board of health."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was agreed to.

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7519) to amend the Penal Code of the Canal Zone, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Senate amendments are as follows:

Page 26, strike out lines 6 to 20, inclusive.
Page 57, after line 16, insert:
"SEC. 115. Nothing contained in this act shall apply to an offense committed prior to the time when this act takes effect. Such an offense shall be punished according to the provisions of law existing when it was committed in the same manner as if this act had not been passed."

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, what is the effect of the amendment?

Mr. LEA. All the amendments are routine amendments except one that strikes out the section relating to the crime of abortion. The effect of this amendment will be to leave the law in the Canal Zone the same as it is at present.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were agreed to.

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7520) to amend the Code of Criminal Procedure for the Canal Zone, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Senate amendments are as follows:

Page 36, line 24, strike out "a" and insert "the."
Page 43, line 1, before "A," insert "SEC. 219."
Page 61, after line 23, insert:
"SEC. 120. This act shall apply to criminal actions and proceedings from the time it takes effect, except that all such actions and proceedings theretofore commenced shall be conducted in the same manner as if this act had not been passed."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were agreed to.

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7521) to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Senate amendments are as follows:

Page 1, line 9, strike out "the — day of —, 19—" and insert "1st day of October, 1933."
Page 128, line 11, strike out "actions" and insert "action."
Page 191, lines 24 and 25, strike out "encumberance" and insert "encumbrance."
Page 233, line 13, strike out "and" where it appears the second time, and insert "an".
Page 315, transpose lines 24 and 25.
Page 334, after line 14, insert "law, the duties of executor or administrator, which oath must."
Page 334, strike out line 17.
Page 335, after line 17, insert "Chapters 23 to 36, the sureties must justify thereon in the."
Page 335, strike out line 19.
Page 378, line 21, strike out "Orders" and insert "Order."
Page 388, line 8, strike out "administrators" and insert "Administrators."
Page 443, line 20, strike out "defandant" and insert "defendant."
Page 459, line 19, strike out "that" and insert "than."
Page 485, line 13, strike out "dicharge" and insert "discharge."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were agreed to.

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7522) to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Senate amendments are as follows:

Page 1, line 9, after "the," insert "first."
Page 1, line 9, after "of," insert "October."
Page 1, line 10, after "and," insert "thirty-three."
Page 101, strike out line 6.
Page 101, after line 13, insert "witness subscribed his name thereto as a witness."
Page 121, line 17, strike out "or" and insert "of."
Page 147, line 6, strike out "assignees" and insert "assignee."
Page 202, line 9, strike out "requires" and insert "acquires."
Page 206, line 6, strike out "it."
Page 365, line 1, strike out "or" and insert "of."
Page 368, strike out lines 7 to 11, inclusive.
Page 378, strike out lines 7 to 11, inclusive.
Page 378, strike out lines 14 to 16, inclusive.
Page 378, line 17, strike out "(2)."
Page 379, line 7, strike out all after "fault" down to and including "policy," in line 9.
Page 379, line 13, after "insurers," insert "by fire-insurance policies."
Page 379, line 19, after "When," insert "such."
Page 379, line 24, after "When," insert "such."
Page 380, strike out lines 7 to 22, inclusive.
Page 381, lines 5 and 6, strike out ", or of his agents or others."
Page 388, strike out lines 21 to 24, inclusive.
Page 389, strike out lines 4 to 8, inclusive.
Page 390, line 7, after "former," insert "*Provided*, That the person indemnified has complied with the terms and conditions of the policy."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were agreed to.

PRINTING REPORT OF COMMITTEE TO INVESTIGATE GOVERNMENT COMPETITION WITH PRIVATE ENTERPRISES

Mr. STEVENSON. Mr. Speaker, I call up privileged resolution, House Resolution 376.

The Clerk read as follows:

House Resolution 376

*Resolved*, That there be printed 5,000 additional copies of the report (H. Rept. No. 1985) of the special committee of the House of Representatives appointed to investigate Government competition with private enterprises, of which 2,000 copies shall be for the House document room and 3,000 copies for the use of the special committee.

With the following amendment:

In line 5, after the word "which," strike out "two" and insert "three," and in line 6, after the word "and," strike out "three" and insert "two."

Mr. COCHRAN of Missouri. Mr. Speaker, the resolution asks for 3,000 copies for the House document room for 435 Members, and 2,000 for the special committee of 5 members; 1 member, Mr. STAFFORD, says he does not desire copies. I already have requests for 15 copies of this report. I can not recall a resolution that has been so liberal with a special committee. I think it should be amended so as to provide 1,000 for the special committee, which is very liberal, and 4,000 copies for Members of the House.

Mr. STEVENSON. Mr. Speaker, the resolution as originally introduced provided for 2,000 copies for the document room and 3,000 for the special committee. I was approached by the gentleman from Missouri to change that, and I did change it to 1,000 for the committee and 4,000 for the House generally. After I did so, five minutes ago the gentleman from Wisconsin had a conference with the gentleman from Missouri, and they agreed on this other proposition. I do not care whether it is passed or not, but I stand on what I agreed to.

Mr. COCHRAN of Missouri. Mr. Speaker, the gentleman is in error, it was the gentleman from Wisconsin [Mr. STAFFORD], a member of the special committee, who asked for the change. Mr. Speaker, I move to amend by striking out the figures "2,000" and inserting "1,000."

The SPEAKER. Does the gentleman from South Carolina yield to the gentleman from Missouri for that purpose?

Mr. STEVENSON. I do not yield for that purpose. I understood the gentleman from Missouri and the gentleman from Wisconsin to suggest these amendments, and I acted in good faith, and I stand by it. I move the previous question.

Mr. COCHRAN of Missouri. I am sorry the gentleman misunderstood me. He always acts in good faith.

The previous question was ordered.

The amendments were agreed to.

The resolution as amended was agreed to.

POST-OFFICE GARAGE AT BOSTON, MASS.

Mr. MEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage at Boston, Mass., and to readjust the terms thereof.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, when this bill was under consideration under the unanimous-consent call, it barely escaped defeat because one Member did not rise in time. The amendments were prepared by me after consultation with the gentleman from Massachusetts [Mr. Foss]. If I had thought for one minute that these amendments were not going to be adopted, I would have done all in my power to defeat the bill. I had doubt whether we should delegate the right to the Postmaster General to increase rentals, when all other rentals are coming down.

My amendments proposed "not in excess of" the amounts stated, while the gentleman's bill as reported from the committee is mandatory, and it is not supported by the Postmaster General. I can not understand the Senate of the United States in not accepting these reasonable amendments. I serve notice now that if the Senate does not recede, I shall use every parliamentary advantage under my control to defeat the bill.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. HAINES, Mr. PATTERSON, Mr. FOSS.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KLEBERG, indefinitely, on account of illness.

To Mr. MONTAGUE, for to-day, on account of illness.

AGRICULTURAL APPROPRIATION BILL

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the conferees on the agricultural appropriation bill have until midnight to-night to file a conference report.

The SPEAKER. Is there objection?

There was no objection.

GOVERNMENT IN BUSINESS AND THE TAXPAYER'S BURDEN

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, under leave to extend I append a brief radio address which I gave on September 21, 1932, over the blue network of the National Broadcasting Co.

The address is as follows:

The cost of government, Federal, State, and municipal, has been running about $15,000,000,000 a year. This cost is collected by taxes of all sorts—general property, excise, income, inheritance, sales tax, customs duties, etc. Unless taxes are paid out of capital, which, of course, if continued means bankruptcy, the only source out of which they can be collected is the earnings of the people. The gross earnings of the American people from 1921 to 1929 amounted to about $90,000,000,000 per annum. On this basis, the cost of government at $15,000,000,000 means that one dollar out of every six has been absorbed by taxes.

TAX SUPERSTITIONS MUST BE EXPLODED

Generally speaking, this dollar out of every six came out of every pocketbook in America. It is one of the superstitions of the age that only the rich, only the property-owning or income-earning citizens pay taxes. This superstition is believed in the most incredible places, not only by the "butcher, the baker, the candlestick maker" who read the baseball scores and say, "Let some one else balance the Budget," but even in State and National legislatures. This superstition must be exploded if public waste of the people's money is to be stopped. We must become tax conscious or unconscious. If people generally were keenly aware that one dollar in every six goes to support government, they would be in revolt against subsidy grabbers and Treasury raiders. Waste and duplication and the nonessential services of bureaucracy would cease.

Because people generally are not aware of this elementary fact, the dance goes on, and will go on until the fact is realized or repudiation begins. The fact is, however, as demonstrable as a proposition in mathematics. The railroads, for example, pay about $1,000,000 a day in taxes—State, Federal, and municipal. Where do they get the money to pay this million dollars every 24 hours? Out of their revenues; out of what you and I pay for their passenger and freight service, and from no other source. The railroads simply do not manufacture money. Everybody who eats and wears anything that moves by railroad pays their tax. The railroads are essentially tax collectors rather than taxpayers.

Who pays the tobacco excise tax? You do. No one else. Look at the Government stamp on your pack of cigarettes. It tells you that you paid 6 cents to Uncle Sam when you bought a 15-cent package. The sales tax is added to the thing sold. Customs duties are paid by the consumer, not the importer. The property tax is largely paid by the renter. The corporation income tax is added to the price of what is made and sold. With the possible exception of the inheritance tax, which is a capital levy, the tax on the site value of land, and to some extent individual income taxes, it is doubtful if the tax collector does not reach in and take in almost equal degree $1 out of every $6 in every home in this country. "Jones pays the freight." People are worried and anxious. They can't "get ahead." They can't make "both ends meet." They know "something is wrong." For part of the answer look at that dollar in every six.

TAXES ABSORB ONE-THIRD OF EARNINGS

But I was speaking of the days before the bubble burst in 1929. To-day the earnings of the American people have shrunk from $90,000,000,000 to less than $60,000,000,000, some say $45,000,000,000. If the tax burden of $15,000,000,000 remains the same, this means that it absorbs one dollar not in every six but in every four or three. In other words, measured by our ability to pay, there has been an invisible increment in the burden or weight of taxation of 50 to 100 per cent—since 1929.

For example, if a farmer's tax is $100 a year, and he raises 200 bushels of wheat which brings him $1.50 a bushel, he can pay his taxes with one-third of his wheat, and from the proceeds of the other two-thirds buy at the store. But when wheat goes to 50 cents a bushel it takes all of his wheat to pay his taxes and he has nothing to spend at the store, which in turn orders nothing from the factory, which in turn does not employ men, and men in the cities go hungry because they can not afford to pay enough for the farmer's wheat so that he can pay his tax and still have something left with which to buy of them. The circle of stagnation is thus completed, and in this process no small part is played by the item of taxes.

So far as the farmer is concerned it is the same as if his taxes had been increased from one to three hundred dollars. If debts and taxes shrank as rapidly as earnings or the commodity price index shrinks, the burden or weight of taxes would be no greater in hard times than in good times. But they do not so shrink. They are almost inflexible obligations, and a first lien or charge upon property and earnings. In times of business depression the tax question emerges as does a reef of rock when the tide goes out. Taxes then become a vampire that sucks up 25 per cent or more of the economic blood stream. In many instances their invisible increment becomes the last straw, followed by tax sale or foreclosure and then by heartache and despair and homeless Americans.

DANGERS OF NARROW TAX BASE

Next to the realization that every consumer is a taxpayer must come the recognition that every extension of the processes of government narrows the tax base which supports government. This concentrates the load still more heavily upon those upon which the burden still rests. To make a simple illustration. Here is a steel column in a brick building. It rests upon a plate which distributes the load upon every brick in the foundation wall. Whenever Government takes over an enterprise formerly conducted by private industry it amounts to a transfer of so much of the total national wealth from the taxpaying to the tax-eating class. It is the same as taking bricks from the foundation wall and adding them to the wall above which the column supports. Continue this process long enough and a collapse is certain. Looked at from this angle we realize the profound wisdom of the founders of the Republic who so constantly urged "a wise and frugal Government."

Every dollar that goes into unnecessary Government buildings or works, or unnecessary Government pay rolls, or unnecessary tax-exempt Government bonds subtracts a dollar from the hoard of taxable wealth, narrows the tax base, and intensifies the burden. Times of depression are greatly deepened and lengthened by the tax burden because it can not be made to shrink as fast as wages and prices go down, and thus consumes a greater share of the little store that is left. Of all the remedies for agricultural distress, for example, none is quite so simple and so certain as a radical reduction of taxes. As in Bible times so to-day, "the hand of the collector of taxes fell heavy on the land." Every new governmental bureau means less new bureaus back home.

Many services of government are absolutely essential to civilization. But a double wrong is done whenever government—I am speaking now of the Federal Government—invades the field of private enterprise. When it does so, in a double sense it takes from "the mouth of labor the bread that it has earned." To-day we find Uncle Sam without authority under the Constitution invading at least 100 fields of industry. It takes business away from business and taxes the business so deprived to sustain its competition.

It is this which is now being investigated by a congressional committee composed of Mr. SHANNON, of Kansas City, Mo.; Mr. STAFFORD, of Milwaukee, Wis.; Mr. RICH, of Woolrich, Pa.; Mr. Cox, of Camilla, Ga.; and myself. Hearings have been held in Washington, New York, Kansas City, St. Louis, Memphis, New Orleans, Fort Sill, and South Bend, Ind. In November hearings will be

held in Chicago. We have heard intense, almost bitter complaints from farmers, commission men, architects, printers, blue printers, doctors, restaurant men, warehousemen, express clerks, dairymen, clothing and shoe manufacturers, railroad men, musicians, school-furniture men, and dozens of other callings who, in these desperate times, watch Government competing with them and taxing them in order to compete.

ASTONISHING EXAMPLES OF BUREAUCRACY

Every day we hear of some new and astonishing example of far-reaching bureaucracy. At New York the head of a great ship-salvaging concern appeared. His company operates on both the Atlantic and Pacific seaboard. It is paid for its services by marine underwriting companies—many if not most of whom are English concerns. This gentleman tells us that the United States Coast Guard has gone into the business—not of saving life, as to which there is no objection, but of salvaging ships and cargoes—and does so free of charge, the only nation in the world engaged in salvaging. The result is that the American taxpayer is taxed to relieve a British insurance company of the cost of salvage, and in addition an old American firm is gradually being driven to the wall.

Then there was brought to our attention the Federal Barge Line on the Mississippi River—a Government-owned corporation. To it the Government has turned over $12,000,000 of property and $12,000,000 of cash. It has been operating since 1924. Its water craft pay no taxes whatever and not a single cent of return to Uncle Sam on his investment. After eight years a $24,000,000 concern shows no profits whatever, to say nothing of taxes. It fails each year to even earn 5 per cent on its investment by $1,200,000. It, in fact, earns nothing. Meantime $100,000,000 of tax money has been spent on providing it with a navigable right of way for which it, of course, pays nothing. It has a fleet of some three hundred water craft competing with the railroads for freight.

Meantime the Government, through the Reconstruction Finance Corporation, is pouring millions of dollars into the railroads to save them from receivership, and at the same time taxes them to finance an unprofitable water competitor. This is Government in business. If the Government keeps on subsidizing railroad competition, there is a real danger it will wind up with the Government taking over the railroads—and in so doing, taking not millions but billions of dollars from the tax duplicates of the towns, counties, and cities of America. What will the tax burden then be on those of you who are not on the Government pay roll?

HIGH TAXES IS CITIZEN'S PROBLEM

In his first inaugural address Thomas Jefferson urged a "wise and frugal government, which shall restrain men from injuring one another but shall leave them otherwise free to follow their own pursuits of industry and employment and shall not take from the mouth of labor the bread that it has earned." Does not this state the whole case against high taxes and Government competing with its own citizens?

In the last analysis, unnecessary taxes and Government competition do not take the citizen's dollars. They take his life. They shorten his economic chance to earn comforts during his working years and to provide a nest egg for old age and his dependents when he is gone.

And now, but one emphatic word. Industrial and banking ownership and management must not use tax relief to hog the economies and savings of the machine age as they did in the jazz decade, when dividends went up and real wages went down. If they continue to sop up purchasing power, they will ruin their own market and make State control inevitable. The supreme problem facing our economic and political survival is to provide work at a saving wage for the millions of workless workers.

Ladies and gentlemen, Government competition is your problem—not that of the Shannon committee. Unless you support us, we are helpless. Public opinion alone will deflate bureaucracy. Nothing else will. The battle is lost unless you elect men to Congress who will say "No." And then back them up. It will be a long, hard fight. But if you wait before you take an interest in this subject until your own ox is gored, you may wake up some morning and find you haven't any ox.

THE DEBT SETTLEMENT

Mr. RAINEY. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a speech I made before the Washington College of Law on Saturday night.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAINEY. Mr. Speaker, under permission granted me to extend my remarks in the RECORD by printing a speech made by me at the banquet of the Washington College of Law at the Mayflower Hotel on Saturday, February 11, 1933, I herewith print said speech, as follows:

In discussing the debt settlements of foreign nations, perhaps we had better commence with France.

In the settlements we have made with our debtor nations we have accepted their own propositions and we have canceled a large part of the amount they owe us. Our cancellations range from 19.7 per cent in the case of Great Britain to 75.4 per cent in the case of Italy. When we settled with France we canceled 52.8 per cent of her indebtedness to us.

They are nearly all of them now demanding additional cancellations, and France is threatening to completely repudiate her debt to us. The debt of France is probably the most appealing. It was at the demand of France that we inaugurated the policy of loans to our allied nations after we entered the war. Our position then was this: We were without an army properly equipped, although we had at that time the largest standing Army we ever had in peace time, but they had as many musicians in the Russian Army as we had of men and officers in the American Army. It was apparently necessary for us to finance our Allies until we were ready to assemble and train our own armies for the World War, and we commenced to assemble an army and to assemble war material and to build ships upon a scale never before attempted in the history of the world.

I recall that the Ways and Means Committee of the House of Representatives assembled in its committee room behind closed doors two days after our declaration of war to consider the subject of financing the war, and we had just determined to prepare for a war that might last 11 years, and we had just determined that we might be compelled to expend in the first year of the war a sum of money four times bigger than we had of money in existence at that time, and I might mention in passing that we accomplished that miracle of finance through the instrumentalities of the income tax and our Federal reserve system.

Just at this point there came a knock at the door of the committee room and I, myself, admitted Viviani, an ex-Premier of France, and I can see him now as he stood at the head of the long committee table, accompanied by two French gentlemen, holding their silk hats in their hands, and I recall his speech. He said, "Gentlemen, I have received a message in code this morning from my government. I have just had it translated and by that message I am commanded to say to you that France can remain in this war only six weeks longer unless you can loan us at once $50,000,000 and send us a division of men." I said to him, "We can loan you the money and we will, but we can not send you a division of men. We have no arms with which to arm 20,000 men." He turned sadly to the door and just before he left he said, "Gentlemen, you do not understand the psychology of the French. It will do no good to loan us money unless you send us also men. Send us then unarmed men and we will arm them with the arms of the dead soldiers of France." He left the room.

I will never forget his speech. I have quoted it exactly. It burned its way into my very soul. His speech proved conclusively to all of us that French participation in the war was practically over, that we must finance the armies of our allies until our soldiers could get to France, or we must be prepared to carry on the war in the future ourselves.

Arrangements were immediately perfected to loan money, not only to France, but to our other allied nations, and on the 8th day of May, 1917, we made the first loan to France. The loan amounted to $50,000,000. On the 12th day of June, 1917, the first detachment of the First Division of the American Army sailed for France from the port of New York. It arrived at St. Nazaire, France, on June 26 and 27, 1917. It consisted of 92 officers and 2,606 enlisted men. Other detachments of the First Division were quickly sent to France. The very first unit to sail was Base Hospital No. 4, which consisted of 34 officers, 156 enlisted men, 98 nurses, and 4 civilians. It sailed from New York on May 8, 1917, and arrived at Liverpool on May 17, 1917.

The first detachment of the First Division was quickly carried by special trains from St. Nazaire to Paris and 2,600 unarmed khaki-clad soldiers marched through the streets of Paris, each American soldier accompanied by a French soldier who had lost an arm or a leg on the battlefields of France, while millions of French people lined the pavements and wildly cheered. It brought back courage to the French. Our armies were arriving and down the long concrete entrenchments at Verdun the news was passed that the Americans were in France and the response was, and it rang through the world, "They shall not pass."

And then we commenced making these loans until they aggregated the present enormous total, and now we hear that the French propose to repudiate their obligations to us and practically all of our debtors are demanding still further cancellations of the amount they have agreed to pay us.

The amounts the various nations owe us now are a small percentage, indeed, of their total national debts. The amount France owes us is only 3.75 per cent of her national debt. The amount England owes us is only 2.65 per cent; Italy, 1.41 per cent; and Belgium, 2.45 per cent. I am wondering why they single us out for further reductions. Why not repudiate part of their debts to other holders of their bonds? They seem to forget the fact that we borrowed from our nationals the money we loaned them and we must pay it back. Further reductions will mean the saddling of the debts they owe us on our own taxpayers.

The amounts they owe us each year, under their agreements with us, are only a small percentage of the amounts our debtor nations are expending for armaments. If they could get together and reduce their armaments by as much as they owe us each year they would be conferring a favor upon their own nationals and they might be further postponing into the future years the next war.

And now comes the proposition that we accept from one of our debtor nations in one lump sum 10 per cent of the amount that nation owes us.

I have just called attention to the French position, expressed through their representatives in this country in April, 1917. If the statement he made to us is correct, we are in the position of having kept France on the map, and it is particularly unfortunate,

to say the least, on her part that she should now be demanding further reductions and threatening a complete repudiation.

I recall a time when we borrowed money from France. We were in the throes of our own war for independence. During the revolutionary period we negotiated a number of loans in Europe, and the proceeds of these loans were for the most part used in paying for supplies purchased abroad. From 1777 until 1783 we borrowed from France a total of $6,352,500. We paid every dollar of it back, with interest at from 4½ per cent to 5½ per cent. The last payment was made in 1815. There was no demand on our part for any reductions, no threat of repudiation.

France was in this situation when she made the loans—she had lost her American colonies; she had been defeated in every struggle with a united Britain; at that time her empire was divided. The French Premier saw clearly the depths to which his country had fallen, and he felt her degradation. Great Britain had gained most from the misfortunes of France. She had conquered Canada and other possessions of the Bourbons. This was the opportunity for France to restore French prestige through loans to the Colonies, and this was the policy of the French Premier. This led France, in 1778, to recognize the independence of the United States and this led to the active participation of France in our war for independence. For a long time the French Premier took the position that it was not in accord with the dignity of the King of France to ally himself with insurgents. In making these loans France never was animated by any feeling of sympathy for our cause. Loans were made to us in order that France, through us, might strike at Britain and recover some of her lost prestige, but we paid it all back, every dollar of it, including a considerable part which never reached us but which was embezzled by the dishonest intermediary selected to act for France in these transactions.

When we made our settlements with France we bought her bonds. We bought them under the provisions of the First Liberty loan act, the act of April 24, 1917. Section 3 of this act authorizes the Secretary of the Treasury "to receive on or before maturity payment for any obligations of" any of our debtor nations "purchased on behalf of the United States, and to sell at not less than the purchase price of any such obligations and to apply the proceeds thereof" to any of our bonds that might be subject to redemption and payment. The provisions of the Liberty loan act were carried into every contract we made with any of our debtor nations, including France, and we are in the position of being purchasers of their bonds. The bonds are now deposited here in Washington in the Treasury Department, amounting to $11,000,000,000 in all. The amount of the French bonds is considerably over $3,000,000,000. These bonds are expressed in the language of the debtor nations issuing them. We have agreed that they shall pay in annual installments for 63 years, but that does not prevent us at any time under our contracts with them from selling on their own markets or on the markets of any other nation their own bonds so purchased by us whether they are due or not, provided we obtain for the bonds so sold the purchase price. We can forget about the interest so far as we are concerned, but the purchaser will hold them subject to the payment of the interest coupons. If they can not pay us now, all we have to do is to wait until we can sell these bonds on the markets of the countries issuing them or any other country at the price we paid for them. This makes it difficult indeed for any debtor nation to escape permanently its obligations to us. The time will come when we can sell these bonds at the purchase price on their own markets. It is unthinkable that any of our debtor nations will at any time in the future repudiate these contracts. It would be an unfriendly act, and we could and would adopt adequate measures of retaliation.

### SENATE BILLS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2508. An act for the relief of Maj. O. S. McCleary, United States Army, retired; to the Committee on Claims.

S. 2582. An act for the relief of Leo James McCoy; to the Committee on Naval Affairs.

S. 2583. An act for the relief of Albert Lawrence Sliney; to the Committee on Naval Affairs.

S. 2862. An act for the relief of W. H. Hendrickson; to the Committee on Claims.

S. 4589. An act to authorize the Secretary of the Interior to make payment of part of the expenses incurred in securing improvements in drainage project of drainage district No. 1, Richardson County, Nebr., and for other purposes; to the Committee on Indian Affairs.

S. 4590. An act for the relief of Juan Apodaca; to the Committee on Military Affairs.

S. 5052. An act to empower the health officer of the District of Columbia to authorize the opening of graves, and the disinterment and reinterment of dead bodies, in cases where death has been caused by certain contagious diseases; to the Committee on the District of Columbia.

S. 5214. An act for the relief of Michael J. Budzinski; to the Committee on Naval Affairs.

S. 5433. An act for the relief of certain settlers on the Fort Peck Indian Reservation, in the State of Montana; to the Committee on the Public Lands.

S. 5503. An act authorizing the Chesapeake Bay Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Chesapeake Bay from a point in Baltimore County to a point in Kent County in the State of Maryland; to the Committee on Interstate and Foreign Commerce.

S. 5539. An act authorizing the Secretary of the Navy to grant a perpetual easement to Pacific Gas & Electric Co., a California utility corporation, over, across, in, and upon the site of the lighter-than-air base, near Sunnyvale, in the county of Santa Clara, in the State of California, for an existing 20-inch gas main; to the Committee on Naval Affairs.

S. 5581. An act authorizing the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 5588. An act authorizing the acceptance of title to sites for public-building projects subject to the reservation of ore and mineral rights; to the Committee on Public Buildings and Grounds.

S. J. Res. 237. Joint resolution authorizing the erection in the Department of State Building of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances; to the Committee on Public Buildings and Grounds.

### SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and an enrolled joint resolution of the Senate of the following titles:

S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.);

S. 3438. An act authorizing adjustment of the claim of Lindley Nurseries (Inc.);

S. 4673. An act to amend an act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874;

S. 4694. An act to amend section 812 of the Code of Law for the District of Columbia;

S. 5289. An act to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District; and

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933.

### BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 11461. An act for the relief of C. N. Hildreth, jr.

### ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 8 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 15, 1933, at 12 o'clock noon.

## COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Wednesday, February 15, 1933, as reported to the floor leader:

### WAYS AND MEANS SUBCOMMITTEE

(10 a. m.)

Hearings on the establishment of foreign-trade zones.

PUBLIC BUILDINGS AND GROUNDS

(10.30 a. m.)

H. R. 14461. To provide for placing the jurisdiction, custody, and control of the Washington city post office in the Secretary of the Treasury.

H. R. 14582. Authorizing the acceptance of title to sites for public buildings.

H. J. Res. 585. Authorizing erection of memorial to American diplomatic and consular officers.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

938. A communication from the President of the United States, transmitting estimates of appropriations, submitted by the several executive departments, to pay claims for damages to privately owned property in the sum of $8,282.61 (H. Doc. No. 554); to the Committee on Appropriations and ordered to be printed.

939. A communication from the President of the United States, transmitting draft of proposed provision pertaining to an existing appropriation for the Treasury Department (H. Doc. No. 555); to the Committee on Appropriations and ordered to be printed.

940. A communication from the President of the United States, transmitting estimates of appropriations, submitted by the Navy Department, to pay claims for damages by collision with naval vessels in the sum of $637.99 (H. Doc. No. 556); to the Committee on Appropriations and ordered to be printed.

941. A letter from the Director of the United States Shipping Board, transmitting the following reports: No. 275, Imports and Exports of Commodities, July to September, 1932; No. 300, Employment of American Merchant Vessels as of December 31, 1932; No. 1100, Ocean Going Merchant Fleets of Principal Maritime Nations as of September 30, 1932; to the Committee on Merchant Marine, Radio, and Fisheries.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. POU: Committee on Rules. House Resolution 378. A resolution providing for the consideration of S. 417, an act to provide a Government for American Samoa; without amendment (Rept. No. 2017). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 14378. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.; with amendment (Rept. No. 2019). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 14462. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, Tyler County, W. Va.; without amendment (Rept. No. 2020). Referred to the House Calendar.

Mr. VINSON of Georgia: Committee on Naval Affairs. House Joint Resolution 526. Joint resolution authorizing the Secretary of the Navy to sell surplus coal at nominal prices for distribution to the needy; with amendment (Rept. No. 2021). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 14303. A bill authorizing the George Washington-Wakefield Memorial Bridge Corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Potomac River at or near Dahlgren, Va.; with amendment (Rept. No. 2022). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 14584. A bill granting the consent of Congress to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain, and operate a toll bridge across the Allegheny River between the city of Pittsburgh and the township of O'Hara and the borough of Sharpsburg, Pa.; with amendment (Rept. No. 2023). Referred to the House Calendar.

Mr. SHALLENBERGER: Committee on Interstate and Foreign Commerce. H. R. 14586. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.; without amendment (Rept. No. 2024). Referred to the House Calendar.

Mr. ROBINSON: Committee on Interstate and Foreign Commerce. H. R. 14589. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Betendorf, Iowa; with amendment (Rept. No. 2025). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 14601. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; with amendment (Rept. No. 2026). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 14657. A bill to extend the times for commencing and completing the construction of a railroad bridge and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.; without amendment (Rept. No. 2027). Referred to the House Calendar.

Mr. SHALLENBERGER: Committee on Interstate and Foreign Commerce. S. 5370. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; without amendment (Rept. No. 2028). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. S. 5445. An act to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.; with amendment (Rept. No. 2029). Referred to the House Calendar.

Mr. FULMER: Committee on Agriculture. H. R. 14569. A bill to regulate the importation of milk and cream and milk and cream products into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health; without amendment (Rept. No. 2031). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEVENSON: Committee on Printing. House Resolution 376. Resolution authorizing the printing of additional copies of the report (H. Rept. No. 1985) on Government competition with private enterprises (Rept. No. 2032). Ordered to be printed.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTION

Under clause 2 of Rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. S. 2374. An act to authorize and direct the Secretary of the Navy to convey by gift to the city of Savannah, Ga., the naval radio station, the buildings and apparatus, located upon land owned by said city; without amendment (Rept. No. 2030). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARENTZ: A bill (H. R. 14662) for the establishment, development, and administration of the Boulder Canyon National Reservation and the development and administration of the Boulder Canyon project Federal reservation, and for other purposes; to the Committee on the Public Lands.

By Mr. HOWARD: A bill (H. R. 14663) to further extend the times for commencing and completing the construction

of a bridge across the Missouri River at or near Niobrara, Nebr.; to the Committee on Interstate and Foreign Commerce.

By Mr. PARSONS: A bill (H. R. 14664) to provide further for the national security and defense, insure domestic tranquility, and promote the general welfare by limiting the production, conserving the supply, and controlling and facilitating the distribution of agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. VINSON of Georgia: A bill (H. R. 14665) authorizing the State of Georgia to construct, maintain, and operate a toll bridge across the Savannah River at or near Lincolnton, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. GARBER: A bill (H. R. 14666) to amend sections 17 and 19 of the interstate commerce act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK: A bill (H. R. 14667) to incorporate the National Society of Women Descendants of the Ancient and Honorable Artillery Company; to the Committee on the Judiciary.

By Mr. STEAGALL: A bill (H. R. 14668) to provide for the postponement of the payment of installments due on loans made by the Federal land banks in certain cases, and for other purposes; to the Committee on Banking and Currency.

By Mr. MEAD: A bill (H. R. 14669) granting the consent of Congress to the Niagara Frontier Bridge Commission, its successors and assigns, to construct, maintain, and operate two toll bridges across the east branch of the Niagara River, at or near the city of Niagara Falls, N. Y., and at or near the city of Tonawanda, N. Y., respectively; to the Committee on Interstate and Foreign Commerce.

By Mr. McLEOD: A bill (H. R. 14670) to provide for the furnishing of food to children attending schools in the District of Columbia; to the Committee on the District of Columbia.

By Mr. CONNERY: A bill (H. R. 14671) to provide for the construction of a post-office building at Revere, Mass.; to the Committee on the Post Office and Post Roads.

By Mr. McLEOD: A bill (H. R. 14672) to authorize loans by the Reconstruction Finance Corporation to States, municipalities, and other political subdivisions of States for the specific purpose of providing food for undernourished school children in the United States; to the Committee on Banking and Currency.

By Mr. YON: Resolution (H. Res. 380) providing for the consideration of S. 475, an act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; to the Committee on Rules.

By Mr. SUMMERS of Washington: Resolution (H. Res. 381) authorizing the closing of the House restaurant and the House barber shop; to the Committee on Accounts.

By Mr. COOKE: Joint resolution (H. J. Res. 600) to investigate all gas and oil leases entered into by the council of the Seneca Nation of Indians, Cattaraugus Indian Reservation, in the State of New York; to the Committee on Rules.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial from the Governor of Arizona, memorializing Congress to enact legislation providing for the universal adoption of the 34-hour week throughout the United States; to the Committee on Labor.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM: A bill (H. R. 14673) for the relief of George C. Randall; to the Committee on Naval Affairs.

By Mr. BRITTEN: A bill (H. R. 14674) to authorize the placing of a bronze tablet bearing a replica of the congressional medal of honor upon the grave of the late Brig. Gen. Robert H. Dunlap, United States Marine Corps, in the Arlington National Cemetery, Va.; to the Committee on Naval Affairs.

By Mr. FINLEY: A bill (H. R. 14675) granting a pension to Katherine Slusher; to the Committee on Pensions.

By Mr. MAAS: A bill (H. R. 14676) to authorize the presentation of a distinguished-flying cross to Maj. Francis T. Evans, United States Marine Corps; to the Committee on Naval Affairs.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 14677) granting a pension to Robert E. Jones; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 14678) to authorize the Secretary of War to sell to the Plattsburg National Bank & Trust Co. a tract of land comprising part of the Plattsburg Barracks Military Reservation, N. Y.; to the Committee on Military Affairs.

By Mr. SPENCE: A bill (H. R. 14679) granting a pension to Margaret Jane Asberry; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 14680) for the relief of Edward Pennington; to the Committee on Military Affairs.

Also, a bill (H. R. 14681) for the relief of Samuel G. Davidson; to the Committee on Military Affairs.

By Mr. TURPIN: A bill (H. R. 14682) for the relief of George J. Redding; to the Committee on Military Affairs.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10412. By Mr. ANDREWS of New York: Petition of residents of Buffalo, N. Y., urging enactment of the stop-alien representation amendment to the United States Constitution; to the Committee on the Judiciary.

10413. Also, resolution of 137 members of the Ransomville Grange; Francis Willard Class of the St. James Methodist Episcopal Church, Niagara Falls; Howell Bible Class of the Plymouth Methodist Episcopal Church, and members of the West Side Woman's Christian Temperance Union, Buffalo, all of the State of New York, opposing any change in the prohibition laws; to the Committee on the Judiciary.

10414. Also, memorial of the Common Council of the City of Buffalo, N. Y., memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

10415. By Mr. CARTER of Wyoming: Petition of John J. Spriggs, and others, asking for irrigation charges relief, etc.; to the Committee on Irrigation and Reclamation.

10416. Also, petition of the Twenty-second Legislature of the State of Wyoming, memorializing Congress to take favorable action on Senate bill 36, or a similar bill, authorizing an appropriation for Federal aid in highway construction; to the Committee on Roads.

10417. Also, petition of the Twenty-second Legislature of the State of Wyoming, relative to violation of the revenue laws of the Government in refined crude-oil products; to the Committee on Ways and Means.

10418. By Mr. CLARKE of New York: Petition of Pearl H. Wheat and eight residents of Sidney Center, N. Y., protesting against all legislation intended to nullify, weaken, or repeal the eighteenth amendment and the Volstead Act, and urging adequate appropriations for law enforcement and a campaign of education in law observance; to the Committee on the Judiciary.

10419. By Mr. CRAIL: Petition of Boyle Heights Post, No. 1556, Veterans of Foreign Wars, Los Angeles, Calif., urging that every effort be made to maintain at its present site in Los Angeles County, Calif., the United States Veterans' Administration forces; to the Committee on World War Veterans' Legislation.

10420. Also, petition of the City Council of Los Angeles, Calif., protesting against the Federal Government imposing any obligation upon the States or political subdivisions thereof, or the District of Columbia, or on the officers or employees of the aforesaid; to the Committee on Ways and Means.

10421. Also, petition of the Business and Professional Woman's Club of Inglewood, Calif., disapproving the program of the National Economy League relative to the reduc-

tion of compensation paid service-connected disabled veterans of the World War, insofar as this may affect disabled veterans of the Spanish or other wars; to the Committee on World War Veterans' Legislation.

10422. Also, petition of Professional Pilots Association of Los Angeles, Calif., favoring legislation which provides for maintenance of all air mail routes now being operated; to the Committee on Appropriations.

10423. By Mr. DELANEY: Petition of the Women's Committee for the Repeal of the Eighteenth Amendment, Brooklyn, N. Y., petitioning a fair and honest plan for State ratifying conventions free from congressional dictation; to the Committee on the Judiciary.

10424. By Mr. HAUGEN: Resolution of the New Century Club of Northwood, Iowa, urging the establishment of a Federal motion-picture commission for the regulation and supervision of the motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10425. By Mr. HOWARD: Resolution adopted by the Nebraska State Senate requesting aid to unemployed and homeless young men and urging President-elect Franklin D. Roosevelt to use his official influence with his Secretary of War to expedite and aid millions of young American boys and young men by inviting those who desire to take advantage of the Government's willingness to be of service to them; to the Committee on Military Affairs.

10426. By Mr. MARTIN of Massachusetts: Petition of Joseph Francis Keane and eight other residents of Fall River, Mass., urging revaluation of the gold ounce and correction of financial abuses associated with mass production; to the Committee on Coinage, Weights, and Measures.

10427. By Mr. MEAD: Petition of the Buffalo section, New York State Association of Highway Engineers, protesting any further diversion of Federal-aid highway money to the Reconstruction Finance Corporation as a credit for unemployment relief loans; to the Committee on Banking and Currency.

10428. By Mr. SEGER: Petition of Alfons Adler, of Clifton, N. J., business manager of New York and New Jersey district of full-fashioned hosiery workers, favoring passage of the Black-Connery 30-hour work week bills; to the Committee on Labor.

10429. By Mr. STULL: Petition of the Cambria County committee, the American Legion, Department of Pennsylvania, disapproving all changes in veterans' legislation as proposed by the so-called Economy League and the United States Chamber of Commerce, and favoring the immediate and full payment of adjusted-compensation certificates, and immediate passage of the widows and orphans' pension bill; to the Committee on Ways and Means.

10430. By Mr. SWANK: Petition by the Senate of the State of Oklahoma, memorializing Congress to repeal the law levying an excise tax of 1 cent per gallon of gasoline for Federal purposes; to the Committee on Ways and Means.

10431. By Mr. SWICK: Petition of Jennie Blevins, president, Madge Miller, secretary, and members of Harlansburg Woman's Christian Temperance Union, Harlansburg, Lawrence County, Pa., indorsing Senate Resolution 170 and House bill 1079, to provide for the regulation of the motion-picture industry by a Federal motion-picture commission; to the committee on Interstate and Foreign Commerce.

10432. By Mr. WHITE: Petition of Rev. Austin A. Bork and others, of Toledo, Ohio, asking Congress to revalue the gold ounce; to the Committee on Banking and Currency.

# SENATE

## WEDNESDAY, FEBRUARY 15, 1933

*(Legislative day of Friday, February 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.



### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HAINES, Mr. PATTERSON, and Mr. Foss were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7518) to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916.

The message further announced that the House had agreed severally to the amendments of the Senate to the following bills of the House:

H. R. 7519. An act to amend the Penal Code of the Canal Zone;

H. R. 7520. An act to amend the Code of Criminal Procedure for the Canal Zone;

H. R. 7521. An act to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure; and

H. R. 7522. An act to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code.

### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.);

S. 3438. An act authorizing adjustment of the claim of Lindley Nurseries (Inc.);

S. 4673. An act to amend an act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874;

S. 4694. An act to amend section 812 of the Code of Law for the District of Columbia;

S. 5289. An act to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District; and

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933.

### THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal of the proceedings of the legislative day of Tuesday, February 14, 1933.

The VICE PRESIDENT. Without objection, it is so ordered.

### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Borah | Connally | Fess |
| Austin | Bratton | Coolidge | Fletcher |
| Bailey | Brookhart | Costigan | Frazier |
| Bankhead | Bulkley | Couzens | George |
| Barbour | Bulow | Cutting | Glass |
| Barkley | Byrnes | Dale | Glenn |
| Bingham | Capper | Davis | Goldsborough |
| Black | Caraway | Dickinson | Grammer |
| Blaine | Clark | Dill | Hale |

| | | | |
|---|---|---|---|
| Harrison | Logan | Robinson, Ark. | Thomas, Okla. |
| Hastings | McGill | Robinson, Ind. | Townsend |
| Hatfield | McKellar | Russell | Trammell |
| Hayden | McNary | Schuyler | Tydings |
| Hebert | Moses | Sheppard | Vandenberg |
| Hull | Neely | Shipstead | Wagner |
| Johnson | Norbeck | Shortridge | Walcott |
| Kean | Norris | Smith | Walsh, Mass. |
| Kendrick | Nye | Smoot | Walsh, Mont. |
| Keyes | Oddie | Steiwer | Watson |
| King | Patterson | Stephens | White |
| La Follette | Pittman | Swanson | |
| Lewis | Reed | Thomas, Idaho | |

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is absent owing to illness. I ask that this announcement may stand for the day.

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained on official business of the Senate.

Mr. FESS. I wish to announce that the junior Senator from Wyoming [Mr. CAREY] is detained on official business. I ask that this announcement may stand for the day.

Mr. WAGNER. I desire to announce that my colleague [Mr. COPELAND] is necessarily absent from the Senate because of the death of his father. I ask that this announcement may stand for the day.

Mr. SHIPSTEAD. I wish to announce that my colleague [Mr. SCHALL] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

## PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter from the Governor of Arizona, transmitting copy of House Joint Memorial No. 1 of the Legislature of the State of Arizona, which, with the accompanying memorial, was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE,
*Phoenix, Ariz., February 9, 1933.*

The honorable the PRESIDENT OF THE UNITED STATES SENATE,
*Washington, D. C.*

SIR: I have the honor to transmit House Joint Memorial No. 1, in which the eleventh Arizona Legislature, now in session, respectfully prays that Congress enact legislation providing for the universal adoption of the 30-hour week throughout the United States.

Very truly yours,

B. B. MOEUR, *Governor.*

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
*State of Arizona, ss:*

I, James H. Kerby, secretary of state, do hereby certify that the within is a true, correct, and complete copy of House Joint Memorial 1, regular session, eleventh legislature, State of Arizona, all of which is shown by the original engrossed copy on file in this department.

In witness whereof, I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 9th day of February, A. D. 1933.

[SEAL.]

JAMES H. KERBY,
*Secretary of State.*

House Joint Memorial 1

*To the Senate and House of Representatives of the United States of America in Congress assembled:*

Your memorialist, the eleventh State legislature, in regular session convened, respectfully represents:

Unemployment among all classes of people in the United States has reached alarming proportions, until at present there are, by conservative estimate, 11,000,000 unemployed persons, a large percentage of whom are wholly or partially dependent upon public and private charity for a bare subsistence.

In modern industrial life there has been added to seasonal and cyclical unemployment a technological displacement of men by the increase in labor-saving machinery, which makes it impossible for all to secure gainful employment if the present working hours are retained, as shown by the fact that the number of productive workers decreased over 2,000,000 between 1919 and 1929, while the general population and the volume of manufactured goods increased enormously.

This unemployment has gone hand in hand with decreased wages and a rapidly falling standard of living, which in turn has resulted in diminishing the purchasing power of the masses, thereby intensifying the depression and precluding the return of general confidence in the stability and soundness of our institutions.

The American Federation of Labor, progressive economists and sociologists, and students of political science have indorsed the 30-hour week as a means of creating further employment, raising the standard of living, and causing a return of confidence.

Wherefore your memorialist respectfully prays that the Congress enact legislation providing for the universal adoption of the 30-hour week throughout the United States.

And your memorialist will every pray.

Adopted by the senate February, 1933.

Adopted by the house January 25, 1933.

Approved by the governor February 8, 1933.

Received in the office of the secretary of state February 8, 1933.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Public Lands and Surveys:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho, and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitutes a full, true, and complete transcript of the original enrolled copy of Senate Joint Memorial No. 5, enacted by the twenty-second session of the Legislature of the State of Idaho, and filed in this office on the 10th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 10th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE SENATE.

Senate Joint Memorial 5 (by Yost)

A joint memorial to the Senate and House of Representatives of the Congress of the United States of America.

Received and filed February 10, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE SENATE.

Senate Joint Memorial 5 (by Yost)

*To the Senate and House of Representatives of the Congress of the United States of America:*

We, your memorialists, the Senate and House of Representatives of the State of Idaho, in legislative session duly and regularly assembled, most respectfully present the following petition, preamble, and resolution, to wit:

Whereas there is now pending before the Seventy-second Congress, second session, H. R. 413, by Mr. FRENCH, as amended, a bill to enlarge the Boise National Forest by adding thereto certain areas in Idaho; and

Whereas the purpose of said H. R. 413, as amended, is the placement of certain areas within the boundaries of the Boise National Forest, and thus placing the same under the control and regulation of the Forest Service; and

Whereas the rules and regulations of said Forest Service and the control of lands within the area of national forest reserves are such as to give great protective regulation of our watersheds; and

Whereas the area proposed to be included within the Boise National Forest contains an area of the watersheds contributing water supply to the Boise River; and

Whereas approximately 400,000 acres of land now under irrigation, extending from the city of Boise to the Snake River, are dependent upon this water supply for irrigation purposes: Therefore be it

*Resolved by the Senate of the State of Idaho (the House of Representatives concurring)*, That the prompt passage of H. R. 413, by Mr. FRENCH, as amended, now pending before Congress, be, and the same is, recommended and urged.

This senate joint memorial passed the senate on the 2d day of February, 1933.

GEO. E. HILL,
*President of the Senate.*

This senate joint memorial passed the house of representatives on the 6th day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

I hereby certify that the within Senate Joint Memorial No. 5 originated in the senate during the twenty-second session of the Legislature of the State of Idaho.

[SEAL.]

M. J. HAMMOND,
*Secretary of the Senate.*

The VICE PRESIDENT also laid before the Senate a letter from G. J. Brown, of Sterling, Kans., making certain suggestions relative to farm relief through setting minimum prices for cotton, corn, and wheat, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution adopted by the Board of Supervisors of the City and County of San Francisco, Calif., favoring the passage of legislation setting aside February 15 for national observance of the birthday of Susan B. Anthony, "the pioneer who blazed the trail leading to

woman suffrage in the United States," which was referred to the Committee on the Library.

He also laid before the Senate a resolution adopted by the City Council of Minneapolis, Minn., favoring the passage of legislation to commemorate the one hundred and fiftieth anniversary of the naturalization as an American citizen in 1783 and appointment as brevet brigadier general of Thaddeus Kosciuszko, a hero of the Revolutionary War, by issuing a special series of postage stamps in honor of such anniversary, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a letter in the nature of a memorial from Mrs. Florence E. Spalding, Visalia, Calif., remonstrating against the repeal of the eighteenth amendment of the Constitution or the repeal or modification of the national prohibition law, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the convention of the National Association of Merchant Tailors of America, at Detroit, Mich., favoring the balancing of the Budget through the curtailment of unnecessary expenditures; the repeal of legislation authorizing the appropriation of over $450,000,000 annually for the care of ex-service men whose disabilities have no connection with their war service, etc.; the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists; and opposing the intervention of Government in private enterprise, the prepayment of the so-called soldiers' bonus, and the recognition of the Soviet Government of Russia, which were ordered to lie on the table.

Mr. CAPPER presented a resolution adopted by the Board of Commissioners of the City of Eldorado, Kans., favoring the passage of legislation defining the term "political subdivision" and exempting the several States and their political subdivisions from all taxes imposed by the revenue act of 1932, which was referred to the Committee on Finance.

He also presented petitions of chapters of the Woman's Christian Temperance Union of Emporia, La Harpe, and Winona, and the Woman's Home Missionary Society, of Winona, all in the State of Kansas, praying for the passage of legislation to regulate and supervise the motion-picture industry, which were ordered to lie on the table.

Mr. WALSH of Massachusetts presented memorials and papers in the nature of memorials of sundry citizens and organizations in the State of Massachusetts, remonstrating against the repeal of the eighteenth amendment to the Constitution or the modification of the Volstead Act, which were ordered to lie on the table.

He also presented a resolution of the Woman's Home Missionary Society of the Central Methodist Episcopal Church, of Brockton, Mass., favoring the passage of legislation to regulate and supervise the motion-picture industry, which was ordered to lie on the table.

He also presented a memorial of members of General Israel Putnam Chapter, Daughters of the American Revolution, of Danvers, Mass., praying for the passage of legislation to regulate and supervise the motion-picture industry, which was ordered to lie on the table.

Mr. RUSSELL. Mr. President, I present memorials and papers in the nature of memorials from 36 cities and towns of the State of Georgia, signed by sundry citizens, and from various organizations, remonstrating against the repeal of the eighteenth amendment of the Constitution or the repeal or modification of the Volstead Act, which I ask may lie on the table.

The VICE PRESIDENT. The memorials will be received and lie on the table.

Mr. SHEPPARD presented memorials, and communications in the nature of memorials, of 41 citizens of Beaumont, 158 citizens of Houston, 578 citizens of Cleburne, 101 citizens of Fort Worth, 90 citizens of Harlingen, 243 citizens of Marshal, 35 citizens of San Antonio, 61 citizens of Shamrock, 83 citizens of Big Spring, and 12 citizens of Tyler, all in the State of Texas, remonstrating against the passage of legislation to legalize the manufacture and sale of beer, which were ordered to lie on the table.

Mr. SHEPPARD also presented memorials and communications in the nature of memorials of sundry citizens and organizations, all in the State of Texas, remonstrating against the repeal of the eighteenth amendment of the Constitution or the modification of the Volstead Act so as to legalize the manufacture and sale of beer, etc., which were ordered to lie on the table.

The memorials and communications are summarized, as follows:

1. From 100 members Anti-Alcoholic League of Barry;
2. From 245 citizens of Gorman;
3. From 1,025 citizens of Stephenville and students of John Tarleton Agricultural College, located at Stephenville;
4. From 146 members of the Woman's Christian Temperance Union and other citizens of Port Arthur;
5. Memorial from pastors and laymen, Waco district, Central Texas Conference of the Methodist Episcopal Church South, Texas conference, on part of the conference, representing more than 12,000 members;
6. From 26 citizens of Big Spring;
7. From 131 citizens of Cleburne;
8. From Federation of Missionary Societies of Polk County;
9. From 100 citizens of Beaumont;
10. From 21 citizens of Paradise;
11. From 33 citizens of Andrews;
12. From 38 citizens of Dallam County;
13. From 56 citizens of Weatherford;
14. From 50 citizens of Elgin;
15. From 36 citizens of Bryans Mill; and
16. From 164 citizens of McAllen, Alamo, Weslaco, Edcouch, Edinburg, San Juan, and Pharr: 167 citizens of Dalhart; 89 citizens of Waxahachie; 284 citizens of Fort Worth; 17 citizens of San Antonio; 45 citizens of Buffalo Gap; 26 citizens and members of the First Christian Church of Coleman; 123 citizens of Beeville; 67 citizens of Commerce; and 150 citizens of Palmer and Ennis, all of the State of Texas.

Mr. ASHURST presented the following joint resolution of the Legislature of the State of Arizona, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Resolution 2, urging State legislatures to petition Congress to pass United States Senate bill 1197, known as the Frazier bill, and to amend said bill to include ranchers and livestock owners

*Be it resolved by the eleventh Legislature of the State of Arizona,* That a crisis exists, and hundreds of thousands of once prosperous farmers, ranchers, and livestock owners in this Nation have already lost their homes and their all by mortgage foreclosures because of the fact that the price of agricultural products and livestock have for years been below the cost of production, a condition that affects all of the people of this Nation, and is largely responsible for the continuance of the depression; and

There is no adequate way of refinancing existing agricultural indebtedness, and the farmers, ranchers, and livestock owners are at the mercy of their mortgagees and creditors; and

Unless immediate relief is given, thousands and hundreds of thousands of additional farmers, ranchers, and livestock owners will lose their farms, ranches, and livestock, and their homes, and millions more will be forced into our cities and villages, and the army of unemployed will necessarily increase to alarming proportions, precipitating a condition that threatens the very life of this Nation; and

The State Legislatures of Montana, North Dakota, Minnesota, Wisconsin, Nevada, and Illinois have each and all petitioned Congress to pass Senate bill 1197, known as the Frazier bill, without delay; which bill provides that existing farm indebtedness shall be refinanced by the Government of the United States at 1½ per cent interest and 1½ per cent principal on the amortization plan, and through mortgages on livestock at 3 per cent per annum, not by issuing bonds and plunging the Nation further into debt, but by issuing Federal reserve notes the same as the Government now does for the banks through the Federal reserve bank: Now, therefore, be it

*Resolved,* That the Legislature of the State of Arizona respectfully requests and petitions the legislatures of the other States that have not already done so to petition Congress to pass Senate bill 1197 without delay, and amend same to include ranches, ranges, and livestock, in order that the agricultural and ranch indebtedness of this Nation may be speedily liquidated and refinanced, and agriculture and livestock saved from utter ruin and destruction, and this depression brought to an intelligent and speedy end; and respectfully requests that the State legislatures cause copies of such resolution, after same has been passed, to be sent to the President of the United States, to the President of the Senate, and the Speaker of the House, to Senator FRAZIER at Washington, D. C., and to WILLIAM LEMKE, Congressman elect, at Fargo, N. Dak.; be it further

*Resolved,* That the secretary of state cause sufficient copies of this resolution to be printed, and that he mail a copy to the president of the senate and the speaker of the house of each of the States that have not as yet petitioned Congress to pass Senate bill 1197, requesting that said resolution be read before each of said bodies; and be it further

*Resolved*, That Arizona's Representatives in Congress—Senator HENRY F. ASHURST, Senator CARL HAYDEN, and Hon. LEWIS DOUGLAS—be sent copies of said resolution.

Approved February 2, 1933.

Passed the senate January 31, 1933, by the following vote: 19 ayes.

HARRY W. HILL,
*President of the Senate.*
W. J. GRAHAM,
*Secretary of the Senate.*

Passed the house February 2, 1933, by the following vote: 51 ayes.

S. A. SPEAR,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

EXECUTIVE DEPARTMENT OF ARIZONA,
OFFICE OF GOVERNOR.

This bill was received by the governor this 2d day of February, 1933, at 4.30 o'clock p. m.

H. H. HOTCHKISS,
*Secretary to the Governor.*

Senate concurs in House amendments February 2, 1933, by the following votes: 19 ayes.

Approved this 2d day of February, 1933.

B. B. MOEUR,
*Governor of Arizona.*

EXECUTIVE DEPARTMENT OF ARIZONA,
OFFICE OF SECRETARY OF STATE.

This bill was received by the secretary of state this 2d day of February, 1933, at 4.55 o'clock p. m.

JAMES H. KERBY,
*Secretary of State.*

Mr. HALE presented the following joint memorial of the Legislature of the State of Maine, which was referred to the Committee on Finance:

STATE OF MAINE, 1933.

Joint memorial

*To the honorable the Senate and House of Representatives of the United States of America in Congress assembled:*

We, your memorialists, the Senate and House of Representatives of the State of Maine, in eighty-sixth legislative session assembled, most respectfully present and petition your honorable body as follows:

Whereas the immediate and greatest need of this Nation is to establish a fully employed citizenship and normally functioning private industry offers the most desirable employment opportunities and the primary and largest market for American produce and manufactures is found in meeting the wants of the American people and the necessary employment in supplying these wants belongs first to American workmen; and

Whereas without the free flow of gold, the common medium of international values, the exchange rates of many nations' currencies have by application of the law of supply and demand become divorced from the actual values of those currencies as measured in buying power within the bounds of the nation issuing the currency; and

Whereas depreciated currency is seriously handicapping American industry and our foreign markets are stifled and our domestic industries face destruction by increased imports from depreciated-currency nations; and

Whereas the economic life of the State of Maine is derived from basic industries, such as lumber, fish, pulp, wheat, fruits, coal, cement, and their allied industries, and the very existence of capital, industry, employment, wages, and our standards of living are based on the profitable operation of these basic industries; and

Whereas the Nation faces an emergency and the differences in money levels have existed for a long period and have not become adjusted; and

Whereas nations whose currencies are depreciated are able to ship merchandise into the United States, pay the existing tariffs, accept American currency in payment, and to make a greater profit on their merchandise than if sold in their own markets; and

Whereas such importations from more than 40 nations of the world into the United States under the existing depreciated-currency conditions has the effect of not only eliminating all tariff structures but of enabling such merchandise to be sold at such a low price in the markets of the United States as to handicap and paralyze American industry and increase unemployment, and the industries of the United States are facing bankruptcy and destruction; and

Whereas we believe that unless this legislation is immediately passed chaos and ruin threaten the financial and governmental structure of the United States; and

Whereas Congressman SAMUEL B. HILL, of the State of Washington, has introduced in the present session of Congress a bill, the official title of which is a bill "to prevent loss of revenue, to provide employment for American labor, and to maintain the industries and agriculture of the United States against the effects of depreciation in foreign currencies"; and

Whereas the delay in enacting this bill into law at the present session of Congress is causing continued and alarming increase in unemployment in our industries, America industry and agriculture are being seriously harmed, and in many instances ruined, by this disastrous new form of competition, which is forcing hundreds of thousands of workmen to sacrifice their jobs; and

Whereas the Government of the United States is being deprived of vast customs revenue under existing conditions; and

Whereas equalization measures must be adopted to preserve American jobs for American workmen: Now, therefore, be it

*Resolved*, That the Senate and House of Representatives of the State of Maine respectfully urge the present Congress, now in session, and the President of the United States to promptly enact into law H. R. 13999; and be it further

*Resolved*, That this memorial be immediately transmitted by the secretary of state to the proper officers and committees of the United States Senate and House of Representatives and a copy sent to each of the Representatives and Senators representing the State of Maine in the United States Congress; and be it further

*Resolved*, That this memorial be immediately forwarded by the secretary of state to the legislatures of all the States of the United States, requesting that they pass and present similar memorials to Congress; and

Your memorialists will ever pray.

HOUSE OF REPRESENTATIVES.
Read and adopted. Sent up for concurrence January 31, 1933.
HARVEY R. PEASE, *Clerk.*

IN SENATE CHAMBER.
Read and adopted. In concurrence February 7, 1933.
ROYDEN V. BROWN, *Secretary.*

STATE OF MAINE,
OFFICE OF SECRETARY OF STATE.

I, Robinson C. Tobey, secretary of state of the State of Maine and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of the memorial to the Congress of the United States of the Senate and House of Representatives of the State of Maine in legislature assembled with the original thereof, and that it is a full, true, and complete transcript therefrom and of the whole thereof.

In testimony whereof, I have caused the seal of the State to be hereunto affixed. Given under my hand at Augusta this 8th day of February, A. D. 1933, and in the one hundred and fifty-seventh year of the independence of the United States of America.

[SEAL.] ROBINSON C. TOBEY,
*Secretary of State.*

Mr. THOMAS of Oklahoma presented the following concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on Banking and Currency:

STATE OF OKLAHOMA,
DEPARTMENT OF STATE.

*To all to whom these presents shall come, greeting:*

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of enrolled House Concurrent Resolution No. 7 (by Hogg and Beaman), a resolution requesting the Congress of the United States to enact legislation whereby a moratorium of foreclosures on homesteads may be declared, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of State. Done at the city of Oklahoma City, this 9th day of February, A. D. 1933.

[SEAL.] R. A. SNEED, *Secretary of State.*

A resolution requesting the Congress of the United States to enact legislation whereby a moratorium of foreclosures on homesteads may be declared

Whereas it is a well-known fact that thousands of homesteads in the State of Oklahoma and throughout the United States are now facing foreclosure; and

Whereas such action will place the owners of said homesteads without home or shelter and that thousands of home owners are daily being ejected from their homes through foreclosure and thrown upon charity and are fast becoming public charges; and

Whereas the loss of their homes has created a state of discontent among these unfortunates and they are fast becoming transients, roaming from place to place, and unless something is done to curb the wholesale foreclosures on small homes we shall face a national crisis such as the world has never known; and

Whereas we are daily being called upon by our constituents to enact legislation whereby this condition may be relieved, and realizing that the people of the State of Oklahoma and the United States in general are entitled to remedial legislation having for its purposes the relief of said condition: Now, therefore, be it

*Resolved by the House of Representatives of the State of Oklahoma (the Senate of the State of Oklahoma concurring therein)*, That the Congress of the United States be and is hereby requested to enact laws which will provide for the immediate relief from foreclosure on homes in the State of Oklahoma and in the United States in general; be it further

*Resolved*, That the Congress of the United States be requested to propose an amendment to the Constitution of the United States giving it the power immediately to provide such remedial legislation; be it further

*Resolved*, That copies of this resolution be forwarded to each of the Oklahoma delegation in Congress.

Adopted by the house of representatives this the 17th day of January, 1933.

TOM ANGLIN,
*Speaker of the House of Representatives.*

Adopted by the Senate this the 2d day of February, 1933.

CECIL R. CHAMBERLIN,
*Acting President of the Senate.*

Correctly enrolled.

JULIUS W. COX,
*Acting Chairman Committee on Enrolled and Engrossed Bills.*

Mr. THOMAS of Oklahoma also presented the following concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on Finance:

STATE OF OKLAHOMA,
DEPARTMENT OF STATE.

*To all to whom these presents shall come, greeting:*

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of enrolled Senate Concurrent Resolution No. 8, by Curnutt and Thomas of the senate and Johnson of the house; a resolution memorializing Congress to repeal the law levying an excise tax of 1 cent per gallon of gasoline for Federal purposes, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of state.

Done at the city of Oklahoma City, this 11th day of February, A. D. 1933.

[SEAL.] R. A. SNEED, *Secretary of State.*

A resolution memorializing Congress to repeal the law levying an excise tax of 1 cent per gallon of gasoline for Federal purposes

Whereas the recent session of the United States Congress enacted a law establishing an excise tax of 1 cent per gallon on gasoline sold in the United States for the purpose of raising revenue for the expenses of the Federal Government; and

Whereas in this State and many other States of the United States there exist laws levying an excise tax on gasoline from 1 cent to 7 cents per gallon; and

Whereas such taxes are out of all proportion in comparison with other forms of taxes on other commodities; and

Whereas the same should be by the Federal Congress repealed: Therefore be it

*Resolved by the Senate of the State of Oklahoma (the House of Representatives of the State of Oklahoma concurring therein)*, That the Congress of the United States is hereby memorialized to repeal the act which levies an excise tax of 1 cent per gallon on gasoline sold in the United States as it is believed the same is an undue burden on said commodity and upon the citizens of the United States: And be it further

*Resolved*, That copies of this resolution be forwarded to each Representative and Senator from the State of Oklahoma in the National Congress calling their attention to the desire of the people of Oklahoma as herein expressed: Be it further

*Resolved*, That copies of this resolution be forwarded to the secretary of state of each State in the United States to be transmitted to the legislatures of their respective States.

Passed by the senate this the 19th day of January, 1933.

ROBERT BURNS, *President of the Senate.*

Passed by the house of representatives this the 6th day of January, 1933.

TOM ANGLIN,
*Speaker of the House of Representatives.*

Correctly enrolled.

CLAUDE LIGGETT,
*Chairman Committee on Engrossing and Enrolling.*

Mr. THOMAS of Oklahoma also presented the following concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on Post Offices and Post Roads:

STATE OF OKLAHOMA,
DEPARTMENT OF STATE.

*To all to whom these presents shall come, greeting:*

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of enrolled senate Concurrent Resolution No. 11 (by Johnston and Curnutt), a resolution memorializing the Congress of the United States to enact a law reducing first-class postage to 2 cents base rate, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of State. Done at the city of Oklahoma City, this 9th day of February, A. D. 1933.

[SEAL.] R. A. SNEED, *Secretary of State.*

A resolution memorializing the Congress of the United States to enact a law reducing first-class postage to 2 cents base rate

Whereas for revenue-raising purposes only a recent session of our United States Congress caused an increase in first-class postage to 3 cents domestic; and

Whereas such increase in the postage rate is an added burden to the classes of people unable to carry it, and was not an incident to meeting the cost of or improvement in the Postal Service: Therefore be it

*Resolved by the Senate of the State of Oklahoma (the House of Representatives of the State of Oklahoma concurring therein)*, That the Congress of the United States is hereby memorialized to enact a law reducing the first-class postage rate from 3 cents to 2 cents; and be it further

*Resolved*, That copies of this resolution be forwarded to each Representative and Senator from the State of Oklahoma in our National Congress calling their attention to the desires of the people of Oklahoma as herein expressed.

Passed by the senate this the 19th day of January, 1933.

ROBERT BURNS,
*President of the Senate.*

Passed by the house of representatives this the 2d day of February, 1933.

TOM ANGLIN,
*Speaker of the House of Representatives.*

Correctly enrolled.

CLAUDE LIGGETT,
*Chairman Committee on Engrossing and Enrolling.*

## SURVEY OF SHIPPING BOARD, SEA-SERVICE SECTION

Mr. GRAMMER. Mr. President, there has been brought to my attention a statement from Hon. T. V. O'Connor, chairman of the United States Shipping Board, giving considerable information on the activities of the sea-service section of the board. As this statement sets out the necessity of the section's being maintained, in the event we are going to have an American merchant marine, I ask that it be printed in the RECORD and appropriately referred, in order that this side of the question may have the consideration of the Senate.

There being no objection, the statement was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

### GENERAL SURVEY OF THE UNITED STATES SHIPPING BOARD, SEA-SERVICE SECTION

The sea-service section is a part of the Bureau of Marine Development of the United States Shipping Board.

During the fiscal year ended June 30, 1932, the sea-service section field offices, located at the ports of Boston, New York, Philadelphia, Baltimore, Norfolk, Savannah, Mobile, Galveston, Houston, New Orleans, Portland (Oreg.), and Seattle placed 30,367 men in various ratings, from master to mess boy, and 95.4 per cent of these seamen were American citizens. This result has been brought about by the increasing Americanization work of the sea-service section since its establishment.

The American merchant marine prior to our entrance into the World War had been a declining institution for many years. It is unnecessary to go into the causes of the decline, but the effect may be summarized by the statement that for 10 years prior to the war American ships carried an average of but 10 per cent of our total foreign trade, as contrasted with 83 per cent in 1840. This was the significant result of our departure from shipping as a national industry and our growing interest in manufacturing and agricultural enterprises. Our once sea-minded people had turned away from the sea.

When the World War began it was obvious that we were under a tremendous handicap through lack of ships. Congress recognized the deplorable situation and a year before our entrance into the war gave us our shipping act, 1916, the stated purpose of which is of importance.

The title of the shipping act of 1916 reads:

"An act to establish a United States Shipping Board for the purpose of *encouraging, developing,* and *creating* a naval auxiliary and naval reserve and a merchant marine *to meet the requirements of the commerce of the United States* with its territories and possessions and with foreign countries; to regulate carriers by water engaged in the foreign and interstate commerce of the United States, and for other purposes." (Italics supplied.)

This act created the Shipping Board and charged it with carrying out its purposes and objects. The tremendous program of shipbuilding, ship manning, and operations ensued. One of the multitudinous activities of the board was the training and development of men to man the ships brought out in our reborn American merchant marine. This work was conducted by the war establishment of the sea-service section. In all 34,000 men and 16,000 officers were trained and placed. Such was the origin of our sea-service work. Then came the change from war to peacetime activity and the problem of rejuvenation of our merchant marine.

On June 5, 1920, the merchant marine act of 1920 became law. The first section thereof contains further mandates by Congress touching on the redevelopment of our shipping. Section 1 reads:

"*Be it enacted, etc.*, That it is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the *best equipped* and most suitable types of vessels *sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary in time of war or national emergency*, ultimately to be owned and operated privately by citizens of the United States; and

it is hereby declared to be the policy of the United States to do whatever may be necessary *to develop and encourage* the maintenance of such a merchant marine, and, in so far as may not be inconsistent with the express provisions of this act, the United States Shipping Board shall, in the disposition of vessels and shipping property as hereinafter provided, in the making of rules and regulations, and in the administration of the shipping laws keep always in view this purpose and object as the primary end to be obtained." (Italics supplied.)

The stress laid by Congress upon the development of our shipping placed upon the Shipping Board the responsibility of solving many problems relating to the merchant marine. The board found itself in possession of a great fleet of ships, which Congress decided should be put to peace-time uses. It proceeded with this great responsibility by establishing steamship services to all parts of the world, and, appreciating the vital necessity of manning the ships with competent American seamen, undertook through its sea-service section the task of carrying out the will of Congress in so far as providing an efficient personnel was concerned. This was a natural corollary to the major problem of having a marine of the best equipped ships, as declared in section 1 of the act of 1920.

The board is still engaged in its program of developing and encouraging a merchant marine adequate for the carriage of the greater portion of our commerce. Recovery from the low average of 10 per cent carried just prior to the war has been gradual. Modernization of the fleet is steadily going on and eventual success will in great part be accomplished by proper manning. The board, in other words, is still carrying out the mandates of the 1920 act.

The duty of accomplishing the permanent establishment of the American merchant marine lies with the Shipping Board. Part of the essential work embraces the activities of the sea-service section.

AMERICAN CREWS ON AMERICAN SHIPS

The Americanization program as carried on by the sea-service section is not open to criticism, as it is a well-known fact that if the section were discontinued the merchant service would have a very small percentage of native-born and naturalized citizens. The provision contained in the merchant marine act of 1928 to the effect that an increasing proportion of the crews of American ships holding mail contracts must be American citizens makes it necessary for the sea-service section to pay special attention to the placement of seamen.

Under date of January 4, 1932, Congressman DAVIS of Tennessee introduced a bill (H. R. 6710), as follows:

"To repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purpose of service and protection of American vessels."

This bill was reported out of committee on April 25, 1932, passed the House of Representatives on June 6, 1932, and was referred to the Senate Immigration Committee on June 7, 1932.

H. R. 6710 should be enacted into law. The bill is constructively American. It will have the effect of eliminating from our American merchant marine many aliens who through the mere act of securing first papers are for marine purposes counted as citizens and given the protection accorded full-fledged Americans. Under the law as now in effect, and as defined by the Attorney General in an opinion given under date of March 12, 1929, these so-called "first paper" men are regarded legally as citizens on mail contract and other American ships.

The merchant marine act of 1928 was the most constructive piece of merchant-marine legislation placed upon the statute books in recent years. By the provisions of this act ships engaged in the carrying of mail, in pursuance of contracts had with the Postmaster General, are required to have crews (exclusive of officers) at least two-thirds American. The Attorney General has ruled that these "first paper" men may be classified as citizens on mail-contract ships. If H. R. 6710 becomes a law, the ships in our American merchant marine will be required to have two-thirds of the crew (exclusive of officers) native-born or fully naturalized citizens.

We should ever bear in mind the lesson taught by the late war, when the greatest question before the country was how to get ships and men to man them; when the large number of alien seamen then employed on American ships refused to man our ships on voyages through the war zone, but instead sought safety on coastwise runs or retired entirely from the sea until the close of the war. This made it necessary to man our ships with inexperienced young Americans or, in a large number of cases, tying up the ships until American youths could be trained, thus crippling the country's resources because of its lack of experienced American seamen.

PHYSICAL EXAMINATION OF SEAMEN

A 1-man lobby, having as its object the doing away with the sea-service section, has been conducted annually by Mr. Andrew Furuseth, whose labor organization (the International Seaman's Union) would benefit greatly were this section abolished and the union left free to monopolize the employment of seamen. For several years he has succeeded in having an amendment inserted in the appropriation bill forbidding any expenditure of Federal funds for the maintenance of this important activity. He has repeatedly appeared before congressional committees and condemned the work of the sea-service section, but has never been able to substantiate his charges. On page 574 of the 1931 hearings on the independent offices appropriation bill, Mr. Furuseth made the following statement:

"I could say a lot of things about the sea-service bureau, but I can not prove it all, only a very little of it."

Mr. Furuseth is opposed to the physical examination which the section gives to each man. The savings to American shipowners through these examinations amount to many thousands of dollars yearly. Before the examinations were instituted it was possible, for example, for a seaman suffering, say, from hernia, to claim that the injury was incurred on board the ship and institute suit for damages. The section's medical examinations have practically done away with these bogus claims. If, on the basis of past experience, an estimate were made of potential claims, using a figure of $200 per claim (exclusive of the cost of litigation), it could be shown that the yearly savings on Shipping Board ships alone would amount to well over $200,000. This figure by no means represents the total savings to the merchant marine and the country at large through the elimination of persons suffering from loathsome diseases. In the close contact with other men aboard ship it is imperative that the seaman's health be safeguarded in every way. Watchful supervision and voyage reports made by the shipmaster to the sea-service section covering health conditions, especially conditions with respect to venereal diseases, indicate that the precautions taken have borne excellent results. It is almost platitudinous to say that an incapacitated seaman is a loss to the ship in time, money, and efficiency.

The sea-service section maintains its own medical department in New York City, Baltimore, Houston, and New Orleans, where the physical examination of seamen is conducted prior to their assignment to a vessel. These medical examinations have a dual purpose. They acquaint the seaman with his physical condition and at the same time assure a personnel that is physically fit. It has been computed that the savings on bogus claims for personal injuries more than offset the expense of operating the whole sea-service section. In ports where the service does not maintain its own medical staff arrangements have been made with the United States Public Health Service to conduct the examinations when so requested by the master of the vessel. Physical examinations are opposed only by the seamen's union and by those who because of loathsome disease or other bodily disqualification find difficulty in securing employment.

During the past two years the United States Shipping Board, through its sea-service section, has worked in close cooperation with the United States Public Health Service in carrying on a campaign to combat venereal diseases among seamen. Arrangements have been made whereby every Shipping Board vessel carries materials for prophylaxis, together with complete instructions as to use. At the end of each voyage the master of each ship is required to make a report to the head of the sea-service section as to conditions aboard his ship with respect to venereal disease. Reports thus far received indicate that excellent results have been obtained through this campaign of education and prevention.

CHARGES AGAINST SEA-SERVICE SECTION—BLACKLIST, ETC.

Charges have been made by the seamen's union that the sea-service section is not Americanizing the crews of our merchant ships; that it is discriminating against American labor; that it maintains a "blacklist" to the great detriment of the seamen; that it duplicates the work of the United States shipping commissioners; and that it is a continuation of the crimping system. The latest effort to destroy its constructive work takes the form of a proposal that the service be transferred from the Shipping Board to the Department of Labor.

The charge that the section is not engaged in Americanization work is without foundation and is apparently brought forward to confuse the issue. The fact is that in each and every placement made American citizens are given preference, and no foreigner is given a position when Americans are available. Not only is this the case, but it may be stated without fear of contradiction that the sea-service section is the only Federal agency that encourages the youth of America to follow the sea as a means of livelihood. Inasmuch as it is everywhere recognized that an American deep-sea merchant fleet can not attain maximum efficiency, or be depended on in time of national emergency, unless it is manned by American citizens, the importance of this work in the building up of our merchant marine must be fully apparent. Local managers of the sea-service offices in various ports of the country are instructed to give every legitimate aid and encouragement to able-bodied young Americans who seriously desire to follow the sea.

The unprecedented depression in international trade and shipping has recently had a retarding effect on this program of the sea-service section to interest the youth of the land in sea-faring careers—a program by virtue of which thousands of American lads have been persuaded to enroll in the merchant service. On December 4, 1930, this phase of the sea-service section's work was temporarily curtailed in order to provide additional positions for experienced men who were out of work. As a result the section during the past year was able to place only 412 boys in the lower ratings, as contrasted with fourteen or fifteen hundred in normal years. With the return of better conditions, the "deck boy" program, deemed to be of the utmost importance in the section's Americanization work, will be resumed along the lines originally mapped out.

The charge that the sea-service section is discriminating against American labor is unfounded. In making placements the local managers never inquire as to whether or not the applicant for a position belongs to a labor organization. Union and nonunion seamen are treated absolutely on a parity. The section takes the

stand that American seamen should be entirely free to join organizations of any kind, but that membership in such organizations should not be considered a requisite in order to qualify for a rating in the American merchant marine.

The charge of maintaining a "black list" is also brought forward to becloud the issue. The charge arises out of the fact that masters and owners of vessels invariably request that undesirable seamen—men who have been found faithless, inefficient, or physically unfit, and are so reported by masters under whom they have served—be disciplined for specific periods. If the offense is of a minor nature, no action is taken by the sea-service section. In flagrant cases the offender is placed on a deferred list. Without this disciplinary action incompetency and disease would be prevalent, and it would become next to impossible to build up an efficient and loyal personnel in the merchant marine.

On a par with the gross misrepresentations circulated with respect to the so-called "black list," is the charge that the sea-service section places incompetents in the various ratings aboard ship. It is obviously unfair to the gallant American seamen employed in the merchant service to attempt to discredit their efficiency, after they have proved to the world that they are the peers of any seamen afloat. Even our foreign competitors have recognized their heroic conduct and devotion to duty under the most trying conditions, as disclosed by a long and unparalleled list of daring rescues at sea. The charge in this case is worse than puerile. It merits the severest censure and indicates sufficiently well the motives of those who make it.

NO DUPLICATION OF WORK OF UNITED STATES SHIPPING COMMISSIONERS

Nor is there any basis for the charge sometimes made that the sea-service section is doing the work assigned by law to the United States shipping commissioners of the Department of Commerce. There is not the slightest duplication of work.

United States shipping commissioners are appointed under act of Congress to supervise the engagement and proper treatment of seamen in the merchant service and to enforce laws for the seaman's protection. They attend to the signing of the "ship's articles," a legal instrument in writing, specifying the terms of the contract between owners and seamen. They also attend to the discharge of the seamen and the payment of their wages when the contract has been fulfilled.

The sea-service section does not infringe upon nor duplicate in any way the above duties of the United States shipping commissioners. It is the specific duty of the section to furnish American ships with competent and physically fit American seamen. In the various sea-service offices, maintained at the principal American ports, the men do not register, nor are they shipped mechanically in turn, but rather the American seamen holding the best discharges, and physically qualified, are given preference. As already indicated, physical qualifications are determined by medical examinations given before the actual placement.

The Appropriations Committee of the United States House of Representatives (72d Cong.) requested the Bureau of Efficiency to make a study of the sea-service section for the purpose of determining whether there is any duplication of the work now being performed by the shipping commissioners of the Department of Commerce. The report of the Bureau of Efficiency covering this matter appears in the printed hearings on the independent offices appropriation bill (1933), page 640, and shows conclusively that there is no duplication.

PROPOSED TRANSFER TO DEPARTMENT OF LABOR

The suggestion to transfer the sea-service section to the Department of Labor is analogous to proposing the transfer of the recruiting services of the Army, Navy, and Coast Guard to this same department. It would be no more illogical to propose a like transfer of the Civil Service Commission. It is not clear just what advantage would follow from any of these transfers. Certainly there would be no benefit to American seamen, nor to the American merchant marine. The fact is that the opponents of the sea-service section, baffled in other directions, have devised this plan as a step in their fight for eventual abolishment. That their suggestion is conceived in bona fide regard for the good of the service is unthinkable. One has only to consider their past performances and their perennial tirades in the public press to evaluate their true motives in advancing this, their latest plan.

The Shipping Board in its contacts with the marine interests of the Nation is charged with responsibilities not inherent in any other governmental agency. The importance of the problems to be solved in the board's promotion of American shipping, especially during the present depression, when thousands of unemployed American seamen are haunting the sea-service offices, demands that the confidence reposed in the board by owners and operators be not disturbed by pointless and wholly indefensible changes of policy. To transfer the sea-service section to another department would be a move in a retrograde direction, in that it would break the intimate contact with collateral interests which now characterizes the section's devotion to the cause of the merchant marine.

The section also handles the board's study of officer training, a subject which in recent years has assumed major importance. With the growth of the merchant marine since the passage of the Jones-White Act, the availability of properly trained and experienced officers for our new and modern ships has become an increasingly vital problem. The subject is under consideration by the maritime interests of the country and any move to transfer the sea-service section to a comparatively unrelated field of activity would terminate this phase of the section's work.

The charge that the sea-service section is a continuance of the "crimping" system is entirely without foundation, and only illustrates the desperate lengths to which the section's opponents are willing to go in order to achieve their ends. One of the main reasons for the establishment of the sea-service section was the fact that crews of Shipping Board vessels were being furnished by shipping masters, or "crimps," whose practice was to charge from $5 to $100 per man, depending upon what they could collect from the ship under the particular circumstances and conditions at the respective ports. Payment for seamen furnished by crimps has long been one of the sources of graft in American shipping. It is well known that crimps will, during the period of employment, make the men pay for the positions and at the same time charge the vessel for furnishing them. The money so collected is often divided with dishonest officers, making it profitable for such officers to change crews often and employ crimps to replace those dismissed.

Members of Congress have been petitioned by various crimps to use their influence to stop the sea-service section from supplying crews, as it is considered an interference with their business to have seamen placed in the merchant marine free of charge. The United States Shipping Board has also received many letters of the same character. If there were any slackening of the work of the sea-service section, the steamship companies would have to resort to the old and discredited practice of securing crews from crimps, a practice that would cost more in one month than the Americanization and placement work of the sea-service section costs in a year.

Due to the business depression and the consequent large number of idle ships, unemployment has been unusually severe among sea personnel. This abnormal condition accounts for the fact that while the total number of placements has fallen off, the number of applicants for positions has increased so greatly that the resources of the various sea-service offices have been taxed to the utmost. Cooperating with charitable organizations and State employment offices, the section has succeeded in finding shore positions for many of the seamen who could not be placed aboard ship. Some have been given positions as riggers on construction work, others in engine rooms, hotels, restaurants, etc.

Opponents of the sea-service section claim that there is a large turnover in employment of seamen. In an effort to substantiate their claim they place in the record a table compiled by the United States shipping commissioners' office and compare it with the figures furnished by the sea-service section.

The United States shipping commissioners' report for the year ended June 30, 1932, shows that 268,427 seamen were shipped and reshipped in 1932. From these figures it must not be understood that every time a ship makes port an entirely new crew is taken aboard, but rather that most of the crew is reshipped for another voyage. In other words, the commissioner's report takes credit for each and every voyage of the ship, whereas the table submitted herewith by the sea-service section shows only the seamen actually placed.

For the record there is also shown herewith a table showing the yearly cost of operating the sea-service section from 1922 to the present time. In this connection it should be remembered that the abolishment or transfer of the section would effect no saving in appropriations, as a similar activity would have to be set up and the same amount of money would have to be expended if we are to continue the work at anything like its present high state of efficiency.

COST OF OPERATING SEA-SERVICE SECTION

The following is the total cost of operating the sea-service section from the time all other bureaus were discontinued that came under the recruiting service, with the exception of 1922 when the sea-service section still has some of the training bureau program charged to their account:

| | |
|---|---|
| June 30, 1922 | $200,067.64 |
| June 30, 1923 | 145,283.68 |
| June 30, 1924 | 135,918.50 |
| June 30, 1925 | 131,752.97 |
| June 30, 1926 | 117,965.65 |
| June 30, 1927 [1] | 121,159.38 |
| June 30, 1928 [1] | 126,529.49 |
| June 30, 1929 | 120,811.07 |
| June 30, 1930 | 114,149.90 |
| June 30, 1931 | 113,248.38 |
| June 30, 1932 | 108,496.25 |

There is also submitted the following statement showing reduction of expenses of the sea-service section as of July 1, 1932.

*Statement of reduction of expenses of United States Shipping Board, sea-service section, as of July 1, 1932*

| | |
|---|---|
| Cost of maintaining the United States Shipping Board, sea-service section, for the fiscal year ended June 30, 1931 | $113,248.38 |
| Cost of maintaining the United States Shipping Board, sea-service section, for the fiscal year ended June 30, 1932 | 108,496.25 |
| Total salaries of employees of the sea-service section as of June 30, 1932 | 88,460.00 |
| Nine employees separated from pay roll as of July 1, 1932, showing a saving of | 12,780.00 |
| | 75,680.00 |

[1] The increase in 1927 and 1928 was due to the installation of medical examinations.

*Rent of offices of United States Shipping Board, sea-service section*

| Port | As of June 30, 1932 | | Reduction as of July 1, 1932 | |
|---|---|---|---|---|
| | Monthly | Per annum | Monthly | Per annum |
| Boston | $70.00 | $840.00 | $60.00 | $720.00 |
| New York | 500.00 | 6,000.00 | 458.33 | 5,500.00 |
| Philadelphia | 125.00 | 1,500.00 | 100.00 | 1,200.00 |
| Baltimore | 40.00 | 480.00 | 40.00 | 480.00 |
| Norfolk | 72.22 | 866.64 | 65.00 | 780.00 |
| New Orleans | 170.00 | 2,040.00 | 140.00 | 1,680.00 |
| Galveston | 65.00 | 780.00 | 60.00 | 720.00 |
| Mobile | 50.00 | 600.00 | 40.00 | 480.00 |
| Portland | 75.00 | 900.00 | 67.50 | 810.00 |
| Seattle | 75.00 | 900.00 | 60.00 | 720.00 |
| Savannah | 25.00 | 300.00 | 25.00 | 300.00 |
| Houston | [1] 65.00 | 780.00 | [1] 50.00 | 600.00 |
| | 1,332.22 | 15,986.64 | 1,165.83 | 13,990.00 |

[1] At Houston the United States Shipping Commissioner occupies space in the sea-service office and pays $20 per month or $240 per annum. This amount has not been deducted in the above figures.

| | |
|---|---|
| Total reduction in salaries | $12,780.00 |
| Total reduction in rents | 1,996.64 |
| Total | 14,776.64 |

The above shows a saving of $1,996.64 per annum in rentals.

C. W. SANDERS,
*Director Sea-Service Section.*

JANUARY 20, 1933.

The following list contains the names of private American steamship owners who favor the sea-service section and ask for retention of same under the United States Shipping Board. This list represents 90 per cent of the steamship owners, also chambers of commerce and other maritime interests:

American Steamship Owners Association (representing the following steamship companies): American-Hawaiian Steamship Co. of New York and San Francisco; American South African Line (Inc.), New York City; American Line Steamship Corporation, New York City; American Sugar Transit Corporation, New York City; Argonaut Steamship Line, New York City; Barber Steamship Lines (Inc.), New York City; Bliss, Dallett & Co. (Red "D" Line), New York City; A. H. Bull & Co., New York City; Calmar Steamship Corporation, New York City; Chile Steamship Co. (Inc.), New York City; Colombian Steamship Co. (Inc.), New York City; Cities Service Transportation Co., New York City; Clyde Steamship Co., New York City; Colonial Navigation Co., New York City; Dollar Steamship Co. (Inc.) (Ltd.), San Francisco, Calif.; Eastern Steamship Lines (Inc.), Boston, Mass.; Freeport Sulphur Transportation Co., New York City; Grace Line (Inc.), New York City; Great Northwestern Shipping Corporation, New York City; Gulf Mail Steamship Co., New Orleans, La.; Gulf Refining Co., New York City; International Shipping Corporation, New York City; Luckenbach Steamship Co., New York City; Mallory Steamship Co., New York City; Matson Navigation Co., San Francisco, Calif.; Merritt, Chapman & Scott Corporation, New York City; Moore & McCormack Co. (Inc.), New York City; Munson Steamship Co., New York City; New York & Cuba Mail Steamship Co., New York City; New York & Porto Rico Steamship Co., New York City; North Pacific Division of the Grace Line, New York City; Ore Steamship Corporation, New York City; Pan American Petroleum & Transport Co., New York City; Panama Mail Steamship Co., New York City; Peninsular & Occidental Steamship Co., Jacksonville, Fla.; Pocahontas Steamship Co., New York City; Roosevelt Steamship Co., New York City; Southern Pacific Steamship Lines, New York City; Southern Steamship Co., Philadelphia, Pa.; C. H. Sprague & Son., Boston, Mass.; Standard Oil Co., San Francisco, Calif.; Standard Shipping Co., New York City; Standard Transportation Co., New York City; Strachan Shipping Co. of New York and Savannah, Ga.; Sun Oil Co., Philadelphia, Pa.; The Texas Co., New York City; Tide Water Oil Co., New York City; Union Oil Co. of California, Los Angeles, Calif.; Union Sulphur Co., New York City; United Fruit Co., Boston, Mass.; Isthmian Steamship Co., New York City; Vacuum Oil Co., New York City; Williams Steamship Co. (Inc.), New York City; C. D. Mallory & Co. (Inc.), New York City; Duncan, Fox & Co., New York City; Edward P. Farley, New York City; Atlantic Refining Co., Philadelphia, Pa.

Pacific American Steamship Association (representing the following steamship companies): Alaska Packers Association, San Francisco, Calif.; Alaska Steamship Co., Seattle, Wash.; American-Hawaiian Steamship Co., San Francisco, Calif.; Associated Oil Co., San Francisco, Calif.; Dollar Steamship Line, San Francisco, Calif.; W. R. Grace & Co., San Francisco, Calif.; Los Angeles Steamship Co., Wilmington, Calif.; Luckenbach Steamship Co. (Inc.), San Francisco, Calif.; Matson Navigation Co., San Francisco, Calif.; Munson-McCormick Line (McCormick Steamship Co.), San Francisco, Calif.; Pacific Steamship Co., San Francisco, Calif.; Panama Mail Steamship Co., San Francisco, Calif.; Richfield Oil Co., Long Beach, Calif.; Standard Oil Co. of California, San Francisco, Calif.; Standard Transportation Co., Los Angeles, Calif.; Swayne & Hoyt (Inc.), San Francisco, Calif.; the Texas Steamship Co., Los Angeles, Calif.; Union Oil Co. of California, Los Angeles, Calif.; United Fruit Co., San Francisco, Calif.

Mexican Petroleum Corporation, Baltimore, Md.
Mystic Steamship Co., Norfolk, Va.
Baltimore-Oceanic Steamship Co., Baltimore, Md.
Mississippi Steamship Co., New Orleans, La.
Portland Steamship Operators Association, Portland, Oreg.
Tacoma-Oriental Steamship Co., Seattle, Wash.
The Texas Transport & Terminal Co., Baltimore, Md.
Lykes Bros.-Ripley Steamship Co., Galveston, Tex.
Van Heynigen Brokerage Co., Mobile, Ala.
Wilbur F. Spice Co., Baltimore, Md.
Port of Philadelphia Ocean Traffic Bureau, Philadelphia, Pa.
Savannah Port Authority, Savannah, Ga.
Portland Chamber of Commerce, Portland, Oreg.
Shipping Federation of State of Washington, Seattle, Wash.
John G. Hall & Co. (Inc.), Boston, Mass.
Merchants Exchange, Portland, Oreg.
Grays Harbor Stevedore Co. (Inc.), Aberdeen, Wash.
Wood Towing Corporation, Norfolk, Va.
Seattle Chamber of Commerce, Seattle, Wash.
Baltimore Association of Commerce, Baltimore, Md.

C. W. SANDERS,
*Director Sea-Service Section.*

## REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on Foreign Relations, to which was referred the bill (H. R. 13534) authorizing the appropriation of funds for the payment of claims to the Mexican Government under the circumstances hereinafter enumerated, reported it without amendment and submitted a report (No. 1226) thereon.

Mr. GOLDSBOROUGH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 2213) for the relief of Harvey Collins, reported it with an amendment and submitted a report (No. 1227) thereon.

Mr. SCHUYLER, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9231) for the relief of George Occhionero, reported it without amendment and submitted a report (No. 1228) thereon.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DICKINSON (by request):

A bill (S. 5641) authorizing R. L. Metcalf, of Omaha, Nebr., and W. E. Wright, of Kansas City, Mo., to construct, maintain, and operate a toll bridge across the Mississippi River between the cities of Davenport, Iowa, and Rock Island, Ill.; to the Committee on Commerce.

(Mr. LEWIS introduced Senate bill 5642, which see under a separate heading.)

By Mr. JOHNSON:

A bill (S. 5643) granting a pension to Michael L. Walsh (with accompanying papers); to the Committee on Pensions.

By Mr. GLENN:

A bill (S. 5644) to authorize the placing of a bronze tablet bearing a replica of the congressional medal of honor upon the grave of the late Brig. Gen. Robert H. Dunlap, United States Marine Corps, in the Arlington National Cemetery, Va.; to the Committee on Naval Affairs.

## WIDENING THE POWERS OF THE RECONSTRUCTION FINANCE CORPORATION AS TO LOANS

Mr. LEWIS. Mr. President, may I present an emergency matter and ask the privilege of introducing a bill to take the form of an amendment to the measure known as the Wagner bill, and that it may be referred to the same committee whence that bill came?

The bill (S. 5642) to provide for making loans to needy individuals, ex-service men, farmers, home owners, and business men, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

## AMENDMENT OF THE CONSTITUTION—REPEAL OF PROHIBITION

Mr. CLARK. Mr. President, I wish to give notice that at the proper time I shall offer an amendment to Senate Joint Resolution 211. Therefore I submit a proposed amendment and ask that it be printed and lie on the table.

The amendment intended to be proposed by Mr. CLARK to the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States was ordered to lie on the table and to be printed, as follows:

On page 3, to strike out all after line 6 and insert in lieu thereof the following:

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in

three-fourths of the several States within seven years from the date of its submission."

Mr. BARBOUR submitted amendments intended to be proposed by him to the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States, which were ordered to lie on the table and to be printed in the RECORD, as follows:

(In the committee amendment:)
On page 3, line 2, to strike out "the legislatures of" and insert in lieu thereof "conventions in."
On page 3 to strike out all of section 2.
On page 3 to strike out all of section 3.

PRODUCTION COSTS OF ULTRAMARINE BLUE

Mr. BARBOUR submitted the following resolution (S. Res. 359), which was referred to the Committee on Finance:

*Resolved*, That the United States Tariff Commission is hereby directed to investigate, for the purposes of section 336 of the tariff act of 1930, the difference in the cost of production between domestic ultramarine blue and foreign ultramarine blue, and to report at the earliest date practicable.

PROPOSED LIMITATION OF DEBATE

Mr. BARKLEY. Mr. President, I offer the following resotion and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 360), as follows:

*Resolved*, That during the remainder of the present Congress debate on the part of any Senator shall be limited to 1 hour on any measure, including conference reports and amendments between the Houses, and to 30 minutes on any amendment or motion relating thereto.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. BORAH. Let it go over.

The VICE PRESIDENT. Under the rule it will go over.

Mr. BARKLEY. I desire to serve notice that I shall call up the resolution to-morrow.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the House insisted upon its amendments to the bill (S. 2148) for the relief of Clarence R. Killion, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HILL of Alabama, Mr. MONTET, and Mr. CHIPERFIELD were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4368) for the relief of the widow of George W. McDonald.

REPORT OF NATIONAL TRANSPORTATION COMMITTEE

Mr. FESS. Mr. President, there is printed in the New York Times this morning a complete report on the National Railway Survey and recommendations for reform by the National Transportation Committee that was appointed some time ago, on which served the late President Coolidge. The report is a very informative body of facts. I think it ought to have a wider reading than the press will give it. Therefore I ask unanimous consent that it may be printed in full in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

[From the New York Times, Wednesday, February 15, 1933]

TEXT OF REPORT ON NATIONAL RAIL SURVEY AND RECOMMENDATIONS FOR REFORMS—SMITH SAYS RAILROADS' FUNDAMENTAL PROBLEM IS CONSOLIDATION ON NATIONAL SCALE

INTRODUCTORY

Herewith are presented:
A. The conclusions of the National Transportation Committee.
B. The report of the committee.
C. Supplemental report by former Gov. Alfred E. Smith, who prefaces it, "While I am in substantial agreement with the greater part of the committee report, this supplementary memorandum states my conclusions in my own language, placing the emphasis where I think it belongs."
D. Special studies by the research staff to be published shortly by the Brookings Institution, Washington, D. C.

The committee associated itself at the request of certain business associations, savings banks, insurance companies, and fiduciary and philanthropic institutions interested in railroad securities (see Appendix 1) in response to an invitation in essential part as follows:

"We, the undersigned organizations, representing many of the interests concerned, believe that there is no more important present task than a thorough and satisfactory solution of the railroad problem, as an integral but the most urgent part of the entire transportation problem. We beg that you examine all phases of the problem and recommend a solution which, with due regard for the public interest, will insure an opportunity for the railroads of this country to be put on a business basis so that neither now nor in the future will they constitute a present threat to the invested savings of our citizens, to loss of employment to our wage earners, and to the stability of the insurance companies and savings banks; and so that the present burden on the Federal Treasury and the American taxpayer may be in a fair measure removed."

The committee met and organized on October 7, 1932. It was composed of Calvin Coolidge, chairman; Bernard M. Baruch, vice chairman; former Gov. Alfred E. Smith, Alexander Legge, and Clark Howell. John W. Power acted as secretary. The committee selected Dr. Harold G. Moulton, of the Brookings Institution, to organize a research staff.

Just as the committee's work was nearing a close it lost the distinguished director of its deliberations, who was giving his great talents unsparingly to this work. The report had not taken form at the time of his death, but the committee has tried to carry on in the spirit of his leadership.

The committee gathered its facts from three sources:
(1) Open hearings.
(2) Studies by other investigating bodies, memoranda, briefs, and specific suggestions.
(3) The work of Doctor Moulton and the staff.

This mass of material is too voluminous and varied to publish in full, but the work undertaken by the research staff will be published shortly by the Brookings Institution. Doctor Moulton's conclusions are his own.

The transport problem has been with man since the first rude trails of pre-history. It has shaped the destiny of humanity. The closing of the caravan routes to the East Indies discovered America. History is full of similar consequences. Just now, largely due to the recent rapid development of new forms of transportation, the railroad problem is acute in nearly all important countries, including our own. Commissions more or less similar to this committee have been at work in England, Canada, and the Argentine Republic, and we have considered their reports and analyses. There are railroad commissions in nearly every one of our 48 States and similar bodies in many other countries. These, the Interstate Commerce Commission, and the very able congressional committees on these subjects have all been devoting themselves to the problems created by these rapid shifts. Much of this work and a great mass of other data have been assembled and given careful study by the committee. The problem is very complex, and while the committee is in substantial agreement as to conclusions, it is too much to expect that four men of independent mental processes would all arrive at decisions by identical paths, or with equal emphasis on various factors.

CONCLUSIONS OF THE COMMITTEE

I. The railroad system must be preserved. Changed conditions require new policies, but not abandonment of railroad regulation. The development of regulation and of new methods of transport make it unnecessary for Government further to create and foster competition with or among railroads as a defense against monopoly. That is an expensive and ineffective attempt to do indirectly what Government has shown its ability to do directly. Regulation is sufficient. Government policies should be freed of any purpose either to favor or to handicap any form of transporation with relation to any other form. We can not solve the problem on the theory upon which horses are handicapped in a race. In a fair field and no favor competition should be permitted to decide the result. Regulation should not attempt to "run the business" of transportation. It should concentrate on protecting the public against discrimination and extortion and on requiring the most efficient service at the lowest competitive cost.

(1) Parallel lines and systems are wasteful and unnecessary. Regional consolidations should be hastened and, where necessary, enforced, looking eventually to a single national system with regional divisions and the elimination of all excess and obsolete lines and equipment. Neither holding companies nor any other device should be permitted to hinder consolidation or evade the letter or the spirit of regulatory law.

(2) Unprofitable railroad services should be replaced by cheaper alternative transport methods.

(3) Railroads should be permitted to own and operate competing services, including water lines, but regulatory jurisdiction should be extended to water rates and practices in coastal, intercoastal, and lake shipping to relieve commerce of present chaotic

conditions. Congress should promptly clarify its intention on the long-and-short-haul clause of the transportation act.

(4) Government assumption of all or part of the costs of inefficient competing transport as a defense against monopoly is no longer warranted and should be abandoned. As a general principle inland waterways should bear all costs of amortization, interest, maintenance, and operation of the facilities for their navigation. If they can not bear such charges and compete with other forms of transport, they should be abandoned. The St. Lawrence Waterway should be tested by this rule of self-support and if it fails in that test the pending treaty with Canada should not be ratified. Governmental commercial operation of the actual facilities of transportation, such as barge lines, should not be continued.

(5) Automotive transportation should be put under such regulation as is necessary for public protection. It should bear its fair burden of tax but only on a basis of compensation for public expenditure on its behalf, plus its share of the general tax load. Neither tax nor regulation should be applied for any purpose of handicapping the march of progress for the benefit of the railroads.

(6) Wages and working conditions of labor in transportation are determinable by established procedure in another forum and are not within the scope of this inquiry. There should be no heavier burdens on the railroads in employing labor to operate automobiles than on their competitors. In the railroads (as in other industries), rates, capitalization, salaries, and wages must all follow changing economic conditions, but none should be sacrificed for the benefit of others.

(7) Beacons, weather service, and similar auxiliaries to air traffic should be maintained at public expense, and air transport should be encouraged during its development stage, but we believe that every such service should ultimately pay its own way.

(8) The committee has no recommendation to make on pipe lines.

II. The policy of trying to appraise railroad properties on some selected basis of valuation and then saying that they are entitled to earn a fair return on this appraisal should be reconsidered. Where competition with trucks and other methods exists, it will determine rates. In other cases rates must be regulated, but the basis of costs of operation under efficient management is a better general guide than any attempt to preserve capital structures regardless of economic trends. We see no reason why the rate-making rule should not say in plain English that railroads are entitled to make a reasonable profit based upon costs of efficient operation and that they are not entitled to earnings merely to preserve present structures if overcapitalized.

III. The railroads should do much that they have not done to improve their condition without any Government help at all. They should promptly be freed of all unnecessary restrictions on the doing of it. It has been estimated that less than a 20 per cent increase in traffic would put most of them on an earning basis. In view of the narrowness of this margin of loss and of the very great savings possible in railroad operation, we regard their outlook as far from hopeless.

(a) Railroads should adopt the competing methods of which they complain.

(b) Railroads should cooperate to reduce competitive expenses.

(1) Unnecessary services should be abandoned.

(2) Metropolitan terminals should be consolidated and unnecessary facilities scrapped.

(3) Circuitous haulage should be eliminated.

(c) Financial management should be improved.

(d) Transport methods and equipment should be brought up to date.

(e) In view of what could be done by better management, the general outlook seems far from hopeless.

IV. Regulatory jurisdiction should be extended to the whole national transportation system, but applied only to the extent necessary for public protection. The existing regulatory mechanism of the Interstate Commerce Commission is inadequate and should be improved by reorganization without expansion or increased expense.

V. Emergency recommendations.

(1) Corporate reorganization can and should be facilitated by revision of the bankruptcy procedure.

(2) The recapture clause should be repealed retroactively.

(3) The statutory rule of ratemaking should be revised.

(4) "Adequate security" does not necessarily mean "marketable collateral."

THE REPORT

I. The railroad system must be preserved. Changed conditions require new policies but not abandonment of railroad regulation. The development of regulation and of new methods of transport make it unnecessary for government further to create and foster competition with or among railroads as a defense against monopoly. That is an expensive and ineffective attempt to do indirectly what the Government has shown its ability to do directly. Regulation is sufficient. Government policies should be freed of any purpose either to favor or to handicap any form of transportation with relation to any other form. We can not solve the problem on the theory upon which horses are handicapped in a race. In a fair field and no favor, competition should be permitted to decide the result. Regulation should not attempt to "run the business" of transportation. It should concentrate on protecting the public against discrimination and extortion and on requiring the most efficient service at the lowest competitive cost.

At the foundation of our system of communication is the railroad web. It is the most important single element in our social and economic life. Its rapid extension enabled us to cover the greater habitable part of a continent with a cohesive form of liberal government of 125,000,000 people united in a common language, purpose, and ideal and to maintain national solidarity through periods of stress. Both security and material welfare are involved in its continued efficient existence. The public interest is deeper than its investment or its need of good service. We are addressing a matter of national concern of the first magnitude. The railroad system must be continued and its efficiency preserved because of national necessity—economic, social, and defensive.

(a) *Governmental fostering of competition is no longer necessary as a defense against monopoly*

Above all other enterprises, railroads are, therefore, "affected with a public interest" and, under an ancient doctrine of our law, peculiarly subject to Government regulation. In earlier development the railroad franchise created an effective and complete monopoly against which industrial and social segments had no defense. Rigorous governmental control was inevitable. It took two forms: First, an effort to foster competition among different railroads and to create and maintain by Federal financial aid other forms of competing transportation, such as waterways; second, an intense regulatory control of the railroads themselves. The latter has been practiced long enough and sufficiently extended to prove that it dominates competition or any other influence as the governing law of railroad practice. To the extent that the monopoly inherent in the railroad franchise was a menace, it is of the utmost importance to recognize that current railroad regulation safely controls it. Other safeguards have appeared. With increasing effect new methods of transport are invading customary fields of railroad patronage. On a basis of economic efficiency, independent of Government aid, pipe lines, motor transport, and airways are all making bids for business which the railroads can retain only by offering equivalent service at competitive rates. In these areas of competition there is no longer complete monopoly. These two developments—perfection of regulation and appearance of competing methods—have created a new principle, viz:

In so far as Government policies have been designed by Federal intervention to create and maintain competition with or among railroads as a defense against monopoly, they should be abandoned as wasteful and unnecessary. Regulation is sufficient.

(b) *Regulation should provide a fair field and no favor*

The railroads complain that they are shackled by regulation while their competitors are free and unduly advantaged by various forms of discrimination in their favor. To the extent that this is true, it is unfair. But it must be equally clear that, notwithstanding the deep public interest in our railroads, the Government can not stand in the way of progress. Certain regulation of competitive methods is necessary. They can not be permitted to escape their just burdens. They ought not to be artificially advantaged by subsidy or otherwise. But regulation of them must arise from its own necessity, and burdens upon them must derive from justice. The Government can not, for the sake of the railroads, invent and apply to their competitors either regulation or burden on the theory upon which horses are handicapped in a race. A similar principle applies to railroads, and to the extent that they are handicapped by burdens for which the reason is obsolete or nonexistent, Government has a positive duty to remove them. The guiding rule of the whole matter seems to us quite clear:

With the danger of railroad monopoly going or gone and (whether going or gone) completely controlled by regulation, Government has a positive duty to see to it that neither the railroads nor their competitors are either unduly handicapped or unduly advantaged. Thereafter, in a fair field and no favor economic competition must decide the question of survival under private ownership and operation.

PUBLIC PROTECTION SOLE PRINCIPLE

(c) Regulation should not be abandoned. It should be put on the simple basis of public protection.

There is respectable opinion that the development of effective competitive methods argues for the abandonment of all railroad regulation. The committee can not concur. Competition of parallel methods is as yet limited and localized and, while it is a powerful and growing force against monopoly, it does not relieve the necessity for railroad regulation and, because of other aspects of public interest and dependence already mentioned, in our opinion, it never will. On the contrary, we regard regulation as necessary in the interest of both the railroads and the public and we think that it should be extended to other forms of transportation.

But, for the reasons stated hereinafter, more care must be taken to maintain managerial initiative. Regulation, whether of railroads or other forms, should not attempt to "run the business" of transportation. It should concentrate on protecting the public against discrimination, extortion, and other abuses of monopoly and on insuring the most efficient service at the lowest competitive cost.

If these conclusions on general principles are correct, several changes in policy flow inevitably therefrom, viz:

(1) Parallel lines and systems are wasteful and unnecessary. Regional consolidations should be hastened and, where necessary, enforced, looking eventually to a single national system with regional divisions and the elimination of all excess and obsolete

lines and equipment. Neither holding companies nor any other device should be permitted to hinder consolidation or evade the letter or the spirit of regulatory law.

The policy of maintaining parallel and competing lines or systems on the theory that thus extortionate rates and discrimination may be restrained is wasteful and, of course, untenable under a system which controls rates and practices to the ultimate.

Duplication and unnecessary overheads, facilities, and services, inherent in the present multiplicity of railroads, are very expensive and consolidations should be hastened. In plans for this, consideration should be given to creating a single efficient system (rather than competing systems) for each natural trade area, even to the ultimate extent of a single national network with regional divisions. It has been estimated by good authority that several hundred million dollars, or enough to pay interest on a large part of the outstanding railroad bonds, can be saved. Consolidation is so vital to the public welfare that, unless it is voluntarily accomplished within a reasonable time, the Government should compel it. Neither holding companies nor any other device should be permitted to hinder consolidation or to evade the letter or spirit of regulatory laws.

(2) Unprofitable railroad services should be replaced by cheaper alternative transport methods.

In view of the rapid development of automotive and other transport, there is no justification for maintenance by railroads of losing services and lines, and there devolves upon regulatory bodies and controlling interests something more than a negative duty to hasten their replacement by alternative methods, such as motor transport, which can render adequate service on a profitable basis in cases where rail transportation can operate only at a loss.

(3) Railroads should be permitted to own and operate competing services, including water lines, but regulatory jurisdiction should be extended to water rates and practices in coastal, intercoastal, and lake shipping to relieve commerce of present chaotic conditions. Congress should promptly clarify its intention on the long-and-short-haul clause of the transportation act.

Restrictions on the ownership by railroads or water-borne, automotive, or other competing services seem anomalous in a régime which has demonstrated its effective control of both rates and practices.

There are certain competitive situations where railroad rates between two ports are fixed by regulation and unregulated water rates are in chaos. This is disturbing to commerce and unfair to railroads. For this and other reasons we believe that the jurisdiction of the regulating body should be extended to cover intercoastal, coastal, and lake commerce. We do not mean to recommend that water rates, based on actual lower costs, should be regulated upward to equalize traffic in favor of railroads. But we do believe that in such a situation some stabilizing influence should be applied in the interest of commerce generally as well as in fairness to railroads.

The law prohibits a railroad from charging less for a longer than for a shorter haul over the same line in the same direction, the shorter being included in the longer, but permits the Interstate Commerce Commission a discretion to relieve this restriction.

The law is not altogether clear, and the commission's interpretation and decisions have been the subject of long and persistent controversy. Grave consequences affecting wide economic areas are involved, and the situation requires prompt clarification. Two pending suggestions by the Interstate Commerce Commission and one by the House committee might contribute thereto. If jurisdiction of the commission be extended to include intercoastal commerce, or if a new rule of rate making be adopted, the problem would be simplified. But if neither of these things is done, it is important that Congress act at once to declare its intention on this important application of the so-called long-and-short-haul controversy.

(4) Government assumption of all or part of the costs of inefficient competing transport as a defense against monopoly is no longer warranted and should be abandoned. As a general principle inland waterways should bear all costs of amortization, interest, maintenance, and operation of the facilities for their navigation. If they can not bear such charges and compete with other forms of transport, they should be abandoned. The St. Lawrence waterway should be tested by this rule of self-support; and if it fails in that test, the pending treaty with Canada should not be ratified. Governmental commercial operation of the actual facilities of transportation, such as barge lines, should not be continued.

Creation and maintenance by Government of competing methods of transport, where the result is not (as in the Panama Canal) to provide more efficient service at lower cost but only (as in some inland waterways) to maintain at the taxpayers' expense more costly and less efficient service, can no longer be justified as a defense against monopoly.

This Government has long been committed to the improvement and maintenance of shipways and of at least the outer harbors of ports accessible to great naturally navigable waterways. This involves expense defrayed by taxation of the whole Nation but applied at particular points in the development of the instrumentalities of interstate and international commerce. To an extent these waterways are the railroads' competitors, and as far as they go these expenditures favor them. But in respect of accessories to naturally navigable waterways, such as ocean harbors and their approaches and the harbors and channels of the Great Lakes, this is a recognized function of government the world over for naval as well as commercial purposes, and the railroads may be presumed to have been located, financed, and constructed with this in view. We have not heard it decried as an unjust handicap, and with these remarks it passes from our consideration.

But with inland waterways in general the case is otherwise. For the sake of illustration let us imagine a federally constructed canal between, for example, Topeka and Oklahoma City, a stark ditch. If that canal fairly bore the burdens of its cost of construction and operation and yet could furnish transportation at an advantage over rails, nobody could complain, regardless of the extent to which it diverted railroad traffic. But if such was not the case and the canal could compete only if the public paid enough of these charges to undercut the cost of rails, it seems too obvious for argument that its creation and maintenance would be a direct impairment of the railroad system by public subsidy and distinctly inimical to the national interest.

Exactly the same principle of self-support seems applicable to any natural waterway upon which improvement and engineering devices are necessary to provide effective navigation. We think it is the very touchstone of the whole vexed problem and that every existing or projected improvement should be tested by its application. Any project which fails to answer that test should be abandoned without hesitation as an unwarranted waste of public money.

*(a) The Great Lakes waterway*

The connecting channels of the Great Lakes were not navigable in the modern sense in their natural state, but the Great Lakes waterway now stands as a fully created, implemented, and efficient system of navigation which in many respects falls under the considerations governing Federal improvement of ocean ports, harbors, and shipways.

*(b) The St. Lawrence seaway*

There are obviously not at present any facilities for navigation by ocean-going vessels of the restricted waterways connecting the Great Lakes with each other and with the sea. The project to create such a shipway to the head of Lake Superior is a major engineering project of stupendous magnitude and very great cost. There is diversity of opinion as to whether the project is practicable. It is clear from our studies that the peculiar type of lake bulk carriers is far more efficient than any ocean freighter, and from this fact that the area of economy is restricted practically to savings in cost of transshipment. But our studies also show that in no reasonable probability could this minor saving be enough to approximate even the carrying charges on this project.

In conformity with one of the general principles already announced, if this seaway could be shown to be the march of progress and if cheaper and more efficient transportation can thus be achieved, no barrier should be imposed against such a development. But we think that, before ratification of the pending seaway treaty with Canada bargaining away valuable American rights, this project should be fairly tested on the rule of self-support and, if it fails, the treaty should not be ratified.

*(c) Government barge lines*

Argument for and against Government operation of barge lines was strongly pressed before us. In this case not only is the waterway itself provided and maintained at public expense but the actual business of transportation thereon is in part financed by Government. The claim is made, and in our judgment sustained, that, if the methods of accounting used by the Government in respect of the Panama Canal were applied, they would reveal operating losses which are charged to the taxpayer. We think that actual Government operation of the facilities of transportation, wholly or partly at public expense, is unjust to the vast majority of people and unwarranted by any argument that has come to our attention.

*(d) Inland waterways in general*

We recommend that the Congress give consideration to the formulation of a consistent policy on inland waterways. We think that the test of self-support should be applied to every existing or proposed inland waterway.

Unbearable tax burdens are generally recognized as a principal hindrance to economic recovery. Our waterway policy for the past few years has averaged a cost of about $100,000,000 annually, and tremendous projects involving hundreds of millions are being considered. Our studies show no commensurate economic benefit resulting from much of this spending. In such circumstances we think that a large part of this activity should be abandoned or at least suspended. It bears heavily on the taxpayer as a direct burden and even more heavily on the whole community in its contribution to the postponement of prosperity. At a time when the very stability of our system depends on the balancing of Federal expenditures with revenue and the sources of taxation seem almost dry, we find it difficult to justify this wasteful outpouring of hundreds of millions of dollars for results so barren of economic returns.

BASIS STATED FOR TRUCK CONTROL

(5) Automotive transportation should be put under such regulation as is necessary for public protection. It should bear its fair burden of tax but only on a basis of compensation for public expenditure on its behalf, plus its share of the general tax load. Neither tax nor regulation should be applied for any purpose of handicapping the march of progress for the benefit of the railroads.

The problem of the automobile is very difficult. Its roadbed is provided at public expense, and it requires few, if any, terminal or similar facilities. It need not—as must railroads—load any part of its cost of operation with a charge for this construction

and maintenance. It can make rates which do not involve charges for depreciation and amortization. It can pay whatever scale of wages and exact whatever hours of labor it can make effective. It can bargain closely and instantly and can walk away with business while the railroads are involved in a prescribed process before their regulating overseers. It is not attached to rails and can furnish a swift door-to-door service which railroads as such can not even approximate. It may be a common carrier, a contract carrier, or a private operator. It moves intrastate and interstate and may change its character in these matters instantly. It need not maintain continuous schedules and service. It can pick its business and is prone to take the cream of the traffic and leave the rest for the railroads, which must receive whatever is tendered. It can be permanently or sporadically in business and competition. With these advantages it has made inroads into railroad business and the difficulties are only partly suggested by this short recitation of complexities.

The problem thus presented has been regarded as serious in every important country and commissions similar to this committee have been convened in several of them. The difficulty is not solely in the amount of tonnage diverted but resides also in the chaotic rate conditions presented to commerce in general and in many new necessities for public protection. It has been a matter of primary concern to our Interstate Commerce Commission, to State commissions everywhere, to the Congress, to the highway users themselves, and to all who have given great study to the transport problem.

One thing is certain. Automotive transportation is an advance in the march of progress. It is here to stay. We can not invent restrictions for the benefit of railroads. We can only apply such regulation and assess such taxes as would be necessary if there were no railroads, and let the effect be what it may.

On the question of whether public financing of roadbeds operates as a subsidy, there is a vast variety of circumstance. The automobile itself, its fuel, lubricants, and operations are all heavily taxed. Does the total of these assessments bear its share of the general tax load and also sufficiently reimburse the public expenditure on the roads it uses? If it does, the circumstance that the charge is not comparable in amount to railroad costs of construction and maintenance of terminals and roadbeds is immaterial. The purpose is not to handicap automotive competition, but only to do justice.

These questions are of mixed State and Federal bearing and very difficult of determination. Both taxes and regulation on motor transport vary among the States and, while it has been strongly urged as the only solution, the committee believes it impracticable to get uniformity by any plan for concert of State action. Our studies clearly indicate that in some States automotive vehicles do not bear their full burden of taxes. We think they should pay the carrying charges and cost of maintenance of the highways they use and also their share of the general tax load. The Interstate Commerce Commission recommends regulation of interstate busses and extension of their jurisdiction to include interstate trucks. The committee believes that the situation requires general Federal jurisdiction of motor transport. It recognizes that no such intricacy of regulations as characterizes railroad supervision can ever be extended to this field, but it is convinced that a broad measure of Federal and uniform State control can and should be applied.

A valuable advance is registered in the recent report of the joint committee of railroads and highway users on the regulation and taxation of highway transportation recommending principles governing the subject which have been agreed to by these diverse interests. This kind of public-spirited cooperation is one of the most hopeful aspects of this difficult problem.

WAGES OUTSIDE INQUIRY SCOPE

6. Wages and working conditions of labor in transportation are determinable by established procedure in another forum and are not within the scope of this inquiry. There should be no heavier burdens on the railroads in employing labor to operate automobiles than on their competitors. In the railroads, as in other industries, rates, capitalization, salaries, and wages must all follow changing economic conditions, but none should be sacrificed for the benefit of others.

It is asserted in behalf of the railroads that certain restrictions imposed on them in the matter of hiring labor for truck and bus operation which automotive transport escapes, unfairly prejudice the railroads, and that labor in this competing industry is not properly protected. The committee thinks that the railroads should be under no greater restrictions in employing labor for automotive operation than are other automotive users, but it would prefer to see equalization by improving conditions in automotive labor rather than by impairing conditions of employment in railroads.

The committee regards the particular wages and conditions of labor generally as beyond the scope of its inquiry. It merely offers the suggestion that, while governments can not and should not attempt to regulate the use by owners of their own automotive property, they might, in assessing taxes or issuing licenses, impose conditions of employment on vehicles not operated by owners.

The committee believes that a permanent and universal liquidation and downward adjustment of values and incomes of all kinds have occurred in this country and that railroad rates, capital structures, salaries, and wages must all respond to this generally changed condition, but that none should be sacrificed for the benefit of others.

A considerable number of obsolete rules governing overtime, hours constituting day's work, and restrictions on service survive in the railroad wage structure. The committee does not wish to see labor lose any of its hard-won improvement in conditions, but it believes that the just substance of them can be retained without adherence to obsolete forms, and that labor is as eager as railroads to modernize and simplify the structure of wages and working schedules.

We regret that the labor organizations did not see fit to avail themselves of the committee's invitation to submit their recommendations on the general subjects of our investigation. We had hoped to have the benefit of their wide knowledge concerning railroad labor conditions and also their views on the best methods of protecting labor in railroads from conditions in competing methods and of improving conditions in the latter field. It is only fair to call attention to the fact that our material does not include any presentation by the labor organizations of any facts that might have seemed pertinent from their point of view.

(7) Beacons, weather service, and similar auxiliaries to air traffic should be maintained at public expense, and air transport should be encouraged during its development stage, but we believe that every such service should ultimately pay its own way.

Air service is diverting some traffic from railroads and threatens greater inroads. Here again the railroads are confronted with a development of human progress. It can not be handicapped in their behalf. The most that they can ask is that it be not unfairly advantaged and, for reasons stated herein, we think that the real railroad remedy against this competition is to enter and help develop it.

Existing American airways are unquestionably subsidized at public expense. Various forms of flying aids are maintained. Mail contracts, paying much more than receipts from air postage, are in effect with a deliberate purpose of subsidy, and there is no doubt that lower rates on all air service are thus made possible at public expense.

The committee believes that beacons and flying aids are like lighthouses and navigation aids at sea and can not be abandoned or charged for. The railroads were themselves subsidized in their developemnt period. We can not condemn Government aids to the inauguration of this valuable service. But, however much subsidy may be justified in a development period, we feel that every established transport service should ultimately be self-sustaining, that air service has a definite place, that it will inexorably take that place without the continuing necessity for the subsidy granted in the early stages of development, and that the necessity for such aid is even now decreasing. It is of the utmost importance that such aid as is given should be fairly and economically distributed.

8. The committee has no recommendation to make on pipe lines. There are projects for a wider use of pipe lines as a transportation agency, but at present they do not constitute a problem. They are not subsidized, and they are effectively regulated. The subject has been ably and exhaustively studied by the House Committee on Commerce in a forthcoming report. From our own studies we do not recommend further present affirmative action.

VALUATION POLICY IS QUESTIONED

II. The policy of trying to appraise railroad properties on some selected basis of valuation and then saying that they are entitled to earn a fair return on this appraisal should be reconsidered. Where competition with trucks and other methods exists, it will determine rates. In other cases rates must be regulated, but the basis of costs of operation under efficient management is a better general guide than any attempt to preserve capital structures regardless of economic trends. We see no reason why the rate-making rule should not say in plain English that railroads are entitled to make a reasonable profit based upon costs of efficient operation and that they are not entitled to earnings merely to preserve present structures if overcapitalized.

Notwithstanding social and economic dependence on railroads—right or wrong—we have, since the beginning, relied on private initiative for their development and financial support. Profit is the only incentive to private investment. Unless the railroads are permitted reasonable earnings on the cost of efficient operation, there is no alternative to Government ownership and complete socialization of our railroad system. But that does not mean that railroads, any more than other industries, are entitled to a guaranty of earnings on their investments in property. In early periods of railroad development and unregulated monopoly, the profit incentive was overemphasized and resulted in unconscionable abuse. Extravagant profits, or the hope of them, contributed to the rapidity of the extension of the system, but they also got a sharp rebuke in certain instances of attempted confiscatory rate regulation. The courts intervened with an opinion that rate making must be limited by the right to a "fair return" on the value devoted to public service. Though originally probably intended as a protection against confiscation in individual cases, this principle, by a process of evolution, became a rule governing the general level of rates.

We think this rule should be abandoned. Nobody ever thinks of saying that the cost of bricks and mortar in an industrial plant should determine what it shall charge for its products. If it can keep its costs low enough to earn a profit on what its product is worth to the public in competition with other products, then it is worth ten to twenty times what it can earn. If it can not do that, it is as apt to be a liability as an asset.

In this sense, the present railroad rule puts the cart before the horse. It tends to ununiformity of results, perpetuation of debt and of obsolete and exaggerated capital structure, insufficiency of allowance for obsolescence and depreciation, inadequacy of surplus and reserves and maintenance of unnecessary properties and facilities. The results are unjustifiably high rates in some cases and low rates in others. It evolved on the theory that, if not so restricted, the railroad monopoly would earn inordinately. That theory is becoming obsolete. The day is not far distant, if, indeed, it has not already arrived, when, even if wholly unregulated, some of our railroads may have difficulty in earning a "fair return" on asset values, no matter by what rule such values are defined. These competitive developments are inexorable. The public is entitled to all benefits of the march of progress and nothing will prevent that consummation. We think that the right principle of rate-making is as follows:

Wherever there is fair economic competition it will decide the rate question and it should be permitted to do so freely. Where there is no such competition, the problem of rate regulation arises, but costs of service under efficient operation are a better general guide than some arbitrary determination of asset values.

If, on that basis, a railroad can not earn enough to support its capital structure, the remedy is not to raise rates. It is to revise the structure. And if on no reasonable revision can the capital structure be maintained, it is an economic misfit. Parts of it that can not live should be abandoned and the rest either set up in a new system or consolidated with other groupings.

Fixed railroad indebtedness is not commonly retired. It is refunded. It is a universal rule of financing that any debt for purchase of productive facilities should be amortized during the lives of those facilities out of returns from their use. Railroads are not exempt from this well-established principle and rates should be subject to no restriction which contravenes it. A cause contributing to the present crisis is the unwieldy proportion of interest-bearing debt in railroad capitalization, much of it representing facilities long ago scrapped. We distinctly do not believe that past mistakes as represented by present unwieldy debt structures should be salvaged by increased rates. The present debt structure must be revised and losses written off. But, as to the future, we do think that rate-making should look to the retirement of new debt incurred for purchase of productive facilities during their lives and out of returns from their use.

The Interstate Commerce Commission petitions for "A simple rule which shall make it clear that, in regulating the general level of rates, we shall always keep in mind and be guided by the need for producing, so far as possible, revenues which are sufficient for the maintenance of an adequate national railway transportation system and also recognize the principle that the railroads may justly earn a surplus in time of prosperity to offset deficiencies in time of depression."

The Interstate and Foreign Commerce Committee of the House of Representatives recommends the following: "In the exercise of its power to prescribe just and reasonable rates the commission shall give due consideration, among other factors, to the effect of rates on the movement of traffic, to the need, in the public interest, of adequate and efficient railway transportation service at the lowest cost consistent with the furnishing of such service; and to the need of revenues sufficient to enable the carriers, under honest, economical, and efficient management, to provide such service."

It will thus be seen that those who have given the subject of rate making the closest attention have abandoned the theory of making rates on some basis of valuation. It is said that the principles just discussed are implicit in both of these suggested rules. If so, we approve them, but the committee sees no reason why a rule for rate making should not say in plain English that railroads are entitled to make a reasonable profit on costs of efficient operation and that they are not entitled to preserve overcapitalized corporate structures.

ROADS FAILING TO HELP THEMSELVES

III. The railroads should do much that they have not done to improve their condition without any Government help at all. They should promptly be freed of all unnecessary restrictions on the doing of it. It has been estimated that less than a 20 per cent increase in traffic would put most of them on an earning basis. In view of the narrowness of this margin of loss and of the very great savings possible in railroad operation, we regard their outlook as far from hopeless.

The effect of protracted depression is to reveal the underlying trends of an era. While part of our transport difficulties are, like other troubles, no more than reflections of depression, continued traffic stagnation has uncovered organic difficulties. It by no means follows, however, that this condition was either caused, or can be cured, by Government. In this time of extreme stress on everybody, the public has a right to expect the railroads to do what they can for themselves before they call on the rest of us and we are convinced that there is a great deal which the railroads have left undone. It has been said by experienced and informed observers that—because of enforced reduction in expense—a 20 per cent or even a lesser increase in traffic volume would put most of the railroads on an earning basis and that less than a 50 per cent increase would restore them to net earning levels of 1929. Passing the question of strict accuracy in these broad assertions, the fact is that, here as elsewhere, there has been such liquidation of the general extravagance of the 1929 delusion, that a very moderate movement on the upward business spiral would dissipate much of the seeming cloud on the solvency of many railroads.

The committee is not proceeding on conjectures of unwarranted optimism, but it does seem that, if the margin of loss is as scant as this, it is narrow enough to invite some robust action in railroad administration to improve earning statements, not by increased traffic or Government intervention, but by economies and improvements in operation, and perhaps by a reduction in rates to attract more business. That has been the universal action in sister industries and that is the view of some of the leading authorities in railroad management.

Against this view it is urged that railroads have been prevented by statutes and regulations from acting freely or that, where they have been permitted to act, restrictions legally imposed upon them as railroads have been extended to them in new fields. While we believe that this argument is too much emphasized, we have found some substance in this complaint. The committee believes that railroads should be permitted to act along the lines suggested herein subject to no more and no heavier restrictions than their competitors and that the Congress and regulatory bodies owe them a positive duty to relieve them promptly of any handicap whatever in this regard.

(a) Railroads should adopt the competing methods of which they complain.

Much of the difficulty which the railroads ascribe to automotive and potential air and pipe-line competition should and could have been relieved by an alert and aggressive railroad policy. We believe that if the railroads had regarded themselves more accurately as purveyors of transportation rather than as guardians of a monopoly, they would have been more alert to take advantage of every development in their field and that a more progressive policy might have turned to their own distinct advantage the very things they now regard as a burden and a threat.

Resort to government as an alternative to self-help is to be deplored. The early transport pioneers did not go to Washington to have their ferries and steamboats protected against rails. They developed the rail service and became controlling figures in the new field. We think it is quite clear that the railroads have been distinctly remiss in not getting the most out of the new methods. It seems to us that the truck, in local and terminal service, motor-drawn equipment on rails and highways in many cases, and the airplane, where rapid transit is required, afford a way to a beneficent transport revolution; that the railroads themselves owed a duty to the public to have led, and that the quicker they do so now the better it will be for all concerned. After they have taken this logical step, we wonder whether they will be so eager to restrict these other forms of transportation as they are now.

REDUCTION OF COMPETITIVE COSTS

(b) Railroads should cooperate to reduce competitive expense.

(1) Unnecessary services should be abandoned.

We think that there has not been sufficient cooperation among the railroads. As an example we quote from the Interstate Commerce Commission's 1932 report, p. 37:

"The expenses so chargeable to passenger and allied services for the year 1931 before taxes, rentals, and interest were 110.82 per cent of the revenues from those services. For the freight service the corresponding figure was only 68.62."

The public is familiar with the spectacle of "crack" passenger trains shuttling back and forth across the country empty or nearly so and perhaps, also, with the explanation that this "is necessary to retain the competitive reputation for service"—in other words, for sales promotion or advertising. The committee believes that agreements in good faith and within the law could relieve this expense. We think empty trains should either be filled by reduced rates or taken out of service. With our whole economic structure at stress, sympathy with such extravagance is difficult.

(2) Metropolitan terminals should be consolidated and unnecessary facilities scrapped.

Terminal expenses constitute an astonishing proportion of railway costs. Great economies and much improved service are possible through the use of trucks in terminal areas, and further large savings by unification of railway and other terminal facilities. Railroads have insisted on separate terminals in metropolitan areas for purely competitive advantage. The resulting multiplicity has imposed high costs, poor service, and great waste. This burden upon shippers in indefensible. Reform is as necessary to modern metropolitan convenience as to railroad economy. It is impossible to deal effectively with the manifold problem of a modern city without a unified plan of development for all forms of transportation. This problem differs in different cities, and there are legal and other difficulties involved, but much could be accomplished at once by cooperation among railroads, and a complete solution would be greatly facilitated if all forms of transportation were placed under a single regulatory agency and if railroad consolidation were worked out along regional lines.

These improvements would entail wholesale scrapping of some facilities. We can not follow the argument against the writing off of obsolete, nonearning and unnecessary properties. We think that there are thousands of miles of trackage and many other facilities, both in terminals and elsewhere, which serve no necessary purpose and which do not now earn and never can. They are handicaps on efficient operation and burdens on the public. Their elimination would reduce capital assets, but it would result in lower rates, better earnings, and improved service.

(3) Circuitous haulage should be eliminated.

Circuity in haulage to keep traffic on the rails of a single system entails great waste for which the committee can find no sufficient excuse. As in all attempts to apply general principles to the

infinite variety of circumstance in a great nation, a flat rule requiring freight to be routed by the most direct route, letting the revenue fall where it may, would result in some hardship, but the present practice leads to grotesque results. It is not easy to reduce the effect to figures, but the unnecessary haulage of freight has been estimated at a large percentage of total ton-mileage. Until the railroads are willing, by cooperation, to eliminate this kind of waste, it is difficult to share their apprehension of competing methods.

(c) Financial management should be improved.

We have discussed our view of the contribution of existing rate-making rules to present financial distress, but we also question the policy of some railroads in applying too great a proportion of earnings to dividends and too little to the retirement of debt and the accumulation of surpluses and reserves—a practice which we regard as responsible, at least in part, for the existing unfortunate condition of some roads.

(d) Transport methods and equipment should be brought up to date.

We acknowledge the restrictions on railroad initiative through regulation of appliances and on railroad resources through rate regulation. We are also aware of the progress that has been made in speed, quality of service, and increase in the radius of use of material equipment. Nevertheless, it can not be fairly said that railroad advance in applied science is abreast of that in other industrial fields. For example, the improvements in Germany with streamline Diesel and electric trains of very light tonnage maintaining schedules of 96 miles per hour to offset motor transport have no counterpart here. The committee has not found it practicable to make exhaustive studies on this subject but offers the suggestion that the Interstate Commerce Commission authorize, and the railroads set up, one or more central research and engineering organizations to which all railroads in certain groups shall contribute—their products to be available to all contributors.

(e) In view of what could be done by better management, the general outlook seems far from hopeless.

Generally speaking, it must be recalled that, in railroads—almost alone among sister industries—rates remain at boom-time levels. Adjustment to new economic horizons lags. It is hard for us to believe that whole-hearted cooperation and vigorous application of contemporary principles of industrial management and control, within the various railroad companies themselves, along lines just discussed, would not do more than can Government or any other outside force to rehabilitate this most important of American industries.

In depths of depression, as at peaks of prosperity, fundamental values become distorted by the fog of gloom, on the one hand, and the rosy haze of hope on the other. These opportunities for aggressive policy and management, coupled with at least some of our suggestions in aid of the transportation situation as a whole, seem to us to indicate a distinctly hopeful (rather than a despairing) project for the railroads, and we think that both regulating agencies and others having interest and influence in the railroads should act promptly to overcome what seems to us a degree of inertia in this regard.

IMPROVEMENT IN I. C. C. MECHANISM

IV. Regulatory jurisdiction should be extended to the whole national transportation system but applied only to the extent necessary for public protection. The existing regulatory mechanism of the Interstate Commerce Commission is inadequate and should be improved by reorganization without expansion or increased expense.

The work of the Interstate Commerce Commission is a contribution to the advancing science of political economy. One has only to read its most recent report to realize the sympathy and intelligence with which it addresses the problems confronting it. It has pioneered a complex subject and, if it has recently operated on principles which this committee regards as in part obsolete, it is important to remember that they are statutory principles. We think that if critics would give more attention to the legal limitations upon the commission and its own repeated recommendations thereon, they would find less ground for complaint.

The studies of the committee clearly indicate the advisability of extension of regulatory jurisdiction to the whole transportation system. The committee feels that a judicial type of organization, such as the commission now has, is inappropriate to its present work and wholly inadequate to a wider jurisdiction. In extending its powers, it is not necessary to expand its personnel and expenditures. What is needed is to reorganize its functions, divide its work, and give it a form and method more appropriate to the tasks before it.

At present they include rate making, and that is at least a quasi legislative function; decisions in conflicting causes, and that is distinctly judicial; and supervision of administration, and that is certainly executive. From another angle of analysis we find it attempting to plan, and that is a staff duty, and to carry plans into execution, and that is purely operative. For all these inconsistent purposes it must finally act in a body on many questions, with no sufficient latitude for delegation, and that is utterly inconsistent with any modern theory of operation except for legislative and judicial action of the very highest order.

The data before us indicate that (whatever may be the limits to which actual regulation or administration is extended) the necessity for planning and for comprehensive information on the whole transport problem is absolute. A cogent railroad argument is to the effect that the Government has regulated the initiative out of the railroads and that by reason thereof they are in their present plight. While there is a tendency to overemphasize this, three facts remain: First, that the Government, principally through the agency of the commission, has for many years assumed to dominate railroad administration; second, that railroad policy and management are not abreast of sister industries; and, third, that some railroads are in a perilous condition. Nobody can assume authority without accepting responsibility. The existing railroad condition speaks for itself to say that regulation by the commission has left something to be desired.

The lack of incentive or authority in the commission to plan and to act affirmatively is evident throughout its most recent report. It hopes that "efforts have been or will be made to bring the rival transportation agencies into some measure of agreement." It thinks that "no rival transportation agency should be given unfair advantage," but complains that "there is no adequate information * * * nor do we know of any comprehensive and definite plan for a cure * * *." It believes that the public "safety and convenience" should be protected by regulation of automotive agencies, but asks for "a thorough investigation under authority of Congress." It says of regulation of port-to-port rates, "We have not investigated this subject, but are convinced that it merits serious consideration by Congress."

Speaking of restrictions on railroad ownership of water-carrier lines. "If the railroads wish this prohibition removed, they should so request the Congress without further delay. Until the reasons for such a change have been fully presented we have no opinion to express upon it." On the question of stifling of railroad initiative, there is the suggestion that the railroads "ask the appropriate authorities for definite relief." Without unduly extending these quotations, it is fair to say that the whole report is eloquent of a somewhat passive attitude toward acknowledged evils and also of grave difficulties that have arisen from drastic regulation verging on administration by an authority which sits and hears but has only a limited scope in which to inquire and plan and act.

If, as we think it should, the regulating body should pass on railroad corporate reorganization, there would be a new and expert function for which we think the commission is not now equipped or organized. There should be a separate department and an appropriate expert personnel for this work. This is an emergency matter.

The organization should be re-formed without expansion to act along wider and more affirmative lines with less attempt to run the business of transportation and with more concentration on protection of the public, and maintenance of a healthy national transport system. It should have inquisitorial powers and duties to keep constantly abreast of changing developments and should be required to report annually to Congress on the state of the Nation's whole transport system, with its recommendations for betterment.

Its activities should be reorganized with appropriate separate departments, with a chief at the head of each, for its legislative, executive, and judicial functions, and for each major special function such as control of corporate reorganization. It should have also a planning department with a research staff and such other departments as experience indicates. Except in the exercise of its more important legislative and judicial functions, departmental hearings and decisions should be sufficient and action as a body should not be required. While all heads of departments should sit in council on basic policies and important problems, the body should have a vote only on the most important legislative and judicial decisions. Either one man, or at least an executive committee of three, should have exclusive responsibility and authority in all executive functions, and final decision in all but the more important legislative and judicial functions of the separate departments.

This form of organization and method divides, decentralizes, and so speeds work, permits specialization, yet assembles special views on general policies. It retains the advantage of the committee form for counsel but secures the advantage of a compact responsible group for action. All these attributes will be needed in the tasks inevitably confronting future transport regulation and only a few of them are available now.

RECOMMENDATION FOR EMERGENCY

V. Emergency recommendations.

(1) Corporate reorganization can and should be facilitated by revision of the bankruptcy procedure.

Present railroad distress is sufficiently shown in the current report of the Interstate Commerce Commission, that 122 Class I railways failed to earn fixed charges in the first three quarters of 1932. The financial structures of many railroads carry too much inflexible charges and too few liquid surplus assets to survive protracted nonearning periods. This condition can not be cured by increasing rates to salvage old mistakes or by lending Government money to preserve them. They require realistic reorganization in accordance with the facts. Some railroads can hope to survive only on drastic reorganization and scaling down on fixed obligations.

The Reconstruction Finance Corporation was created to tide over an emergency, in the hope of some recovery, but this use of Federal credit encountered a link between the emergent and the more permanent problems. The fixed charges of some roads are heavier than any fair prospect of restored traffic will bear. The corporation can not pour public treasure into situations where, instead of temporarily supporting operations and loaning to maintain prudent interest payments, there is a wasteful delta of outflowing streams of interest on unsupportable capital structures. That would postpone inevitable readjustments at public loss to

no good purpose. There is need to reform these topheavy structures to make them available for emergency aid before it is too late and the present legal mechanism is too slow and cumbersome to serve.

We recommend revision of bankruptcy procedure to permit prompt and realistic reorganization of overcapitalized corporate structures without destructive receiverships and judicial sales on depressed markets, to the end that the railroads' justifiable borrowing requirements may be met with safety to the lender under adequate protection.

(2) The recapture clause should be repealed retroactively.

The so-called recapture clause of section 15–a of the transportation act is based on an economic misconception and has proved to be an element of uncertainty in railroad financing. We join the recommendation of the commission for its repeal "both for the future and retroactively."

(3) The statutory rule of rate making should be revised.

Reasons and suggestions for amending the present rate-making rule are discussed beginning at page 21. As was there stated, rate making can not be made to preserve unsound capital structures or to "attract capital" regardless of what the service is worth, but if the rule is put on a common sense and forthright basis we can approach the railroads' financial problem with more intelligence. While this is a permanent as well as an emergency reform, we think it is important to a prompt and sound solution of the railroad problem. We understand that both the Interstate Commerce Commission and the House Committee on Interstate and Foreign Commerce recommend a change and regard its necessity as emergent. Indeed, the committee found no opposition to change in any of the evidence or representations before it.

(4) "Adequate security" does not necessarily mean "marketable collateral."

The reconstruction finance act requires "adequate security" for railroad loans. It should do so and we recommend no change in the law. As a matter of interpretation, however, if, upon reorganization of overcapitalized structures or on sound existing structures, a particular loan is sufficiently protected by priority of lien and reasonable prospects of earnings available to its priority of payment, we do not regard marketable collateral as a determining factor. In fact, we believe that, with prompt improvement of capital structures where necessary, private capital will be available for necessitous railroad loans.

BERNARD M. BARUCH,
*Vice Chairman.*
CLARK HOWELL.
ALEXANDER LEGGE.

NEW YORK, *February 13, 1933.*

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SUPPLEMENTAL REPORT OF ALFRED E. SMITH

While I am in substantial agreement with the greater part of the committee's report, this supplementary memorandum states my conclusions in my own language, placing the emphasis where I think it belongs.

EMERGENCY ACTION

As to emergency action, I recommend the following:

1. The recapture clause of the transportation act should be repealed retroactively.

2. A debtor relief act, with a special provision governing railroads, which will have for its object scaling down debts and composing differences without bankruptcy receiverships, should be passed, but its operation should be for the period of the emergency only, which for the purposes of this act should be declared to end on January 1, 1935.

After most careful consideration, I can not recommend as an emergency measure that there is immediate need of action by Congress to make a new statutory rule of rate making, nor that the present powers of the Reconstruction Finance Corporation to make loans to railroads should be extended or materially changed. Specifically, I believe no useful purpose will be served at this time by an extension of the powers of the Reconstruction Finance Corporation with regard to railroads so that they can make additional loans without full collateral, upon the assumption that railroad rates will be adjusted in such a way that these loans are bound to be repaid.

Coming now to the basic troubles which afflict the railroads, I have considered carefully the diagnosis offered by numerous groups and individuals and the corresponding cures. No purpose would be served by extended analysis and comment because this subject is fully covered in the report of the staff. My conclusions are stated herein in summary form.

THE RAILROAD'S COMPETITORS

As to the subject of competition by air, water, pipe, and highway lines, I believe that the effect of competition of these lines upon the railroads has been exaggerated. Drastic regulation of competing services is not the solution of the railroad problem, and such regulation should be established only in the general public interest. Regulation is expensive. It is bureaucratic. Once established it expands and it paralyzes private initiative without offering constructive leadership. I believe that the air lines should be left as they are at the present, with no more regulation than is now provided for. This is a new field, and the less private initiative is interfered with, the better it will be in the long run. The railroads had their day of freedom from restriction coupled with enormous Government subsidies. That day is over and individual initiative in blazing trails and laying ties for railroad lines across the Rocky Mountains and the Sierras is no longer needed. Air lines are an infant industry and are entitled for the present to some Government help without undue regulation.

The pipe lines are built. They serve a very limited purpose. They present no serious menace to the railroads. I see no advantage in extending regulatory control over them.

As to water transportation, with particular reference to inland waterways, I believe that Government subsidies in this field should be curtailed, not primarily because they result in unfair competition with the railroads, but because these subsidies have not proved effective. Certainly the New York State Barge Canal can not be said to compete with the existing railroads, because in spite of construction and maintenance by the State and free tolls, the barge canal carries so little freight that it presents no problem to the railroads. The New York State Barge Canal is an heirloom. Sentiment rather than common sense makes us keep it up. I am opposed at this time to the construction of the St. Lawrence waterway because it would be a waste of public funds. Present rail facilities are more than adequate to provide for everything which the proposed canal can accomplish.

The cost of moving grain would not be lowered by this canal sufficiently to justify the enormous expenditures which it would involve; keeping in mind also that this waterway would be open only for a part of the year and that the railroads would have to be used anyway the rest of the year. I believe that a special investigation should be conducted into the Inland Waterways Corporation to discover exactly what it costs the War Department to operate this corporation and whether or not further expenditures for this purpose should cease.

As to competition by motor trucks and busses, the testimony given before us does not indicate to me that the competition is at this time as serious a menace to the railroads as they claim it to be. Interstate trucks and busses as yet carry only a comparatively small part of all freight and passengers. On the other hand, it is unquestionable that this form of transportation will soon be used more and more, because it is economical and efficient. In a number of cases busses and trucks have actually relieved the railroads of burdens on short hauls and have enabled them to cut down train service where these could not possibly pay.

Extravagant claims are made as to the penalizing of railroad as contrasted with highway transportation by taxes and by numerous regulations affecting service and labor. Trucks and busses are already substantially taxed through license, gasoline, and oil taxes, and these are being steadily raised so that within a short time, in the course of normal events, the users of highways for commercial purposes will be paying their full share of the cost of construction, reconstruction, and maintenance. The tendency in every State is to make them pay their way, and the Federal Government is already taxing them for gasoline. In fact, at the present time in many States of the Union, gasoline and license taxes are being diverted from highway maintenance and construction to other fields of government expenditure.

While there is much to be said for regulation of all common carriers on highways by the Interstate Commerce Commission or some other Federal agency, and by the appropriate State regulatory agencies, it should be noted, however, that such regulation can not reach the individual farmer, merchant, and owner who is not a contract or common carrier. I believe that such regulation should, for the present, be for the purpose of insuring responsibility, and fixing the physical standards for vehicles and for similar purposes, rather than for the fixing of rates. This is practically what the railroad and bus representatives themselves have recently agreed on. The plan for a Federal license tax with a return to the several States of their respective shares, suggested by various witnesses, seems to me to be impractical, undesirable, and at present unjustified. I believe that the railroads should go into the bus and truck business on a larger scale, and that they should be encouraged to do so by appropriate legislation.

GRADE CROSSINGS

As to elimination of crossings at grade of highways and railroads, I believe that the railroads' share of the cost should be materially reduced. In many States the railroads' share is as high as 50 per cent. This is unduly burdensome and unfair to the railroads, and it has naturally resulted in bitter opposition to elimination orders and the general slowing up of the crossing. elimination program. This reduction can not, however, be accomplished by Federal legislation or fiat. It must be brought about by persuasion in the several States.

I can not subscribe to the recommendation made to the committee that Congress should fix a maximum rate of taxation on railroad property beyond which any State and local levies would be invalid.

VALUATION

Coming now to valuation, I have not been able to give this subject sufficient study even to attempt a solution. The questions involved are exceedingly intricate. Members of Congress and experts outside of the Government have been studying them for years without coming to a satisfactory conclusion. From a superficial study, I am not entirely satisfied that the prudent investment theory is unworkable.

The reproduction-cost theory is obviously obsolete and must be discarded. I can not subscribe to the idea of basing railroad rates on ability to attract new capital, on the present cost theory or on the theory of the natural rule of survival. I doubt whether the courts would sustain or the public tolerate the survival theory. The present cost theory would tend to put the seal of approval on existing chaotic and wasteful railroad organization. The theory of fixing rates to attract new capital begs the whole

question. It starts with a conclusion and adjusts all the facts to meet it. Moreover, this theory would defeat itself because the public would not be able to pay the high rates which it would bring about. In the end there would be less traffic and less revenue than before. Moreover, even if the public were able to pay the bill, I believe that the adoption of this theory would perpetuate bad management, write up values of many railroad securities beyond their actual worth, and take away the incentive to consolidation and good management.

A new principle of valuation has recently been proposed by the Committee on Interstate and Foreign Commerce of the House of Representatives which seems to me to have considerable merit, but which is in such general language that it is difficult to see how it can be made the basis for the scientific determination of rates. It seems to me, however, that this is a subject which Congress should decide.

Whatever principle is adopted, I am satisfied that the general public will not tolerate writing up values or increasing rates merely upon the theory that a great many railroad securities are held by savings banks, trustees, and insurance companies as security for widows, orphans, and other beneficiaries of trust. It must be recognized that many railroad bonds are worth less than par in the light of conditions entirely separate from the depression, and that railroad stocks have declined even more in value. These assumptions are based upon any common-sense theory of true valuation, whatever it may be. Similarly, I do not believe the public will approve the proposal that railroad rates should be high enough to retire a substantial part of outstanding bonds, because this will be regarded as just another way of attempting to give present bonds artificial values.

SMITH FAVORS ONE-MAN BOARD

Taking up now the general question of Federal regulation, we are all agreed that effective regulation is an indispensable feature of the solution of the transportation problem. I find, however, little in recent history to justify the continuance of the Interstate Commerce Commission as now organized. This implies no criticism of its members. They have attempted to function under an obsolete and unworkable law, and in the face of conditions which call for intelligent planning and leadership as distinguished from endless debate on details. Everyone admits that more and more of the work of the board must be delegated anyway, and if this is so, the question arises as to why a board is needed at all. I believe that too much emphasis has been placed on the judicial functions of the Interstate Commerce Commission, especially on valuation and rate making, and too little on planning and administration. The complete break-down of the present valuation formula has left the commission in a condition which would be laughable if it were not so serious. The scrapping of the present formula opens up some very interesting questions for taxpayers. What, for instance, becomes of the tons of statistics and other data collected on the basis of the old formula? What of the pay roll army of Federal commissioners, counsel, experts, and clerks? What of the wasted time of local officials, railroad representatives, farmers, business men, and commercial organizations? Suppose that just a little common sense had been substituted for all this scientific hash, this maze of regulation and red tape. I favor the abolition of the Interstate Commerce Commission and the creation in its place of a new department of transportation headed by one man, or a one-man bureau head in the Department of Commerce, determining policies with the approval of the Secretary of Commerce. What we need is a new transportation system, not endless hearings on a system that does not work.

I am convinced that the fundamental problem of the railroads is that of nation-wide consolidation and reorganization to reduce costs and rates and to write off losses. The era of railroad pioneering and competition is over. The roads must reduce overhead and operating expenses. They must scrap unnecessary, competing, and weak lines. They must get rid of obsolete equipment. They must cut out unnecessary services. They must use trucks and busses, eventually air transportation and, if necessary, waterways and pipe lines as a supplement or substitute for rails wherever these new forms of transportation are more economical. The establishment of a limited number of strong regional railway systems would be a start in the right direction. Even this will leave a certain amount of wasteful and unnecessary competition.

Whatever may be the basis of valuation and rate making, there must be a scaling down of many railroad securities. I believe that the banks, trust companies, insurance companies, and other holders of railroad securities must be realistic about this phase of the problem. The public will not stand for making them a preferred class of investors, who must get a hundred cents on a dollar, irrespective of the true value and condition of the business they have invested in, when values in all other fields are being readjusted and cut down.

The question for the railroad executives, directors, and security holders to decide is whether the steps taken in this direction should be compulsory or voluntary. To date voluntary regional consolidation under the auspices of the Interstate Commerce Commission has made little progress. The question has been raised whether compulsory consolidation is constitutional. As distinguished an authority as the late Senator Cummins thought it was, but there is no decision of the United States Supreme Court squarely on this subject. There is much to be said for the theory that we are moving inevitably toward one national railroad system. Upon this theory the major railroad systems might well give serious consideration to the appointment of some sort of an impartial chairman, arbitrator, or director general to coordinate their present activities and to prepare a plan of permanent consolidation.

If the railroads show no willingness to reorganize, reorganization can surely be brought about by some form of condemnation or eminent domain. I believe that the railroads will be unsuccessful in attempts to maintain their present physical, operating, and financial structure at the expense of the general public by penalizing competitors and raising competing transportation costs, inflating securities, raising rates, limiting taxation by States and municipalities through Federal legislation, borrowing Government money without adequate security, and other like devices. Similarly, attempts to bring about economy largely at the expense of railroad labor will prove unsuccessful unless this is part of a logical general reorganization in the interest of the public. Undoubtedly many wasteful and unjustifiable regulations have been made governing railroad wages, hours, and conditions of labor, and others which, however admirable in themselves, the country simply can not afford to-day; but the railroads can not expect public support in changing these regulations merely as a means of retaining and perpetuating other conditions which are equally wasteful. They can not expect to make labor the only scapegoat.

Those who are responsible for present railroad management need not complain of radical or drastic governmental action in the near future if they are unwilling even to attempt to meet their problems in a bold, forthright way through their own initiative and cooperation. They have an unrivaled opportunity to do themselves and the country a great service. They should have the guidance and help of the National and State Governments in this effort.

ALFRED E. SMITH.

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APPENDIX 1

LETTER OF INVITATION

HON. CALVIN COOLIDGE.
HON. ALFRED E. SMITH.
MR. BERNARD M. BARUCH.
MR. CLARK HOWELL.
MR. ALEXANDER LEGGE.

GENTLEMEN: The present financial position of the railroads of the United States is a matter of grave concern. Collectively the greatest and most important industry of our country, the railroads have operated in this year at staggering deficits. Only wise and timely Federal aid has averted the financial breakdown of important systems.

This situation touches every citizen. It affects directly the security of wage and employment of the 1,500,000 railway workers. It affects equally the many and important industries supplying railway equipment and supplies. It touches the financial problem of local, State and National Government, to the support of which the railroads contribute over $300,000,000 annually in taxes. It has given rise to a severe decline in the value of the $19,500,000,000 of railroad obligations and shares and has occasioned concern to institutions which hold such obligations among their assets, representing in part the savings of that thrifty portion of our population which is to be found among the policyholders of insurance companies and the depositors in savings banks. The relief that the present emergency has made it necessary to grant to the railroads is a drain on the Federal Treasury, and any ultimate loss will constitute a burden on every taxpayer.

The present deplorable position of the railroads is not due wholly to the stagnation of traffic resulting from the long-continued depression. Many of the present ills are due to governmental, financial, labor, and management policies, some wrong in conception, some wrong in application, and others rendered obsolete by radically changed conditions. As a result, the railroads have not been in a position to adjust themselves, as well as have other industries, to present conditions.

There are many disagreements as to causes, many disagreements as to remedies, but unanimous agreement as to the urgent necessity of some thoroughgoing solution of the problem. No solution, however, will be effective unless the problem of the railroads is considered as an integral part of the entire transportation problem of the United States, whether by rail, highway, waterway, pipeline, or air.

Every industry in the country is entitled to fair treatment—the railroads no less than the others. The public interest must certainly be protected, but regulation should not place the railroads at a hopeless disadvantage with competing agencies and destroy flexibility of operation and management initiative. The railroad workers are entitled to a fair wage and the greatest possible security of employment. The holders of railroad securities are entitled to a fair and stable return on the true value of their investment.

But more important than the interests of any one group, the people of the United States are entitled to the most effective and economical form of transportation to meet their various needs, whether by land, water, or air. Each form of transportation should be unhampered to provide effectively at a reasonable cost and at a fair profit the service for which it is best fitted. No form of transportation should be favored either at the expense of another agency or at the ultimate expense of the people of the United States.

We, the undersigned organizations, representing many of the interests concerned, believe that there is no more important present task than a thorough and satisfactory solution of the railroad problem, as an integral but the most urgent part of the entire

transportation problem. We beg that you examine all phases of the problem and recommend a solution which, with due regard for the public interest, will insure an opportunity for the railroads of this country to operate on a business basis, to the end that there may be a stabilization in employment of wage earners and in the values of investments made in behalf of insurance-policy holders and savings-bank depositors and a general enhancement of the prosperity of the country which to so great a degree depends upon the prosperity of the railroads and of the many lines of business which in turn depend upon them.

Aetna Life Insurance Co., Connecticut General Life Insurance Co., Connecticut Mutual Life Insurance Co., Equitable Life Assurance Society of the United States, Guardian Life Insurance Co. of America, John Hancock Mutual Life Insurance Co., Home Life Insurance Co., Lincoln National Life Insurance Co., Massachusetts Mutual Life Insurance Co., Metropolitan Life Insurance Co., Mutual Benefit Life Insurance Co., Mutual Life Insurance Co. of New York, New England Mutual Life Insurance Co., New York Life Insurance Co., the Penn Mutual Life Insurance Co., Phoenix Mutual Life Insurance Co., Provident Mutual Life Insurance Co. of Philadelphia, Prudential Insurance Co. of America, Travelers Insurance Co., National Association of Mutual Savings Banks, Investment Bankers Association of America, Railway Business Association, American Central Insurance Co., Phoenix Insurance Co. of Hartford, Connecticut Fire Insurance Co., Hartford Fire Insurance Co., Hartford Accident and Indemnity Co., National Fire Insurance Co. of Hartford, Aetna Insurance Co., Caledonian Insurance Co. of Scotland, Columbia Casualty Co., Commerce Insurance Co. of Glens Falls, Glens Falls Insurance Co., Continental Insurance Co., Fidelity-Phenix Fire Insurance Co., American Eagle Fire Insurance Co., Maryland Insurance Co. of Delaware, Niagara Fire Insurance Co., First American Fire Insurance Co., Fidelity & Casualty Co. of New York, Eagle, Star & British Dominions Insurance Co. (Ltd.), Lincoln Fire Insurance Co. of New York, Fireman's Fund Insurance Co., Home Fire and Marine Insurance Co., Occidental Insurance Co., Fidelity and Guaranty Fire Corporation, Glens Falls Indemnity Co. of Glen Falls, Great American Insurance Co., Insurance Co. of North America, Norwich Union Fire Insurance Society (Ltd.), Eagle Fire Co. of New York, Norwich Union Indemnity Co., Northern Assurance Co. (Ltd.) of London, London and Scottish Assurance Corporation (Ltd.), Phoenix Assurance Co. (Ltd.), Imperial Assurance Co., Columbia Insurance Co., United Firemen's Insurance Co., Union Marine & General Insurance Co. (Ltd.), Pennsylvania Fire Insurance Co., Security Insurance Co. of New Haven, Springfield Fire and Marine Insurance Co., Sentinel Fire Insurance Co., Michigan Fire & Marine Insurance Co., New England Fire Insurance Co., SVEA Fire & Life Insurance Co., Hudson Insurance Co., Skandia Insurance Co., Columbia University, Harvard College, University of Chicago, Yale University.

## DEPRECIATION OF FOREIGN CURRENCY

Mr. HALE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter appearing in the Bangor Daily News of February 11, 1933, pertaining to the question of equalization of depreciated foreign currencies addressed to the American Newspaper Publishers Association, under the signature of Fred D. Jordan, publisher of the aforesaid paper.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

AMERICAN NEWSPAPER PUBLISHERS ASSOCIATION,
*370 Lexington Avenue, New York City.*

(Attention Mr. L. B. Palmer, general manager.)

GENTLEMEN: Ordinarily we have great respect for your judgment and opinion on the great public questions, but we are shocked by the narrowness and partisanship displayed in Bulletin No. 146, of January 27, 1933.

Under a heading "Newsprint" you state: "A. N. P. A. Opposes Compensatory Duty Measure." Your supporting arguments are only two in number. First, that the enactment of the proposed legislation "will result in a duty on newsprint paper and its component parts, thereby largely increasing the cost of newspaper production." Second, that a duty would be levied on wood pulp and that a large number (550, you state) of converting or pulp-buying paper mills would be put out of business.

We respectfully submit that this question of equalization of depreciated foreign currencies with our gold-standard basis is one of national importance—far too big to be decided upon by just the two issues you cite, even though one subscribed to your conclusions on them.

The equalization fee or tax provided for in the proposed legislation applies on all imports, with a very few minor exceptions, from all countries of depreciated currencies. The amount of the tax in the case of each importation is determined by the degree of depreciation of the currency of the country of origin. The application of this currency correction tax will merely raise the prices of these foreign goods up to a point where American industry can compete with them in our own domestic markets. The net effect will merely be a restoration of the competitive conditions which existed in our American market prior to the abandonment of the gold standard by practically all of the other nations of the world, beginning with England on September 21, 1931.

We were all geared up in this country to hold our own against foreign competition. Those of our products which required special protection enjoyed it under the provisions of our tariff act. But this was all changed by the general abandonment of the gold standard abroad. To-day the producers in countries of depreciated currency have a distinct advantage in a gold-standard market. To-day ours is the only gold-standard market of any consequence where they can wield their new weapon of competition. Canada, France, and Germany took prompt action to protect themselves and their industries. We have adopted no means of defense. We are wide open to the invasion—defenseless. Tariff protection has been practically wiped out by depreciated currency advantages to foreign producers. These same factors constitute an actual premium on foreign competition with articles on our free list.

The argument has been advanced that, as the currency of a country depreciates, internal prices increase and tend to offset it. That may be fine in theory, but it has not worked out in this case. We have been in this situation now for over 16 months and the condition is going from bad to worse. On the other hand if one grants that this argument is sound, what conceivable objection can there be to a currency equalization levy? As the benefit to a currency depreciation country declines, it will be to its advantage to work back to the gold standard. As it works back, the levy on its goods imported into this country will reduce in proportion, and when its currency gets back to within 5 per cent of the gold standard there would be no levy at all under the proposed legislation. Why make our own American people suffer during the foreign readjustment period? Why be so solicitous of the welfare of foreign peoples, when our own people here at home most certainly are in dire distress?

It is a fact that newsprint paper and its component elements have been on the free list for more than 20 years. They still are, and the contemplated legislation does not propose any specific duty on them. If it becomes a law, they will still be on the free list. True, the imports from countries of depreciated currency would have to bear an equalization charge in common with all other imports from depreciated currency countries during the period of readjustment, but what of it? You apparently fear an increase in the price of newsprint. From what level? All values in this world are relative. We publishers would only be back in the same relative position in American industry that we were in prior to September, 1931. We all know that our situation was better then than it is now. We can not hope to prosper as an industry, or individually in our respective communities, except in proportion to the degree of prosperity of those on whom we depend for our support. Let's not be a party to killing the goose that lays the golden egg!

Another important point from our own selfish standpoint: Do we want to place ourselves in the hands of European producers for our ultimate sole source of newsprint paper? Let's not fool ourselves. We have done nothing to foster the newsprint-paper industry in this country in the past. A major portion of it has migrated to Canada. If the present unbalanced currency situation continues, it will be completely wiped out in this country, and the migration will be from Canada to Europe. The Canadian producers can not compete in this market with $30 Finnish newsprint paper any more than our American mills can. Let's think straight and adopt the good old American policy of "live and let live."

The same situation exists and the same arguments apply with respect to the pulp situation. You devote more space to pulp than you do to newsprint paper. You get yourself tangled up in an attack on the West Coast pulp producers, and much of your argument savors of propaganda disseminated by a certain group of converter mills through the "Temporary Committee Opposing Tariff on Wood Pulp," which is confusing the issue of currency-depreciation correction on all imports from countries off the gold standard with a specific tariff on wood pulp which is nowhere even mentioned, except by them, in connection with the legislation under consideration. We know something of this situation, as Maine is one of the oldest pulp and paper producing States in the Union. And our industry here prospered until the currency-depreciation game got started abroad. Main produces more wood pulp than any other State in the Union. Our pulp industry is in favor of the proposed currency equalization and so are all our pulpwood producers, our timberland owners, our farmers, our fishing industry, our canners, and our other diversified industries. They should know better where the seat of their trouble lies than some few pulp buyers with a selfish interest—though a fallacious one at that—to foster. Our Maine people want relief from increasing imports and depressing price influence of goods from depreciated-currency countries. They should get it.

We doubt very much if this group which is opposing this legislation is really representative of even the converter paper mills. We know that some of the largest and most prominent converter mills take a sane view of the situation and are in favor of the proposed legislation. We know that the American Paper and Pulp Association has made a careful study of the situation, resulting

in its industry from depreciated-currency competition, and has publicly indorsed the corrective legislation. In this connection, it is significant to note that its president is the head of a large and well-known company operating a big group of converter type paper mills and that several members of its executive committee also represent converter mills. Is it not a fact that this opposition to which you subscribe is in reality principally a group of mills making cardboard, in which the content of wood pulp is relatively small?

Your statement that the principal proponents of this legislation is a group of "about 200 manufacturers operating pulp mills" is not borne out by the evidence at hand. The calendar of the hearings just recently held before the subcommittee of the Ways and Means Committee shows the following witnesses from agriculture, labor, and industry who urged passage of this legislation:

1. John E. Dowsing, pottery industry (United States Potters' Association).
2. Brice T. Disque, anthracite coal (Anthracite Institute).
3. Mathew Woll, labor (American Federation of Labor).
4. Michael Flynn, labor (American Wage Earners' Conference).
5. A. M. Loomis, dairymen (National Dairy Institute); fish oil (American Fish Oils Association); cottonseed (Producers of Cottonseed); butter (American Association of Creamery Butter Manufacturers).
6. Chester Gray, agriculture (American Farm Bureau Federation).
7. Charles A. Turner, lace curtains (American Association of Lace Curtain Manufacturers).
8. John Adams, labor (Amalgamated Lace Operatives of America).
9. N. G. Robertson, jr., lace (Scranton Lace Co.).
10. Henry S. Bromley, lace (North American Lace Co.).
11. James A. Farrell, general business (United States Chamber of Commerce), steel industry.
12. William L. Wilson, pulp and paper (Champion Fibre Co.); Florida business (Florida State Chamber of Commerce).
13. T. W. Kennedy, iron and steel (Mystic Iron Works).
14. Stuart B. Copeland, pulp and paper industry (Eastern Manufacturing Co.), American Paper & Pulp Association.
15. W. J. Gillian, pulpwood producers.
16. John R. Joyce, textiles (Philadelphia Textile Manufacturers Association).
17. John Higgins, labor (lever section, Lace Operatives of America).
18. R. H. Goebbel, rubber industry (the Rubber Manufacturers Association (Inc.)).
19. Edward H. Cooley, fishing industry (Massachusetts Fisheries Association).
20. J. F. Callbreath, mining (American Mining Congress).
21. J. Carson Adkerson, manganese industry (Manganese Producers Association).
22. James A. Emery, manufacturers (National Manufacturers Association).
23. John A. Simpson, farmers (National Farmers Union).
24. John E. Walker, plastics industry (Pyroxylin Plastic Manufacturers Association).
25. Charles Green, lumber (Southern Pine Association).
26. Julian W. Curtis, sporting goods (A. G. Spaulding & Bro.).
27. Warren N. Watson, chemical industry (Manufacturing Chemists Association).
28. J. J. Underwood, fishing (Association of Pacific Fisheries; Northwest Salmon Canners Association).

Does your statement "hold water" when the above facts show that agriculture, labor, the Chamber of Commerce of the United States, and the National Association of Manufacturers, besides 15 specific principal industries (other than pulp and paper) are asking for this legislation?

The opposition from industry consisted only of the importers—whose position is so obvious as to require no comment—a certain element of the paper industry (mostly cardboard manufacturers) which opposes a duty on wood pulp and our own association. Witness the following from the Ways and Means Committee calendar.

1. James W. Bevans, importers (National Council of American Importers and Traders).
2. Stevenson Masson, importer and customshouse broker.
3. Elisha Hauson, publishers (American Newspaper Publishers' Association).
4. H. P. Christian, paper industry (temporary committee opposing tariff on wood pulp).

Frankly, the only interest any newspaper publisher can have in opposing legislation to correct the depreciated-currency debacle, is a selfish desire to buy its newsprint paper at a lower price. But what will that profit the newspaper publisher? In the process he is contributing to the ruin of the American industries, agriculture, and business on which he is absolutely dependent for his profitable income—his advertising.

The same fallacy exists with respect to the converting paper mill which wants to buy its pulp cheaper. Paper prices are reduced to the new level and he is no better off. He can not hope to eliminate paper competition from the pulp-producing mills. If the situation goes much further their pulp losses will break them, but they will only reorganize, buy foreign pulp and turn into converter mills, and on a recognized basis would be worse competition than some of the present converter mills now believe them. The only accomplishment would be destruction of industry and loss of employment of labor, besides wiping out tremendous values in timberlands and mill properties.

After taking a definite position in any public question, it requires courage and bigness to admit that one's position is wrong, but everyone admires these qualities. By the stand we have taken in this matter we have labeled ourselves "purely selfish," but worse than that we are shortsighted and are headed for the same calamitous end which we are helping to bring upon others—our friends and those upon whom our own prosperity depends.

It is not too late to make amends. Let's unwind, let's throw in the reverse gear and take the proper stand. Agriculture, labor, business, and industry—our customers and the foundation of our business—need our help to get proper legislation to correct the depreciated-currency situation and give them just the same break they used to have in our American markets. Newspaper publishers, we have the courage and bigness to do it. Let's go!

Sincerely yours,

THE BANGOR DAILY NEWS,
FRED D. JORDAN, *Publisher.*

## AN APPEAL FOR WORLD WAR VETERANS

Mr. BROOKHART. Mr. President, I ask leave to have published in the RECORD an address by Senator ARTHUR R. ROBINSON, of Indiana, made over a National Broadcasting Co. network on Saturday night, February 11, 1933, during a program sponsored by the Veterans of Foreign Wars.

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

The roll of drums and the steady beat of marching feet marked the departure 16 years ago of more than 4,000,000 lads who were called to the colors. These lads were the flower of the youth in the land. They had nothing to do with the causes that brought on the conflict. "Theirs not to reason why," theirs only to make the sacrifices, the supreme sacrifice in some cases, that the land of their fathers might not be destroyed by the enemy without.

With light hearts and high purpose these young men entered the conflict. The Nation was in peril. Their duty was to save it. Their future or the ultimate cost of the war was not considered. With the cheers and plaudits of their compatriots ringing in their ears they marched away and plunged themselves into the vortex of danger and catastrophe.

Before leaving their homes a grateful citizenry assured them that their jobs would be waiting for them on their return—that a grateful Republic would "take care of them" for saving civilization.

While these lads were at the front or in the States in training camps waiting the call to go "over there," organized wealth and big business were having a golden picnic at home. While the youth of the land sacrificed, Wall Street was having a glorious time of it—4,000 miles behind the fighting front. Organized wealth kept the home fires burning—for itself.

Profiteers rolled in wealth as millionaires were made literally overnight. Munition manufacturers, Hog Island, and cantonment contractors made war pay and pay with a bang.

The real heroes of the war, the "cannon fodder," received only a small fraction of the cost of the war. This conflict cost America some $36,000,000,000, only 4½ billions of which went to the troops—the men who now are veterans of the war. Practically all of the rest went to the great business interests who were working night and day to make war pay.

It is now nearly 16 years since the lads marched away. We seem to have forgotten in a measure the quality of their sacrifice. These lads no longer hear stirring songs and martial music to inspire them to sacrifice. What do they find? They find that big business, organized wealth, and the Wall Street crowd—those who made war pay—are engaged now in a campaign of villification against the men who wore the uniform—against the men whose sacrifices made swollen fortunes possible.

Why this campaign of defamation against the veteran? Why this hue and cry against giving the veterans their just deserts? The reason big business is making such terrible onslaughts on the veteran from coast to coast is that they—big business and the war profiteers—might be relieved of a few paltry dollars in income tax. They do not know the meaning of sportsmanship. Big business and these villifiers not only are unwilling to pay for their share of the war but, to evade this just obligation, would take pennies from disabled veterans, the widows, and the orphans.

Big business bows down and worships the god, money. To add a few sordid dollars to their unwieldy store, big business would deliberately rob the disabled defenders of the American Republic. Through no fault of their own thousands of veterans are unemployed. In this the fourth winter of the depression we find many veterans who, with their families, would become charges on local charity and local taxing units but for small compensation accruing to them from the Government.

In the midst of this adversity big business continues its drive against the veteran with unrelenting fury. But what does big business care for the economic adversities of the man farthest down? Big business would relieve itself of income taxes and transfer its obligations onto the backs of the farmers and small property owners, already taxed to death. In short, we find that organized wealth is in the saddle and riding hard.

But what is the cost of glory, the price of glory to the veterans? More than 60 veterans' hospitals have made their appearance in the last 12 years. In these 60 institutions upward of 50,000

beds, all occupied and with long waiting lists, have hospitalized more than a million cases, practically one-fourth of those who answered the call to arms in 1917. This hospitalization on a large scale has been necessary because the engines of war and of mass destruction wreak human havoc with such tremendous force.

Experts tell us that the peak of disability will not be reached until 1945. During the next 12 years, then, we shall see other thousands and perhaps hundreds of thousands of our men who think they are sound and healthy enter the grim portals of the hospital. This is the price we pay for war to-day.

All of the casualties did not come from the front-line trenches. Many casualties came from those in training camps who suffered as the result of changed environment, disease epidemics, weakened lungs, different modes of life, and the strict discipline of Army regulations to which young men just out of comfortable homes were unaccustomed.

But the cost of the war mounts—we are impressed with the rising price of glory as we look in retrospect at those fateful years. We left more than 60,000 dead overseas and countless thousands others have been laid to rest in cemeteries on this side.

With the booming voices of the "Big Berthas" stilled and the ceaseless fire of destruction in no-man's land extinguished the war was closed. After the fanfare of homecoming and cheers of the welcoming throngs these heroes of '17 were demobilized into the business, commercial, professional, and industrial fields from which they came. Were their jobs awaiting them? They were not. Many of these lads were disabled and maimed. Some one must pay for this wreck and havoc. This is a national responsibility. With this responsibility comes the question of payment of the adjusted-service certificates.

There should be immediate payment of the adjusted-service certificates. I have supported such action in the Senate. I favor this legislation because I believe it is right. If it is right to be thoroughly grateful to those who have defended the country in its time of peril, now that they are needy and ragged and are asking for clothing and food from the Government, then the payment should be made.

I do not like the term "bonus" with reference to this legislation. It is not a bonus; it is a debt due the men who served in the last war, a debt which has been acknowledged to be a debt by the Government itself. Therefore, I think it is wrong to refer continually to the legislation as a "bonus," as if the soldiers of America were seeking to hold up the Treasury of the United States for something that is not right or something they expected in addition to that to which they are justly entitled.

In favoring this legislation I am anxious that our children who come after us may understand definitely that the country is grateful to those who are willing to defend it with their lives.

What a contrast between the two groups of soldiers who marched down Pennsylvania Avenue in 1917 and in the summer of last year. With erect step tuned to martial music these young men swung down the Avenue to begin their first journey in the series of sacrifices of time, labor, and in many cases their lives. Last summer some of these same young men came back; they came back after 15 years. Again they marched down the historic Avenue. But in this march they were not clad in the trim uniform of '17. Many of them were ragged and wore their old war uniforms. Many had insufficient clothing and many were hungry. This ragged band of patriots represented thousands of ex-soldiers, their buddies with whom they had served, and to whom the United States Government owes not only a debt of gratitude but a debt in cold, hard cash. Gratitude pays no rent, buys no food or clothing.

As soon as the war was over the railroads came to Congress and asked for a bonus—a readjustment of earnings to make them square with the world. Congress paid it immediately. They did not have to wait till 1945. The civilian employees were given a readjustment in earnings—in cash on the spot. They did not have to wait till 1945.

Contractors who had built cantonments all over the land at profit and in perfect safety came and in effect said, "The boys ended the war too soon. They did the job too well. Here we are with contracts on our hands and we will lose money. We need a bonus. We need adjusted compensation." Congress paid it. The big contractors did not have to wait till 1945. They were paid in cash and on the spot.

But how about the war veterans? They found themselves in needy economic circumstances, badly off, attempting to rehabilitate themselves—and many of them have been very badly off since their war-time service. May God have compassion on the thousands who can never be rehabilitated. After the war the boys looked for the promised glory. The man with one leg or with no leg at all seeking money for an artificial limb to replace one shot off in the war; a man sightless, earless, noseless, and the family of the man who was mentally dark and blind wondered about the glory part of it—"Where was the glory?"

It is a rather common thing for those who have never seen war and never been in it to say to the veterans, "Why the country does not owe you a cent; it was an honor and privilege to serve your country!" I wonder how many of the critics would go out and accept some of the promised glory at $30 a month—$1 a day—with little hope of continued existence in this world.

I have always felt that readjustment should have come as soon as the war was over. The need for payment is now more acute than ever before. With hunger and want staring the men and their families in the face, we see in a most disturbing manner the need for payment now. Congress said in effect, "We appreciate your sacrifices and realize that you brought everlasting glory to the Nation. But because you have rendered patriotic service to the Nation we are going to ask you to wait until 1945 for the payment of the debt we admit we owe you."

It was a debt; I repeat—a debt due the day the armistice was signed. The veterans have been asking Congress to pay this debt. But the powers of money and of Wall Street oppose this payment. They say the Budget must be balanced. Balance the Budget? How often we have heard these words used to excuse the ingratitude of Congress! It seems to me to be elementary that with a debt of more than $2,000,000,000 due and unpaid, a debt that was due November 11, 1918, hanging over the head of the Government, the Budget can not be balanced; with that arrearage there can be no balancing until the debt is paid. The best way to balance the Budget is to pay the debt owed and get even and square with the board and at the same time do justice to the veterans.

And let me remind those who are reviling the veterans that thus far adequate provision has not been made for the widows and orphans. To paraphrase the words of a great American, the Nation's wounds can not be adequately bound up until we have generously provided for the dependents of those who have made the supreme sacrifice. War is costly; and so long as nations continue to indulge in war, they must pay the price.

In the campaign to discredit the veterans of America we find the National Economy League leading the attack. This is indeed an interesting organization, as the managing director, Henry H. Curran, who receives a salary of $15,000 a year, reveals. The league was begun last May, organized in July, and incorporated in November. The total amount of contributions for this short period in 1932 was about $200,000. The director said in testifying before the joint congressional committee on veterans' affairs that 17 contributors gave a total of $35,100. He gave the committee their names; and if you will examine the list submitted, you will find that those contributors are among the wealthiest citizens of the Republic. With its far-reaching influence, the National Economy League proposes to reduce the benefits of many thousands of disabled veterans to the extent of several hundred million dollars. In short, the Economy League purposes to charge as much as possible of the depression to the defenders of the Nation.

In his testimony before the joint committee Mr. Curran said: "The next thing to stop is the payment of the people's money to hundreds of thousands of men who were lucky enough to have the honor of wearing the uniform in the World War but who came out of the war without a scratch and in better health than they ever were before. Our people should be and always will be generous to a fault in taking care of the veteran who is hurt in the service or because of his service establishment. This is a special dole to special veterans who take sick and get a little old in the piping times of peace, long after the war is over."

Note the magic phrase, "piping times of peace." Mr. Curran in making this statement was apparently oblivious of the fact that we are in the midst of the worst depression in history. With thousands unable to find work, many are largely dependent on the meager allowances received from the Government for their existence. "Piping times of peace!" To hear some of the speeches and to read some of the propaganda of the National Economy League one would think the veterans were a lot of riffraff interested only in raiding the Treasury.

You know that many on the list of that organization are themselves receiving princely gratuities from the Government and some are earning lucrative pay besides from private concerns.

My comrades and friends, we should awaken to what is going on in the ranks of big business. American citizens should arise and in their righteous wrath condemn in unmistakable terms all of those who go up and down the country defaming the Nation's defenders.

It has been the custom of this country to be just to the veterans of all our wars and to their dependents. This policy must be continued. This Republic must show itself mindful of the sacrifices of the soldier, grateful to those who helped preserve the Nation—the veteran must not be relegated to the ranks of the "forgotten man." I go farther. A nation which does not deal generously and considerately with those who have worn the uniform in times of peril does not deserve to be defended if war comes.

In this depression we are looking for means to help alleviate the miserable conditions in which we find the country. One of the greatest needs is more purchasing power and not less. The policy espoused by the Economy League would only prolong the depression and would not help to the slightest degree. The plans and designs of the league are not only unwise, they are unjust and cruel. An aroused public opinion will soon make that fact plain to the propagandists who ply their trade in every State.

The laws under which existing benefits to veterans of all wars are administered are just. We must take no backward step that would endanger the benefits or vested rights of these veterans.

In conclusion, may I say that virile national policy is at stake. In order to have defenders of the Republic in times of danger oncoming generations must be impressed with the fact that when they are called upon to preserve the Republic, they and their dependents will not be forgotten. This is a time when events cry out for justice to the disabled veterans of America—a demand for justice which will be made known far and wide to the Congress and by the people in terms that no man dare challenge.

### LABOR CONDITIONS ON HOOVER DAM

Mr. ODDIE. Mr. President, I intend to discuss for a short time a matter of great importance, and that is the opera-

tions and labor conditions at Boulder Dam, or what is now known as Hoover Dam in Boulder Canyon.

HOOVER DAM CONDITIONS DEMAND INVESTIGATION

The principal difficulties which have arisen in the course of constructing Hoover Dam are as follows:

First. Failure of the contractor, the Six Companies (Inc.), to comply with the mine safety laws of Nevada, which has unnecessarily subjected the men employed to extraordinary risks, resulting in serious loss of life and limb and impairment of health.

Second. Failure of the contractor, the Six Companies (Inc.), to pay its just taxes, thus subjecting Clark County and the State of Nevada unfairly to extraordinary expenses.

Third. Monopolization and exploitation of business and "sweating" labor by the contractor, the Six Companies (Inc.), and its subsidiary, the Boulder City Co.

After careful personal investigation of complaints during the summer of 1931 I found these serious conditions to exist, and upon further investigation in 1932 I found them to have become seriously aggravated.

The Hoover Dam project is the largest ever undertaken in the history of the country, and it is vitally important that the work be conducted on the highest plane of American custom and practice and its administration be in strict conformation with the Constitution and laws of the United States.

Furthermore, it is also vitally important that the work should be so administered and conducted as not in any way to infringe upon the sovereignty of the State of Nevada. The American people in the first instance would object if the work were not so administered and conducted, and in the second instance the State of Nevada would be unjustly and unnecessarily damaged, and the good will which should exist between the State and the Nation would be seriously impaired. An immediate investigation should be made as a basis for correcting these conditions.

I. FAILURE TO COMPLY WITH MINE SAFETY LAWS

Because it affects the health and safety of the men employed in the construction of Hoover Dam and works, the most serious condition of which complaint has been made is the failure of the contractor, the Six Companies (Inc.), to conduct the work under the provisions and inspections of the mine safety laws of the State of Nevada. Section 4229, Nevada Laws, 1929, forbids the use of gasoline underground, excepting under certain prescribed limitations. On November 7, 1931, A. J. Stinson, mine inspector of the State of Nevada, ordered the Six Companies (Inc.), the contractor, to cease using gasoline-propelled trucks in the removal of rock from tunnels then being driven. As a result of this order the Six Companies (Inc.) instituted suit on November 13, 1931, to enjoin A. J. Stinson, Nevada State mine inspector, from interfering with the use of gasoline trucks in driving tunnels.

The suit of the Six Companies (Inc.) is predicated largely upon the attempt of the Secretary of the Interior to create a Federal reservation of exclusive jurisdiction—the so-called Boulder Canyon project Federal reservation. Another claim by the Six Companies (Inc.) is that the application of the mine safety laws of Nevada would constitute an interference with a Government instrumentality. There is no apparent adequate constitutional or legal basis for the action of the Secretary of the Interior in attempting to create an exclusive jurisdiction reservation, and it can not seriously be held that the application of the mine safety laws of the State of Nevada would be an interference with a Government instrumentality. Before concluding I shall go into the constitutional and legal aspects of the situation.

The conclusion is inescapable that the Six Companies (Inc.) aided by the Secretary of the Interior, and the Department of Justice, representing the Government as amicus curiæ, by attempts to locate an exclusive jurisdiction reservation and by this suit, sought to delay a settlement of the issue until the work was completed and excessive profits made at the expense of the life and health of the men employed.

In the decision of the court granting a temporary injunction in favor of the contractor, the Six Companies (Inc.) thereby permitting the use of gasoline trucks in the excavation of the tunnels, it is stated that in its complaint the Six Companies (Inc.) contends the delay in using other than gasoline trucks would amount to $1,500,000, exclusive of other material damage. The Six Companies (Inc.) in the complaint, also alleged that its investment in gasoline-propelled trucks amounted to $300,000. I will later on in this statement show the misleading character of the above statements of the Six Companies (Inc.) in which the Secretary of the Interior has concurred.

To prevent further interference with the application of the mine safety laws of Nevada, I introduced a bill on January 7, 1932 (S. 2885). In a letter of April 12, 1932, addressed to Senator JOHN THOMAS, chairman of the Senate Committee on Irrigation and Reclamation, by the Secretary of the Interior, in which he opposed the enactment of my bill, he made the following statement:

> The United States claims exclusive jurisdiction within this reservation, and any interference therewith would hinder the construction of Hoover Dam and might increase its cost. Litigation is now under way in the Federal courts to determine the question of whether the State of Nevada has authority to enforce its mining operation laws within this area. These laws, if enforced, would have radically altered the methods of excavation of the large diversion tunnels and would have materially increased the cost of them and slowed the work.

The Secretary of the Interior was willing to afford the Six Companies (Inc.) every assistance in reducing its cost of construction at the expense of the safety and health of the men employed on construction. Nowhere in the correspondence of the Secretary of the Interior is found a reference which indicates that he had given any thought to the safety and welfare of the labor employed. His great solicitude has been in favor of assisting the Six Companies (Inc.) in increasing their profits by employing cheaper methods of construction. Such excess profits would of course inure exclusively to the benefit of the Six Companies (Inc.), the contractor, which obtained the contract on fixed bid. The Government was in no way benefited by this extraordinary procedure which saved the company funds at the expense of the life and health of the men it employed. Furthermore, there is plenty of evidence to show that the observance of the State mine safety laws would not have necessarily increased materially the cost of or delayed the work, as claimed by the Secretary of the Interior and the Six Companies (Inc.).

Gov. Fred B. Balzar, of Nevada, informed me of the serious conditions prevailing at Hoover Dam because of the action of the Six Companies (Inc.) and the Secretary of the Interior in preventing the application of the mine safety laws of Nevada in a letter of November 24, 1931. I quote the following statements from this letter, which bear specifically upon the question of the safety and welfare of the men employed:

> In addition, may I suggest the desirability, if amendments to the Boulder Canyon project act are proposed, to add provision allowing the State to enforce its safety and industrial insurance laws within the bounds of Federal reservations.
>
> I do not know whether you are advised that the Six Companies have caused an injunction to be served on State Mine Inspector Stinson, restraining him from enforcing mine inspection laws, and the latter is to be heard in the United States district court on December 12.
>
> * * * * * * *
>
> It is quite patent that congressional action should be had in the matter at the earliest possible moment, because under the terms of the restraining order no enforcement of the State labor laws is possible, nor any inspection of conditions looking to the safeguarding of lives.
>
> You are no doubt aware that more than a dozen fatalities have already occurred on the Arizona side, due, so I am advised by Mine Inspector Stinson, to a lack of supervision and inspection as to the safety of men and proper working conditions.
>
> On the contrary, but two fatalities have happened on the Nevada side, although there are more than five times as many employees on our side of the line, due to the close inspection and enforcement of our safety laws.
>
> I know of no reason why specific legislation should not be enacted authorizing the States of Arizona and Nevada to enforce the State laws for the protection of labor and for their industrial protection * * *.
>
> * * * * * * *
>
> I will be glad to keep you advised of the progress of litigation, but hope that the necessary amending legislation can be enacted

which will take the entire matter out of the hands of the court and give the States the right to enforce their laws.

If the hands of the States are to be tied by injunction pending hearings in court, appeals from decisions at the convenience of interested attorneys, awaiting judgments in the matter, one can be very sure that the entire Boulder Canyon project will be completed before a final decision is rendered by the courts.

You have my cordial good wishes for success in the entire matter, and I shall be glad to have you keep me advised of the progress being made.

The contract of the Government with the Six Companies (Inc.) was signed March 11, 1931, and contains no reference to the contemplated efforts of the Secretary of the Interior to create an exclusive-jurisdiction Federal reservation for the purpose of relieving the contractor of responsibility and obligation to carry on the work of construction under the provisions of the Nevada mine safety laws and the supervision of the State mine inspector. Not until May 19, 1931, did the Secretary of the Interior, without any adequate legal authority in the Boulder Canyon project act or other statutes, attempt to take advantage of a general law passed in Nevada in 1921 long before the present Boulder Canyon project act was contemplated. Furthermore, the Six Companies (Inc.) carried on the work under the provisions and inspections required under the Nevada mine safety laws from its beginning up to November 13, 1931, when the company instituted suit to enjoin the mine inspector of Nevada from the enforcement of the laws. From these facts it would seem apparent that the attempt of the Secretary of the Interior to create an exclusive-jurisdiction reservation at Hoover Dam was an afterthought and a subterfuge to relieve the Six Companies (Inc.) from its just and legal obligations to comply with the mine safety laws of Nevada.

It should be pointed out that Nevada is one of the leading mining States. Some of the largest and most successful mining operations in the world have been conducted in the State. Its mine safety laws are based upon the soundest practice, and the mine operators of the State have willingly cooperated in every way with the State mine inspector in carrying them into effect. Among the Nevada mine operators are some of the ablest and most successful engineers and executives to be found in the world. This has resulted in a minimum of accidents and in the highest possible efficiency of operation, as the records will show. Furthermore, there is no valid reason why the Six Companies (Inc.), an outside corporation coming into the State of Navada to develop this huge enterprise, should not only comply with the mine safety laws of Nevada but also should welcome the supervision and advice of the State mine inspector, as have all other operators in Nevada, in order to afford the greatest care in safeguarding the lives and health of the men in its employ.

Since November 13, 1931, when the Six Companies (Inc.), with the assistance of the Secretary of the Interior, secured a temporary injunction forbidding the mine inspector of Nevada from applying the State mine safety laws, the contractor, the Six Companies (Inc.), has not only violated the Nevada mine safety laws but also decision No. 19 of the mine safety board of the United States Bureau of Mines. The Secretary of the Interior should have followed the rules and regulations of the Federal Bureau of Mines against the use of gasoline-propelled engines and gasoline in tunnels under construction and should not have permitted, encouraged, and aided the Six Companies (Inc.), the contractor he selected for this work, to violate this decision. There is, furthermore, no reason why the Six Companies (Inc.), on its own initiative, should not have conformed to this regulation of the United States Bureau of Mines in this great Government enterprise. It is obvious that both the Secretary of the Interior and the Six Companies (Inc.) have, in violating decision No. 19 of the Federal Mine Safety Board, subjected the men employed in the construction of Hoover Dam to extraordinary risks of life and health, and the report of State Mine Inspector A. J. Stinson indicates that far greater casualities and losses were sustained because of the violation of Federal decision No. 19 and the mine safety laws of Nevada.

The following is a copy of the United States Bureau of Mines Mine Safety Board decision No. 19:

CONCERNING INTERNAL-COMBUSTION ENGINES IN UNDERGROUND WORK

In the interest of safety, the United States Bureau of Mines recommends that:

(1) Internal-combustion engines should not be used in any parts of mines and also should not be used in tunnels under construction because of the hazard of carbon monoxide in the exhaust gases, except:

(a) When the air current is more than 100 linear feet per minute and the toxic gases are always less than 0.02 per cent in the air current.

(b) When the percentage of inflammable gas in the air current is less than 0.25 per cent and/or inflammable gas can not be detected in any place by a permissible flame safety lamp.

(2) Gasoline or other highly inflammable liquids should not be used for engine fuel in mines and in tunnels under construction because of the hazard of their transportation and use.

A letter addressed to me on January 5, 1933, by A. J. Stinson, inspector of mines, State of Nevada, reports on the conditions under which the Six Companies (Inc.), carried on the construction work, and includes a list of fatal accidents sustained by the labor employed from May 1, 1931, to November 13, 1931, the period before the injunction was served, and from November 13, 1931, to December 31, 1932, since the injunction was issued. From this table it will be found that for the period May 1, 1931, to November 13, 1931, when the mine safety laws of Nevada were being enforced, only three fatal accidents occurred, and these were all caused by premature explosions.

During the period November 13, 1931, to December 31, 1932, the period in which the Six Companies (Inc.), violated the Nevada mine safety laws and also Decision No. 19 of the Federal Mine Safety Board, there were 22 fatal accidents. Three of these fatal accidents were caused by premature explosions, while the causes of the remaining 19 deaths are so varied as to indicate general disregard of the safety of life and limb and gross carelessness.

In accordance with the records of the Nevada industrial commission for the 8-month period prior to November 13, 1931, when the mine inspector was enforcing the mine safety laws of the State of Nevada, there occurred 121 nonfatal accidents, while for the 14½-month period which has transpired since the mine inspector was enjoined from enforcing the mine safety laws of the State of Nevada, there have occurred 756 nonfatal accidents, or more than six times as many. This is a further indication of the utter disregard for the life and welfare of labor with which the Six Companies (Inc.) is conducting its work at Boulder Canyon, and emphasizes further the necessity for enforcing the mine safety laws of the State of Nevada at the earliest possible date.

I ask to have printed in the RECORD at this point the letter from Mr. A. J. Stinson, inspector of mines for Nevada.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, it is so ordered.

The letter referred to is as follows:

STATE OF NEVADA,
INSPECTOR OF MINES,
*Carson City, Nev., January 5, 1933.*

Hon. TASKER L. ODDIE,
*United States Senator, Washington, D. C.*

MY DEAR SENATOR ODDIE: Your letter of inquiry with regard to injuries and deaths occurring in the Boulder Dam project operations received and contents noted.

With reference to the above I have had the industrial commission make out a list of all the fatal and serious accidents which have occurred at Boulder Dam since they took over the accident insurance of the Six Companies. I have also checked their list of accidents with the records of this department and find that the two correspond. You will please find this list inclosed.

As you know, this department took over the inspection and the enforcement of the safety laws for Nevada on May 1, 1931. On November 13 the Federal court served a restraining order on me and also placed me under a temporary injunction. This case was submitted to the court several months ago, but as yet we have not received a decision. Our records show that from May 1 to November 13 two fatal accidents occurred in and around the tunnels on the Nevada side, and 12 fatal accidents on the Arizona side. Also, during that period there were 4 to 1 more men working on the Nevada side. Since November 13, the date the injunction was served, you will note that the Six Companies have had 22 fatal accidents.

It appears to me that after a careful study of the records and reports as to the causes of the accidents, that the Six Companies have been very negligent in the proper inspection and enforcement of the laws and regulations. In many, many cases they have disobeyed the safety laws of our State. I will draw your attention to the fatal accident of C. Bennett. This man was employed as a miner in tunnel No. 1, and was working on the swing shift, going off work at 11.30 at night. A round of holes was blasted before the men went off shift, and the evidence showed that the deceased helped load the holes. Next morning one of the engineers was looking for a point, which was situated close or in the muck pile, and while doing so found the body of the deceased. In the case of R. R. Petticrew, who was working as pitman and who was electrocuted by a short on the drag line, the evidence showed that several of the employees received shocks while standing on the ground a distance of 15 feet from the drag line. Similar shocks had been received several days previous to this accident. The body of Ben Johnson, who was drowned in the water tank, was not found until four days after the accident. The reports show that in many other such cases there was evidence of carelessness in the enforcement of the rules and regulations.

Six hundred and twenty-one men have, and are now receiving compensation from the Nevada Industrial Commission as a result of nonfatal and minor accidents

According to a newspaper report, which reached the office on Tuesday, 25 men were injured in a skip crash on the Arizona side.

If you desire any further information please do not hesitate to call on me.

Very truly yours,

A. J. STINSON, *Inspector of Mines.*

*Fatal accidents*

MAY 1, 1931, TO NOVEMBER 13, 1931, DATE INJUNCTION WAS SERVED

| Name | Nature of accident | Burial place |
|---|---|---|
| Olsen, Fred (Lewis Construction Co.) | Premature explosion | |
| Bryant, William (Six Companies). | do | Las Vegas, Nev. |
| Sweesey, John P. (Six Companies). | do | Do. |

NOVEMBER 13, 1931, DATE INJUNCTION WAS SERVED, TO DECEMBER 31, 1932

| | | |
|---|---|---|
| Manning, Frank (Six Companies). | Premature explosion | Las Vegas, Nev. |
| Sidmore, M. J., (Six Companies). | Powder explosion | Do. |
| McDaniel, S. A., (Six Companies). | Fell from scaffold | Frederick, Okla. |
| Talbert, Joe (Six Companies) | Struck by shovel | Ada, Okla. |
| Johnson, Ben (Six Companies) | Found drowned in water tank at mixing plant. | Las Vegas, Nev. |
| George, A. O. (Six Companies) | Working on truck at repair shop, when another truck struck him. | San Diego, Calif. |
| Bennett, C. (Six Companies) | Powder explosion, No. 1 Tunnel. | Las Vegas, Nev. |
| Blevins, L. S. (Six Companies) | On way to work, killed in automobile accident. | |
| McBride, L. N. (Six Companies). | Caught by tag line skip and thrown from cofferdam. | Hyrum, Utah. |
| Lynch, Albert (Six Companies) | Working on jumbo scaler, large rock fell and struck scaffold, and threw him to bottom of tunnel. | Las Vegas, Nev. |
| Abercrombie, John (Six Companies). | On way to work on truck, when another truck hit them. | Cushing, Okla. |
| Joyce, Ben S. (Six Companies) | Entering tunnel No. 1, struck by falling rock from spillway dump. | Sheridan, Wy. |
| Willis, Hiram A. (Six Companies). | Short on rail, electrocuted | Ely, Nev. |
| Bishop, E. A. (Six Companies) | Driving dump truck when truck struck a rock and went over the bank. | Las Vegas, Nev. |
| Girardi, Alexander (Six Companies). | Working as scaler, lost balance and fell from incline. | San Francisco, Calif. |
| Gammill, E. H. (Six Companies). | Premature explosion | Las Vegas, Nev. |
| Kemnitz, Vincent I. (Six Companies). | Working as jackhammer man, crushed by falling rocks. | Do. |
| Millay, James L., also known as Roberts, James (Six Companies). | Struck on head by falling rock | Do. |
| Goss, Louie (Six Companies) | Working as scaler, slipped and fell. | Cedar Gap, Mo. |
| Soderstrom, Carl (Six Companies). | Crossing river on raft, which upset. Deceased went down for last time 6 feet from Nevada bank. | Body not recovered. |
| Petticrew, R. R. (Six Companies). | Short in cable reel of dragline, electrocuted. | Denver, Colo. |
| Shovlin, Dan (Six Companies) | Struck by truck | |

Total of 621 nonfatal accidents, according to Nevada Industrial Commission.

Mr. ODDIE. Mr. President, competent evidence of the violation by the Six Companies (Inc.), of the Nevada mine safety laws and Federal decision No. 19 issued by the Mine Safety Board of the United States Bureau of Mines is contained in a telegram from A. J. Stinson, inspector of mines for Nevada, addressed to me under date of January 10, 1933, which I quote as follows:

In driving tunnels Six Companies did use internal combustion engines and as many as 12 large-horsepower gasoline trucks and 2 gasoline-driven tractors operating at one point at one time in the tunnel. On November 7, 1931, the following recommendation was served on the Six Companies (Inc.), Boulder City, Nev. Notice is hereby given that after careful examination of the premises known as Hoover Dam and operated by said corporation, particularly large tunnel No. 2, in the course of construction on Nevada side, Colorado River, in connection with the construction of Hoover Dam, Boulder Canyon, Clark County, Nev., I make the following recommendations: That gasoline be not used in any manner inside large tunnels or underground workings; that if trucks or other vehicles propelled by gasoline or by use of gasoline in any manner whatsoever are being used in the construction of said tunnels, then and in that event the use of all such trucks and vehicles so propelled be discontinued at once for the reason that the use of such trucks or vehicles inside said tunnels or underground workings is in clear violation of the laws of the State of Nevada, particularly section 4229, Compiled Laws, Nevada, 1929 and 1931 Statutes, Nevada, chapter 167, pages 274–275. Without delay cause these recommendations to be carried out in order to make said premises safe for employees. Six Companies (Inc.) did and are now violating the above section of the State law, which means a detriment to the lives and limbs of the men employed therein. The following telegram was received from the Bureau of Mines engineers: "Oppose the use of fuel-burning engines or locomotives in mines and tunnels, signed O. P. Hood, Acting Director." The affidavit of Fred Lowell, mining engineer and inspector California Industrial Accident Commission, and that filed by Philip Samuel Williams, state that at a point 500 feet from the portal of lower No. 2 tunnel the air contained 0.3 per cent carbon monoxide. The affidavit of Duschak states that 0.2 per cent carbon monoxide was recorded at the top of the muck pile two and one-half hours after round of holes had been blasted. If the air containing 0.2 per cent carbon monoxide were breathed continuously for a period of 30 minutes, the result would probably be fatal. John Dougherty *v.* Six Companies (Inc.) complained that for many weeks prior to and on the night of March 31 the defendant negligently caused many large gasoline trucks to be run in and out of said tunnel No. 2, discharging large quantities of carbon monoxide through the motor exhausts in quantities sufficient to and did actually endanger the health of the plaintiff by being overcome with carbon monoxide gas, etc.

With reference to the claim of the Secretary of the Interior that conformance with the Nevada mine safety statutes would increase the cost of the dam to the Government in accordance with a letter previously quoted, I submit for the RECORD a telegram of January 12, 1933, from A. J. Stinson, inspector of mines for Nevada, setting forth the facts, as follows:

Replying to your wire of to-day, the claim of the Secretary of the Interior that economy to the National Government was effected by preventing the application of State mine safety laws as to gasoline-propelled trucks in tunnels in the so-called Boulder Canyon project Federal reservation is absolutely ridiculous, because contract between the Six Companies and the Federal Government specifying definitely the entire contract price for construction of the entire project, including tunnels, was signed long before the controversy arose, and the price therein specified was not subject to increase, and because haulage in and from the tunnels was largely done by rented trucks and under yardage contract price made after the Six Companies knew the use of gasoline under ground in tunnels was prohibited by State law, and because the Six Companies could have purchased and rented electrically propelled haulage equipment instead of gasoline-propelled trucks and operated the same as economically as it operated gasoline-propelled trucks. Unquestionably the National Government could not have been injured and the cost of construction would not have been increased by the enforcement of State laws. If the Six Companies had rented or purchased electrical haulage equipment instead of gasoline-propelled equipment in the beginning, there would have been no additional cost even to it and certainly none to the National Government.

As evidence that the Secretary of the Interior had obtained the cooperation of the Department of Justice in behalf of the Six Companies (Inc.), a private corporation, I submit a letter addressed to me by the Attorney General, January 26, 1933, from which I quote the following:

In reply to that letter and on November 27, I advised the Secretary of the Interior that the United States attorney would be directed to render all possible assistance to the contractors in this case.

The entire letter is as follows:

JANUARY 26, 1933.

Hon. TASKER L. ODDIE,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR: Your secretary has inquired concerning the circumstances with respect to the attitude of the United States

in connection with the action now pending in Nevada brought by the Six Companies for the purpose of restraining the officials of Nevada from various acts.

This matter was referred to me by the Secretary of the Interior in a letter under date of November 23, 1931, and in that letter the Secretary of the Interior requested that the United States attorney for Nevada be directed to appear as amicus curiæ, or to take such other measures as may be advisable for the protection of the interests of the United States. In reply to that letter and on November 27, I advised the Secretary of the Interior that the United States attorney would be directed to render all possible assistance to the contractors in this case. Thereafter, and on December 2, the United States attorney was instructed to keep in touch with such litigation, but not in any official capacity. He was instructed to make no official appearance in the litigation. Thereafter, and on December 28, 1931, he was advised that there was no objection to the filing of an amicus curiæ brief by the United States attorney.

The position of the United States, therefore, in this litigation is as above indicated, and it is not a party to the litigation itself. I have no recent information as to the status of this matter. I trust this will give you the information you desire.

Respectfully,

WILLIAM D. MITCHELL,
*Attorney General.*

It will be noted in the foregoing letter from the Attorney General that the Secretary of the Interior finally obtained the consent of the Attorney General to the filing of an amicus curiæ brief in the case of the Six Companies (Inc.), the private contractor, against A. J. Stinson, Nevada State mine inspector. In this way the Secretary of the Interior provided Federal counsel to assist in defending the Six Companies (Inc.) without any cost to the company, or, to put it another way, at the expense of the American taxpayer. Since the Bureau of Reclamation is in the Department of the Interior it was a simple matter for the Secretary of the Interior to order the counsel of the Reclamation Service to file an amicus curiæ brief in this case and further aid the Six Companies (Inc.), the private contractor, by supplying Government legal assistance at no cost to the company, the bill being paid by the American taxpayer.

Furthermore, the Secretary of the Interior, in attempting without adequate legal authority to create the Boulder Canyon project Federal reservation, and the court, in issuing the injunction which prevented the enforcement of the mine safety laws of the State of Nevada within the reservation and in violating decision No. 19 of the Federal Mine Safety Board, are jointly responsible with officials of the Six Companies (Inc.) for the heavy loss of life and impairment through accident or health which the men employed in the construction of Hoover Dam have suffered because of a failure to comply with the provisions of the mine safety laws of the State of Nevada and decision No. 19 of the Mine Safety Board of the United States Bureau of Mines. Attention has already been called to the fact that 22 deaths have occurred since the injunction went into effect, and in addition 756 men have sustained nonfatal accidents and injuries and are now receiving compensation from the Nevada Industrial Commission.

In not having been compelled to comply with the provisions of the mine safety laws of the State of Nevada which call for frequent inspections of the work and careful supervision of the methods employed, it is obvious that the Six Companies (Inc.) has utterly disregarded safeguarding the lives and health of the men employed by them in the construction work. It is, therefore, very important that this question be investigated immediately and the Six Companies (Inc.) be compelled to comply with the mine safety laws of the State of Nevada. Unless this is done promptly thousands of lives will be unnecessarily subjected to extreme risks and hazards, and it can be safely assumed that unless this is done promptly further lives will be unnecessarily lost; that many more accidents will occur; and that the health conditions will become still more serious, as a large part of this gigantic enterprise has not yet started. In allowing these conditions to prevail the contractor, the Six Companies (Inc.), will be permitted through cheaper and far more dangerous methods of construction to continue to create huge excess profits wholly at the expense of the life, health, and welfare of the labor it employs.

It is time that Congress should take up this important matter without delay and prevent the Federal Government from further participating in conditions which constitute a serious blot on the Government's record and which the American people will not tolerate and at which they will rebel when the facts are brought to their attention.

II. FAILURE OF SIX COMPANIES (INC.) TO PAY TAXES

The second serious condition which has arisen in connection with the construction of Hoover Dam is the failure of the Six Companies (Inc.) to pay its just taxes to Clark County and the State of Nevada.

The contract to do certain construction work at Hoover Dam was let by the Secretary of the Interior representing the Federal Government to the Six Companies (Inc.), the lowest bidder, on March 11, 1931. The specifications, advertisement for bids, and the contract contain no provision that the contractor would not be called upon to pay the necessary and just taxes to Clark County and the State of Nevada, and it therefore becomes apparent that the contractor included such taxes in the bid submitted to and accepted by the Secretary of the Interior.

Reference in the specifications is made to a payment by the contractor to the Federal Government of $5,000 a month for the rental of ground, the installation of the water supply, and the contractor's share in the cost of administering the town of Boulder City. This can not be construed as a payment by the contractor in lieu of county and State taxes, as the payment is confined to municipal affairs and is largely for ground rental and reimbursement to the Government for the installation of the water supply.

Not until May 19 did the Secretary of the Interior, without any adequate statutory authority, attempt to take advantage of a Nevada law passed in 1921, before the Boulder Canyon project act was considered by Congress, to create a reservation of exclusive Federal jurisdiction. It would seem from these facts that the question of attempting to relieve the Six Companies (Inc.) of the payment of taxes was an afterthought, and it is obvious that the Six Companies (Inc.) and not the Government would benefit by the excess profit created through relief from tax payments to Clark County and the State of Nevada.

In the injunction suit filed by the Six Companies (Inc.) to restrain the assessor of Clark County from the assessment on its property within the county, principally located at Boulder City, two principal grounds are cited:

First. That the State of Nevada has relinquished jurisdiction over certain territory in the said county of Clark designated by the Secretary of the Interior as Boulder Canyon project Federal reservation, within which territory the property sought to be taxed is situated and its employees reside.

Second. That plaintiff is an instrumentality or agency of the Federal Government, hence its property used for the purpose of the construction of such dam, plant, and works is not subject to taxation by the authorities of the State of Nevada.

In regard to the question of relinquishing jurisdiction, the act of the State of Nevada which is cited in this case was passed in 1921, many years prior to the enactment of the Boulder Canyon project act, and therefore the Legislature of the State of Nevada could not have passed upon the question of jurisdiction of the land withdrawn by the Secretary of the Interior and which he has attempted to create as a reservation of exclusive jurisdiction. In the second place, there is no provision made either in the Boulder Canyon project act or in the reclamation laws or otherwise which gives the Secretary of the Interior authority to take advantage of a State statute. Where the land has not been acquired by the Government since the State entered the Union, as in this case, the general procedure, in accordance with precedent, demands independent action by the Congress of the United States in accepting a State's offer to cede jurisdiction and on the part of the State in providing for a cession of jurisdiction with regard to a specified area.

In order to expedite consideration, I addressed a letter to the Legislative Reference Bureau of the Senate on July 20, 1932, requesting that during the summer a thorough investigation be made of the constitutional and legal premises upon which the attempted creation by the Secretary of the Interior of the so-called Boulder Canyon project Federal reservation might be predicated. I submit this letter for the

RECORD at this point and ask that it may be printed as a part of my remarks.

There being no objection, the letter and inclosure were ordered to be printed in the RECORD, as follows:

JULY 20, 1932.

Mr. CHARLES F. BOOTS,
*Chief Legislative Reference Bureau,*
*United States Senate, Washington, D. C.*

DEAR MR. BOOTS: Inclosed herewith is a copy of S. 2885, which I introduced on January 7 for the purpose of conserving the jurisdiction of the State of Nevada in the Boulder Canyon project Federal reservation with regard to taxation, the franchise, labor and mining laws, and penal laws of the State.

In my testimony before the Committee on Irrigation and Reclamation I eliminated section 2 of the bill, and during the summer I shall greatly appreciate your cooperation in causing an investigation and report to be made with reference to the legal aspects of the bill which I have introduced, as above, showing as fully as possible the limitations under which the Secretary of the Interior may operate constitutionally to create a reservation under the Boulder Canyon project act which would in any way interfere with the application of State laws as above outlined to such reservation.

In connection with this investigation I am inclosing herewith the briefs which have been submitted by the United States Government as amicus curiæ, the State of Nevada, and the plaintiff, The Six Companies (Inc.), which have been filed in cases now pending before the District Court for the District of Nevada.

You are already familiar with the hearings which were conducted before the Committee on Irrigation and Reclamation and the testimony which was submitted, and this should be taken into consideration in your investigation of the subject.

It is my intention to press for early action on S. 2885 at the beginning of the next session of Congress, and it will be very helpful if your report can be made available at that time.

When they have served your purpose, I shall greatly appreciate your returning the briefs submitted by the State of Nevada.

Sincerely yours,

TASKER L. ODDIE.

S. 2885

A bill providing for the application of State laws within the Boulder Canyon project Federal reservation

*Be it enacted, etc.*, That the establishment by the Federal Government of the Boulder Canyon project Federal reservation shall in no way interfere with the sovereign powers of the States of Nevada and Arizona (including their political subdivisions) within their respective boundaries with respect to (1) the taxation of persons and property, (2) the regulation and control of mining and other industries and employment therein, or (3) the service of process, civil or criminal, and the arrest and punishment of persons charged with offenses against the laws of such States, or with the right to vote of qualified residents on such reservation; and all persons and property within such reservation may be taxed and all industries and industrial employment within such reservation may be regulated and controlled by such States and their political subdivisions to the same extent as if such reservation had not been established: *Provided*, That nothing in this act shall be construed to permit interference with the operations of the Secretary of the Interior in carrying out the provisions of the Boulder Canyon project act.

Mr. ODDIE. In response to the above letter, a report was made under date of December 20, 1932, by the legislative reference bureau of the Senate, which I also submit for the RECORD. I ask that it be printed as a part of my remarks without reading.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MEMORANDUM IN RE STATUS OF BOULDER CANYON PROJECT FEDERAL RESERVATION

This memorandum is submitted in response to your request for a report upon the legal status of the Boulder Canyon project Federal reservation, with a view to a consideration of the applicability therein of the tax, police, and other laws of the State of Nevada.

The Boulder Canyon project Federal reservation was created under the authority of the Boulder Canyon project act (45 Stat. 1057) out of lands within the public domain of the United States and owned by the United States at the time of admission of the State of Nevada into the Union. These lands have been reserved from entry, and purporting to act pursuant to authority claimed to be vested in him by the reclamation laws and the Boulder Canyon project act, and the Nevada statute (post) relating to the ceding of exclusive jurisdiction to the United States of lands within the State, the Secretary of the Interior has filed with the Governor of the State of Nevada a description and plat of the lands. By virtue of these acts the Secretary of the Interior claims that the United States now enjoys exclusive jurisdiction over the area included within the reservation. This contention has been challenged by the State.

TRANSFER OF POLITICAL JURISDICTION NECESSARY

Mere ownership by the Federal Government of lands within the Territorial limits of a State does not entitle it to more than the rights of an ordinary proprietor (United States *v.* Bateman (1888), 34 Fed. 86; Surplus Trading Co. *v.* Cook (1930), 281 U. S. 647), except that the State can not interfere with the use of the lands for governmental purposes (Pundt *v.* Pendleton (1909), N. D. Ga. 167 Fed. 997; United States *v.* Hunt (1927), D. Ariz. 19 F. (2d) 634). Unless there is a retention of political jurisdiction over such lands at the time of the State's admission into the Union such jurisdiction passes to the State, and thereafter the Federal Government can not recover political jurisdiction over such lands unless there is a transfer of such jurisdiction from the State to the United States; nor without such a transfer can the Federal Government acquire jurisdiction over new lands subsequently purchased by the United States (Fort Leavenworth R. R. Co. *v.* Lowe (1885), 114 U. S. 525).

A transfer of political jurisdiction from a State to the United States over lands within the State may be effectuated either (1) in accordance with the provisions of the seventeenth clause of section 8 of Article I of the Constitution, granting to the Congress the power to exercise exclusive legislative authority "over all places purchased by the consent of the State in which the same shall be, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings;" or (2) pursuant to the recognized power of a State and the Federal Government to deal with each other in any way they may deem best to carry out the purposes of the Constitution. (Fort Leavenworth R. R. Co. *v.* Lowe, supra; Chicago & Pacific Ry. Co. *v.* McGlinn (1885), 114 U. S. 542; Benson *v.* United States (1892), 146 U. S. 325; Palmer *v.* Barrett (1896), 162 U. S. 399; Battle *v.* United States (1908), 209 U. S. 36; Western Union Telegraph Co. *v.* Chiles (1909), 214 U. S. 274; Arlington Hotel *v.* Fant (1929), 278 U. S. 439; United States *v.* Unzeuta (1930), 281 U. S. 138; Surplus Trading Co. *v.* Cook, supra.)

*(1) Transfer under seventeenth clause of section 8 of Article I*

The seventeenth clause of section 8 of Article I has been construed to cover only those cases where there has been an actual purchase of lands by the United States with the consent of the State in which they are located. This restricted construction was given to the clause by the Supreme Court nearly half a century ago in the case of Fort Leavenworth R. R. Co. *v.* Lowe, supra, and, with the possible exception mentioned below, the construction adopted by the Lowe case has been uniformly indorsed. (Chicago & Pacific Ry. Co. *v.* McGlinn, supra; Benson *v.* United States, supra; United States *v.* Unzeuta, supra.) In the case last mentioned, which was decided in 1930, the court, in deciding whether the Federal Government had jurisdiction over a certain right of way through the Fort Robinson Military Reservation, in Nebraska, recognized this limitation placed upon the provision. The court said:

When the United States acquires title to lands, which are purchased by the consent of the legislature of the State within which they are situated "for the erection of forts, magazines, arsenals, dockyards and other needful buildings" (Const. Art. I, sec. 8), the Federal jurisdiction is exclusive of all State authority. With reference to land otherwise acquired, this court said in Fort Leavenworth Railroad Co. *v.* Lowe, 114 U. S. 525, 539, 541, that a different rule applies, that is, that the land and the buildings erected thereon for the uses of the National Government will be free from any such interference and jurisdiction of the State as would impair their effective use for the purposes for which the property was acquired. When, in such cases, a State cedes jurisdiction to the United States, the State may impose conditions which are not inconsistent with the carrying out of the purposes of the acquisition. (Citing cases.) The terms of the cession, to the extent that they may lawfully be prescribed, determine the extent of the Federal jurisdiction (p. 142).

If it were not for a single sentence in the case of Arlington Hotel Co. *v.* Fant, supra, there apparently would not exist even the slightest doubt but that this constitutional provision does not include a case where land is owned by the United States prior to the creation of the State. The Arlington Hotel case involved the following set of facts: The plaintiff lost property in the Arlington Hotel fire. The hotel was located within the Hot Springs Reservation. The plaintiff claimed that the State statute destroying the common-law liability of hotel keepers did not apply to the Arlington Hotel Co. because it was under the jurisdiction of the United States. The Arkansas statute ceding jurisdiction reserved to the State the right of taxation, and the defendant claimed that therefore the cession was a nullity because not exclusive. In upholding the plaintiff's contention the court relied upon the distinction set forth in the Lowe case, affirmed the principle of the case to the effect that reservations can be made in the ceding statute in cases not arising under the seventeenth clause of section 8 of Article I, declared that the case before it was covered by that principle, that therefore the cession of jurisdiction was valid, and then throws in the following observation: "This justified acquisition of the springs and hospital for the exclusive jurisdiction of the United States under clause 17, section 8, Article I of the Constitution" (p. 455). But since this statement is clearly out of line with Supreme Court decisions before and since and inconsistent with the rest of the opinion in the case itself, it would seem reasonable to conclude that the court did not thereby intend to overthrow a well-recognized principle applicable for many years to the relations of the Federal Government and the States; and that in any case where the lands involved are not actually purchased by the Federal Government subsequent to the admission of the State, transfer of jurisdiction over such lands from the State to the Federal Government can not be effectuated in accordance with the seventeenth clause of section 8 of Article I, but must be

pursuant to the general power under the Constitution of the two sovereignties to deal with each other for any constitutional purpose. It has even been held that a case does not fall under the seventeenth clause even though there be an actual purchase by the Federal Government, if the consent of the State is not obtained until after the acquisition of the land (Palmer *v.* Barrett, supra).

It would seem therefore that, since the Boulder Canyon project Federal reservation is composed of lands originally owned by the United States and not purchased subsequent to the admission of the State, transfer of jurisdiction over such lands from the State to the Federal Government can not be held to have been effectuated in accordance with the seventeenth clause of section 8 of Article I, but, if at all, must have been pursuant to the general constitutional power.

*(2) Transfer under general constitutional power*

In determining whether or not there has been a transfer under the general constitutional power two major questions must be answered:

1. Has there been a cession of jurisdiction by the State? and
2. Has there been an acceptance of jurisdiction by the Federal Government?

1. Has there been a cession of jurisdiction by the State? The answer to this question depends upon the construction of the Nevada statute of February 24, 1921, which provides as follows:

"SECTION 1. The consent of the State of Nevada is hereby given, in accordance with the seventeenth clause, eighth section, of the first article of the Constitution of the United States, to the acquisition by the United States, by purchase, condemnation, or otherwise, of any land in this State which has been, or may hereafter be, acquired for sites for customhouses, courthouses, post offices, arsenals, or other public buildings whatever, or for any other purpose of the Government.

"SEC. 2. The exclusive jurisdiction in and over any land so acquired by the United States shall be, and the same is hereby, ceded to the United States for all purposes, except the service upon such sites of all civil and criminal process of the courts of this State, but the jurisdiction so ceded shall continue not longer than the said United States shall own such lands: Provided, That an accurate description and plat of such lands so acquired, verified by the oath of some officer of the General Government having knowledge of the fact, shall be filed with the governor of this State.

"SEC. 3. The jurisdiction hereby ceded shall not vest until the United States shall have acquired the title to the said lands by purchase, condemnation, or otherwise; and so long as the said lands shall remain the property of the United States when acquired as aforesaid, and no longer, the same shall be and continue exempt and exonerated from all State, county, and municipal assessment, tax, or other charges which may be levied or imposed under the authority of this State.

"SEC. 4. Those certain acts entitled 'An act ceding the jurisdiction of this State over certain lands owned by the United States,' approved January 18, 1883, and 'An act ceding the jurisdiction of this State over certain lands to be acquired by the United States,' approved February 24, 1885, are hereby repealed."

It is submitted that by reason of the ambiguity in the statute no very definite conclusions can be drawn upon its application to the Boulder Canyon project Federal reservation. Nor are we benefited by any suggestion arising in the course of the legislative history of the statute; whether any records from which the history of the legislation may be traced exist, does not appear. It has been seen that since the reservation is composed of lands originally owned by the United States, the transfer of jurisdiction could not be effectuated in accordance with the seventeenth clause of section 8 of Article I. If, therefore, the statute is construed to be limited to cases falling within clause 17, except in so far as it expressly includes cases falling outside of clause 17, it is clear that no cession of jurisdiction over the reservation has been effectuated, since there is no express inclusion within the scope of the statute of cases involving lands within the State owned by the United States prior to the admission of the State. Although the statute is expressly extended beyond the limits of clause 17, in so far as it applies to lands acquired prior to the enactment of the statute (see Palmer *v.* Barrett, supra), it is limited to lands acquired with the consent of the State; and it would seem hardly justifiable in any event to construe this provision to apply to acquisition of land by the Federal Government prior to the existence of the State, when the State as such had no capacity to give or withhold consent.

If, on the other hand, the statute is construed to include any case falling within the general constitutional power, which construction would seem to require either that the reference in the statute to the seventeenth clause be treated as a nullity or that the statute be construed as if it had been expressed in the alternative, dealing with cases falling either under the seventeenth clause or under the general power, then it is equally clear that a cession of jurisdiction to the Federal Government has been effectuated by the Nevada statute, so far as the requirements on the part of the State are concerned.

Arguments may be propounded in favor of either interpretation, but, like most cases involving the interpretation of ambiguous statutes, the proper interpretation will remain a matter of conjecture until the statute is passed upon by the courts. On the one hand, it might be argued that although reference is made in the statute to the seventeenth clause, the fact that the rest of the statute openly disregards the recognized limitations of that clause is sufficient to prove lack of an intention to restrict the scope of the statute by reference to that clause; and that although in form the statute is not set forth in the alternative, nevertheless as a whole it indicates that the legislature contemplated cases of governmental operations within the State generally, whether carried on on lands acquired by the United States before the creation of the State or thereafter.

In favor of the more limited construction, however, equally as forceful arguments can be propounded, and perhaps more tangible. It is an accepted canon in the construction of powers between the Nation and the State that the rights of sovereignty are never to be taken away by implication. (See In re Kelly (1895) 71 Fed. 545.) From this it may well be argued that since the intention of the State legislature to include all cases arising under the general constitutional power is not expressed, the statute can not be given the effect of including such cases. Moreover, adoption of the broader interpretation in the face of such a principle of construction becomes even more questionable in view of the results that might flow therefrom in this particular instance. It is estimated that nearly 90 per cent of all the land situated within the State of Nevada belongs to the Federal Government. Under the provisions of the Nevada statute, an administrative officer of the Federal Government (acting within the scope of his authority) may file the documents required by the statute, with respect to any such lands, and, other provisions of the statute having been complied with, the United States would acquire exclusive jurisdiction of such lands. In effect, such a construction of the Nevada statute would impute to the legislature of the State an intention to throw almost 90 per cent of the area of the State open to the possible acquisition of exclusive jurisdiction by the Federal Government, by virtue of a simple ministerial act, and thus place the State almost at the mercy of the Federal Government with respect to the regulation of the State's internal affairs and the exercise of its police and taxing powers.

The danger in any such construction is at once seen if we consider the powers of the officer whose action has been challenged with respect to the Boulder Canyon project Federal reservation. The Secretary of the Interior under section 3 of the reclamation act of 1902 is given authority to withdraw lands needed for irrigation projects, and section 10 of the reclamation act authorizes the Secretary to perform any and all acts which may be necessary and proper for the purpose of carrying out the provisions of the act. It is assumed that the Legislature of Nevada was cognizant of this provision of Federal law when it enacted the statute of 1921; and it would seem to be flying in the face of the principle that sovereignty is not to be taken away by implication to impute to the Legislature of Nevada an intention to give the Secretary of the Interior authority by the act of filing certain maps to assume jurisdiction over the greater part of the area of the State, however remote may be the probability of any such action being taken.

It is therefore believed that since there is no express inclusion in the statute of cases involving lands within a State owned by the United States prior to the admission of the State, exclusive jurisdiction over the Boulder Canyon project Federal reservation has not been ceded to the United States under the Nevada statute.

However, whatever may be the correct interpretation of the Nevada statute with respect to action by the State, there still remains the other side of the equation, namely, the question of acceptance of jurisdiction on the part of the United States.

2. Has there been an acceptance of jurisdiction on the part of the United States? In the light of decided cases it can not be argued that a Federal statute of acceptance is necessary where the State ceding statute is unconditional. Since the statute confers a benefit, acceptance on the part of the United States is to be presumed in the absence of dissent on its part. (Fort Leavenworth R. R. Co. *v.* Lowe, supra; Chicago & Pacific Ry. Co. *v.* McGlinn, supra; Benson *v.* United States, supra.) It does not follow, however, that Federal legislation is never necessary in order to complete the transfer. For example, where the State statute requires acceptance on the part of the Federal Government, it seems clear that the Federal Government must act in order to complete the transfer. (See State ex rel. Grays Harbor Construction Co. *v.* Department of Labor and Industries (Wash., 1932), 10 Pac. (2d) 213.) Or if the State statute provides that jurisdiction will not be ceded until a plat of the lands is filed by a duly authorized Federal official, it is clear that such action would have to be taken by an authorized official before the transfer could be completed.

The cession, then, of the State of Nevada, if there was a cession, can not be said to be unconditional. It requires an act of acceptance on the part of the Federal Government. It has been seen that the provisions of the reclamation law give to the Secretary of the Interior broad authority to withdraw lands for the purpose of those laws, and section 10 of the reclamation act authorizes the Secretary to perform any and all acts necessary for the purposes of that act. Also section 14 of the Boulder Canyon project act provides that the reclamation laws shall apply to the construction of the project.

Do these provisions give to the Secretary authority to go so far as to bring about the establishment of a reservation subject to the exclusive jurisdiction of the United States, or in other words, to accept exclusive jurisdiction on behalf of the United States in accordance with Nevada law? In the first place, it would seem that on such extreme action would be necessary so as to justify resort to the doctrine of "necessity" to sustain the action of the Secretary of the Interior. No case has been found in the 30 years' administration of the reclamation act of 1902 where the Secretary of the Interior has felt justified in resorting to any such attempted exercise of power, and projects at least approaching in

magnitude the Boulder Canyon project have been prosecuted successfully under the reclamation laws. Moreover, it must not be forgotten that even in the absence of any exclusive jurisdiction in the Federal Government a State can not interfere with the use of Government lands for governmental purposes. So that no act that might be taken by the State of Nevada with respect to the Boulder Canyon project act, which in any way interfered with the operations of the Government, could be sustained. See cases cited, supra. No question has apparently been made as to the authority of the Secretary to establish a reservation, not under exclusive jurisdiction of the United States. The law can easily be construed to justify such action, obviously a necessary step in a vast reclamation project. The only dispute arises as to whether, in so doing, the Secretary may vest exclusive jurisdiction over the area in the United States.

Referring again to the principle that the rights of sovereignty will not be taken away by implication, this principle should be just as applicable as a limitation upon the acceptance of jurisdiction on the part of the Government as upon the cession of jurisdiction on the part of the State. Broad general language in statutes authorizing a course of action by administrative officers with respect to arid lands and seeking to permit carrying out of minute details of finance, engineering, agriculture, and what not, over a period of many years, would not seem to grant any authority to that officer to go so far as to accept, if he deems it wise, exclusive jurisdiction for the Federal Government over lands within the boundaries of a sovereign State; and certainly there was no express language in the reclamation laws or the Boulder Canyon project act which granted any such authority.

Mention should be made of the case of United States *v.* Watkins (1927, D. C., N. D., Cal., S. D.), 22 F. (2d) 437, in which it was held that a provision of the California statute requiring recordation of a map as a condition of cession of exclusive jurisdiction of certain lands to the United States was complied with by recording by a judge advocate of the United States Army of an official map of the War Department. It was stated that the condition of the cession (filing of the map) might be complied with by a subordinate officer under the general authority given the Secretary of War to conduct the business of the War Department in such manner as the President shall direct, and that in the absence of a statute or regulation to the contrary the acts done would be presumed to have been done at the direction and by the authority of the President. It appears from the decision in that case that the Congress had subsequent to the cession declared by law that the United States had exclusive jurisdiction and this had been acquiesced in and accepted by the action of the State of California; so that the case is not a final decision upon the sufficiency of the recordation under a general act as an acceptance of the State cession. Further the case involves the case of a military reservation, peculiarly the subject for exercise of exclusive jurisdiction, and accordingly acceptance is more easily to be presumed. This is quite a different situation than that present in the instant case where is involved immediately jurisdiction over a comparatively large area, and potentially jurisdiction over nearly 90 per cent of the area of the State of Nevada.

It is accordingly believed that, assuming a valid cession on the part of the State of Nevada, the cession would obviously be a conditional one, requiring acceptance on the part of the United States; and that such an acceptance was not consummated by the acts of the Secretary of the Interior above described, there being no authority in that official to act in that regard for the United States.

With respect to the application of State laws within Federal reservations the law is fairly well settled.

Thus, should it be held that the United States enjoys exclusive jurisdiction over the Boulder Canyon project Federal reservation, that jurisdiction must be exclusive of all State action; except that laws intended for the protection of private rights (affecting the possession, use, and transfer of property and designed to secure good order and peace in the community and promote its health and prosperity) would remain in force after the transfer of jurisdiction unless inconsistent with existing Federal laws or thereafter superseded by Federal law. (Chicago & Pacific Ry. Co. *v.* McGlinn (supra); Western Union Telegraph Co. *v.* Chiles (supra); Surplus Trading Co. *v.* Arkansas (supra); Crook, Horner & Co. *v.* Old Point Comfort Hotel Co. (C. C., E. D., Va., 1893), 54 Fed. 604.) Congress has already enacted an extensive criminal code for places under the exclusive jurisdiction of the United States providing that where an offense is not specially provided for by any law of the United States, it shall be prosecuted in the courts of the United States and receive the same punishment prescribed by the laws of the State in which the place is situated for like offenses committed within its jurisdiction. (Criminal Code, secs. 272, 282, 311, U. S. C., title 18, secs. 451, 468, 511.) It has, however, provided no laws for the Government in civil matters of the inhabitants of such areas. Accordingly, they are without laws in civil matters, except such general laws as may have been in force in the States from which the United States acquired them at the time of acquisition. (See Old Point Comfort case (supra).)

On the other hand (and in view of the conclusions reached in this memorandum the general principles stated here must apply), since there is no exclusive jurisdiction over the area in question, it is a part of the territory of the State and her laws, civil and criminal, have the same force and effect there as elsewhere within her limits; except that such laws can have no operation which would interfere with or impair the effective use of the reservation for the purposes for which it is maintained (see cases cited above, and on the latter point, cases cited in preliminary discussion under "Transfer of Political Jurisdiction Necessary"). It should be noted here that it apparently has not been contended, nor, having in mind the language of the Nevada statute, could it be, that there has been any cession by Nevada short of exclusive jurisdiction.

In view of these considerations, with the exception above noted to the effect that the area within the reservation must be free from such interference or exercise of jurisdiction by the State of Nevada as would impair its effective use for the purposes for which set apart by the Federal Government, the portion of the Boulder Canyon project Federal reservation lying within the State of Nevada is territory of the State of Nevada and over it the power of the State is as full and complete as over any other territory within her boundaries.

Respectfully submitted.

CHARLES F. BOOTS,
*Legislative Counsel.*

HON. TASKER L. ODDIE,
*United States Senate.*

DECEMBER 20, 1932.

Mr. ODDIE. This report indicates that the Secretary is acting without precedent and without adequate constitutional and legal authority.

One of the strongest points brought out in this brief is the fact that the land in question which the Secretary of the Interior seeks to create as an exclusive Federal jurisdiction reservation belonged to the Government prior to the admission of the State of Nevada into the Union. When the State of Nevada was created this land immediately became subject to the sovereignty of the State. If the Secretary of the Interior were acting under adequate constitutional and statutory authority he could have in his discretion included all of the Federal domain in the State of Nevada in this reservation, and, according to the construction placed upon this act by the Secretary, all private property within this area would not be taxable by the counties and State in which the land is situated. Approximately 90 per cent of the State of Nevada is in public domain and this fact further emphasizes the absurdity of the Secretary's position. One is forced to conclude that the attempt by the Secretary of the Interior to create an exclusive Federal jurisdiction reservation was made in the interest of relieving the Six Companies (Inc.), of the necessity for paying taxes to Clark County and the State of Nevada, and, therefore, of aiding a private enterprise to unjustly fatten itself at the expense of the public welfare.

The second ground upon which the Six Companies (Inc.), relies in evading the tax laws of the State of Nevada is the fact that the company constitutes an instrumentality or agency of the Federal Government and that hence its property used for the construction of such dam, plant, and works is not subject to taxation by the authorities of the State of Nevada.

The Secretary of the Interior has stated that it was not his intention to create a permanent tax-exempt reservation at Boulder City, and I quote from his letter to Senator THOMAS of May 5, 1932, as follows:

> The question of the power of the State of Nevada to tax personal property for franchise within the reservation, and to impose its own mining regulations on the construction of the Government diversion tunnels, is now before the Federal courts. Pending the outcome of this litigation, we have suggested that the question of taxation remain in abeyance. This has given rise to some purported fears by local residents that we intend to create a permanent tax-exempt reservation which will attract industries which otherwise would locate in taxable areas of Nevada. The status of the reservation after completion of construction can be determined at that time by Congress. Obviously the purpose of creating the reservation was to facilitate the construction of the dam and not to exempt from taxation permanent industries not connected with the task of construction or the furnishing of supplies.

The Boulder Canyon project act has been tested in the case of Arizona against California and was held by the Supreme Court to be constitutional as a project for the improvement of navigation.

It has been held by the Supreme Court that the property of a company which is brought within a jurisdiction solely for the purpose of performing a contract with the Federal Government for the improvement of navigation may be taxed by such jurisdiction and that such taxation is considered not to be an unconstitutional interference with the

operations of a Federal instrumentality. (Gromer *v.* Standard Dredging Co., 224 U. S. 362, 371.)

Since the Boulder Canyon project act was considered constitutional as a project for the improvement of navigation, and since the case above cited was also predicated upon an improvement in navigation, the circumstances under which the Boulder Canyon is being improved are similar.

The principal factor to emphasize in the case of Gromer against Standard Dredging Co. is that the Supreme Court upheld the right to tax a company and did not regard the exercise of this right as an unconstitutional interference with the operation of a Federal instrumentality.

Even under the general rules governing statutory interpretation, there would seem to be no basis for construing the Boulder Canyon project act as containing any authorization, but since in this case the question of interference with State sovereignty is involved, no such authority can be implied unless such an implication were to appear as clearly intended by Congress. Had Congress intended to relieve the Six Companies (Inc.), of the payment of State and local taxes, it would have been necessary for Congress clearly to have expressed such an intention in the Boulder Canyon project act.

In assuming the position that the Secretary of the Interior has enunciated in his letter of May 5 to Senator THOMAS, it seems obvious that (1) he disagrees with the Supreme Court in holding that the taxation of a company does not constitute an interference with a Federal instrumentality, or (2) he agrees with the Supreme Court but is frankly operating in behalf of the Six Companies (Inc.). In either event, the Secretary would seem to be acting without adequate statutory authority.

The Las Vegas Chamber of Commerce, in a brief filed with the Senate Committee on Irrigation and Reclamation as of August 29, 1932, on the question of taxation of private property on the Boulder Canyon Project Federal Reservation, set forth the valuation of the Six Companies (Inc.), and the amount of taxation due thereon for the years 1931 and 1932. The actual valuation of the Six Companies (Inc.), for the year 1931 was $406,534. The assessed valuation was 50 per cent, or $203,267, and at the tax rate prevailing in 1931 there was due $6,880.58. The Six Companies (Inc.), in 1932 had an actual valuation of $4,659,138 and an assessed valuation of $2,329,569, and at the rate of taxation charged in 1932 there would be due in taxation $79,088.86. None of the above taxes have been paid, the Six Companies (Inc.) having procured an injunction against the county assessor and tax collector, with the aid of the Secretary of the Interior, the Federal court for the district of Nevada, the counsel representing the Attorney General, and the Reclamation Service, each as amicus curiæ, restraining his collection of the same.

At the same time that Clark County, the city of Las Vegas, and the State of Nevada were deprived of the above taxes from the Six Companies (Inc.), additional costs due to the large influx of labor, a large part of which could not secure employment, and the need for providing schools were met by Clark County and the city of Las Vegas, as quoted from the brief of the Las Vegas Chamber of Commerce of August 29, 1932, as follows:

PUBLIC SCHOOLS

Upon the assurance of the Department of Interior that the dam workers would use the facilities of the city of Las Vegas for housing and schooling, the city caused to be constructed a school building at the expense to the city and county of $350,000. Prior to the determination of the Government to build the dam, the present school facilities in the city and country were adequate to take care of local school conditions. During the fiscal year ending July, 1932, the Boulder City school children used the Las Vegas school facilities. The proportionate share of the cost for such residents of Boulder City exclusive of any building cost or maintenance or amortization charges was for the high-school pupils $13,000, and for the grammar-school pupils $16,000. The fact that Boulder City has inadequate school facilities or that the proposed tuition may be too burdensome, we will probably have to continue to care for many of the Boulder City school pupils in future years.

PUBLIC EXPENSE

The influx of people attracted by the dam has necessitated the increase of the police department from 2 to 12 men at a monthly salary of $175 per man. This means $21,000 annually additional burden upon the city. This does not take into consideration the extra equipment and facilities such as four motor vehicles used by the department, etc., and the expense of maintaining such equipment which would probably exceed $5,000 per year.

Conditions in the community are pretty accurately reflected by the comparative expense of the police department for the year 1929 and the fiscal year commencing July 1, 1931, and ending June 30, 1932. For instance, the cost of the department, including the care of prisoners for the year 1931, was $18,023.35; for the fiscal year ending June 30, 1932, it was $40,032.04, an increase of $22,008.69. Assuming this condition will continue six years, the duration of the construction, it will cost the city in excess of $132,000 additional for policing alone.

INDIGENTS

The police tell us that, based upon a very conservative estimate, there is an average minimum of 4,000 unemployed male persons in Clark County attracted by the dam construction, many of them looking for employment, many of them common vagrants and what not; that 75 per cent of these people are entirely destitute and look to the community for their support; that 40 cents a day is a minimum amount upon which one can subsist whether he steals it, begs it, or receives it through voluntary donations, which results in an added expense to the community in excess of $73,000 per annum, exclusive of the financial burden heretofore and hereafter mentioned.

In 1929 there was a total indigent cost to the county of $14,339.83. For the year 1931 this expense had increased to the sum of $39,471.01, making a total increase of $25,131.18. During 1931 the county of Clark was required to borrow $20,000 as an emergency indigent fund. In addition to the foregoing the local chapter of the Red Cross, supported entirely by local subscription, expended during the months of November and December, 1931, the sum of $2,948.37, at the monthly rate of $1,474.

It must be borne in mind in connection with the subject of indigents that the publicity given the project has attracted to the community many thousands of persons, some of whom are honestly looking for employment. However, it matters not how honest they are; if they are destitute, they must live. It has attracted many undesirables, racketeers, and what have you who usually follow projects of this kind and who might be termed as "leeches" upon the community. It has attracted many infirm and indigent people who must be supported by the community, and it is important to bear in mind that the reservation shares none of these detriments, because he can not enter the reservation without he has employment or has a pass, and secondly, when his employment ceases if he does not leave the reservation he is ejected therefrom, thereby pouring all of these people—good and bad—upon our civil community for support.

ELECTION EXPENSE

The total number of registered voters in Clark County is 8,034. Twenty-three per cent, or 1,858, live in Boulder City. It is estimated that the primary and general election will cost $8,000, or Boulder City's share of expense of $1,840.

HIGHWAY MAINTENANCE

During the year 1931 the county of Clark, State of Nevada, expended the sum of $7,067 upon the maintenance of the highway leading from Boulder City to Las Vegas, which was $5,000 in excess of the amount expended the preceding year.

COUNTY JUDICIAL (THIS INCLUDES CRIMINAL PROSECUTIONS AND COURT EXPENSES IN CRIMINAL CASES)

In the year 1929 this item amounted to $8,801.92. The corresponding item for the year 1931 was $24,245.03, making a net increase on account of this department of government of $13,443.17. The residents of Boulder City have enjoyed the benefits of the courts and government agencies and facilities, thereby enhancing the expense of this department of the local government.

PROTECTION (SHERIFF'S OFFICE IN ADDITION TO POLICE DEPARTMENT)

Protection cost the county, in the year 1929, $15,768.58 and in the year 1931, $22,803.75, making a net increase to administer this department of the government $7,035.17.

INQUESTS

During the period intervening since the Six Companies started operations on their contract there have been 20 coroner's inquests held by the coroner of Las Vegas Township, Clark County, over the bodies of persons residing upon the reservation, at a total expense to Clark County of $1,074.05.

These additional expenses totaled $241,522, an amount which must be added annually to the financial burden of Clark County and the city of Las Vegas. This amounts to an increase of approximately 31.5 per cent in the tax rate, which illustrates the great extent to which Las Vegas and Clark County have been subjected to unjust expenses through the failure of the Six Companies (Inc.) to pay its legal taxes to the county and the State.

The injunction suit to restrain the mine inspector of the State of Nevada from enforcing the mine safety laws of Nevada was presented before the Federal court for the district of Nevada, comprised of Wilbur and Sawtelle, circuit

judges; Norcross, district judge, as a statutory court; and Norcross, district judge. In reviewing the decision of the district judge, Frank H. Norcross filed May 31, 1932, in the case in which the Six Companies (Inc.) asked for an injunction against the assessor of the county of Clark from collecting the taxes on its property, I quote the following statements:

> The two questions of law involved in this case were also presented in the case of Six Companies (Inc.) *v.* Stinson, as inspector of mines, et al., instituted in this court and recently decided by a statutory court of three judges upon the question of the issuance of a temporary injunction. * * *
>
> While not as clear as in the Stinson case, the court is of the opinion that a temporary injunction should issue as prayed for, pending trial and determination upon the merits. The defendant, and the interests he represents, can be fully protected by bond. The fact that this case involves questions raised in the Stinson case is a further reason why the application for a temporary injunction should be granted. The case has been set for a definite date for trial.

From these statements it is clear that District Judge Norcross very largely predicated his action in granting the motion of the Six Companies (Inc), for a temporary injunction against the tax collector on the findings by the district court in the Stinson case.

It would appear that this attempt, without adequate constitutional and legal authority by the Secretary of the Interior, to create a reservation of exclusive Federal jurisdiction had been made for the purpose of aiding the Six Companies (Inc.) to escape the payment of its just taxes to the county of Clark and the State of Nevada. It is obvious that these cases, thrown into court, will require time to adjudicate, possibly the entire period the Six Companies (Inc.) will be engaged in the construction of the Hoover Dam, and the State will ultimately and through these devious legal processes, be substantially deprived of its rightful tax income. It is also obvious that whatever the county of Clark and the State of Nevada lose because of the tax income of which it has been deprived will result in an excess profit to the Six Companies (Inc.) to which it is not justly entitled. In no way will the loss to the State result in a benefit to the Federal Government. The contract was entered into by the Government and the Six Companies (Inc.) on March 11, 1931, and the estimates submitted at that time included costs of labor and material which have been greatly reduced since then. In considering the gains which the company would make through the nonpayment of taxes to Clark County and the State of Nevada, it would, because of economic conditions which have changed, net a superprofit far in excess of the one upon which the company predicated its bid.

Under these conditions, and considering the heavy expenses which the city of Las Vegas and Clark County and the State of Nevada have been compelled to bear because of the additional responsibilities involved in connection with the construction of Hoover Dam, it is doubly important that the resolution which I have introduced to investigate conditions at Hoover Dam (S. Res. 293) be immediately acted upon and the investigation begun in order to prevent a continuation of these evils. Not only is the State of Nevada damaged by this procedure adopted by the Secretary of the Interior in attempting without adequate statutory authority to create an exclusive Federal jurisdiction reservation, but a precedent is being established upon which the future development of a large number of Federal projects will be affected, together with all of the States in which they are located.

Furthermore, the attempt of the Secretary of the Interior to aid the Six Companies (Inc.), on the basis that it is a Government instrumentality creates another precedent which would affect the entire status of Federal construction work in the United States, whatever its nature might be.

It is therefore very important, from a national standpoint, to stop this procedure at the earliest moment and rectify the conditions in so far as possible.

### III. BUSINESS MONOPOLY AND "SWEATING" LABOR

Many complaints have been made of the methods and policies of the Six Companies (Inc.) and its subsidiary, the Boulder City Co., in creating a business monopoly and exploiting and "sweating" the labor in its employ. Boulder City is located within the area which the Secretary of the Interior has attempted to set aside as an exclusive Federal jurisdiction, and is fenced in and guarded by Federal police officers, so that no one can either enter or leave without permission and knowledge of the manager of the city, appointed by the Secretary. Under the contract with the Six Companies (Inc.) the Secretary of the Interior authorizes that company to operate a commissary to supply the men in its employ with living necessaries, to lease ground, and to erect houses for their occupation. In addition, the Secretary of the Interior, under his control over the management of Boulder City, licenses business of all kinds to operate.

The Six Companies (Inc.) issues paper scrip and token coins which its employees are forced to accept between regular pay days and which are redeemable at face value in merchandise only at the department store owned and operated by its subsidiary, the Boulder City Co., organized April 6, 1931. Complaint has been made by the business houses licensed by the Secretary of the Interior to do business in Boulder City that this scrip operates to their disadvantage and destroys competition, thereby establishing the Boulder City Co. as a powerful monopoly in winning all the available trade of the employees of the Six Companies (Inc.).

Complaints have been made also by the business men of Las Vegas that the issuance of scrip by the Six Companies (Inc.) also enables the Boulder City Co., its subsidiary, to take a large part of the business which they would otherwise get and to which they are entitled. Las Vegas, the county seat of Clark County, has borne the brunt of the fight from the beginning in securing the enactment of the Boulder Canyon project legislation and is, therefore, entitled to a fair opportunity to benefit from the increased business. Las Vegas is only 22 miles distant from Boulder City, and if this scrip was redeemable in cash at its face value, the stores at Las Vegas would be able to compete for a good share of the business of the employees of the Six Companies (Inc.) engaged in building Hoover Dam.

That the Six Companies (Inc.) will not redeem the scrip it issues at par except in merchandise at the store of its subsidiary, the Boulder City Co., is evidenced by a letter addressed to the manager of Boulder City by the president of the Boulder City Commercial Association, under date of April 28, 1932, which I herewith present for the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BOULDER CITY, NEV., *April 28, 1932.*

MR. SIMS ELY,
*Manager Boulder City, Nev.*

DEAR MR. ELY: Referring to the letter from Mr. Felix Kohn, of the Boulder City Co., proposing a scheme which would supposedly relieve the scrip situation for the independent merchant in Boulder City, we regret to advise you that we see no relief whatsoever in this proposed procedure for the following reasons:

(1) Accounting difficulties of Boulder City Co. tremendously increased.

(2) Intimidation or embarrassment of employees.

(3) Actual difficulty of operation of such a scheme.

(4) Gives the Boulder City Co. too close a scrutiny of our prices.

(5) Eliminates entirely from relief such business as that of Mr. Laubach, where purchases are exceedingly small and extemporaneous.

Summing up the proposal seems to us exceedingly impractical and almost impossible of application.

It has been said that the major objections on the part of the Boulder City Co. toward the redemption of scrip for cash are: (1) The added accounting difficulties entailed in checking it back and paying for it. (2) The increased danger of having to contend with counterfeit scrip tickets.

We submit here below a proposal which we sincerely believe substantially minimizes one objection and entirely eliminates the other. Our proposal is this:

We will delegate one of our number or a responsible person of our selection to act as a clearing agent for all of the scrip which we may be called upon to accept for merchandise or service in the conduct of our business, this agent to act as a depository for scrip for all of us; to carefully count and bundle this paper and on stipulated days of each month to take said scrip to the cashier of the Boulder City Co., check it in to them, and receive their check for the amount.

This would, as you can readily see, reduce their accounting in this regard to an absolute minimum.

In order to protect them in so far as the scrip which we handle against counterfeiting, we would agree that each of us would indorse with his own stamp such scrip as we may have received, thereby accepting individually the responsibility for its validity, which would as you can readily see relieve the Boulder City Co. of any danger of counterfeit scrip's getting back to them through our operation.

We would further agree that should at any time any member of this organization be proven to be trafficking in scrip by discounting it in Las Vegas or obtaining it in any other manner than the legitimate conduct of his business, said member would be immediately expelled from this organization and denied the privilege of clearing any scrip through this agency.

We sincerely hope that you can see the fairness of this proposal and will use your influence in helping us have it adopted. We are all enthusiatic about our small town and are convinced that with an even break we are going to be able to make a reasonable living here.

Thanking you for your cooperation in this matter, we are

Yours very truly,

BOULDER CITY COMMERCIAL ASSOCIATION,
By BILL HARRISON, *President*.

Mr. ODDIE. Mr. President, there are five objections to the issuance of this scrip by the Six Companies (Inc.), cited in the foregoing letter, as follows:

First. Accounting difficulties of Boulder City Co. tremendously increased.

Second. Intimidation or embarrassment of employees.

Third. Actual difficulty of operation of such a scheme.

Fourth. Gives the Boulder City Co. too close a scrutiny of prices of independent merchants.

Fifth. Eliminates entirely from relief business where purchases are exceedingly small and extemporaneous.

Further complaint of the business men operating under licenses of the Secretary of the Interior against the issuance of limited scrip by the Six Companies (Inc.) is evidenced by a letter addressed to the Secretary of the Interior by the president of the Boulder City Commercial Association under date of May 6, 1932, which I now place in the RECORD:

BOULDER CITY, NEV., *May 6, 1932*.

Hon. RAY LYMAN WILBUR,
*Secretary of the Interior, Washington, D. C.*

SIR: Prior to the recent organization of permittees of Boulder City, individual letters have gone out to Members of Congress, complaining of the refusal of Six Companies to redeem scrip brought in by the merchants of Boulder City for cash.

Since that time Mr. Ely, in a very persuasive letter, requested that consideration be given the merchants of Boulder City in that regard. This request was denied by Mr. Felix Kohn, chairman of the Boulder City Co. This refusal makes it generally and definitely clear that their policy is unfavorable.

At this time we wish clearly to state that at the time of application for permits in our various lines of business applicants were given to understand through bulletins accompanying application blanks that the contractors were operating boarding houses, a recreation hall, and a commissary, and that they were issuing scrip. Little did we realize, however, that the commissary, providing for the necessities of employees, would expand rapidly into an enormous department store and concession stand, containing not less than 32 departments, with the apparently very definite object of supplying as much of their merchandise as possible to their own employees or any one else in the market for merchandise of any kind. A recent advertisement carried a notice: "Parking space for out-of-town customers"; so their policy seems to be one of exploitation, with no particular limitations as to where their trade may come from.

Their prices to-day are fair. But they are materially lower on numerous items than they were before the permittees commenced to operate, which indicates that competition was instrumental in lowering their prices, rather than a desire on their part to serve employees on as small a margin of profit as possible.

In addition to subsistence facilities at the regular boarding house, which seems very satisfactory and complete, meals are served at the recreation hall and at the counter in the drug store. These lunch counters also accept scrip, which naturally gives them a tremendous patronage, and which in turn seriously affects the business of restaurants and eating places operating under permits.

Our association has only praise for the officials of the Reclamation Bureau on this project. They have worked with zeal in the interest of permittees. Their efforts in our behalf are not to be minimized in so far as their power to interpret the contractor's contract is concerned. We realize that a suitable policy to all is no small task on their part.

A point we feel necessary to express at this time is that the paramount purpose of Six Companies is to build the Hoover Dam. Their profits should come from this source. Their policy, the exploitation of their subsidiary company, the Boulder City Co., with the advantages of having control of the pay roll, and of the issuance of scrip, redeemable only at company owned and controlled counters, is manifestly unfair, and must be regulated and restricted with a firm hand, for we do not believe that the Government intended, in entering into a contract for the construction of Hoover Dam, that the clause providing for the commissary should be so elastic and so broad as to reach the size of the present institution they now operate.

Picture, if you will, this model Government construction city; within its limits a huge department store and recreation hall selling drugs, ladies' ready-to-wear, dry goods, men's and women's dress shoes, men's work clothing, ready-to-wear men's suits, jewelry and jewelry novelties, furniture, hardware, shoe repairing, electrical supplies, Frigidaires, meats, groceries, tailoring and cleaning shop, soda fountain and lunch, two cigar stands, two lunch counters, soft-drink bar, laundry agency, barber shop, pool tables, an ice depot, and other departments found in a huge store. We believe that this store has expanded far in excess of original intention of a commissary, and that their activities should be curtailed within a reasonable limit.

A contract that is unfair is unsatisfactory, and should be revised. In article 15 of the Government's contract with Six Companies (Inc.) we read: "Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under the contract shall be decided by the contracting officer or his duly authorized representative, subject to written appeal by the contractor within 30 days to the head of the department concerned, whose decision shall be final and conclusive upon the parties thereto as to such questions of fact." This clause indicates to us that the chief engineer has the authority to decide just what the interpretation of the word "commissary" shall be and to what extent the Boulder City Co. shall enlarge upon it.

We are willing to compete with Boulder City Co. on an even basis. In our letter of April 28 to Mr. Ely our proposal in method of handling scrip covers fully any objections that may be made against it; there are no other objections of merit. Only the desire of having every cent of scrip issued spent at the company owned or controlled counters keeps the Boulder City Co., subsidiary of Six Companies (Inc.), from accepting in full our proposal. The Six Companies' employees will have a better feeling if they can be free in selecting their own shopping store. Our request to you to make this possible is a minor one for Six Companies to grant. You have power to arrange it, and the responsibility of the success or failure of the permittees here will largely rest on what relief can be given in the immediate future.

A matter of great importance, which was called to the attention of Doctor Mead and has on various occasions been brought to the attention of Mr. Ely, is that of intimidation, both of employees and sources of supply of merchandise. Intimidation of employees is a difficult matter to prove except at the expense of some man's job. Intimidation of purveyors of merchandise into refusing to do business with the independents has been practiced in various instances of which we have unqualified proof. This we know you will agree is unfair practice.

At a meeting of our association with Doctor Mead on his last visit to the project he personally learned from us of the situation here, so he is in a position to know every angle, and we trust you will find in conference with him that our request for relief has a solid foundation and that we may have your cooperation in bringing about these changes in fairness to us all.

As we have written some time previous to Senators KENDRICK and CAREY and Representative CARTER, from Wyoming on the subject, if you feel so inclined, suggest a copy of this letter be sent them for their information.

Thanking you in advance for your interest, we are,

Very truly yours,

BOULDER CITY COMMERCIAL ASSOCIATION,
By BILL HARRISON, *President*.

To show the unfairness of what is going on at Boulder City, and the intimidation of the labor employed, I wish especially to quote two paragraphs from the foregoing letter, as follows:

A point we feel necessary to express at this time is that the paramount purpose of Six Companies is to build the Hoover Dam. Their profits should come from this source. Their policy, the exploitation of their subsidiary company, the Boulder City Co., with the advantages of having control of the pay roll, and of the issuance of scrip, redeemable only at company-owned and controlled counters, is manifestly unfair, and must be regulated and restricted with a firm hand, for we do not believe that the Government intended, in entering into a contract for the construction of Hoover Dam, that the clause providing for the commissary should be so elastic and so broad as to reach the size of the present institution they now operate.

* * * * * * *

A matter of great importance which was called to the attention of Doctor Mead, and has on various occasions been brought to the attention of Mr. Ely, is that of intimidation both of employees and sources of supply of merchandise. Intimidation of employees is a difficult matter to prove except at the expense of some man's job. Intimidation of purveyors of merchandise into refusing to do business with the independents has been practiced in various instances, of which we have unqualified proof. This we know you will agree is unfair practice.

Expressing the opposition of the American Federation of Labor to the issuance of scrip redeemable for merchandise at par only at the company stores is exploitation of the

most reprehensible character, William Green, its president, wrote me under date of October 3, 1932, and I submit his letter for the record.

WASHINGTON, D. C., *October 3, 1932.*

Hon. TASKER L. ODDIE,
*Reno, Nev.*

MY DEAR SENATOR: I am amazed at the statement made by Doctor Mead, Commissioner of Reclamation, that the payment of wages in scrip not transferable and redeemable only in merchandise at company stores is a common practice in construction operations throughout the country. Such a practice is most reprehensible and unjust. It is a form of exploitation which ought to be condemned by all just-minded people. The miners fought against this practice in the bituminous-mining regions in Pennsylvania, Ohio, and elsewhere. Payment in scrip redeemable only in merchandise at company stores means coercion of a most vicious kind, exploitation of a most reprehensible character, and a reduction in wages which is unjust and unfair.

Labor is opposed to such a practice and joins heartily with you in the efforts you are putting forth to stop it. We will gladly cooperate with you when you present your resolution dealing with this wicked practice at the short session of Congress.

Sincerely yours,

WILLIAM GREEN,
*President American Federation of Labor.*

The practice of the Six Companies (Inc.) in issuing scrip redeemable at face value in merchandise only at its own store not only leads to an insidious intimidation of the men in its employ but constitutes wage "sweating" of a most pernicious and unfair character. Men who go to Boulder City and are put to work between pay rolls have almost immediate need for cash to send to their families who are in need. When scrip is paid them at the end of the week the workers are compelled to peddle it in Boulder City or Las Vegas for what it will bring, usually from 75 to 80 cents on the dollar. This results in a reduction of from 20 to 25 per cent in the payment of wages which can be construed only as "sweating" labor.

The aggregate amount of scrip paper and coin paid out by the Six Companies (Inc.) in a month is reported to be about $40,000, as the records of the Commissioner of Reclamation will show, so that this "sweating" process and intimidation is conducted on a grand scale. For the Government to stand idly by and permit these unfair practices to go on is a national evil which will result in a serious public reaction when the facts are known. These conditions demand immediate investigation by the Committee on Irrigation and Reclamation of the Senate, provided for in the resolution which I have introduced.

In a bill of complaint in equity filed in the District Court for Nevada December 22, 1932, the Boulder City Co., a subsidiary of the Six Companies (Inc), the private contractor, asked for an injunction to prevent the tax assessor of Clark County, Nev., from assessing its property and collecting the tax. Notwithstanding the fact that the Boulder City Co. runs the department store, which is a great mercantile monopoly, for the Six Companies (Inc.) and should on this private business return taxes to Clark County and the State of Nevada, it filed a bill of complaint in the district court to be relieved from the payment of these taxes. No clearer case of private business than that operated by the Boulder City Co. could be found.

While the Attorney General and the Reclamation Service filed amicus curiæ briefs in the former case against the State mine inspector, neither of these Federal agencies filed briefs or participated in the Boulder City Co. case. The bill of complaint is based upon the action of the Secretary of the Interior in attempting without adequate constitutional and legal authority to create an exclusive jurisdiction Federal reservation. Evidently the Boulder City Co. was willing to rest its case on this premise, which was the principal one presented by the district court in the case of the Six Companies (Inc.) against A. J. Stinson, State mine inspector.

The complaint of the Boulder City Co. not only asked for relief from the payment of taxes to Clark County on its own account but also included all other "persons, firms, or corporations owning personal property" within the so-called Boulder Canyon project Federal reservation. A temporary order restraining the assessor of Clark County from assessing and collecting taxes on the property of the Boulder City Co. and all persons, firms, or corporations owning personal property within the reservation, was filed on December 22, 1932. This action unjustly deprives Clark County and the State of Nevada from taxes on persons, firms, and corporations doing private business at Boulder City, to which they are legally entitled and should have, in order to help meet the extraordinarily heavy burden of additional expense to which they have been put because of the influx of large numbers of workers and their families to build the dam.

Previously I have set forth in detail these numerous additional expenses of Clark County and it is not necessary to repeat them here. Suffice it to say that in the aggregate up to August 29, 1932, these additional expenses amounted to $241,522, an increase in the tax rate of Clark County of 31.5 per cent over and above its constitutional limit.

These serious conditions can not continue without irreparable damage to Clark County and the State of Nevada and they should be investigated immediately and the necessary remedies adopted. The enactment of S. 2885, which I introduced and which is now before the Committee on Irrigation and Reclamation, to conserve the taxing power of Clark County and the State of Nevada in the so-called Boulder Canyon Project Federal Reservation, would afford complete relief from a continuation of these tax payment evasions.

COLLECTS BUT DOES NOT REMIT POLL TAX

The Six Companies (Inc.), the private contractor, ever since the work began at Hoover Dam has been deducting a poll tax from the wages of every worker on the pay roll. Until February, 1932, an official receipt was given for the payment of this tax, but since about that time a special receipt supplied by the company without the authority of the tax authorities of the State or county has been issued the worker.

The tax assessor of Clark County, F. C. DeVinney, reports to me that the Six Companies (Inc.) issued in 1931 2,856 official Clark County receipts making a total of $8,568; in 1932, 2,774 official receipts were issued by the company making a total of $8,322; and since about February the company has issued approximately 5,907 poll-tax receipts of its own making and without official authority totaling $17,721. The Six Companies (Inc.) has impounded in its treasury since the commencement of construction work in 1931 a total of about $34,611.

None of the money collected from the wages of the workers by the Six Companies (Inc.) has been paid to the County of Clark and the State of Nevada. Without any legal authority these poll taxes have been collected and impounded by the Six Companies (Inc.). I submit for the RECORD a telegram from F. C. DeVinney, assessor of Clark County, Nev., under date of February 1, 1933, setting forth the facts concerning these poll-tax collections:

The Six Companies (Inc.) issued 2,856 official Clark County, Nev., receipts for the year 1931 at $3 each, which makes a total of $8,568, which money is impounded by the Six Companies (Inc.) and has not been paid to Clark County, Nev. Six Companies (Inc.) also issued 2,774 official Clark County, Nev., receipts for the year 1932 at $3 each, making a total of $8,322, which money is impounded by the Six Companies (Inc.) and has not been paid to Clark County, Nev.

Since about February, 1932, the Six Companies (Inc.), without any authorization or permission from Clark County officials, have been collecting $3 poll tax from their employees and giving to them a receipt of their own make and issue and not giving to them official receipts of Clark County, Nev. Six Companies (Inc.) has issued approximately 5,907 poll-tax receipts of their own make covering $17,721 deductions made from the wages of their employees since February, 1932. This money is impounded by the Six Companies (Inc.) and has not been paid to Clark County, Nev.

In a telegram from F. C. DeVinney, dated February 1, 1933, the receipt which is now being given for the poll-tax payment without any official authority is described as follows:

This is a copy of receipt given to employees by Six Companies (Inc.) after $3 has been deducted from their wages for poll tax: "Name of employee and identification number. This is to advise you that Six Companies (Inc.) has withheld from your salary the amount of poll tax which the State of Nevada claims is payable to it by you. Six Companies (Inc.) will hold this amount of poll

tax for your account until a final determination of the question of whether or not the State of Nevada has authority to levy this poll tax upon you. In the event it should be determined that the State of Nevada has no right to collect said tax, the amount so withheld will be paid by Six Companies (Inc.) to you, but in the event it should be determined that said tax is due the State of Nevada the amount withheld will be used by Six Companies (Inc.) for the payment of said tax. In withholding said tax, Six Companies (Inc.) is not in any way acting for the State of Nevada, or as the agent or other representative of Clark County, Nev., or the assessor of Clark County, Nev. Boulder City, Nev. Date. Six Companies (Inc.), by (officer). Poll tax for the year issued. Receipt number."

The above form receipt is given without any authority or permission from Clark County, Nev.

Before the tax case now before the district court is finally adjudicated in the Supreme Court many years probably will have passed and the poll-tax collections by the Six Companies (Inc.) and impounded by them probably will have grown to many times the $34,000 to which it amounts at present. Many of the workers leave the company's employ, and yet this $3 poll tax is deducted from their wages. Other workers have met with fatal or nonfatal accidents and have been severed from the pay roll after short periods of employment. The labor turnover is very heavy and this results in greatly increasing the number of poll-tax collections and correspondingly increasing the amount of money impounded by the company.

While the Six Companies (Inc.), in its unauthorized receipt now being given the worker for his poll-tax payment, promises to return the amount in the event that the final decision of the tax question by the courts is in favor of the company, it will be practically impossible to make the return of this money to workers whose location many years hence will not be known and to the estates of those who have met with fatal accidents. It is obvious that the company's treasury will benefit to a large extent by failure to make such returns, as the workers, the majority of whom are ex-service men, are from practically every State in the Union.

This unauthorized collection of the poll tax by the Six Companies (Inc.) is indefensible and the most high-handed method of "sweating" the wages of labor that has come to my attention. To think that such a practice should be permitted on a Federal enterprise of first magnitude is particularly obnoxious to those who believe in and support the American policy of fair play and justice.

This condition is so serious that it demands immediate investigation with a view to bringing about a discontinuance of this unjust practice at the earliest moment. A company which will indulge in such unfair practices without obtaining the authority of the officials of the State charged with the responsibility of collecting poll taxes is indeed subject to question as to all of its policies.

INVESTIGATION DEMANDED

The complaints which have been made of the company's business conduct to which I have referred are more than justified and demand immediate investigation as provided for in Senate Resolution 293, now before the Senate Committee on Irrigation and Reclamation, and which I now submit for the RECORD, as follows:

Senate Resolution 293

*Resolved*, That the Committee on Irrigation and Reclamation, or any duly authorized subcommittee thereof, is authorized and directed to investigate conditions existing in the Boulder Canyon Project Federal Reservation and the operations of the Six Companies (Inc.) and the officers of the Department of the Interior, with respect to the construction of Hoover Dam, and particularly with a view to ascertaining all facts relating to (1) the store operated by the Six Companies (Inc.), (2) contracts for the housing and feeding of employees of the Federal Government and the Six Companies (Inc.), and (3) the taxation of property and incomes within such reservation. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations, if any, for necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

In order to expedite consideration of Senate Resolution 293, I wrote to Senator JOHN THOMAS, chairman of the Committee on Irrigation and Reclamation, on December 30, 1932, and herewith submit for the RECORD this letter, together with Senator THOMAS's reply of January 7, 1933.

DECEMBER 30, 1932.

MY DEAR SENATOR THOMAS: For the purpose of authorizing the Committee on Irrigation and Reclamation or any subcommittee thereof to investigate conditions in the Boulder Canyon Project Federal Reservation on December 7, 1932, I introduced Senate Resolution 293, copy of which I herewith inclose.

Before this resolution can be considered by the Senate it will be necessary for it to be referred also to the Committee to Audit and Control the Contingent Expenses of the Senate, and I therefore will appreciate any action which you may take to expedite a favorable report by your committee.

Very sincerely yours,

TASKER L. ODDIE.

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JANUARY 7, 1933.

DEAR SENATOR ODDIE: I have your letter relative to the Boulder Canyon project investigation and wish to advise that some members of the company have asked to be heard before Senate Resolution 293 is finally passed.

As the time is so short now, I am wondering if it is worth while to go ahead and hold hearings in the matter.

Yours very truly,

JNO. THOMAS.

In the letter from Senator THOMAS I want particularly to call attention to the statement "and wish to advise that some members of the company have asked to be heard before Senate Resolution 293 is finally passed." The resolution referred to provides for an investigation of the officers of the Six Companies (Inc.), the private contractor, and officers of the Interior Department with respect to the serious conditions which I have just presented to the Senate. It would be quite contrary to the general policy of the Senate to permit the company whose conduct is subject to question to appear before a committee on a resolution providing for its investigation. If this were the custom and practice of the Senate none of the extremely necessary investigations would have taken place, as the adoption of resolutions providing for these investigations would have been obstructed by the parties to be investigated.

If and when the resolution I have introduced is adopted and the investigation begun the officers of the Six Companies (Inc.) and the officers of the Interior Department will be given full opportunity to come before the investigating committee—in fact, they will be subpœnaed to appear before the committee.

Every Member of the Senate, which, of course, includes the members of the Committee on Irrigation and Reclamation, who has heard my statement of the serious conditions at Hoover Dam would certainly favor, if not demand, that a thorough investigation be made, and would unanimously join in adopting Senate Resolution 293, the resolution which I have introduced providing for the investigation.

The Secretary of the Interior on November 23, 1931, requested the assistance of the Attorney General in the case of the Six Companies (Inc.) against A. J. Stinson, State mine inspector of Nevada. Attorney General Mitchell in his letter to me of January 26, 1933, previously placed in the RECORD, states that in reply he advised the Secretary of the Interior that the United States Attorney would be directed to render all possible assistance to the contractors in this case. The intervention of the Secretary of the Interior was, therefore, accountable for uniting the executive and judicial branches of the Government in support of the efforts of a private corporation in its attempt to undermine and destroy the sovereignty of the State of Nevada and to deprive the county of Clark and the State of tax revenues to which they are justly entitled. This leaves the State of Nevada almost entirely dependent upon the legislative branch of the Government for relief and the Senate will be performing its important fundamental function in the American plan of government in conducting this in-

vestigation and in recommending the necessary remedial action to remove these serious conditions.

Since I have presented to the Senate some of the most important complaints of the conduct of the work at Hoover Dam, hearings before the Committee on Irrigation and Reclamation should be unnecessary, and I request that Senate Resolution 293 be promptly reported by that committee. The amount specified in the resolution of $5,000 is nominal, and I request the Committee to Audit and Control the Contingent Expenses of the Senate to report the resolution promptly so that it may be adopted and the investigation begun without delay. Even though the time to the end of this session is short, ample opportunity is left for the investigation.

I am also hopeful that when the committee of investigation studies the facts herein set forth and obtains additional information in the course of the investigation, that a favorable report will be made by the Committee on Irrigation and Reclamation on S. 2885, which I introduced for the purpose of conserving the taxing power of the county of Clark and the State of Nevada. With such a favorable report it would still be possible to have this bill enacted in this session.

AMENDMENT TO THE CONSTITUTION—REPEAL OF PROHIBITION

The Senate resumed the consideration of Mr. BLAINE's motion that the Senate proceed to consider the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Sheppard |
| Austin | Dale | Keyes | Shipstead |
| Bailey | Davis | King | Shortridge |
| Bankhead | Dickinson | La Follette | Smith |
| Barbour | Dill | Lewis | Smoot |
| Barkley | Fess | Logan | Steiwer |
| Bingham | Fletcher | McGill | Stephens |
| Black | Frazier | McKellar | Swanson |
| Blaine | George | McNary | Thomas, Idaho |
| Borah | Glass | Moses | Thomas, Okla. |
| Bratton | Glenn | Neely | Townsend |
| Brookhart | Goldsborough | Norbeck | Trammell |
| Bulkley | Grammer | Norris | Tydings |
| Bulow | Hale | Nye | Vandenberg |
| Byrnes | Harrison | Oddie | Wagner |
| Capper | Hastings | Patterson | Walcott |
| Caraway | Hatfield | Pittman | Walsh, Mass. |
| Clark | Hayden | Reed | Walsh, Mont. |
| Connally | Hebert | Robinson, Ark. | Watson |
| Coolidge | Hull | Robinson, Ind. | White |
| Costigan | Johnson | Russell | |
| Couzens | Kean | Schuyler | |

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. WHEELER] is absent on account of illness.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present. The question is upon agreeing to the motion of the Senator from Wisconsin.

Mr. ASHURST. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I transfer my pair with the junior Senator from Nebraska [Mr. HOWELL] to the senior Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. FESS (when his name was called). On this question I have a pair with the senior Senator from New York [Mr. COPELAND]. I understand if he were present he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. NORRIS (when Mr. HOWELL's name was called). I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is absent on account of official business of the Senate. He has a general pair with the senior Senator from New Mexico [Mr. BRATTON]. If present, my colleague [Mr. HOWELL] would vote "nay."

Mr. STEPHENS (when his name was called). On this vote I am paired with the junior Senator from Wyoming [Mr. CAREY]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. Therefore I withhold my vote. If permitted to vote, I would vote "nay."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the senior Senator from Rhode Island [Mr. METCALF]. I understand if he were present he would vote "yea." If permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. TYDINGS. I wish to announce that the junior Senator from North Carolina [Mr. REYNOLDS] has a pair with the junior Senator from Oklahoma [Mr. GORE]. If the junior Senator from North Carolina [Mr. REYNOLDS] were present, he would vote "yea."

Mr. FRAZIER. On this question I have a pair with the junior Senator from Louisiana [Mr. LONG]. If permitted to vote, I would vote "nay." I understand the Senator from Louisiana [Mr. LONG] would vote "yea."

Mr. WAGNER. I wish to announce that my colleague the senior Senator from New York [Mr. COPELAND] is absent because of the death of his father. If present, he would vote "yea."

Mr. BINGHAM. I desire to announce that the senior Senator from Rhode Island [Mr. METCALF] is necessarily absent. If present, he would vote "yea."

Mr. FESS. I was requested to announce that the Senator from Wyoming [Mr. CAREY] is absent on business of the Senate.

Mr. SHEPPARD. The Senators from Louisiana [Mr. BROUSSARD and Mr. LONG] are necessarily absent. If present, they would each vote "yea."

The result was announced—yeas 58, nays 23, as follows:

YEAS—58

| | | | |
|---|---|---|---|
| Ashurst | Davis | Kendrick | Shipstead |
| Austin | Dill | Keyes | Shortridge |
| Bailey | Fletcher | King | Steiwer |
| Bankhead | Glass | La Follette | Swanson |
| Barbour | Glenn | Lewis | Trammell |
| Barkley | Goldsborough | Logan | Tydings |
| Bingham | Grammer | McKellar | Vandenberg |
| Black | Hale | McNary | Wagner |
| Blaine | Harrison | Moses | Walcott |
| Bratton | Hastings | Oddie | Walsh, Mass. |
| Bulkley | Hayden | Patterson | Walsh, Mont. |
| Byrnes | Hebert | Pittman | Watson |
| Clark | Hull | Reed | White |
| Coolidge | Johnson | Robinson, Ark. | |
| Couzens | Kean | Schuyler | |

NAYS—23

| | | | |
|---|---|---|---|
| Borah | Costigan | McGill | Russell |
| Brookhart | Cutting | Neely | Sheppard |
| Bulow | Dale | Norbeck | Smith |
| Capper | Dickinson | Norris | Smoot |
| Caraway | George | Nye | Townsend |
| Connally | Hatfield | Robinson, Ind. | |

NOT VOTING—15

| | | | |
|---|---|---|---|
| Broussard | Frazier | Metcalf | Thomas, Idaho |
| Carey | Gore | Reynolds | Thomas, Okla. |
| Copeland | Howell | Schall | Wheeler |
| Fess | Long | Stephens | |

So Mr. BLAINE's motion was agreed to.

The VICE PRESIDENT. The Chair lays before the Senate the joint resolution.

The Senate proceeded to consider the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the resolving clause and to insert:

That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

"SEC. 3. Congress shall have concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Mr. ROBINSON of Arkansas. Mr. President, I desire to submit the following amendment and ask that it be read, printed, and lie on the table.

The VICE PRESIDENT. It will be read for the information of the Senate.

The CHIEF CLERK. On page 3, line 2, strike out the words "the legislatures of" and insert the words "conventions in," and on page 3, line 16, strike out the words "the legislatures of" and insert the words "conventions in."

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. ROBINSON of Arkansas. Mr. President, I submit another amendment and ask that it be read, printed, and lie on the table.

The VICE PRESIDENT. The amendment will be read for the information of the Senate.

The CHIEF CLERK. The Senator from Arkansas offers the following amendment:

That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States.

"ARTICLE —

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission thereof to the States by the Congress."

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. BLAINE obtained the floor.

Mr. FESS. Mr. President, I submit an amendment and ask that it may be read and printed.

The VICE PRESIDENT. Does the Senator from Wisconsin yield for that purpose?

Mr. BLAINE. I yield.

The VICE PRESIDENT. Let the amendment be read.

The CHIEF CLERK. On page 3, at the end of line 13, it is proposed to strike out the period and insert a comma and the following words:

And/or to employ such other methods deemed necessary to carry into effect the purposes of this resolution.

The VICE PRESIDENT. The amendment will be printed, and lie on the table.

Mr. BLAINE. Mr. President, I desire to address myself to the resolution in explanation of the action of the committee, but before doing so I first want to submit a request for unanimous consent. I ask unanimous consent that no Senator shall speak upon Senate Joint Resolution 211, proposing an amendment to the Constitution of the United States or any amendment thereto or any motion relating to any amendment or to the joint resolution itself more than once or for longer than 20 minutes on the joint resolution or longer than 15 minutes on any amendment or any motion in relation thereto.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin?

Mr. BROOKHART. Mr. President, I have had to sit in this Chamber and listen to arguments of the Senator from Wisconsin on this question for hours, and I shall have to object to his request.

The VICE PRESIDENT. Objection is made.

Mr. BLAINE. Mr. President, as I advised the Senator from Iowa yesterday, I have scarcely consumed any time debating the prohibition question while I have been a Member of the Senate. I want to say, Mr. President, that it is my desire to continue the consideration of this joint resolution until we can obtain a vote on it sometime to-day. I am reliably informed, or at least I have been informed by a great many Members of the Senate, that we can obtain a vote upon the resolution within a reasonable time, and so I hope the Senate will retain a quorum and remain in session until we can obtain a final vote on the resolution and dispose of it.

Mr. President, speaking in behalf of the report of the committee I shall be very brief. The committee in submitting this joint resolution——

Mr. BINGHAM. Mr. President, before the Senator begins will he not——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Connecticut?

Mr. BLAINE. I yield.

Mr. BINGHAM. Will not the Senator suggest a unanimous-consent agreement limiting the debate on the part of each Senator to one hour? Perhaps such a request might be granted.

Mr. BLAINE. I think perhaps, Mr. President, that that would be too long a time.

Mr. President, the question before us has had the consideration of the two major political parties. At their national conventions last year they resolved very emphatically upon the question of amending the eighteenth amendment. The Republican Party, referring to an amendment to the eighteenth amendment, resolved:

Such an amendment should be promptly submitted to the States by Congress, to be acted upon by State conventions called for that sole purpose.

The Republican platform asked for a prompt submission of the question.

The Democratic Party in convention assembled resolved—I will read just a brief portion of their platform declaration:

We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal.

I read these two party declarations for the purpose of calling the attention of the Senate to the fact that both the great political parties resolved for immediate action upon this question. Moreover, Mr. President, I think——

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. BLAINE. I yield.

Mr. ROBINSON of Arkansas. The Senator has just read the two clauses in the political platforms of the Democratic and the Republican Parties which call for the submission of a proposed constitutional amendment for ratification by conventions. I wish to point out to him now that an amendment is pending designed to make the joint resolution conform to the platforms of both parties, and I should like to ask the Senator from Wisconsin, who has worked so long and diligently on the pending joint resolution, why it was that the committee reporting it disregarded the declaration of both political parties in favor of ratification by conventions?

Mr. BLAINE. Mr. President, during the course of my brief remarks I will undertake to set forth the committee's position on that question. I read a portion of the two platforms merely for the purpose of pointing out that both political parties resolved for immediate action upon repeal. That was the only purpose I had.

Each of the two parties took perhaps a different attitude respecting the substance of an amendment providing for the repeal of the eighteenth amendment, but before proceeding to discuss that proposition I come now to answer the question submitted by the Senator from Arkansas.

I think I accurately state the opinion of the committee when I point out that it must be perfectly obvious to those of us at least who have attended national conventions or any political party conventions that resolutions are adopted the purpose of which is to set forth the party's stand upon certain fundamental questions; and the fundamental question involved in this issue is whether or not the eighteenth amendment shall be repealed. The question of the mode

of repeal is not the essence of the question at all; it merely goes to the method by which the Congress may submit the question for ratification; and in the consideration of that proposition the committee felt that consideration was not given by the conventions primarily to the question of the mode of repeal but rather to the substantive elimination of the eighteenth amendment from the Constitution.

Moreover, it must be obvious to everyone that the conventions, either in the committee on resolutions or on the convention floor, gave practically no consideration to the problem of the expenditures involved in case the convention method was chosen as the mode of ratification. I call the attention of the Senate to the fact that we have been struggling along during all the present session and during a great portion of the last session of the Congress endeavoring to save a few dollars here and a few dollars there, a few hundred dollars or a few thousand dollars and as many million dollars as we could save in public expenditures in order to balance the Budget. Now we must face the fact that the convention system is going to be an expensive method for ratification. Take, for instance, in a so-called wet State where it is obvious that the legislature would immediately upon the presentation to it for ratification of the proposed constitutional amendment adopt a resolution to ratify the amendment. There is no necessity, in my opinion, to put those States to the expense of holding a convention.

The holding of a convention means a campaign. It means first, however, that the legislature must provide for holding an election at which delegates would be elected to attend the convention to pass upon the proposed constitutional amendment. That means a preliminary campaign in which both sides, no doubt, would participate, during which campaign enormous sums of money would necessarily be expended because of the particular character of this question and the zeal that is exhibited on the wet side and the dry side alike.

Then would come the holding of an election to select delegates in every precinct of the United States, or in those States that would provide for a convention and would set up the legal machinery for the purpose of holding it. There would be enormous expense in the conduct of that election. I presume for my own State that the expenditure would run into hundreds of thousands of dollars. So as the committee viewed the proposition they thought the States ought not to be compelled to expend those enormous sums of money, when we have a constitutional and an available system for ratification of any proposed constitutional amendment.

Moreover, the committee took the view that a legislature which would authorize the holding of a convention and provide machinery by which the delegates were to be elected and a convention held would in all probability ratify the amendment.

Furthermore, it was the view of the committee that this question has been thoroughly discussed throughout the country. In every hamlet and every city it has been so thoroughly discussed that I doubt if at the election held in 1932 there was a single polling place in the United States where the prohibition question was not injected respecting the election of members to the respective legislatures.

It has been suggested—and the suggestion was discussed by the subcommittee and also by the whole committee—that the Federal Government might pay the cost of holding an election for the purpose of electing delegates to the conventions in the respective States. I think it was the consensus of opinion of the committee that there was no constitutional authority for the Federal Government to set up machinery generally throughout the United States for the conduct of this election. However that may be, it must be obvious to everyone that because of certain factors that enter in, the Congress of the United States in all probability never would set up that machinery, even though the Congress may have the power.

Those are the considerations that were weighed by the committee; and due to those considerations the committee came to the conclusion that ratification by the legislatures would mean saving all of the expenditure and all of the turmoil and all of the disorganization that necessarily would take place in a campaign between the wets and the drys, and struggles to elect delegates to the respective conventions, all of which ought to be avoided in these times, if possible. So, since the legislatures in about 41 or 42 States, as I recall, are in session now, and all of them will be in session until after the 4th of March, it is my opinion that if a joint resolution were passed by this Congress providing for ratification by State legislatures, from the practical standpoint of one who does not believe in the eighteenth amendment, we would be assured of an earlier repeal of the eighteenth amendment.

So much on that proposition, Mr. President. Then we come to the next controversial question.

Section 1 is a straight, outright repeal of the eighteenth amendment. Section 1, if it is incorporated in the joint resolution, submitted by the Congress, and ratified by the necessary States, will entirely eliminate the eighteenth amendment from the Constitution. I need not discuss that section.

Then we have suggested and offered section 2, which provides as follows:

> The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors in violation of the laws thereof is hereby prohibited.

Mr. President, in agreeing to that section I think the committee was unanimous that the language used would effectuate the purpose that is obviously designed by section 2. It is claimed, however, and I think with some degree of assurance for the future, that Congress now has the power to pass laws to protect the so-called dry States in regulation of interstate commerce over intoxicating liquors. A great many laws on that subject have been enacted.

I will not review those laws in detail. First, however, we had what is known as the Wilson law. That law was treated in the case of Rhodes *v.* Iowa (170 U. S. 412); but the Supreme Court in that case gave rather a restricted construction of the language used by the Congress, and held that under the Wilson Act the interstate character attached to the liquor until it had actually been delivered to the consignee. In other words, the court held that the interstate-commerce clause—that is, the power of Congress to regulate interstate commerce—attached to that commodity not only before it entered the State but after it entered the State so long as it was in process of transportation either by rail, by express, or by any other method, until the commodity or the intoxicating liquor was in fact delivered to the consignee.

Then came an amendment to the Wilson Act, known as the Webb-Kenyon Act. The Webb-Kenyon Act was interpreted by the Supreme Court of the United States in the case of Clark Distilling Co. *v.* Western Maryland Railway Co. (242 U. S. 311). The language of the Webb-Kenyon Act was designed to give the State in effect power of regulation over intoxicating liquor from the time it actually entered the confines of the State; and the Supreme Court held that it was following the doctrine laid down in the case of Rhodes against Iowa, and necessarily must follow that doctrine in order to sustain the decision it was making in the case of Clark against Maryland Railway Co.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BLAINE. I see my able friend from New York shaking his head. I yield to him.

Mr. WAGNER. I do not want to enter into a controversy, because it really is not very important, but I do not think the Senator meant to say that by this act Congress delegated to the States the power to regulate interstate commerce; Congress itself regulated interstate commerce to the point of removing all immunities of liquor in interstate commerce.

Mr. BLAINE. I thank the Senator. I think he has given the correct statement of the doctrine. My understanding of the question was identically the same—that it was the action

of the Congress of the United States in regulating intoxicating liquor that protected the dry State within the terms of the law passed by the Congress.

Then, following the Webb-Kenyon Act, was the Reed "bone dry" amendment. That went somewhat further. I need not discuss that. That amendment was sustained by the Supreme Court in the case of United States *v.* Hill (248 U. S. 420).

In the case of Clark against Maryland Railway Co. there was a divided opinion. There has been a divided opinion in respect to the earlier cases, and that division of opinion seems to have come down to a very late day. So, to assure the so-called dry States against the importation of intoxicating liquor into those States, it is proposed to write permanently into the Constitution a prohibition along that line.

Mr. President, the pending proposal will give the States that guarantee. When our Government was organized and the Constitution of the United States adopted, the States surrendered control over and regulation of interstate commerce. This proposal is restoring to the States, in effect, the right to regulate commerce respecting a single commodity—namely, intoxicating liquor. In other words, the State is not surrendering any power that it possesses, but rather, by reason of this provision, in effect acquires powers that it has not at this time.

The committee felt that since the Congress had acted and had definitely legislated upon this question, while that legislation had been sustained by the Supreme Court, yet it was sustained by a divided court, and that we could well afford to guarantee to the so-called dry States the protection designed by section 2.

I am opposed to the dry States interfering with the so-called wet States in connection with this question of intoxicating liquors; and so, by the same token, I am willing to grant to the dry States full measure of protection, and thus prohibit the wet States from interfering in their internal affairs respecting the control of intoxicating liquors.

Now, Mr. President, I think I have set forth briefly, perhaps inadequately, the view of the committee as expressed in this joint resolution.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. WALSH of Massachusetts. I notice that the Senator keeps using the phrase, "The view of the committee." Has the Senator a different personal view from the committee?

Mr. BLAINE. I have not on that proposition.

Mr. WALSH of Massachusetts. Has the Senator on any of the propositions connected with this matter?

Mr. BLAINE. I have. I will come to the next proposition presently.

Mr. WALSH of Massachusetts. Therefore the Senator, at some stage in his speech, is going to distinguish between the committee's views and his own views?

Mr. BLAINE. I am.

Mr. President, when I say that I am expressing the views of the committee I am doing so because I have been directed by the committee to report this joint resolution, and I am endeavoring to express what I believe to be the view of the committee as a constituent part of the Senate of the United States and not expressing the individual views of the members of the committee. I want that distinctly understood. I do not speak for the individual members of the committee.

Mr. WALSH of Massachusetts. Were there record votes in the committee on these various propositions?

Mr. BLAINE. There were.

Mr. WALSH of Massachusetts. Will the Senator put them in the RECORD at this juncture?

Mr. BLAINE. I think I have them. Let me finish the third proposition and then I will put them in the RECORD, if I have the record.

Mr. WALSH of Massachusetts. All votes of the committee on the various aspects of this proposal.

Mr. BLAINE. I shall.

Now coming to the third section, it reads as follows:

> Congress shall have concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold.

The committee, in considering that proposition, in my opinion, indulges in language that will effectuate the purpose designed. The purpose designed by that section is to give Congress the power to prevent the restoration of the saloon.

As I say, I am not expressing the viewpoint of individual Members of the Senate, nor am I expressing my viewpoint. I am endeavoring to express the viewpoint of the committee as a committee, rather than individual viewpoints. I apologize for repeating that statement; but I want to call attention to the party platforms on this proposition, which the committee had before it, and which the committee had a right to consider, and did consider.

The Republican platform on this particular question resolved as follows—I will read only the paragraph that has particular reference to the saloon:

> We, therefore, believe that the people should have an opportunity to pass upon a proposed amendment the provision of which, while retaining in the Federal Government power to preserve the gains already made in dealing with the evils inherent in the liquor traffic, shall allow States to deal with the problem as their citizens may determine, but subject always to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses.

Mr. President, that section, of course, carries into effect the purposes or designs of the resolution.

Now, turning to the Democratic platform upon the same subject, reading only that which has reference to this question, I find the following:

> We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

The difference between the Republican platform and the Democratic platform on this question of preventing the return of the saloon is merely a question of procedure. They both propose to prevent the return of the saloon. There is no question about that. The Republican platform proposes to do it by leaving in Congress some power, if you please, because after the eighteenth amendment is repealed the Congress will have no police powers respecting this question of intoxicating liquors. So, as I view it, the Republican platform proposes to repose the power not only in the States, but also in the Congress, to prevent the return of the saloon, and to regulate the alleged abuses and evils in reference thereto.

Mr. WAGNER. Mr. President, will the Senator yield to me?

Mr. BLAINE. I yield.

Mr. WAGNER. I could not quite comprehend what the Senator meant when he said "some power." When we analyze the provision in detail is it not a fact that we find that it confers all power? In the analysis I hope to make as to the legal phase of the matter, I think I can show that it confers almost all the power that now exists as a result of the adoption of the eighteenth amendment. There is very little difference.

Mr. BLAINE. I submit that the Senator's statement is correct in so far as that power relates to intoxicating liquors to be drunk on the premises where sold. That obviously means the saloon, does it not? That is, it means a public drinking place; it may be a saloon, it may be a hotel, it may be a restaurant. I am not undertaking to analyze the minds of those who adopted the platform. I am just trying to make this point, that the Republican platform proposes to prevent the return of the saloon by retaining in Congress power which it now has under the eighteenth amendment on that question, and that single question.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. BLAINE. I yield.

Mr. WALSH of Massachusetts. Is not the difference between the two party platforms in substance this, That the Democratic Party platform declares for the States and the States alone determining the manner in which intoxicating liquors shall be manufactured, sold, and distributed, while the Republican Party platform holds to control over the method of sale in part by the Federal Government and in part by the State governments?

Mr. BLAINE. Mr. President, I hope the Senator will not understand that I am endeavoring to defend either platform on that question.

Mr. WALSH of Massachusetts. Is not that the distinction?

Mr. BLAINE. I am simply endeavoring to present that which the committee took under consideration when it drafted the particular language I am discussing. I am, in a way, a referee in this matter. I did not support either the Republican platform or the Democratic platform. I have no partisan viewpoint in the matter.

Mr. WALSH of Massachusetts. This clause which the committee reports supports the Republican platform and not the Democratic platform.

Mr. BLAINE. I have not yet approached an analysis of the Democratic platform on this subject, as the committee views it, and given my opinion of it, though I want to do that. I think it is only fair I should do that before I conclude.

Mr. WALSH of Massachusetts. The Senator does not want to make his concluding statement at this time?

Mr. BLAINE. Oh, no.

Mr. WAGNER and Mr. FESS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. BLAINE. I do not want to get into a controversy as between Democrats and Republicans. I am quite indifferent as to what their attitude was on the question.

Mr. WAGNER. Mr. President, will the Senator yield to me?

Mr. BLAINE. I yield.

Mr. WAGNER. I have not thus far, nor will I, discuss with the Senator any political considerations. I am concerned with the legal effect of the proposal the Senator is now discussing.

I understood the Senator to say specifically that section 3 limits the power of Congress to deal with a specific subject. But I am sure the Senator has followed the history of the legislation in relation to the eighteenth amendment and knows that Congress, according to the interpretation or sanction by the United States Supreme Court is permitted to deal with subjects which do not relate exactly to the powers or go beyond the powers specifically delegated by the Constitution, and permit the adoption of measures which have for their purpose hedging in the particular powers, so that they may be more effectively enforced.

If I may state a specific case——

Mr. BLAINE. Mr. President, I think the Senator is perfectly clear on that. I agree with him as to his abstract proposition.

Mr. WAGNER. I wanted to give a concrete example, to show just what I mean. It will take only a second.

The eighteenth amendment authorized Congress to deal only with intoxicants to be used for beverage purposes, and everyone assumed, of course, that that was a limitation upon Congress to deal only with intoxicants to be used for beverage purposes. But in order to carry out the power thus delegated, Congress dealt with liquor used for medical purposes, and in one instance absolutely prohibited the use of malt liquor for medical purposes, although specifically no such power was given Congress; and that was upheld by the courts.

Mr. BLAINE. Of course, there is no disagreement between the Senator and myself upon the application of that general principle. Our difference is this: Under the eighteenth amendment Congress was given power over the subject of intoxicating liquors, without any restrictions whatever. The grant embraced all power, power over transportation, importation, manufacture, and sale of intoxicating liquors for beverage purposes. There is no doubt about that. Under section 3 the subject is intoxicating liquors to be drunk on the premises where sold. I doubt very much whether the general principle set down by the very able lawyer, counselor, and Senator from New York is applicable to the broad extent to which he would undertake to apply that principle.

However that may be, it was the view of the committee that section 3 related only to the question of the saloon, that is, the public drinking place; that the Federal Government would have concurrent power with the States to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold. That was the conclusion and opinion of the committee.

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. BLAINE. I yield.

Mr. FESS. Section 3 is the one section about which I am concerned, and it is to that section that I offered an amendment a while ago.

Conceding that there is a desire to avoid a return of the old drinking place—and everybody seems to want to do that—I thought we could not go further than to legislate so as to forbid the product being drunk where it is sold, on the premises. As far as it goes, that seems to me one of the effective methods proposed to prevent the return of the saloon, if that can be prevented. But, in the discussion of this matter for months before the conventions met, a lot of methods were proposed. One was that the object might be accomplished by a State or National dispensary system, if that were thought wise. Others thought that it might be arrived at by a system of licensing. Others thought it might be accomplished through the exercise of the taxing power.

I wondered whether the Senator would not agree to broaden the authority, so that Congress would not be limited to just this one thing, forbidding the drinking of the product where it is bought, but might be willing to extend broad power so that whatever might be necessary to prevent the return of the saloon Congress would have the authority to enact, if we thought it was wise. The amendment I offered was designed to broaden this authority.

Mr. BLAINE. Mr. President, as the Senator in charge of the joint resolution, I have no authority to modify the amendment proposed by the committee, and I want to state that the committee, in drafting the resolution, undertook to employ language sufficiently broad to do that which was obviously designed to be done, and the committee thought that section 3 would give Congress power over intoxicating liquors drunk on the premises where sold, and that it would give such implied powers as are necessary in such premises.

For instance, under this power, Congress could pass a law divorcing the sale of hard liquor, spirituous liquor, from the sale of malt and vinous liquors, or divorcing the sale of hard liquors from the sale of milder liquors; that is, providing that hard liquor should not be drunk on the premises where sold, and permitting wine and beer to be drunk on the premises where sold, for instance, at a hotel, at a restaurant, in a public garden, or, for that matter, in any public place. The Congress would have the power to pass legislation respecting that question generally.

Mr. FESS. Mr. President, if the Senator will permit, I voted against taking up the joint resolution, and the Senator might infer that I am opposed to anything being done. I voted against it simply because I thought this was not the time to act. But if we could get the broad power in section 3 to do what the Senator admits we all want to do, I should vote for the resolution when we come to a vote. But if all power is denied, of course I shall vote against it.

Mr. SHORTRIDGE. Mr. President, will the Senator yield to me?

Mr. BLAINE. I yield.

Mr. SHORTRIDGE. In aid of the thought expressed by the Senator from Wisconsin, and answering some suggestion

of the Senator from Ohio, I would like to have appear in the RECORD the last subdivision, subdivision 18, of section 8, of Article I of the Constitution of the United States, which reads:

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof.

So that, without going into detail, here is a conferring power to make any law necessary to carry into effect the foregoing or any other power.

Mr. BLAINE. Mr. President, I was proceeding along the line of endeavoring to point out the attitude of the committee. I have endeavored to point out how the committee was attempting to meet the situation as the political parties had resolved.

Under section 3, in the absence of any Federal law respecting liquor that is to be drunk on the premises where sold, every State, of course, could legislate upon that question, and that legislation would be supreme. If the Congress of the United States legislated upon that question, yet the States would have, of course, power to legislate along the same lines.

Mr. SHORTRIDGE. Which would be supreme?

Mr. BLAINE. I do not want to get into a discussion of that matter. That is a field in which we can get into all kinds of misunderstanding.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Wisconsin yield to the Senator from New York?

Mr. BLAINE. I yield.

Mr. WAGNER. Suppose there is a conflict between the Federal law and the State law, what happens, in the opinion of the Senator?

Mr. BLAINE. In my opinion, the Federal law would prevail, of course, as it does under the eighteenth amendment.

Mr. WAGNER. So the word "concurrent" is meaningless?

Mr. BLAINE. That was to assure that there would be power in the States and power in the Congress. That is the only purpose in using the words "concurrent power." I doubt if it is necessary language, but the committee thought it was. I appreciate the Senator's technical position on the matter. I think it has all been discussed and very well threshed out by the Supreme Court in the national prohibition cases and in other cases interpreting the eighteenth amendment. It is unnecessary, of course, to discuss that question in connection with this matter. It is admitted that the Congress would have the power to legislate, to prohibit, to regulate liquor to be drunk on the premises where sold. The States would have that power, of course.

Mr. President, the Democratic Party resolved to carry out the intent of section 3 of the committee report. It said:

> We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

There is no difference as between the two political platforms as to the purpose they designed to accomplish. The only difference is in the method of accomplishment. The Republican platform demands reservation in the Congress, the Democratic platform proposing to do the same thing solely through State legislatures.

I submit, without intending to be controversial, that I know of no way by which the Congress of the United States could carry out the design of either party except by giving the Congress some power in the premises. Certainly the Congress will have no power over the legislatures in the absence of this authority to tell the legislatures of the several States that they must enact laws to outlaw the saloon. Therefore it was the view of the committee that section 3 would carry out the designed purpose of the declarations of the two political parties.

Mr. President, I do not agree with either of the parties upon that proposition.

Mr. WAGNER. Mr. President, will the Senator yield again?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. BLAINE. I yield.

Mr. WAGNER. I was unable to comprehend the Senator's statement when he said the Democratic platform could not be carried out without lodging some power in Congress to deal with the liquor question.

Mr. BLAINE. I said it could not be carried out through the Congress unless some power was lodged in the Congress. The Democratic proposal could be carried out only by the respective States.

Mr. WAGNER. That is true.

Mr. BLAINE. Mr. President, my own personal viewpoint upon section 3 is that it is contrary to section 2 of the resolution. I am now endeavoring to give my personal views. The purpose of section 2 is to restore to the States by constitutional amendment absolute control in effect over interstate commerce affecting intoxicating liquors which enter the confines of the States. The State under section 2 may enact certain laws on intoxicating liquors, and section 2 at once gives such laws effect. Thus the States are granted larger power in effect and are given greater protection, while under section 3 the proposal is to take away from the States the powers that the States would have in the absence of the eighteenth amendment. My view therefore is that section 3 is inconsistent with section 2, and the two sections are incompatible, and that section 3 ought to be taken out of the resolution. I made myself clear before the subcommittee and before the full committee, and made a reservation to that effect.

I have now concluded my remarks so far as they relate to the purpose and design of the committee. I have undertaken to set forth my viewpoint respecting section 3 of the resolution. Now, I want to conclude respecting my own personal viewpoint and attitude upon the whole question.

The eighteenth amendment is an inflexible police regulation which might be appropriate in a municipal ordinance in those sections of our country where the people desire a bone-dry local régime. The eighteenth amendment does not give to the Congress a general grant of power to regulate. It is strictly a prohibition, a mandate. It is specifically a prohibitive provision of the Constitution.

Surely, Mr. President, it was never designed that our Constitution would be a compilation of local ordinances regulating the lives, the customs, and the habits of our people. But that is exactly the character of the eighteenth amendment. It has no place in the Constitution. Its inflexibility was demonstrated in the Congress when it was undertaken to pass a revenue act providing for a tax upon beer. The inflexibility of the eighteenth amendment was emphasized before the subcommittee and the full Committee on the Judiciary of the Senate when it had under consideration that revenue proposal, which had been passed by the House, respecting the question of its constitutionality. I submit, Mr. President, that it took some time, some study, some consideration before the committee could recommend amendments to the proposal in order to bring it within the eighteenth amendment and yet to accomplish the purpose designed by the House of Representatives and as has been resolved upon time and time again by political parties in many of the States of our Union. Therefore, as I said, in my opinion the eighteenth amendment has no place in the Constitution.

Paraphrasing President Lincoln, on saving the Union, it is my paramount object in this struggle to take prohibition out of the Constitution.

If I could take prohibition out of the Constitution by providing for ratification by conventions, I would do it. If I could take prohibition out of the Constitution by providing for ratification by the legislatures, I would do it.

If I could take prohibition out of the Constitution by restricting the power of the Congress respecting the regulation of commerce as to intoxicating liquors, I would do it.

If I could take prohibition out of the Constitution by giving to the Congress the power to regulate or prohibit the use of intoxicating liquors to be drunk on the premises where sold, I would do it.

If I could take prohibition out of the Constitution by taking out or leaving in sections 2 and 3 of the proposed amendment, or either of them, I would do it.

What I do about taking prohibition out of the Constitution, I do because I believe it will help to ratify a repeal of the eighteenth amendment.

What I forbear, I forbear because I do not believe it will help to take prohibition out of the Constitution.

I shall do less whenever I shall believe that doing less will help to take prohibition out of the Constitution, and I shall do more whenever I shall believe that doing more will help to take prohibition out of the Constitution.

Therefore I shall vote for an absolute repeal of the eighteenth amendment and the ratification thereof by conventions, if that is the mode of ratification proposed by Congress by which prohibition may be removed from the Constitution. I shall vote for a repeal of the eighteenth amendment, with ratification by the legislatures, if that is the mode of ratification proposed by Congress by which prohibition may be removed from the Constitution.

I shall vote for a repeal of the eighteenth amendment if sections 2 and 3 remain in the proposed amendment. I shall vote for the repeal of the eighteenth amendment if sections 2 and 3, or either of them, are stricken out of the proposed amendment.

My object is to take the eighteenth amendment out of the Constitution.

Mr. BRATTON. Mr. President, some days ago I offered an amendment to the pending joint resolution and had it printed. I now send it forward and offer it to the committee text of the joint resolution.

The PRESIDING OFFICER. Does the Senator from New Mexico desire the amendment read?

Mr. BRATTON. I do.

The PRESIDING OFFICER. The clerk will read the amendment.

The CHIEF CLERK. On page 3, line 2, it is proposed to strike out the words "the legislatures of" and to insert in lieu thereof the words "conventions in."

The PRESIDING OFFICER. The Chair will state that a similar amendment has already been offered by the Senator from Arkansas.

Mr. WALSH of Massachusetts. Mr. President, I desire to ask the Senator from New Mexico a question. Is the amendment now proposed by the Senator from New Mexico similar to the amendment offered by the Senator from Arkansas?

Mr. BRATTON. I did not know that the Senator from Arkansas had proposed such an amendment but this is the amendment which I offered in the committee.

Mr. WALSH of Massachusetts. At the outset of the discussion this morning the Senator from Arkansas, the leader on this side, offered two amendments which I assume he offered representing the views of the minority, and one of them was similar to the amendment just proposed by the Senator from New Mexico.

The PRESIDING OFFICER. The Chair is informed that the amendments proposed by the Senator from Arkansas were not formally offered, but that they were merely presented and read for the information of the Senate.

Mr. WAGNER obtained the floor.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Virginia?

Mr. WAGNER. I yield.

Mr. GLASS. I merely want to announce that unless I shall change my purpose, it is my intention to offer Senate Joint Resolution 202 as a substitute for the joint resolution submitted by the Senator from Wisconsin, however it may be amended.

Mr. WAGNER. Mr. President, I am thoroughly in accord with the arguments presented by the Senator from Wisconsin [Mr. BLAINE], but I hope, perhaps, to amplify them somewhat, particularly as to an analysis of the legal aspect of section 3 of the joint resolution.

Mr. President, the pending joint resolution tendered to the Senate and the country is called a proposal to repeal the eighteenth amendment, and because artfully it employs the word "repeal" in its first section, it pretends to fulfill the wish overwhelmingly expressed by the American people at the last election. But I submit that the pending resolution does not in fact repeal the inherently false philosophy of the eighteenth amendment. It does not correct the central error of national prohibition. It does not restore to the States responsibility for their local liquor problems. It does not withdraw the Federal Government from the field of local police regulation into which it has trespassed. It utterly flouts the will of the majority as registered in the election last November.

Year after year an unremitting battle had been waged, an unending campaign of debate, before we reached the present pass where the Congress of the United States is ready to resubmit the policy of the eighteenth amendment for the approval or rejection of the American people. And now, that we have reached the final phase of the struggle, so far as I am concerned, at least, I do not propose to accept a sham and hollow victory.

I have many times declared and I now repeat that the question which has troubled the American people since the eighteenth amendment was added to the Constitution was not at all concerned with liquor. It was a question of government; how to restore the constitutional balance of power and authority in our Federal system which had been upset by national prohibition. That equilibrium which prior to the eighteenth amendment was one of the functional marvels of our system of government is not restored by the pending resolution. On the contrary, it perpetuates the lack of balance, the absence of symmetry, the confusion and overlapping of Federal and local authority.

Before analyzing the provisions of Senate Joint Resolution 211 it is pertinent to examine the platform declarations of the two principal parties with reference to the eighteenth amendment. In order to refresh the recollections of the Members of the Senate I shall read two brief extracts from the Republican and Democratic platforms of 1932.

The Republican platform declared:

> We do not favor a submission limited to the issue of retention or repeal * * *. We, therefore, believe that the people should have an opportunity to pass upon a proposed amendment, the provision of which, while retaining in the Federal Government power to preserve the gains already made in dealing with the evils inherent in the liquor traffic, shall allow the States to deal with the problem as their citizens may determine, but subject always to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses.
>
> Such an amendment should promptly be submitted to the States by Congress, to be acted upon by State conventions called for that sole purpose in accordance with the provisions of Article V of the Constitution and adequately safeguarded so as to be truly representative.

I shall not dwell on the Republican platform declaration, because, while it is difficult to argue that the pending joint resolution does not conform to the Republican platform, the people overwhelmingly rejected that platform as a sham, a pretense, and a straddle.

The Democratic platform declared:

> We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision by the States.

I know quite well that in and out of this Chamber are those who regard platform planks with cynical indifference, who discount their effect on public opinion; but may I recall to you, Mr. President, that these were no ordinary, run-of-the-mill party planks. The attention of the entire country was riveted upon each of the conventions, eagerly awaiting the formulation of its prohibition views. These declarations

were thoroughly debated and the proceedings were broadcast through press and radio to the entire country. Throughout the campaign they were minutely discussed by spokesmen of both parties. If there be any who contend that the American people did not thoroughly comprehend the issue so sharply joined on prohibition, they must ascribe to the voters a degree of incompetence which would make of democracy a farce and a byword. I do not hold that view. I credit the American people with full and ripe understanding of the prohibition issue. And upon that issue they expressed their preference by giving an overwhelming victory to the Democratic candidates.

If there be any meaning in representative government—if the people of the United States are in truth sovereign—then the will unequivocally expressed by them ought to prevail in this body.

In substance and form, Senate Joint Resolution 211 is a repudiation of the public demand. Instead of ratification by conventions as promised in both platforms, it proposes ratification by legislatures. This, however, is relatively a minor objection when compared to the nullification of the entire program of repeal which is attempted in section 3 of the resolution. Section 3 provides:

> Congress shall have concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold.

Should this language ever be incorporated into the Constitution, we would inaugurate another experiment, "noble in purpose" but mischievous and destructive in effect. I say "noble in motive," because the apparent intention of the advocates of this resolution is to outlaw the saloon. I am in sympathy with that purpose; but the suggested method of accomplishing it—the proposal that it shall continue to be the responsibility of the Federal Government—is all wrong. It flies in the face of reason and experience. If the Federal Government failed to discharge that responsibility under the all-embracing prohibition of the eighteenth amendment, what folly is it which prompts anyone to believe that it can discharge it under the milder language of the pending resolution?

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Montana?

Mr. WAGNER. I yield.

Mr. WALSH of Montana. Does the Senator feel he speaks the sentiments of the people of New York when he says he is in sympathy with the proposal to outlaw the saloon?

Mr. WAGNER. Yes.

Mr. WALSH of Montana. And does the Senator think that the State of New York will adopt appropriate legislation to that end?

Mr. WAGNER. I do.

Mr. President, in addition to these general objections to the resolution, I desire to set forth seven specific objections.

First. The inevitable consequence of section 3 will be that the liquor question will continue to bedevil national politics. It is unquestionably true that part of the force back of the movement for repeal was the desire to bring to an end the intrusion of that problem into the national sphere, which had served in many ways to confuse public consideration of truly national problems. Section 3 of the pending resolution perpetuates that condition.

Second. The power of Congress "to regulate or prohibit," which is conferred by section 3, is described as "concurrent power." In other words, we shall have two authorities, Federal and State, simultaneously possessed of jurisdiction over the same area of regulation. The zone which each is to occupy is undefined. It is the kind of provision which unavoidably leads to confusion, conflict, and litigation. Ultimately, of course, the history of "concurrent power" under this new amendment would not differ from that of "concurrent" power under the eighteenth amendment. Instead of "concurrent," the power of Congress will be dominant and absolute over the States. No other result is possible. Two sovereignties in conflict can not both prevail. In this instance, as in every other instance, it will be the national and not the State authority which will be supreme; and that is the ironical result of an amendment designed to restore to the States control of their liquor problem.

Mr. WALSH of Montana. Mr. President, will the Senator suffer a further interruption?

The PRESIDING OFFICER. Does the Senator from New York yield further to the Senator from Montana?

Mr. WAGNER. Yes.

Mr. WALSH of Montana. The Senator is entirely familiar with legislation by the States and legislation by municipalities covering the same subject, is he not?

Mr. WAGNER. Covering the same subject?

Mr. WALSH of Montana. Yes.

Mr. WAGNER. I am not familiar with legislation of that type. The State delegates power to a municipality. A municipality, of course, is only a corporation of the State, and thus acts and governs by delegated power.

Mr. WALSH of Montana. Let me point the Senator to such an instance. In the State of Montana there is a State law prohibiting the keeping within the limits of any city of more than 100 pounds of explosives at any one time. Some cities think that is not sufficient protection, and they make it a crime to keep more than 50 pounds at any one time within the city limits. Which would the Senator say was predominant?

Mr. WAGNER. The State would be predominant because the authority of the municipality can not exceed that of the State. In prescribing the amount of explosives that might be kept at any one time, such power could not be exercised by the municipality unless it had been delegated by the State.

Mr. WALSH of Montana. Neither the one nor the other in that case is dominant. If a man has 75 pounds of explosives within the city limits he can not be prosecuted under the State law but he can be prosecuted under the city law. So the two, having concurrent jurisdiction, stand together without any interference at all.

Mr. WAGNER. There is not any concurrent jurisdiction, with all due respect to the Senator, in the case of the States and the Federal Government. The Senator is so great a student of law that I realize I am saying something very trite when I say that the Federal Government acts only upon delegated power, and has only such powers as the States have delegated to it. In the case of the municipality and the State, the municipality acts only upon delegated power; and any power it exercises, such as the Senator has described, is exercised only by the will of the State. Therefore, there can not be the question of concurrent authority.

Mr. WALSH of Montana. I simply challenge the statement that the Federal power must be dominant when there is a concurrent power.

Mr. WAGNER. Except that in the case of the eighteenth amendment the United States Supreme Court says it is dominant. That is the difficulty in the situation. That is what I have stated, and it has been so held by the United States Supreme Court.

Mr. WALSH of Montana. The Supreme Court of the United States has never outlawed a State statute because it was contrary to a Federal statute on prohibition.

Mr. WAGNER. It never has had, in the case of the eighteenth amendment, the question of a State statute where States were given concurrent power.

Mr. WALSH of Montana. The Federal Government could make a certain act or series of acts criminal, and the States could make them likewise criminal, or could make lesser or greater acts criminal.

Mr. WAGNER. That is not acting differently; but if the State acted in conflict with the Federal Government in the matter of legislation in the regulation of intoxicants, as the Supreme Court has stated in the liquor cases, the Federal Government would be dominant.

Mr. WALSH of Montana. I rise merely to say that there are a great many instances in which the Federal Government and the State government exercise concurrent power.

Mr. WAGNER. They remain concurrent so long as they are not in conflict.

Third. The real cause of the failure of the eighteenth amendment was that it attempted to impose a single standard of conduct upon all the people of the United States without regard to local sentiment and local habits. Section 3 of the pending joint resolution proposes to condemn the new amendment to a similar fate of failure and futility. No law can live unless it finds lodgment in the public conscience and is nourished by public support.

True enough, section 3 does not in itself impose a national standard, but it invites Congress to impose it; and to that extent it is an invitation to further nullification, a perpetuation of the conflict between governmental authority and public opinion.

Fourth. In order to exercise the power "to regulate or prohibit" which is conferred by section 3, Congress will have to provide an enforcement agency. But that is not all. Any realistic calculation will reveal that the agency will be larger, more expensive, and more subject to abuse and corruption than the Bureau of Prohibition. The kind of regulation which may be fairly anticipated under section 3 can not possibly be administered except by a genuine police force of thousands upon thousands of officers. The Federal Government has never been equipped with such a force, and it can not be so equipped unless we alter the nature of our Government beyond recognition.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. I do.

Mr. BORAH. I take it from the Senator's argument that he is of the opinion that it is impossible, as a practical proposition, for the National Government to control the manner of consumption or the place of drinking of this beverage, once it has been legalized or permitted to be sold.

Mr. WAGNER. I do not quite understand the Senator's question.

Mr. BORAH. I say, I take it that the Senator's position is that as a practical proposition the National Government can not enforce any constitutional amendment which undertakes to control the place of consumption or the place where the beverage shall be drunk, once you have repealed the eighteenth amendment.

Mr. WAGNER. That is exactly what my point is.

Mr. BORAH. Yes; that is what I took it to be.

Mr. WAGNER. And it has not done it so far. It has attempted it under the eighteenth amendment.

Mr. BORAH. In other words, it being contended that it is impossible now to prevent the sale and the consumption of liquor at a particular place, certainly we can not do it after we have legalized its sale.

I am not disposed to differ from the Senator about that proposition; but what I should like to ask the Senator is whether there is any practical way, in his opinion, by which the National Government can prevent the return of the saloon once we have legalized the sale of intoxicating liquors and turned it back to the States.

Mr. WAGNER. Have confidence in your State governments. We have confidence in our State governments to deal with other and much more important subjects. We have confidence in our State governments to administer justice, to provide for the national defense, to provide for the education of their children, to protect their people against crime and criminals. All of these matters are now dealt with effectively and successfully by the State governments; and I say this matter of controlling the habits of people and regulating them is a local affair and in the province of State government, and the only way to deal with it successfully is to leave it to the conscience of the people of each State instead of attempting to set up a uniform standard for all of the people of the United States. Then, in my judgment, we will get laws which are in harmony with the conscience of the people, and which will on that account be supported and enforced.

Mr. BORAH. Perhaps I did not put my question as I should have. In other words, the Senator thinks the question of determining whether or not the saloon shall return must be left entirely to the States?

Mr. WAGNER. It must be left to the States; and I believe the overwhelming sentiment in this country is so definite in every State that we will have no return of the saloon. I can say that for the State of New York; but let the people of each State deal with that subject, and they will do it more effectively and more successfully than the Federal Government has done, because it is not the business of the Federal Government.

Mr. BORAH. I understood the Senator to say that he could speak definitely for the State of New York on that subject. The Senator feels assured that the State of New York will not permit the return of the saloon?

Mr. WAGNER. I believe that to be the fact, because I believe that is the overwhelming sentiment of the people of the State; and that is what controls the enactment and enforcement of law—the enlightened sentiment of the community.

Mr. BORAH. We are advised by the newspapers that there are some 5,000 saloons now in New York City. [Laughter in the galleries.]

Mr. WAGNER. Yes; as a result of the effort of the Federal Government to regulate local habits. Leave it to the people of the State of New York, and that matter will be dealt with. The condition described by the Senator from Idaho obtains not only in New York; it is true of the entire country, showing what an utter failure the Federal Government has made in its effort to regulate by a single standard throughout the country the habits of the people.

Mr. BORAH. But the State of New York repealed all its laws which aided the National Government in preventing the return of the saloon.

Mr. WAGNER. Yes; it did.

Mr. GLASS. Mr. President, may I ask if the laws of the State of New York were enforced before the repeal of the Gage-Mullan Act? Did you not have saloons in New York in spite of the laws of New York?

Mr. WAGNER. Because the standard of regulation for the liquor traffic was fixed by the Federal Government, and it was not in conformity with the opinion of the people of the State of New York, national prohibition did not enjoy the support of the opinion of the people of the State of New York, and I think since the last election we can say that it is regarded by the people of the United States as an utter failure.

Mr. GLASS. I am not talking about that. What I am asking the Senator is, Whether the State of New York did not have a statute undertaking to regulate the liquor traffic, and whether it did regulate the liquor traffic?

Mr. WAGNER. Is the Senator speaking of the time before prohibition?

Mr. GLASS. You had the Gage-Mullan Act.

Mr. WAGNER. We had no power to regulate the liquor traffic. All that we could do was to pass laws supplementing the efforts of the Federal prohibition agents to enforce the law.

Mr. GLASS. What I am asking the Senator is, Were those laws effective?

Mr. WAGNER. I do not think they were.

Mr. GLASS. Then why does the Senator think that a law of the State of New York would be effective hereafter in preventing the return of the saloon?

Mr. WAGNER. Because we in New York were not allowed to deal with and regulate that traffic, we were compelled to take the regulations of the Federal Government with reference to the enforcement of the law. That is the reason.

Mr. GLASS. The proposition here is not to regulate; it is to prohibit the return of the saloon.

Mr. WAGNER. I think I have convinced the Senator that it means more than that.

Mr. GLASS. I do not think it even means that. [Laughter in the galleries.]

The PRESIDING OFFICER. Let there be order in the galleries.

Mr. WAGNER. I want to discuss the legal effects of section 3.

Fifth. Let no one harbor the hope that the power granted in section 3 will remain unexercised; or the misapprehension that its purpose is but to serve as a threat against the State which departs from the course desired by a majority of Congress. We know perfectly well that the grant of the power "to regulate or prohibit" as defined in section 3 will lead inevitably to State reliance upon the Federal Government to enforce the local laws of the dry communities. As under the eighteenth amendment, so under the new proposal, responsibility will be shifted from the States, where it belongs, to the Federal Government; and once again the people of one section will be taxed for the enforcement of a law they do not want in order to relieve the people of another section of the burden of enforcing a local law which they do want.

Sixth. It is no simple matter to "regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold." The history of the liquor problem before prohibition is replete with instances of the ingenuity used to circumvent such regulation. I recall, as an instance, the so-called Raines law hotels. The problem is one which calls for constant vigilance by those familiar with local habits and sentiment. It can be effectively dealt with only by local legislation and local enforcement. To pretend that the National Legislature and a Federal enforcement body can cope with it is to deny the lesson of experience under the eighteenth amendment.

Seventh. And now let us examine the implications of section 3. Let us weigh just how much power we are conferring upon the Federal Government. Let us see whether we are in fact materially changing the now universally rejected system of nation-wide prohibition.

On its face, the power of Congress seems to be rather limited. It is by the language of section 3 restricted to the prohibition or regulation of "the sale of intoxicating liquors to be drunk on the premises where sold." But I submit, Mr. President, that anyone familiar with the history of constitutional interpretation can entertain no doubt that this apparently limited power can be extended to boundaries now undreamed of and unsuspected by those who tender this joint resolution to the Senate. It is possible to cite illustrations of that fact from numerous branches of law. I shall limit myself to the history of the eighteenth amendment itself.

When that amendment was presented to the States for ratification, the prohibition it contained was expressly limited to liquors which were intoxicating and for beverage purposes. It did not contain any additional grant to Congress of power to regulate all liquors, whether intoxicating or not, whether for beverage purposes or otherwise. Like the joint resolution before us, it carried simply a grant of "concurrent power" to enforce the article of amendment.

What has been the development of that language? By virtue of it, Congress has prohibited the manufacture, sale, and transportation of nonintoxicating beverages, and the Supreme Court has sustained its action. (The National Prohibition cases, 253 U. S. 350.)

By virtue of the apparently limited language of the eighteenth amendment, Congress has regulated the local manufacture of liquids not intended for and unfit for beverage purposes. (Selzman *v.* United States, 268 U. S. 466, involving denatured alcohol.)

By virtue of it, Congress has prohibited physicians from prescribing malt liquors for their patients. (Everards' Breweries *v.* Day, 265 U. S. 545.)

By virtue of it, Congress has severely restricted physicians in the prescription of spirits to their patients, and the Supreme Court validated its action. (Lambert *v.* Yellowley, 272 U. S. 581.)

To all intents and purposes, the eighteenth amendment might have contained the additional clause that "Congress shall have power to prohibit or regulate the traffic in all liquors, intoxicating or not, for beverage, industrial, medicinal, or sacramental purposes."

This great expansion of the meaning of the eighteenth amendment was accomplished by use of the theory expressed in the Selzman case that—

> It helps the main purpose of the amendment, * * * to hedge about the making and disposition of the denatured article every reasonable precaution and penalty to prevent the proper industrial use of it from being perverted to drinking it.

In the Lambert case the Supreme Court called attention to what it called the "settled rule," that—

> Where the means adopted by Congress in exerting an express power are calculated to effect its purpose, it is not admissible for the judiciary to inquire into the degree of their necessity.

The test it laid down was whether the proposed extension was "adapted to promote the purposes of the amendment."

I confess, Mr. President, that my imagination is not sufficiently fertile to foresee all of the extensions which will be grafted onto section 3 should it ever be incorporated into the Constitution.

If Congress may regulate the sale of intoxicating liquors where they are to be drunk on premises where sold, then we shall probably see Congress attempt to declare during what hours such premises may be open, where they shall be located, how they shall be operated, the sex and age of the purchasers, the price at which the beverages are to be sold. Should this proposed amendment have the same development as the unfortunate eighteenth, then in aid of its power to regulate the sale of intoxicating beverages, Congress will probably arrogate to itself the power to regulate beverages which are in fact nonintoxicating.

Should Congress choose to prohibit the sales defined in section 3, then presumably it will be proper for Congress to hedge about that prohibition a whole host of prohibitions which would "promote the purposes of the amendment."

It is entirely conceivable that in order to protect such a prohibition the courts might sustain the prohibition or regulation of all sales of beverages whether intended to be drunk on the premises or not. And if sales may be regulated, so may transportation and manufacture. Obviously the whole chain of events from manufacture to consumption is a continuous process. Regulation of the earlier steps can always be justified as adapted to promote the purpose of the ultimate regulation or prohibition. If that is to be the history of the proposed amendment—and there is every reason to expect it—then obviously we have expelled the system of national control through the front door of section 1 and readmitted it forthwith through the back door of section 3.

Such action does not respond to the public demand. It offers no solution to the troublesome problem of national prohibition. That problem can be solved only through outright repeal.

As for the saloon—let us face the fact that it is beyond the realm of proper Federal action. The duty of preventing its restoration rests upon the State. In my judgment, the overwhelming sentiment of the people of the United States will insist upon the discharge of that duty. Consequently, I am fully satisfied that if we permit our Government to function as it was intended to function, through the States, we shall find that the people of each of the 48 States will adopt those methods which will, in accordance with local needs and conditions, most effectively bring the liquor traffic under control and actually promote temperance.

That was the policy pledged by the Democratic platform when it declared:

> We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision by the States.

No other course is open to us. No one single national standard can prevail. That is the principal lesson of our experience with the eighteenth amendment. Federal guaranties are futile. At the bedrock of this entire question lies this immovable truth: That there is nothing the Constitution can say, nothing the Federal Government can do, which will successfully impose a rule of conduct upon a community except by the will of the people of that community.

The problem confronting us, Mr. President, is to choose between two alternative courses. Either the control of the local liquor traffic is to remain in the Federal Government or is to be restored to the States.

Under the régime of national prohibition our people have seen the growth of intemperance, the spread of hypocrisy, and loss of respect for law and authority—social changes which could not be observed with indifference by those who had a care for the welfare of our country.

We saw the delicate balance between State and Federal authority rudely disturbed and have experienced the pernicious effect of that disturbance upon every branch of our Government. We have watched the development of a country-wide national bureaucracy, everywhere exposed to the corrupting influences of contact with an illicit enterprise engaged in minting a fortune out of violation of law. In the face of staggering national deficits we were helpless to exact a tax from a traffic which prospered outside the pale of law. In the presence of a mountain tide of unemployment we restrained hundreds of thousands of bread-winners from their only opportunity to earn a livelihood.

Out of these social, governmental, and fiscal causes grew the demand for repeal. And only by the forthright submission of the question of repeal or retention can the issue be settled. It can not be disposed of by an empty formula which pretends to repeal but actually perpetuates the unbearable conditions which have brought this question to the forefront of political discussion.

I am aware that the opinion is held in some quarters that the American people will not ratify an amendment providing for straightforward repeal. That decision lies with the American people. No one can speak more eloquently for them than the people themselves. And unless they have changed their minds since last November they have spoken out clearly in opposition to equivocation and sham and in favor of the thoroughgoing abandonment of the policy of national prohibition.

Our constitutional function is not to ratify, but to submit. In discharging our function let us courageously frame a resolution which will offer to the American people an honest and genuine choice between the eighteenth amendment and its repeal.

Mr. BRATTON. Mr. President, at the outset of the address delivered by the Senator from New York I offered a formal amendment, to provide that the proposed amendment shall be submitted to conventions in States instead of the legislatures of the States. The senior Senator from Massachusetts [Mr. WALSH] called attention to the fact that earlier in the day and obviously during my absence from the Chamber the senior Senator from Arkansas [Mr. ROBINSON], the leader of the minority, had expressed his intention of offering a similar amendment. I have examined the amendment to which the Senator from Arkansas referred. It is intended to accomplish the identical purpose I have in mind, and in view of the Senator's announced purpose to offer that amendment, I withdraw the amendment which I tendered and which is now the pending question.

Mr. ROBINSON of Arkansas. Mr. President, I should be entirely content to have the vote either on my own amendment or on that of the Senator from New Mexico.

I now offer the amendment, on page 3, line 2, to strike out the words "the legislatures of" and to insert in lieu thereof the words "conventions in," and on the same page, line 16, to strike out the words "the legislatures of" and to insert in lieu thereof the words "conventions in," so as to make the joint resolution read:

That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

"SEC. 3. Congress shall have concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Mr. President, I presented the amendment in written form at the beginning of the debate this morning, but I offer it now verbally and ask for a vote on it.

Mr. WALSH of Montana. Mr. President, before the vote is taken on the amendment I feel compelled to say an additional word in explanation of the view taken by the subcommittee to which this matter was referred and by the Committee on the Judiciary, to whom they reported.

Theoretically, ratification of amendments to the Constitution by conventions rather than by legislatures is strictly logical. It is, of course, desirable, if convenient and possible, to get an expression upon an amendment to the Constitution by a body which has no other consideration to divert attention from the real question at issue. However, for practical reasons the convention system has never been adopted in our hundred and forty-odd years of existence as a Nation, and, I take it, because there are very substantial practical objections to that method of procedure.

It has been urged that it is within the power of the Congress, and that Congress should provide for calling these conventions in the various States, but I have been unable to learn of any Member of the Senate who takes the view that Congress has any such power. I am convinced that it is contrary to the most fundamental principles upon which our dual system of government is founded. As has been stated heretofore on the floor, if Congress did have the power, I undertake to say that at the present time, in the present depressed state of business throughout the country and with the necessity of exercising economy in every particular in which it can be observed, the Congress would not make provision, with all the attendant expense, for holding conventions in the 48 States of the Union for the purpose of getting an expression of the opinion of the people upon this particular subject.

Mr. President, I have made no estimate as to what the costs of such special elections would be, but, of course, they would be very considerable. That goes to the question of the power, but, of course, if Congress has any such power, it has power to go clear down the line and provide the qualifications for delegates to the conventions, the number of delegates, how they shall be elected, what shall be the qualification of electors of delegates to the conventions, and the laws in relation to the registration of voters and the qualification of voters, the supervisors, and all that kind of thing. However, Mr. President, that need not be discussed, because it is not a practical proposition at all. If the conventions are called, they will be called by the legislatures of the various States, as was done in the case of the adoption of the Constitution in the first place. The Constitution was submitted to conventions in the various States, but to conventions called by the legislatures of the various States. So we would have a question of the legislatures of the various States making provision for the calling of the conventions.

The legislatures of many of the States are now in session. In most of the States biennial sessions are called. It seems quite improbable that any amendment proposing to repeal the eighteenth amendment could be submitted in time to secure action by the legislatures now in session. Accordingly, it would be impossible to submit the proposed amendment to any legislatures until after the lapse of two years more.

Let us assume that it would be possible to get the amendment of repeal before the legislatures during the current sessions of the legislatures, and then that the legislatures would proceed to legislate concerning the calling of conventions, providing when and where they should be called, the number of delegates, whether the delegates should be elected by congressional district or by State assembly districts, or by other districts to be created for that express purpose.

Then would be the question of making an appropriation for the calling of a special election and making an appropriation for that purpose.

In some of the States in which the sentiment for repeal is overwhelming, as in the State of New York and the State of New Jersey, I dare say the legislatures might in their zeal in this matter provide for calling a special election some time within the next 2 or 3 or 4 or 6 months from now. But it is to be borne in mind that in order to be effective the amendment must be ratified by conventions in 36 of the States. I undertake to say that at least half of those States will not call a special election for the purpose of electing delegates to a State convention. They will let it go over until the next general election and then delegates will be elected without any special additional cost for the election. That seems to me the altogether probable result.

If the matter were submitted to the legislatures now and they could act upon it, we would get a determination of the matter quite promptly. If we submit it to conventions it is impossible to get a determination until after a lapse of two years before the conventions. But it is impossible to get the resolution of repeal before the legislatures of the States now in session. They will have adjourned before we can get it before them. They will not reassemble unless specially called by a special call of the executives until two years hence, and then they will vote on the election of convention delegates, and I am perfectly confident they will provide that they shall be elected at the next general election. So there is no possibility of getting this matter before a convention in the various States, I undertake to say in one-half of the States, before four years from the present time and then, if it is at a special election, at very great expense to the people of the United States.

So the subcommittee to which this question was referred, consisting of the Senator from Idaho [Mr. BORAH], the Senator from Wisconsin [Mr. BLAINE], the Senator from Indiana [Mr. ROBINSON], the Senator from Washington [Mr. DILL], and myself all agreed, I believe, that it was unwise to submit the matter to conventions of the various States. The Senator from Wisconsin [Mr. BLAINE], who was chairman of the subcommittee, reserved his objections to the third paragraph of the resolution in relation to saloons, but all five members, upon careful consideration of the subject, in the interest both of expedition and of economy, deemed it wise to have ratification by the legislatures instead of by conventions in the various States.

The matter then went before the Judiciary Committee and, with a predilection upon the part of practically every member of the committee in favor of ratification by conventions rather than by legislatures, it went through the Committee on the Judiciary with a feeble protest from 1 or 2 of the 17 members of the committee.

Mr. BRATTON. O Mr. President!

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from New Mexico?

Mr. WALSH of Montana. Certainly.

Mr. BRATTON. I think the Senator will recall that the vote was 8 to 6 on that question.

Mr. WALSH of Montana. I asked the secretary of the committee to give me the figures, and I have forgotten just what they were. However, the vote was decidedly against the system of ratification by conventions.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Ohio?

Mr. WALSH of Montana. I yield.

Mr. FESS. It appears that the prevailing opinion that led the party to adopt the convention plan was that if we provided the convention plan there would be only one question that would be before the convention after the delegates were elected instead of the many questions which would of course be pending before the legislature. I think what the Senator has said is tremendously important, but I am of the opinion that that is why the convention plan was designed.

Mr. WALSH of Montana. I quite agree with the Senator. No doubt that is correct. Theoretically that is a sound contention, but I submit there are practical objections to proceeding in that way, while in this particular case I am entirely satisfied that the sentiment of the various States will be accurately reflected in the action taken by the legislatures of the States. I can not doubt that the Legislature of the State of New York will vote for repeal; I can not doubt that the Legislature of the State of New Jersey will vote for repeal, and so on down the line.

I have no particular concern in the matter. It is a matter of no consequence to me how the Senate shall decide about the matter, whether legislatures or conventions, but upon careful reflection and with a decided predilection, among other reasons, because so declared in the Democratic platform, my predilection was in favor of action by convention. But it seems to me a perfectly useless expenditure of money and in the second place it necessarily defers consideration for a period of at least two years.

So I submit, Mr. President, that those who are eager for a repeal of the eighteenth amendment ought to give serious consideration to the matter and determine whether or not in their opinion, inasmuch as they seek to accomplish what they desire, the matter ought not to be submitted to the legislatures rather than the conventions.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. WAGNER. I do not think the Senator meant that it is absolutely necessary to defer action for a period of two years.

Mr. WALSH of Montana. Absolutely, unless special elections are called.

Mr. WAGNER. A special session of the legislature may be called to deal with the matter.

Mr. WALSH of Montana. Oh, yes. No doubt a special session of the legislature might be called and a special election could be called for the election of delegates. There is no doubt about that; but who thinks that 36 States of the Union are going to the expense of calling special sessions of the legislature to act upon this question, and then follow it up with special elections to elect delegates to State conventions? They may want to do that in New York, but we will have something of a time, let me say to those who are eager to see the amendment adopted, in getting 36 States to ratify in that way. It seems to me it is idle to expect that we are going to get special sessions of the legislatures and then special elections to elect delegates.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Illinois?

Mr. WALSH of Montana. I yield.

Mr. LEWIS. I desire the opinion of our able colleague now speaking. Does the Senator from Montana insist or presume that before we can adopt the convention method or any convention method legally, the respective States would first be required to have an enactment by their legislatures prescribing what constituted a delegate, what would be the requirements or qualifications of a delegate, what geography he represented, and lay the foundation first in that way before the convention is actually called?

Mr. WALSH of Montana. The Senator has accurately stated my position. I know of no other way of getting a convention except by legislative enactment by the legislature of the State.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Kentucky?

Mr. WALSH of Montana. I yield.

Mr. BARKLEY. The question that is now being discussed by the Senator troubles me from the standpoint of the Constitution and the legal machinery, in spite of my unequivocal pledge both in the primary and in the general election to vote to submit the resolution to conventions, by which I feel, of course, bound unless an insuperable and impassable difficulty should arise.

Of course, it was contemplated by the framers of the Constitution that Congress might at some time refer an amendment to conventions; otherwise they would not have mentioned conventions as one of the methods of ratification. Suppose that we submitted it to conventions without any legislation on the part of Congress undertaking to supervise the holding of the conventions or the selection of delegates, and upon that subject I do not ask the Senator to express an opinion now. I think there is a wide difference of view as to whether Congress has the power to do that.

Mr. WALSH of Montana. The Senator from Montana has already expressed his views.

Mr. BARKLEY. I realize the Senator has, and I do not want to enter that field just now; but, assuming that we refer this matter to conventions without any effort on the part of Congress to regulate the conventions or fix the qualifications of delegates or voters, and the legislatures of the various States or any number of States refuse to take any action establishing the conventions, then what could we do about it?

Mr. WALSH of Montana. We could do nothing.

Mr. BARKLEY. Would we have authority subsequently, in the light of the refusal of a number of States to provide for conventions, to enact a law of Congress forcing those States to hold conventions or providing qualifications for the delegates or voters, geographical locations which they shall represent in the conventions, and so forth?

Mr. WALSH of Montana. I am without any doubt of the conviction that Congress would have no such power.

Mr. BARKLEY. If it has power now to initiate the conventions and provide for them through the resolution of submission or subsequent statute, it would have the power later, would it not, to enact legislation dealing with the situation that might arise?

Mr. WALSH of Montana. I do not think so. If a State legislature refuses to enact the necessary legislation to call the convention, that amounts to a rejection of the amendment by that legislature.

Mr. BARKLEY. Of course, there is nothing in the Constitution that says whether the States shall regulate and control and supervise the conventions, or whether the Congress itself might have the right to do so.

Mr. WALSH of Montana. Quite so.

Mr. BARKLEY. It is a matter of sincere and profound legal difference of opinion among lawyers as to whether Congress has the power or not. But I am troubled by the difficulty which may arise in the event that, say, 13 States should refuse to call conventions, refuse to allow this matter to be passed on in any way except in a negative way by inaction, which I think would be unjustified. I think, regardless of the view of the legislature on the question of repeal, if this is submitted to conventions, morally they owe it to the people of their State to provide a convention and allow them to pass on the matter.

Mr. WALSH of Montana. It is a matter addressed to the legislatures of the various States. If the legislature of a State refuses or neglects to enact the necessary legislation for calling the convention, that is tantamount to a rejection of the amendment by that particular State.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DICKINSON in the chair). Does the Senator from Montana yield to the Senator from Arkansas?

Mr. WALSH of Montana. I am glad to yield.

Mr. ROBINSON of Arkansas. There is no power in the Federal Government to compel the legislature itself to ratify or reject an amendment to the Constitution. The same difficulty that the Senator from Montana has pointed out with respect to conventions applies to the legislatures themselves. If the legislatures do not wish to take up the resolution of ratification, there is no power to compel them to do so. If they do not wish to ratify it, there is no power to compel them to do so. The function of ratification, while a Federal function in the sense that it is created by the Constitution, implies State action. If the legislature is in session now, it can call a convention before it adjourns. If it is not in session now, it can call a convention in 30 days after it meets again. The difference in time in action on the resolution of ratification need not be more than 30 days. So that, as I see it, the primary objection raised by the Senator from Montana to carrying out the platforms of the two parties, platforms which declare that it is material as to how the resolution shall be ratified, is, in my humble judgment, not based on sound reason.

Mr. BORAH rose.

Mr. WALSH of Montana. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I was simply going to say that I agree with everything the Senator has said with the possible exception that if the legislature itself does not provide a method by which a convention may be called, may not the people of the State themselves organize through committees and call conventions without the aid of the legislature? I do not think we can deprive the people of the right to assemble together in a convention if they desire to act upon such a question as this in that way.

Mr. WALSH of Montana. Mr. President, I would gravely doubt the validity of a ratification that depended upon a convention in any State not called by an act of the legislature thereof.

Mr. BORAH. I am quite free to admit that is the orderly way in which to call a convention; there can be no question about that; but if, as has been suggested, the legislature should refuse to act, could the people be deprived of themselves coming together in a convention?

Mr. WALSH of Montana. It seems to me the way is open to them to elect a legislature that will call a convention instead of themselves holding a mass meeting, as it might be called. They can demand the election of representatives to the legislature who will vote in favor of legislation calling a convention.

Mr. GLASS. Mr. President, the people can not amend their own State constitutions without an act of the legislature calling a constitutional convention.

Mr. WALSH of Montana. Exactly.

Mr. BARKLEY. And no such mass convention or uprising of the people, whether it all converge in one place or whether it be by scattered resolutions, could do anything toward preserving the sanctity of the ballot and fixing the qualifications of voters or any other official act that would be recognized by any governmental function.

Mr. WALSH of Montana. Quite so.

Mr. BORAH. But suppose it should be certified to the Secretary of State of the United States that a convention of the people of the State of Kentucky had been held and that that convention had ratified this proposed amendment, would the Secretary of State of the United States go back of the certificate of secretary of state of the State in which the convention was held for the purpose of determining how the vote was cast or who voted or anything of the kind?

Mr. BARKLEY. If the Senator from Montana will permit me to answer, assuming that the legislature, which is the official legislative spokesman of the people of the State, does not act at all—and I imagine in none of the constitutions of the States is there any provision for such a convention as we contemplate here in this resolution—and would never act, and that a sort of a rump convention would be called by the people to pass on this question, I do not believe the Secretary of State of the United States would be justified in recognizing its action unless it were a convention that Congress itself authorized or prescribed as a precaution in the absence of action by the legislature.

Mr. ASHURST. Mr. President——

Mr. WALSH of Montana. The Senator from Arizona has some very interesting information upon that aspect of the matter, and I yield to him for the present.

Mr. ASHURST. Mr. President, I hold the same view as the Senator from Montana respecting the nonvalidity of a ratification by a convention which is not called by the legislature or authorized by a State, among other reasons, for the following:

On March 2, 1861, the so-called Corwin amendment, prohibiting Congress from interfering with slavery within the States, was submitted by Congress. That amendment was ratified by the Legislatures of the States of Ohio and Maryland. Later there happened to be in session in the State of Illinois a convention that had been called to revise the constitution of that State; that convention discussed the proposed Corwin amendment to the Constitution and ratified the amendment, or at least attemped to do so. The lawyers of that day argued against the validity of such ratification in Illinois, and Illinois was never included by historians or lawyers among the States ratifying, for two reasons, one of which, of course, was all-conclusive, in that the Corwin amendment was not submitted by the Congress to conventions, and, secondly, many constitutional lawyers pointed out that the convention in Illinois was not called by the legislature to ratify or to pass upon an amendment to the Federal Constitution.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Illinois?

Mr. WALSH of Montana. I yield.

Mr. LEWIS. May I ask the able Senator from Arizona has not his memory fallen into error, in view of the pressure of many important matters upon him? Was it not the real issue that the convention then assembled in Illinois had not been directly authorized or in any wise qualified by any previous call to take up that subject matter? Was not that the case?

Mr. ASHURST. I would be offensively presumptuous to place my knowledge of history, especially as to the history of the State of Illinois, against the knowledge of the learned Senator from Illinois; but I am quite certain that the lawyers of that day—respectable in character and numbers—held, even if that proposed constitutional amendment had actually been submitted by Congress to conventions, that the particular convention in Illinois had no authority to ratify an amendment to Federal Constitution as it was not called for that purpose.

Mr. LEWIS. I may remind the able Senator, Mr. President, that was the subject over which a very serious discussion arose between General Shields, a subsequent United States Senator, and Abraham Lincoln, which unhappily led to a duel challenge, because the one or the other, losing his temper, characterized the former as having told a lie and being both a liar and a fool, which is usually regarded among gentlemen as a basis for personal conflict.

May I ask the Senator if I am not right in saying that the particular gathering referred to was already in session, called for some other purpose, and that there were those who then projected before that convention the matter to which he now alludes?

Mr. ASHURST. If the Senator will pardon me, I do not want to get away from the immediate subject.

Mr. LEWIS. Does the Senator recall that that was the reason?

Mr. ASHURST. The incident which led to the suggestion of the duel between Lincoln and Shields, the latter of whom was, by the way, sent to the Senate by three different States——

Mr. LEWIS. Yes; General Shields was a Senator at various times from Illinois, Minnesota, and Missouri.

Mr. ASHURST. That incident of the proposed duel occurred many years anterior to the convention, whilst the convention itself which acted, or assumed to act, on the amendment in Illinois was assembled after Lincoln became President.

Mr. LEWIS. Then, I have in mind the wrong convention and the Senator may be wholly correct. I have no memory of the history of the one after Lincoln was elected President.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Washington?

Mr. WALSH of Montana. I yield.

Mr. DILL. I merely wish to make the suggestion that the differences of opinion and the discussion of possibilities here as to what will happen under the convention system in themselves, it seems to me, are more or less reasons why we ought to follow the method we have always followed of submitting proposed constitutional amendments to the legislatures of the States.

Mr. WALSH of Montana. Mr. President, I have heretofore adverted to the consideration of this subject by the subcommittee of the Judiciary Committee to which it was submitted, and I have called attention to the fact that every member of the committee, Democrat and Republican as well, agreed, notwithstanding the provisions of the platforms of both political parties, that it would be eminently unwise, indefensible indeed, to submit this proposed constitutional amendment to conventions rather than to legislatures.

Mr. BARKLEY. Will the Senator yield there?

Mr. WALSH of Montana. If the Senator will allow me to finish this statement, I will yield. The clerk of the committee is not able to furnish me any information concerning the direct vote on the question of the excision of that provision of the resolution reported by the committee; indeed, my recollection about the matter is that there was no real effort in the Judiciary Committee to excise that and to substitute the legislative system. The clerk has no record of any vote on that at all. So we have only the vote in the Judiciary Committee and the general vote to report the resolution, which stood as follows:

For: BLAINE, HASTINGS, HEBERT, AUSTIN, ASHURST, WALSH of Montana, KING, DILL, BRATTON, NEELY, and SCHALL.

Against: ROBINSON of Indiana, SCHUYLER, BLACK, NORRIS, BORAH, and STEPHENS.

I feel perfectly confident of the assertion that no one of those voting against it did so upon the ground that the resolution was to be submitted to legislatures rather than to conventions. I now yield to the Senator from Kentucky.

Mr. BARKLEY. I wanted to ask the Senator whether he had given thought to and intended to discuss the propriety, in the event this resolution shall be submitted to the legislatures rather than to conventions, of providing that it shall not be acted upon by any legislature not elected after its submission to the legislatures, so as to bring about practically the same effect that would be brought about by the convention method, by having a direct vote of the people for or against candidates for the legislature on that question.

Mr. ASHURST. Mr. President, will the Senator from Montana yield to me on that?

Mr. WALSH of Montana. I yield.

Mr. ASHURST. I see no necessity for that, for if a State should reject the proposed amendment it is fully within the power and authority of the legislature of the State subsequently to ratify it.

Mr. BARKLEY. Yes; but if it ratifies, it can not subsequently reject it if its ratification has been proclaimed and is a part of the required number of States in order to make the amendment a part of the Constitution.

Mr. ASHURST. That is quite true.

Mr. WALSH of Montana. Exactly. After it has taken effect the State can not change it; it may change it at any time until the 36 States have ratified; but I seriously question whether we have any power to provide that ratification must be by a legislature thus elected. I am inclined to think that if the proposed amendment were submitted with such a provision as that and were ratified by 36 States, including some not so constituted, it would be ratified, nevertheless.

Mr. BARKLEY. Is there not a difference between that and the provision that sometimes is carried in proposed constitutional amendments that, unless it be ratified by the States within seven years, or any other period of years, it shall be null and void?

Mr. WALSH of Montana. I think so, because the Supreme Court of the United States has said that it is implied by the Constitution that ratification must be within a reasonable time, so that an amendment submitted in 1910 could not now be considered as a live thing to be ratified by States so that they might act on it now. The Supreme Court has held that ratification must be within a reasonable

time after submission; and they have said that, under the conditions under which the amendment then before them was submitted, seven years was a reasonable time, and that Congress might so provide. So that is quite a different question from the power of Congress to provide that an amendment shall be ratified by legislatures the members of which are elected after the proposed amendment is submitted.

Mr. BARKLEY. Of course I would not put my judgment against that of the Senator from Montana, but my inquiry is prompted by the feeling that the Congress which submits an amendment to the Constitution in the form of a resolution has the power to fix the terms upon which it may be considered.

Mr. WALSH of Montana. No. If the Senator will say the "time," I might agree with him, but not the "terms."

Mr. BARKLEY. Well, in the absence of any prohibition or restriction in the Constitution as to the method of submitting resolutions except that they shall be submitted either to the legislatures or to conventions, it can not be successfully contended that Congress has no power at all to fix any of the conditions except as to time.

Mr. WALSH of Montana. I can not think of any other conditions that Congress might provide.

Mr. BARKLEY. I just mentioned one a moment ago, that it shall not be ratified by legislatures which are not chosen subsequent to its submission.

Mr. ASHURST. Mr. President, silence is negation in such matters.

Mr. WALSH of Montana. Let me say in that connection that the Senator will doubtless remember that there was a provision in the constitutions of a number of States which attempted to prohibit the legislatures of those States from ratifying amendments until the legislature was constituted of members who were elected after the question was submitted, and it was held that the people of the State could not thus restrict the power of the legislatures.

Mr. BARKLEY. Yes; but that was an effort on the part of State constitutions to prescribe the conditions under which a constitutional amendment submitted by Congress might be ratified or rejected.

Mr. WALSH of Montana. Exactly.

Mr. BARKLEY. That is quite different, it seems to me, from the original body taking such action.

Mr. WALSH of Montana. It is different. It is a question as to whether the people of the States through their State constitutions can make a prescription such as the Senator suggests. The Supreme Court has stated they can not do that. The Senator asked me, "Can the Congress do it?" And my view about the matter is that the Congress is as much restrained from doing so as are the people of the States.

Mr. BARKLEY. It seems to me, then, according to that theory, if the power of Congress and the power of the State legislatures is coequal, that the State legislatures, by a reverse system of logic, could pass a resolution and say that after 7 years or after 10 years if the legislative shall not act upon a proposed constitutional amendment submitted to it by Congress it shall not have further power to act. I am taking the position that the original body submitting the proposed amendment to the States has more power to fix the conditions of that submission than the legislature to which it is submitted.

Mr. WALSH of Montana. I think that the only principle upon which that could be justified would be the basis upon which the power of Congress in the premises is regarded as plenary when it makes provision for ratification.

Mr. SCHUYLER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WALSH of Montana. I yield.

Mr. SCHUYLER. I wish to state to the Senator that, while his statement of the attitude of the members of the Judiciary Committee is undoubtedly as he recollects it, yet I do think the RECORD ought to show that my vote against the favorable report of the joint resolution was based entirely upon the proposition that it contained a provision for the submission of the proposed constitutional amendment to the legislatures of the States. I took position against the measure and voted against it because I felt that we were bound to submit the proposed amendment, and that as a matter of principle, it should be submitted to conventions in the States.

Mr. WALSH of Montana. I am thankful to the Senator from Colorado for the statement he makes. I quoted the matter, of course, from my recollection of what transpired before the committee; and I have no recollection that the Senator thus expressed himself before the committee.

Mr. SCHUYLER. However that may be, that was my position in the committee and my reason for voting against the submission of a favorable report.

Mr. WALSH of Montana. As I stated heretofore, I have no particular concern about this matter either one way or the other, whether it goes to legislatures or to conventions. What I have said is simply in the interest both of expedition and economy; but I do desire to say that it is my conviction that the provision of the platform in both cases ought to be regarded by this body as simply advisory. I do not think that any of the considerations which are now being addressed to this body were present in the minds of the drafters of the platforms at all. In other words, what they wanted was the submission of a proposition to repeal the eighteenth amendment. In that respect I regard the platform as binding and authoritative. The other I regard as incidental and simply advisory.

That is all I care to say about that.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Illinois?

Mr. WALSH of Montana. I yield to the Senator from Illinois.

Mr. LEWIS. I seek the opinion of the Senator from Montana upon the following premise: Supposing Congress should pass an act directly authorizing a convention and prescribing, as it is an amendment of the Constitution we are repealing, that each State have a convention of, say, 2, 3, or no more than 4 from each county, they to have the qualifications of members of the legislature of the respective States, and they then assemble. Would not the Senator from Montana regard such prescription as sufficient qualification, and the very prescription by Congress as legalizing such as a convention within the meaning of conventions for the amendment of the Constitution?

Mr. WALSH of Montana. Mr. President, if Congress has power to legislate in the matter at all, I have no doubt Congress could provide that there should be conventions held, designating the time and place, and providing that the delegates to the convention should have the qualifications requisite for election to the lower house of the State legislature, or any other provision; and it could also provide that all State laws in relation to elections should be applicable to such an election, without going into the details. I have no doubt that that could be done; but to start with, of course, I dispute the proposition that Congress has any power to legislate in the premises at all, because, as I say, if it can legislate in the way the Senator suggests, it can go clear down the line and provide all the machinery for the election different from that which is prescribed by the States; and I do not think there is a Member here, at least from the South, who wants to accord any such power as that to the Congress of the United States.

Mr. LEWIS. May I ask our friend from Montana, in what way, then, does he assume that the convention system as provided under the Constitution could be carried out?

Mr. WALSH of Montana. Exactly as it was in the first place. The legislatures call the conventions and prescribe all the qualifications, and provide that the general laws in relation to elections shall be applicable to the election of delegates to the conventions, or make any other provision that they see fit to make.

Mr. LEWIS. But the Senator, as I gather from him, assumes that that provision of the Federal law which permits repeal by convention does not authorize the body that gives

permission to call the convention, and authorizes the convention, power to prescribe the method of summoning that convention.

Mr. WALSH of Montana. I think, as I said before, that that is contrary to the most fundamental principles of our dual system of government; namely, that all elections are under the control of the States themselves.

Mr. LEWIS. Then does not the Senator see that the evil might follow that the States then could really call the conventions with a view to subverting and defeating the very object the Federal Government had in prescribing conventions?

Mr. WALSH of Montana. But the only object of the Federal Government is to submit the matter to the various States. That is all the interest the Congress has in the matter.

Mr. LEWIS. I think there is where the able Senator and myself have a very decided and wide difference. Provision is made for submission to the legislature, yes. That is intended for the respective sovereignties; but the reason why conventions are provided for, in addition to the legislatures, is in order to provide a method apart from the legislatures, to get away from the legislatures of the States, and to provide one that is directed by the Federal Government.

Mr. WALSH of Montana. No; I differ very radically from the Senator.

Mr. LEWIS. There is where our difference lies.

Mr. WALSH of Montana. The idea undoubtedly was to submit the matter to a body elected with that one issue before them, and nothing else.

Mr. LEWIS. And yet the Senator feels that in a case like this we could not ourselves, in a mere directory statute, direct those conventions by prescribing that they may be called in each State with qualifications such as their local law prescribes for members of the legislature?

Mr. WALSH of Montana. My conviction on that point is very definite and sound.

Mr. LEWIS. Then I do not know how Congress could provide a convention at all.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Rhode Island?

Mr. WALSH of Montana. I yield.

Mr. HEBERT. The Senator will recollect that I was a member of the subcommittee which considered this amendment, although that fact escaped his recollection.

Mr. WALSH of Montana. No; I gave the Senator's name when I mentioned the names of members of the committee.

Mr. HEBERT. However, I have no quarrel with that. The Senator will recollect, too, that we discussed at very considerable length the question of reference either to legislatures or to conventions. My own notion was, and still is, that the amendment can be referred to conventions.

The Senator will have in mind that the Supreme Court decided that whenever a legislature passes upon a constitutional amendment it performs a Federal function; and by analogy it seemed to me that if we were going to submit an amendment of this kind to conventions they would be performing a Federal function; and, following that analogy one step further, if they are going to perform a Federal function it is within the power of the Congress to say how that function shall be performed.

There was another point that arose in our discussion of this amendment, to which the Senator alluded at the beginning of his remarks and upon which I now wish to interrogate him.

The Senator referred to the expense that would be involved in holding these conventions. I had hoped that the Senator would have made some estimate or made some inquiry about what would be the cost of providing for holding these conventions in the several States to consider the ratification of this amendment, if he has given it any consideration.

Mr. WALSH of Montana. No; I have not. I am not able to supply any figures at all on the matter, but I should think the aggregate would be very great.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Virginia?

Mr. WALSH of Montana. I yield to the Senator.

Mr. GLASS. Does the Senator from Montana admit that when a State legislature is called upon to act upon a constitutional amendment, it is performing a Federal function?

Mr. WALSH of Montana. So the Supreme Court has held.

Mr. GLASS. Well, it ought to have held differently.

Mr. HEBERT. Yes, Mr. President; if the Senator will yield, the Supreme Court held that in the Ohio case, involving the adoption of the eighteenth amendment.

Mr. GLASS. As it seems to me, it is performing strictly a State function.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arkansas?

Mr. WALSH of Montana. I do.

Mr. ROBINSON of Arkansas. I made reference to that myself in a brief statement.

Undoubtedly the Supreme Court has held that the ratification of a constitutional amendment is a Federal function; and that is strictly and legally correct, as the Senator from Virginia will see when the fact is pointed out that the power of ratification is derived from the Federal Constitution, and not from any act or constitution of the State.

There is a clear distinction between a Federal function and a State action. The function that the State performs whether it acts by a convention or by the legislature, as the Senator from Montana has indicated, is a Federal function.

Mr. WALSH of Montana. Let me remark in that connection that under the original Constitution Senators were elected by the State legislatures; but that was a Federal function which the State legislature was exercising.

Mr. ROBINSON of Arkansas. Because the Federal Constitution authorized their election in that way.

Mr. WALSH of Montana. For that particular purpose, it was an agency of the Federal Government.

Mr. ROBINSON of Arkansas. But they were ambassadors of the States; and the action was taken by the legislatures, and not by any Federal agency.

Mr. GLASS. In my layman's view, the Federal function ceases when the Congress of the United States submits a proposition to a State legislature; and the State function preceeds when the legislature acts, either for or against the question submitted.

Mr. WALSH of Montana. It seems to me that is largely a matter of terminology.

Mr. ROBINSON of Arkansas. Of course this whole phase of the discussion is academic.

Mr. GLASS. I am engaged in it because I have Mr. Jefferson's authority for saying that you lawyers never can decide a question. [Laughter.]

Mr. ROBINSON of Arkansas. If the Senator will pardon me——

The PRESIDING OFFICER. Does the Senator from Montana further yield to the Senator from Arkansas?

Mr. WALSH of Montana. Yes.

Mr. ROBINSON of Arkansas. The question might become of practical importance; but in passing upon this joint resolution it is not essential to determine the exact limitations on the Federal power and on the power of Congress nor the extent of the authority that is vested in the State by virtue of the constitutional provision which authorizes the ratification of amendments.

It seems to me that it can not be very profitable to carry on an academic discussion about what might happen if something occurs that is not likely to happen. What I should like to do is to hear the Senator from Montana further on the more practical aspects of the matter, if he cares to submit

further observations regarding them. I am very much interested in his views.

Mr. WALSH of Montana. I have said all that I care to say on that feature of the matter before the Senate.

Mr. HEBERT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Rhode Island?

Mr. WALSH of Montana. I yield.

Mr. HEBERT. I desire to make this observation, in order to keep the record straight:

When this joint resolution was before the full Judiciary Committee the Senator will recollect that a motion was made to have it referred to conventions and not to legislatures. For the purpose of the RECORD, I desire to state now that I voted to have that change made in the joint resolution. I also voted to eliminate the third paragraph of the joint resolution, which provides for conferring concurrent power upon Congress and the States to regulate the sale of intoxicating liquor to be drunk on the premises where sold.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator from Montana will be kind enough to indulge me to "follow through," so to speak, on a thought that I expressed, but left without clear definition, I said that it was said that this is more or less an academic discussion as to the power of the Federal Government through the Congress to impose the conditions under which the conventions shall be held. What I meant by that is that even if the power be conceded, I do not believe that the Congress should attempt to exercise it to the extent of supervising the elections or defining the qualifications of the delegates. I am sure that if the Congress should decide to do that, and attempt to do it, it would result in the defeat of ratification in a large number of States.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Montana yield to the Senator from Rhode Island?

Mr. WALSH of Montana. I yield.

Mr. HEBERT. Following the observation the Senator from Arkansas has just made, it has never seemed to me that Congress should limit the power of the States to provide for the election of delegates to a convention any more than Congress attempted to limit the power of the States to choose their representatives in the legislatures for the election of Senators when Senators were elected by the legislatures. In other words, Congress never fixed any limitation upon the method of electing members of State legislatures who were to choose Senators in the Congress of the United States, and I see no reason now why Congress should attempt to fix a limitation upon how delegates to a convention for the ratification of an amendment to the Constitution should be chosen.

Mr. WALSH of Massachusetts. Mr. President, I suppose the Senator will agree that if Congress has the power to fix the time when the conventions in the various States shall assemble, and the number of delegates to the conventions, and other details of that kind, it may likewise prescribe how they shall be elected, by congressional districts, by assembly districts, or otherwise.

Mr. HEBERT. I concede that.

Mr. WALSH of Montana. So the Senator would be obliged to concede, I suppose, that if Congress has the power to do that, it can provide what the qualifications of the delegates shall be.

Mr. HEBERT. I have felt that Congress had that power.

Mr. WALSH of Montana. So the Senator would contend that Congress, although it might not exercise the power, could exercise the right and power, and has the authority, to go to the very limit and regulate the elections, just as they are regulated under our State statutes.

Mr. HEBERT. It seems to me that that is an absolute concomitant of the whole thing.

Mr. WALSH of Montana. That argument was made in an elaborate discussion of the subject by Mr. A. Mitchell Palmer, once an Attorney General of the United States, but I did not know the Senator from Rhode Island subscribed to that view.

Mr. HEBERT. I am inclined to agree with that theory of the method of putting an amendment into the Constitution.

Mr. WALSH of Montana. However, I think perhaps the Senator from Rhode Island would agree that there is no probability that Congress will do any thing of the kind.

Mr. LEWIS. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. I yield.

Mr. LEWIS. The question I intended to address to my able friend from Montana has been put by the Senator from Rhode Island, the premises assumed by him, conceded by the Senator from Montana, if it can be admitted that the Federal Government has such power. The Senator from Montana takes the position that though it may be that the Federal Government could, on the question of amending the Constitution, prescribe the qualifications of the delegates by prescribing that certain standards which prevail in the States as to the legislatures should be the standards in the selection of the delegates to the conventions, yet the Senator takes the position that while that directory form of statute would be a method of prescribing the qualifications, there is no power on the part of the Federal Government for prescribing a method.

Mr. WALSH of Montana. Exactly; either general in its expression or in detail.

Mr. LEWIS. Then I ask the Senator this question, and, in conclusion—we have carried the inquiry too far afield. If it were not the intention of the provision that allows conventions as distinguished from legislatures to imply power to prescribe a method of calling a convention that could be controlled by Congress, would not the result be, if only the State could prescribe the method of selection and the qualifications of the delegates to the convention, that States which were averse to the Federal Government, or the purpose in view, could prescribe such qualifications and limitations as to the delegates as to practically defeat the very amendment itself?

Mr. WALSH of Montana. So they could, but they could defeat it by refusing to call conventions at all.

Mr. LEWIS. But if Congress calls the conventions, merely directing the States as to the qualifications, would not that be a fulfillment of the statute? Otherwise, why have a convention?

Mr. WALSH of Montana. The States could be entirely ignored in the matter, and Congress could go on and make all needful rules and regulations, if it had any such power. My contention is that it has not.

Mr. LEWIS. The difference lies in the fact that the Senator from Montana does not conceive that the Federal Government has the power to do it, without regard to the qualifications.

Mr. WALSH of Montana. Exactly.

Mr. LEWIS. I thank the Senator.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. I yield.

Mr. NORRIS. In order to carry out what I believe to be the logic of the view taken by the Senator from Rhode Island and others who agree with him, assuming that Congress has the power to fix the qualifications of the members of the State conventions called to pass on an amendment to the Constitution—which I do not agree to for a moment—would it not really follow, even though it did not follow as a legal proposition, that it would be incumbent upon Congress to pay the expenses of the convention out of the Federal Treasury?

Mr. WALSH of Montana. That is a necessary consequence, it seems to me.

Mr. NORRIS. Otherwise it would be within the power of Congress to put a burden upon the State which the State would not want to assume. Of course, it would not have to, and it might be the very cause, if we undertook to fix the qualifications, especially if we made the matter expensive, of many States declining to do anything.

Mr. LEWIS. Mr. President, does not the Senator from Nebraska recognize that the Federal Government does not pay the expenses of the elections of Representatives in Congress from the various districts in the different States?

Mr. NORRIS. Exactly.

Mr. LEWIS. Would not that be an exact parallel?

Mr. NORRIS. If the Senator's theory is correct, and the Federal Government is going to direct the States to pass on this amendment by conventions, if we have the right, and then go further and say how big the conventions shall be, what their membership shall be, and what the pay of the delegates shall be, we could saddle upon the States conventions that would be absolutely obnoxious to many of them in the one item of expense.

Mr. LEWIS. Mr. President, upon the same theory, then, the States could decide and determine not to call any convention at all, even authorized by the legislature, as beyond its ability to stand on account of the expense.

Mr. WALSH of Montana. Mr. President, let me submit to the Senator this question: If Congress had the power to prescribe the method of holding the conventions, and so on, how could Congress impose that burden upon the States? The Constitution provides that each State shall be entitled to representation in proportion to its population, to be determined by Congress, except that each State shall have at least one Representative in the House of Representatives. But we do not compel a State to elect Representatives. If it does not want to pay the expenses of holding an election for Representatives, it will not have any Representatives. So that if we undertook to put the expense of holding the convention upon the States, they might not hold any conventions. Suppose Congress says the States themselves shall hold conventions at certain times and places, and the State of Illinois, for example, goes on and provides all the machinery for that purpose, and we assume that the State of Illinois must pay the expense. How is the United States to collect the expense from the State of Illinois?

Mr. LEWIS. I answer the Senator that I never conceded that Congress would have the mandatory power to say to Illinois, "You shall hold an election," and that an act passed here could give it the power to prescribe that the qualifications for members of the legislature of the State should be the qualifications for members of a convention.

Mr. WALSH of Montana. But we are speaking about the expense. The Senator suggests to the Senator from Nebraska that the expense need not be assumed by Congress in that event; that it may be imposed upon the States.

Mr. LEWIS. Yes.

Mr. WALSH of Montana. How could it be collected?

Mr. LEWIS. It could be imposed upon the State just as is imposed the responsibility of electing Congressmen. That is imposed upon the State, although the Congressman serves as an official of the Federal Government.

Mr. WALSH of Montana. But the Constitution provides that each State shall be entitled to so many Representatives. If it does not hold elections, it does not have the Representatives, that is all. We are speaking about the cost. It is assumed Congress is to call a convention and prescribe the qualifications, and then say, "We are not going to pay the expense of it, however. The States must pay the expense."

Mr. President, that is all I care to say about that. I want now to say a word in respect to the third paragraph of the amendment.

Both the Democratic and the Republican platforms declared that public opinion has outlawed the saloon. The Senator from New York says that the public opinion of the Nation has outlawed the saloon, and he insists that the State of New York will pass the requisite legislation outlawing the saloon.

It occurred to the committee, in preparing this joint resolution, that the third paragraph of the resolution submitted for the consideration of the Senate now would be a declaration by the Congress of the United States that public opinion in the United States is against the saloon, and that that would act as a very powerful suggestion to the States of the Union that they ought to legislate accordingly now that the sale of intoxicating liquors for beverage purposes becomes permissible; that they ought to legislate in relation to the saloon. We simply desired to reserve to the Congress the power, in case the legislatures of the various States do not do so, so Congress might do so. Furthermore, it occurred to all of us that the amendment would help to get ratification by the requisite 36 States.

Of course, the Senator from New York is perfectly confident that the amendment will be ratified by 36 or possibly by 48 States and he may be right about it. My judgment is that it will not be so easy as that. A bare repeal amendment would go along all right enough in some of the States, and in possibly half of the States, but there would be the borderline States in which the sentiment against the saloon is definite and is acute, and inasmuch as it seemed to us likely that the States would legislate in relation to the matter anyway, there would be no occasion for Congress legislating upon the matter, and that this would help in getting the requisite number for ratification. Those were the considerations which influenced the committee in including this provision in the repeal resolution.

Mr. BROOKHART. Mr. President, I would like to ask the Senator, since this section gives concurrent power to Congress to regulate or prohibit the saloon, it gives equal power to the States, does it not?

Mr. WALSH of Montana. I would not put it that way, because the States have that power anyway. We simply say that the Congress shall have concurrent power with the States; that is to say, the States have the power, and we give the power also to the Congress.

Mr. BROOKHART. Then the power under this proposed amendment and under the existing power of the States is both in the States and in the Congress to regulate and prohibit the saloon?

Mr. WALSH of Montana. Yes.

Mr. BROOKHART. Under that power the State of New York could legalize the saloon, and, at the same time, the National Government could prohibit it.

Mr. WALSH of Montana. Exactly.

Mr. BROOKHART. Both acts would be constitutional, and we would have a state of civil war existing between the State and the National Government.

Mr. WALSH of Montana. No; there would be no trouble at all. If a man were indicted in the State of New York for running a saloon, he could refer to the statutes and say, "There is no statute of the State of New York prohibiting that." But over in the Federal jurisdiction they would indict him under the Federal statute, and he would be prosecuted for running the saloon.

Mr. BROOKHART. Suppose the State of New York made the saloon legal by affirmative enactment?

Mr. WALSH of Montana. The State of New York could not make the saloon legal as against a Federal statute. It would be a nullification of a Federal statute.

Mr. BROOKHART. It could not if the Federal Congress had full power, but when it has only concurrent power, it looks different to me.

Mr. WALSH of Montana. There is no trouble about it at all.

Mr. HEBERT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Rhode Island?

Mr. WALSH of Montana. I yield.

Mr. HEBERT. In the correspondence which I have had on this subject, and it has been rather voluminous, there has been much criticism of the particular clause in the proposed amendment.

Mr. WALSH of Montana. From Rhode Island, I suppose?

Mr. HEBERT. From every State, I may say; though I do not remember any particular instance from the Senator's own State. The use of the word "concurrent" appeared to be offensive to many people.

Mr. WALSH of Montana. If the Senator will pardon an interruption, that has always seemed to me a most marvelous thing. When the eighteenth amendment was before the Supreme Court of the United States elaborate arguments were made in relation to the word "concurrent," and it was contended there would be no crime unless both the State legislature and the Federal Congress made the thing criminal. The Supreme Court dismissed it without any trouble at all.

The Senator will perfectly well remember in his study of the Constitution and the textbooks dealing with the subject that the powers of Congress are classified as exclusive or concurrent; that is to say, powers in which Congress alone can legislate and other powers in which Congress can legislate or a State legislature may legislate, either one or the other. When we had the child labor amendment before us an effort was made to put in the same provision, which seemed to some of us most feasible, that Congress or the State legislatures might both legislate upon the subject of child labor. Some of the ladies who were very eager to have the amendment adopted emitted such a howl about the word "concurrent" that we actually took it out.

Mr. HEBERT. I think the Senator will bear me out that we concluded to use the word "concurrent" in this part of the amendment in order that there might be no question about the power of the States to legislate on the subject.

Mr. WALSH of Montana. Exactly.

Mr. HEBERT. We felt that if we did not use that term it might be argued, and perhaps successfully, too, that we intended to leave to the Congress the sole right to regulate the sale of liquor in that way. But in order that there might be no question the word "concurrent" was inserted there.

Mr. WALSH of Montana. The Senator has quite accurately stated the views of the committee.

Mr. HEBERT. Of course, there is the further observation that if a State, as has been said by the Senator from Iowa [Mr. BROOKHART], shall license saloons and the Federal Government shall prohibit the licensing of saloons, we are going to get right back into the same condition under which we are now living so far as the sale of intoxicating liquor is concerned. The Federal Government will take precedence by its enactments over those of a State so far as the offense committed against the Federal laws may be concerned. The Federal Government can prosecute for violation of its laws even though the State would permit that to be done which the Federal law prohibits.

Mr. WALSH of Montana. The Senator will remember that under the old system a State might authorize the sale of liquors, but the Federal Government provided that no one should sell any liquor unless he first paid a tax into the Federal Government. The Federal Government prosecuted the people who were carrying on a business which was perfectly legitimate under the State law.

Mr. HEBERT. May I observe that the Federal Government in those cases did not prosecute for violation of a law against the sale, but because no tax had been paid.

Mr. WALSH of Montana. Selling without payment of a tax.

Mr. HEBERT. But it was not a violation of the law as we are considering it now.

Mr. WALSH of Montana. It seems to me fully so. The Federal Government made it a crime to sell without first having paid an internal-revenue tax, and although a man was carrying on a business strictly in accordance with the State law, still he ran afoul of the Federal statute. We would have the same thing here. If a State legalized or permitted or tolerated the saloon, of course we could not prosecute a man under the State statute, but if we had a Federal statute he would run afoul of the Federal statute.

Mr. HEBERT. I am aware of the argument that was under consideration when we had the matter before the committee, that it would materially assist in the adoption of the amendment in a number of the States where otherwise the amendment would not be apt to be looked upon favorably. I think there is some merit in that argument.

Mr. NORRIS. Mr. President, that is where I wanted to interrupt the Senator a little while ago. Will the Senator from Montana yield to me now?

Mr. WALSH of Montana. Certainly.

Mr. NORRIS. He referred to it before and I was not allowed to correct what I believed to be an implication that might come from the Senator's remarks. But the Senator from Rhode Island [Mr. HEBERT] has referred to it again.

I agree with the Senator from Montana and also with the Senator from Rhode Island. In my judgment this very provision will assist in its adoption in some of the States. But the Senator from Montana made a statement, and I think he was referring to the Judiciary Committee when he said "all of us." That does not apply to me. I do not know to how many others it applies. We will all concede it would help to get the amendment ratified, but it had nothing to do with my vote. I supported the amendment because if we were going to have repeal, I want to keep the saloon out of business and I thought this was the only provision in the amendment that would do it. It has no other right to live, it seems to me, except to keep the saloon from coming back. That was my object and the only object I had in supporting that amendment.

Mr. GLASS. Mr. President, may I ask the Senator from Nebraska how it is going to keep the saloon from coming back if Congress does not avail of its constitutional privilege to keep it out?

Mr. NORRIS. It will not. Just like any other constitutional provision, it will have no effect unless legislation is had on the subject. I agree with the Senator from Montana that the idea was that the States should legislate. They can enact any law they please; but if the States or any of the States provide for the reopening of the saloon, Congress, under this provision, will have the right to step in and enact a law that will prevent the sale of intoxicating liquors to be drunk on the premises where sold.

Mr. GLASS. If Congress does not step in, then the saloon will be back.

Mr. NORRIS. Yes; then the saloon is back.

Mr. GLASS. And it will be back, too.

Mr. NORRIS. There is no question about it.

Mr. WALSH of Montana. Mr. President, I was moved to make these remarks simply because this matter has been discussed with some feeling of resentment toward the committee that is charged with endeavoring to defeat really the repeal of the eighteenth amendment or substitute something for general repeal that would be of no consequence. The conclusions of the committee were not arrived at hurriedly at all. They were the result of very extended discussion and deliberate thought, and I have endeavored to advance the reasons which impelled the committee to reach the conclusions it did.

Mr. GLASS. Mr. President, let me suggest this question to the Senator from Montana. We have talked a great deal about the sanctity of platform declarations. If, under their oaths and their consciences, the Judiciary Committee may utterly ignore one definite textual declaration of party platforms, why may not the individual Senators under their oaths and their conscientious conceptions do the same thing?

Mr. WALSH of Montana. I know of no reason.

Mr. NORRIS. Surely, why not do it?

Mr. GLASS. The contention here is, particularly by the Senator from New York [Mr. WAGNER], that we are under some sort of solemn obligation to observe the text of party platforms.

Mr. NORRIS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Nebraska?

Mr. GLASS. Certainly.

Mr. NORRIS. The Senator from Virginia seems to be directing his question at me. I want to say that so far as I am concerned, if anyone who thinks he owes an allegiance to any party platform and that to follow it up would conflict with the duty he owes to his country here as a Senator, he ought to have no hesitancy in casting his party platform aside.

Mr. GLASS. But the Senator has heard over and over again the declaration here that the Congress is under obligations to obey the party platforms. Senators can not obey both of them because they are very different.

Mr. NORRIS. I agree with the Senator. But it does not bother me any. I do not know how it affects other Senators to disregard the platform.

Mr. GLASS. If we can not obey both of them, I want somebody to tell me just how we are going to get a two-thirds vote in the Senate to submit the amendment to the States.

Mr. NORRIS. Perhaps we can not.

Mr. GLASS. Democratic spokesmen talk about a declaration of the Democratic Party and want to constrain us to feel that that declaration is superior to our own oaths. Why may we not impute to Senators on the other side of the Chamber as much regard for the sanctity of platform declarations as is asked on this side of the Chamber?

Mr. NORRIS. The Senator may do so. There is no objection to his doing it.

Mr. GLASS. I do not know whether we can. I want to find out whether we can or not. If we may impute that degree of adherence to the Republican Party platform, and the Democrats have not a two-thirds majority here, how are we going to submit the question at all?

Mr. NORRIS. Maybe we can not submit it.

Mr. GLASS. I do not think we can. [Laughter.]

Mr. ROBINSON of Arkansas. Mr. President, the debate has taken a very wide range. It is not my intention to prolong the discussion. My object is to address the remarks I shall make to the question before the Senate, the amendment which requires a choice on the part of the Senate between conventions and legislatures as the agency for ratification. This difference or issue has been treated by the able Senators who have spoken as a mere trivial matter. It was referred to by the Senator from Wisconsin [Mr. BLAINE] as not substantial. The implication of the remarks of the Senator from Montana [Mr. WALSH] was to the same effect.

Mr. President, when the two great political parties of this Nation, the Democratic and the Republican Parties, laid down their lines of battle, we all recall how much thought and attention was given to the question of prohibition. Effort was made to formulate declarations of such character as would be calculated to invite the support of the electors. It is rather a singular thing, considering the fact that throughout the entire history of the Nation the only method of ratification ever resorted to was through the legislatures and that both political parties, when they were challenging public support, expressly declared for a different method of ratification from that which had theretofore been resorted to.

Some statement has been made that since there are conflicts on the subject in the two platforms, there is no practicability of anybody being loyal to the pledge on which he was elected; that he is under no obligation to keep faith with those whose support he asked on the basis of his platform declaration. I point out to the Senate now that whatever distinction may exist in fact or may exist in the imagination of Senators between the two platforms, there is one point on which there is no difference, and that point has relationship to the amendment now under consideration. When Senators wanted votes they said, "We will give the States a chance to pass upon the question of repeal and in order to make certain that the individuals who perform the act of ratification may be responsive to public sentiment, we will refer the resolution for repeal to conventions in the States chosen solely for the purpose of passing on this issue."

Oh, yes, there were differences of opinion as to the terms upon which repeal should be submitted, but there was no difference of opinion upon the method of ratification; and by the express language contained in both platforms it was declared by the great masses of the people to be of substance and of importance. Senators did not go on the stump and tell the people whose votes they were soliciting that they did not regard that declaration in favor of conventions in the States, chosen solely for the purpose of passing on this question, as of no importance. They appealed for confidence and support on the ground that they were going to make certain that there would be a reflection in the act of ratification or rejection of the actual will of the people who constituted their constituents.

There is a difference in submitting a question to a "lame duck" Congress and submitting an issue to a Congress elected on that issue; and that same difference, Senators, exists between submitting to a legislature composed of Senators in some instances elected six years before the issue arose and in submitting it to those who come fresh from the people, chosen as a result of the expression of public opinion, chosen for the one and only purpose of passing on the issue involved, of determining the act of ratification or rejection; and there is not anyone here who may be permitted to treat that as a matter of trivial importance.

However, the next statement made is that it is expensive to have conventions, and for that reason Senators on the other side of the Chamber wish to forget their platform pledge, and we on this side of the Chamber should do the same thing. Every two years in most of the States, and every four years in all the States, State conventions of a political character are held, and they are representative of every small political unit. Those conventions are not expensive. The cost of a convention in a State depends upon the will of the public and the will of the legislature. The delegates do not have to be high-priced public servants; and every man in this country owes some duty of free service to his country. He might once attend a constitutional convention or a convention called for the ratification of the constitutional provision without requiring those who selected him to pay liberally for his services. He might even contribute his own expenses, as every one of us do when political conventions are called. The cost, I repeat, is a matter that may be determined by the policy of the State in which the resolution of ratification is to be submitted to a convention; but the mere matter of cost is not sufficient, Senators, to justify us in disregarding the one pledge upon which there was agreement.

You on that side of the Chamber knew at Chicago, when you adopted the Republican platform, if you were as sober then as you are now [laughter]; you on this side knew when you adopted the Democratic platform, if you were as loyal to the will of the people as you ought to be, that there might be some expense incident to carrying out your pledge. You were not children; you did not appeal to the electors of the Nation to give you power and authority without recognizing the fact that in redeeming your pledges the public might be occasioned some expense.

Mr. CLARK. Mr. President, will the Senator from Arkansas yield to me?

Mr. ROBINSON of Arkansas. Certainly.

Mr. CLARK. Does the Senator from Arkansas think there would necessarily be any more expense attached to a convention than there would be in imposing the duty on the legislature of putting in extra time in the consideration of this question?

Mr. ROBINSON of Arkansas. No. The whole trend of my argument, if I may style it such, is to show that you can have a State convention without any great expense to the public. They have two every second year in Missouri that do not cost the public anything, and every citizen, as I have already said, sometime in his life may properly be called upon to perform a public service without exacting pay from the people who honor him.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Arkansas yield to the Senator from Montana?

Mr. ROBINSON of Arkansas. I yield.

Mr. WALSH of Montana. I agree with the Senator that the salaries of the representatives would be a rather small matter; but I thought that I stressed the point that the expense of conducting the elections would be considerable.

Mr. ROBINSON of Arkansas. There would be nothing but the expense involved in choosing the delegates to attend the convention, and we have that at every political

convention which we hold. The Senator never went to a convention but that a large number of friends made some sacrifice and got together either at the corner grocery or at the crossroads, praised him for his great abilities and signal powers, and said, "Let us send him on to represent us." They did well, and they ought to do the same thing in the case of a convention called in the States for the ratification of an amendment to the Constitution of the United States and choose able delegates.

In order that there may be no misunderstanding that when you were trying to get votes on this proposed issue you thought, both sides, that a convention as a means of ratification was of vital importance, let me read what was said in the platforms of the respective political parties. I first read from the Democratic platform, as follows:

To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal.

And yet there are Senators here who have said to-day that that was an unimportant declaration, that it was trivial, that there is no obligation to observe it.

I have read the declaration of the Democratic platform. Here is what my misguided friends on the other side of the Chamber said in their convention when they were attempting to get votes on a pledge that it was not necessary to redeem or to keep:

Such an amendment should be promptly submitted to the States by Congress, to be acted upon by State conventions called for that sole purpose in accordance with the provisions of Article V of the Constitution—

And so forth. I repeat that whatever differences may have existed between the two platforms that is the one subject on which there was complete harmony, and both expressly stated that it was important to submit it to conventions rather than to legislatures.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. Certainly, I yield.

Mr. BROOKHART. I suggest to the Senator, since both Republican and Democratic national conventions declared for ratification by conventions, that left no chance for the people who oppose the conventions to express their sentiments.

Mr. ROBINSON of Arkansas. No; but it does show, Mr. President, that both political parties thought that the people desired the opportunity of expressing their will on this subject to representatives chosen for that purpose. The fact that both of them agreed to substantially identical language indicates that they thought that it was a popular proposal and they would get votes by incorporating it in their platform.

There is a great deal that might be said in favor of the convention plan. Representatives in the legislatures are not chosen, as a rule, with respect to any one political issue. Some of them serve for long terms and they may not be responsive to popular opinion.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Montana?

Mr. ROBINSON of Arkansas. Certainly.

Mr. WALSH of Montana. I rather gathered the impression from the speech of our esteemed friend, the Senator from New York [Mr. WAGNER], this morning that the whole presidential election was determined on that issue.

Mr. ROBINSON of Arkansas. O Mr. President, I do not sympathize with that viewpoint. There were many issues in the campaign of 1932, and it is not my opinion that the liquor question was the principal issue in that campaign. I have never believed it, and I do not believe it now. I think there were problems of far greater importance than any associated with the repeal of the eighteenth amendment.

Mr. WALSH of Montana. Of course it is not to be understood that I indorse that view, but I do think that when it came to selection of members of the legislatures the question of prohibition had considerable influence.

Mr. ROBINSON of Arkansas. Does the Senator from Montana mean to say that he regarded the liquor question as the most important question in the campaign of 1932?

Mr. WALSH of Montana. No; I do not agree with that statement at all.

Mr. ROBINSON of Arkansas. Oh, the Senator agrees with me, I understand?

Mr. WALSH of Montana. Certainly I do.

Mr. ROBINSON of Arkansas. I misunderstood the Senator's statement.

Mr. WALSH of Montana. But in the matter of election of members of the legislatures I think the question of prohibition had considerable to do with it.

Mr. ROBINSON of Arkansas. Let me reply to that.

In the legislatures composed of two bodies, one-half or one-third—it varies in the States—are selected as members of the senate every two years; and there is a strong probability that at least one-half and probably two-thirds of the members of the State senate in every State of the Union, or four-fifths in some of them, were chosen before this issue became acute; and I say now that there is sound sense and justice in preferring to submit the issue to delegates chosen with direct reference to that issue rather than to submit it to members of a general assembly who were not chosen with direct reference to that issue.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. WAGNER. I do not think it is a fair statement of my observation to say that I stated that the prohibition issue was the dominant issue of the campaign.

Mr. ROBINSON of Arkansas. The Senator from New York did not understand me to say that?

Mr. WAGNER. No.

Mr. ROBINSON of Arkansas. I did not hear the statement made by the Senator.

Mr. WAGNER. I said it was one of the issues in the campaign, and was freely discussed, and the people did know the issue between the two platforms.

Mr. ROBINSON of Arkansas. I think that is true, and I think the issue was a prominent one. I think in many localities it was given more importance than it deserved to receive; but no one can deny that when the Republicans and the Democrats started out to get votes they agreed on one aspect of the question, and that was that they would give the people a chance to express themselves through delegates chosen for that sole purpose.

I yield the floor.

Mr. LEWIS. Mr. President, my observations will occupy but a moment. I am conscious of having taken too much time in interrogations passing between the eminent Senator from Montana [Mr. WALSH] and myself, and, I may add, my interruptions of other Senators upon the legal aspects of the amendment.

It is my purpose to read decisions which I have in these volumes on my desk. I sought these cases to meet and oppose the expressed convictions of the able Senator from Montana and that of the distinguished Senator, the ex-judge from Nebraska [Mr. NORRIS]. But to conserve time I withhold them for the present. I shall not burden this assembly with reading law books. I rather, for the moment, adopt the expression of Pitt, the second Earl of Chatham, before the House of Commons:

I come not here to read books bound down in dogs' ears; I prefer to address myself to that other—the ears that lead to the heart and mind.

Mr. President, I concur in what all the Senators have said; as to the mere method of how we submit the amendment for repeal is not in itself so very commanding, certainly never to warp the judgment of any Senator or to prevent him from adopting an independent judgment on the larger area of the action to repeal, and complying with the platform in its spirit and direction.

I make bold to call attention to the fundamental doctrine underlying the whole contention as to execution of the plat-

form pledges. When the conventions chose, for the first time in three lifetimes of political history, to prescribe that this remedy of repeal of amendment of the Constitution they sought was to be by convention. Sirs, let it be recalled that heretofore rarely had the convention system been invoked as the agency through which repeal of an amendment to the Constitution should be adopted. It is significant that the political conventions, made up of eminent men of both great parties—thoughtful men—expressing the concrete judgment arrived at from long deliberations in the years just preceding, made the choice of repeal by convention because they felt this method made more secure their will being executed by that method than by the other. If it had been the purpose to adopt the one or the other as a mere matter of alternative, it would have been easily expressed "convention or legislature." Sir, if it had been with the object of having it by legislature, it would have been expressed "legislature." It can not but impress you that there was a significant object in the mind and some purpose in the resolve, when they found it agreeable to choose, for the first time in a hundred years, in the different political gatherings of our people in America, for repeal, the convention. The delegates elected chose the convention system as distinguished and apart from the legislature. Nor, sir, did they include the legislature, though the method was there provided as an alternative.

Senators, shall we not be frank? What was the reason for the change?—for weighty reason, we can assert, must have been in the mind.

It was that our people in all the States had seen themselves tricked by legislatures. They had watched some, out of corruption, cheat the constituency. They had seen others, in their wild race to other objects of private benefits, exchange one purpose in order to obtain another. The deception had, in different forms, been so practiced upon them that they hastened to adopt some other remedy and some other method than to abide by that from which they had suffered losses and defeats only lately in so many States of the Union. Therefore, the platform provision that commanded the repeal by conventions, we must assume, was adopted by the delegates as a system of their protection, also—for what they felt was a guarantee of obedience to their command.

The Senator from Arkansas [Mr. ROBINSON] has made allusion, the Senator from New York [Mr. WAGNER] some reference to the matter of party platforms.

Mr. President, I am not always a very sure party man. I have not always supported all people presented upon a label called a political party. I do not accept the idea that there is to be any sacredness attached to the mere fact that these declarations were placed on a piece of paper and sent forth as the declaration of a political party in the form of a platform. I wish it understood that I present the position that when we declared that the repeal should be by convention at the instance of the representatives of the people through their delegates, and they promised the people they would secure repeal by this method, and the people went out and voted affirmatively in support as their direction upon the platform, as must be gathered by the majority and the number selected, it was, as near as we could catch it, a direction from the people themselves apart from delegates that they desired this method adopted because of some reason wherein they felt more secure and more protected by the method thus proposed than that of the other system they had not endorsed—and the one that which they had not commanded—the legislative method.

Therefore I go further than the distinguished Senator from Arkansas [Mr. ROBINSON], my good friend from New York [Mr. WAGNER], or my eminent friend from Montana [Mr. WALSH]. I hold that as near as we could go to the people, we presented to them a system by which we said this particular relief could be afforded. When they sent, at the ballot box and from it, their decree adopting it, it was the order of the people that the method be employed. It was their direction that this particular system of convention be entered upon.

I ask, now has the time not come when some heed should be given to the direction of the people at the ballot box in America as nearly as we can gather their intent? Does the mere fact that we can find specious argument for eluding it, for violating it, or for abandoning it, justify us in doing so? Shall it not be correctly said that the very conditions of our country in this hour, the voiced lack of confidence the American people have in their institutions, the want of faith they have in the courts, the general feeling that there is corruption in all legislative bodies, the conviction that general treachery and deception exists everywhere, and which they hurl in their indictments of public speech and public press against the representatives in all the different degrees of political life—I ask, is not all this condition due to the fact that they have ever discovered that legislative agents ever find some way to violate the made pledge on the one hand and disobey the directions of the people on the other?

It may be that some inconveniences attach to the fulfillment. Is that a reason for denying it? It must be assumed that the people themselves knew that all the inconveniences which we summon up here were a part of the system they provided. It must be that they felt it all to be a part and—may I add the commonplace word—parcel of that which they tendered to us for obedience; that it all inured within the theory proposed, and it must likewise be assumed that in doing such, and putting such burden upon us, they felt from it all was some greater security, and they looked to it as some extra form of guaranty to themselves in adopting and prescribing that system.

Now, Mr. President and Senators, thanking you for your patience and expressing my appreciation, I say it is better that we go to the country in the fulfillment of their direction in any way we honorably and legally can execute it. Better, sirs, this course than that we infuse in their hearts this early, as Democracy enters its inauguration, before the new administration has been sworn in, that the very first act on our part was to find a method to avoid that which the public had directed at the ballot box. The people are seeking reform. They are asking remedy. They pray for salvation. Shall we demonstrate to them, in the very first illustration, our indifference to the promise we made them on the one hand or, to avoid obedience, set up a wisdom which we regard as superior to theirs, and that we seek to follow it because speciously, by some construction of what we call the law, we find some other method more to our judgment or to our convenience, or, if I may add the latter, because it may be of less expense?

I can not adopt such, and I pray you to indulge me to say I do not feel that this is an hour, nor is this a day, when we can play with the emotions of America nor that we shall trick the sentiment of mankind. The United States is in a condition at this day when everything that we can do which may invite the confidence of our fellow mankind needs now to be initiated, fostered, and followed. We should go as far as we can to bring back the faith we have lost, even if it shall be at a little expense of more trouble, a little more, perchance, of time. A fulfillment and a keeping faith of a promise will do a great deal to make them feel that all the past is condoned and that the future begins with a brighter morn and a surer day. While the matter may be small, and at present may not be so important to the great humble mass, yet to them let it be seen that there is no attempt to evade or to escape the pledge, but every effort to obey it. This will fill them with a new hope and new faith that in all other respects they will have the combined support of the legislative body in the fulfillment of all other pledges in perfect faith.

That is what is in my mind that leads me respectfully to insist that, so far as can be, in every manner that may be, we fulfill what the people have directed.

As I conclude, Mr. President, there rises to my mind that there is in the Merchant of Venice, I think, the declaration—

> My words gone forth can not be recalled.
> Shall I lay perjury upon my soul?
> No, not for Venice.

Our answer in this matter at this time is that our word has gone forth. Shall we lay perjury to our souls? No, not for office, nor for favor, nor for reward, but, in the fulfillment of the solemn duty of the promise, keep the faith that there may be no charge from any source that there is an attempt on the part of this honorable body to violate it or evade it for some ulterior purpose which will be charged against us in an hour when we seek the confidence of mankind in America.

Mr. BORAH. Mr. President, I am going to occupy the time of the Senate but a moment on this question, because it is very largely an academic question, so far as I am concerned.

As to the Republican platform, I disposed of that in the Senate of the United States last June, so far as I was concerned. I was not bound by it, and I think the people disposed of it on the 8th of November. Certainly the Republicans can not be asked to carry out a platform which was rejected in a most decisive way. It may be that on the other side there should be a conscientious feeling that they should carry out the platform upon which they were elected. But, so far as a pledge was concerned, there was no possible opportunity to have any expression of opinion from the people upon the subject, because both parties declared for the same thing, and if either candidate for President in the campaign mentioned it, I have overlooked it. I know that the President elect stated in a New Jersey speech that he indorsed the platform, speaking of it generally, and that he stood upon the platform, but, so far as this particular subject was concerned, I do not recall that it was ever mentioned or discussed in the campaign. I may be in error as to that. Certainly it was never accentuated by the President elect.

Mr. President, what I rose to say was this: My natural predilections were in favor of the convention system, aside from any platform pledges. We had this matter before the Senate when the question of the ratification of the income-tax amendment was before us, and we discussed it. We did not adopt the convention system, but it was discussed, and I expressed a preference at that time for that system. But I did say at the time that I thought there were serious objections to it, and the question was, first, of expense, and, second, the delay involved.

I have undertaken to make some estimate of what it would cost my State to hold a convention. It must be remembered that it contemplates a convention to which delegates will be elected, and that there may be a severe contest in the election of delegates in the State, and that it would be a very expensive proposition. I did not feel that I was justified in voting for a new, untried, and experimental proceeding which would be expensive at the best. Secondly, while I am not particularly anxious about action on the eighteenth amendment, and the question of haste does not concern me so much as it does others, yet I do think that when it is once submitted it ought not to be pending interminably, but ought to be disposed of as speedily as practicable, and in as orderly a manner. There will not be any convention system covering the entire Nation, or even 36 States, in my judgment, within the next two or two and a half years. Those were the two reasons why I voted against the convention system, and I felt perfectly free to vote as I wanted to vote, because I was not bound by any platform pledge.

In some respects I like the convention system better, but, as was said by the Senator from Montana, I think that in the state of public opinion now, with the feelings which prevail in the different States, the legislatures will record the sentiments of the people upon this question just as accurately as conventions would.

As to the power of Congress to provide for these conventions, I entertain no doubt that Congress has no such power. When the Congress has designated the body which shall ratify—legislature or convention—it has exhausted its power. It can not enter the State and set up a convention and provide for the election of delegates any more than Congress could enter the State and provide for the call of the legislature and control it. The theory that the Federal Government could enter the State and provide for a convention is violative of the most vital and fundamental principles upon which our dual system of government rests.

I reserved some freedom of action upon another provision of the amendment which I shall discuss later. I only wanted to say that, so far as this was concerned, I agree with the argument of the Senator from Montana in large measure.

Mr. WALSH of Montana. Mr. President, I feel impelled to say a word before the vote is taken on this matter touching one line of argument made in the usual passionate and forceful manner of the Senator from Arkansas, for whom, of course, I entertain the very highest respect. He called attention to the fact that in the legislatures as now constituted there are probably some considerable number of members who were elected quite a while ago. Undoubtedly that is true, but it will be borne in mind that those are the legislatures to which is to be addressed the question, Shall we call a convention or not? We meet with that objection in any case.

As I pointed out before, the amendment could be defeated by the simple failure of a State to call a convention; that convention must be called by the legislature, and the legislature is made up of men who were elected in the past, and not at this immediate time, after these platforms were adopted. So that in any case we would encounter the difficulty of having the real, essential meat of the thing submitted to a legislature not altogether elected after this matter became ripe.

I observe likewise that the Senator from Arkansas passed off very conveniently the question of expense by comparing the convention to be called with a political convention. Of course, political conventions are held, but without expense to the State at all. We go down into our pockets for those. But they have no validity whatever in law. We could not ratify an amendment by a political convention. We would have to provide for calling an election; we would have to pay the expense of conducting the election; we would have to pay the expense of transcribing the poll lists; we would have to provide for inspectors at the election; we would have to provide for certifying the election; we would have to do everything that is necessary in the election of any officer of government; and all of that costs money in these times, when every dollar ought to be saved that can be saved.

Mr. NORRIS. Mr. President, if the Senate wants to vote, I shall be ready to stop talking any minute; I would rather vote than anything else. But I have been sitting here for two days listening to the debate, and it seems it is to go on probably until the 4th of March without any decision being made. So, since we are not to be able to legislate on the things on which we ought to legislate, I might just as well take some of the time as well as somebody else.

Mr. President, if I had not been living during the campaign, but had just come down here from some other planet and had heard the speech of my good friend from New York, I should have judged that there was but one issue in the last national campaign, and that that issue was prohibition; that nothing else was mentioned in any platform; that nothing else was talked about during the campaign.

Mr. President, if that were true, and if that had been the only issue involved, then I think it would follow that those who believed in the platform which advocated repeal of the eighteenth amendment would be in honor bound to take the first opportunity to bring repeal about.

I listened with great interest to the Senator from Arkansas. He referred to the lame-duck Congress passing on this matter. That is one reason why it has seemed to me all the time that we should not be wasting the valuable moments of this session of Congress in discussing something which is not binding on this Congress, according to the argument of the Senator himself. I take it at 100 per cent that those who want to follow platform pledges are not compelled or bound to carry them out until the people elected at the election go into power. If that principle had been followed, this question would not be before us now.

I concede that the question of passing on the proposed amendment by conventions instead of legislatures has a very cogent argument in its favor. Under ordinary conditions it would be much more impressive, I think, than it is under existing conditions.

A convention thus elected would have but one thing to do, and at the election at which the delegates were chosen there would be but one question involved. It would be in effect a referendum. But those who believe in ratification by conventions, when they commence to study what will be necessary to bring about a ratification in that way, commence to wonder whether they would be justified, under the present circumstances, in providing for ratification or rejection by conventions.

Mr. President, we are confronted now with the fact that millions of our people are starving; the Federal Government is almost ready to go into the hands of a receiver; the States are borrowing money by the millions from the Federal Government; counties, municipalities, subdivisions of government are doing the same thing, and if we provide for submission of this question to conventions, we are about to put upon the backs of the taxpayers of the United States millions of dollars of expense to carry out this simple mandate.

The Senator from Arkansas [Mr. ROBINSON] argued that the expense would be trivial. It has been stated that political conventions do not cost much; that the taxpayers do not pay the expense. That is true. Sometimes the special interests pay it; sometimes the big corporations pay it. The conventions meet and carry out their edict and their will and nominate candidates and adopt platforms that will bring back manyfold the interest on the investments made by those corporations in the conventions.

But that is not so in this case. The people are going to pay the expenses. It will probably be a lively campaign in every State and in every district of the Union where conventions are called. Every dollar of that expense the taxpayers must shoulder. Suppose the State has a convention of 100 delegates. Probably in some instances in some States it will be a convention of 500 delegates. They travel from different parts of the State. They will be paid mileage. They ought to be. They will be paid per diems. They ought to be. Every penny of the expense of their meeting, although it will be short—though if there are many ex-United States Senators in it the debate may be lengthened considerably [laughter]—is going to be paid by the taxpayers of this country. We have 12,000,000 people almost starving to death, with every State going into debt and very few of them able to balance their budget. I think it is an important thing under the circumstances to take the expense into consideration.

I have great respect for the man who respects his party platform pledge, but of necessity a platform containing many pledges ought to be considered in the light of existing conditions. We can not take up any one of them and say that the country is bound by that particular pledge, or that particular plank was the issue which settled the election. That can not be said about the last election, either. Millions of people cast their votes in the last election who did not know that in either platform there was a provision that the submission of this question should go to conventions rather than to legislatures. I did not hear it discussed, and I listened to both of the candidates over the radio. It may be they discussed it when I did not hear them, but if they did nobody paid much attention to it. It is one of the methods of carrying out a platform pledge.

Suppose the platform provided that the ballots on which the delegates should be elected must be printed on pink paper. Suppose that was argued and seriously contended for, and it was discovered just before the election that we could not get enough pink paper upon which to print the ballots. Would anyone feel in his conscience that he had violated the pledge of that sacred party platform if we printed the ballots on white paper?

The main thing was the question of submission. It is true that in both party platforms it was pledged to be submitted in a particular way. I do not suppose a single delegate in either of the conventions had his attention called to the difficulty we were going to be in in the way of expenses alone. Many people thought, and some still argue, that the Federal Government should pay the expenses of the conventions, that the Federal Government should hold the election in reality, provide for qualification of voters, and so forth. I do not think anything of that kind would be constitutional, but whoever pays the expense it comes out of the taxpayer in the end. He foots the bill, and he can not afford to do it.

While I am on my feet, as I may not talk again on the question, I want to refer to section 3. Section 3 went into the joint resolution because it was deemed by those who framed it that it ought to be there to prevent the return of the saloon. We have heard about it during all the debate in the last four or five years. Everyone who advocated repeal of the eighteenth amendment always prefaced his remarks with the statement, "We do not want the saloon back. Nobody wants the saloon back." That has been inculcated in the minds of the American public until, when we mention repeal, unconsciously everyone's mind comes to the point that we can have repeal and not have the saloon.

If we take section 3 out of the amendment, there is no assurance whatever to prevent the return of the saloon. The return of the saloon will come without section 3, in my judgment, just as surely as we adopt the amendment. It will not come in all States, it is true; but it will come in many of the States. We will have the saloon back in business, the thing that everybody from candidates for the Presidency down to candidates for road overseer have denounced and said they would never submit to. As I look at it the only way to keep the saloon from coming back is by the retention of section 3. It was not the intention of the Judiciary Committee that the Congress would necessarily enact any law upon the subject, but if we take away the power of Congress to enact a law to prevent the consumption of liquor on the premises where sold, we have brought the saloon back into existence and there is no escape from it.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. NORRIS. I yield.

Mr. BROOKHART. Let me ask the Senator, under the wording of section 3, if the States have concurrent power to regulate or prohibit the sale of intoxicating liquors in a saloon, is not that power just as high and just as dominating as the concurrent power of the Congress?

Mr. NORRIS. If the States would enact laws that would prohibit the saloon, Congress probably would never legislate on the subject; but if some of the States did not and other States did, then in order to meet the condition where the saloons came back into operation again in the States that had enacted laws that permitted it, the Congress if it wanted to do so could enact a law that would prevent the consumption of intoxicating liquor upon the premises where sold. If a statute was enacted and later we even permitted it, that would be no reason why the law of Congress should not be effective. One is a State law and the other is a Federal law. But if the Senator were a prosecutor on behalf of the Federal Government under those circumstances and prosecuted me for selling liquor and permitting it to be drunk on the premises where sold, under a Federal law, it would be no defense for me to allege and prove, if I were permitted to prove it, that the State law gave me permission to do the very thing I was doing. I do not believe any lawyer would contend that.

Mr. BROOKHART. If the State had concurrent or equal power with Congress, it seems to me it would be a defense. If I were prosecuting attorney for the State, then I would not want to yield to the Federal authorities.

Mr. NORRIS. In the case I put, if the Senator were prosecuting attorney for the State, he would be defending the criminal who was being prosecuted in the Federal courts.

Mr. BROOKHART. He would be no criminal under the law of the State.

Mr. NORRIS. That is true, but he would be a criminal under the Federal law. If the Senator will think a moment, he will realize that in the entire history of the United States we have had laws similar to that.

Mr. BROOKHART. But let us take the eighteenth amendment. Under the eighteenth amendment, of course, the sale of intoxicating liquor is prohibited both by the State and the Nation. The concurrent power there is for the enforcement simply of prohibition. But here is a concurrent power to regulate it and to prohibit it, or not.

Mr. NORRIS. Suppose we take out that provision and suppose the Federal Government has no authority then whatever. Then where would we be? Would it not follow that the saloon would come back?

Mr. BROOKHART. No. I am more favorable to the amendment proposed by the Senator from Virginia [Mr. GLASS], where he proposes to prohibit the saloon and transportation and then gives concurrent power of enforcement.

Mr. NORRIS. This gives Congress the power. It provides that "Congress shall have concurrent power to regulate or prohibit." We can prohibit or we can regulate.

Mr. BROOKHART. But the amendment which the Senator from Virginia has proposed provides that the sale of intoxicating liquors within the United States or any territory subject to the jurisdiction thereof, for consumption at the place of sale, commonly known as a saloon, transportation, and so forth, of intoxicating liquors, are prohibited.

Mr. NORRIS. I am familiar with the amendment. I remember when the Senator introduced it. It is really an attempt to define the saloon and to put that definition in the Constitution of the United States. I do not think any student of the subject who will think it over calmly will believe for a moment that we can put a definition of a saloon in the Constitution of the United States and properly enforce it.

Mr. BROOKHART. Have we not done that in section 3?

Mr. NORRIS. Oh, no.

Mr. BROOKHART. It uses the same language.

Mr. NORRIS. No; it will have the effect of keeping out the saloon, keeping out the thing "commonly known as the saloon." What is the saloon? If the Senator will take the various dictionaries and look it up, he will find it is a good many things besides what we are thinking about when we think of the saloon that sells liquor.

Mr. President, I want to say just a few words about what I term this unnecessary delay. For two days we have been considering this matter. We have only a few more days of this session left. Senators refer to the provisions and pledges of the platform of the Democratic Party and of the platform of the Republican Party as being a mandate in this case. I want to invite their attention to the fact that in both of the platforms there are promises that we will help the farmer, there is a pledge that we will help the unemployed, and there are a good many other promises along that line. While we are considering this proposition, which, in my judgment, could just as well have been postponed until the special session, millions of our people are suffering because the Senate of the United States is not acting upon those pledges and upon the greater pledge that must come from every pure heart of trying to help his stricken brethren in the terrible catastrophe in which we find ourselves.

We have 12,000,000 unemployed. We have a bill on the calendar that has been there for weeks that we ought to take up and consider for their relief. We have been talking and talking about helping the farmer. The Committee on Agriculture and Forestry has reported to-day a bill on the subject that was one of the pledges in both of the platforms that were taken before the people in the last campaign. The Judiciary Committee last week reported a bill along the same line to give relief, the effect of which would probably be to grant a moratorium to those who own their homes and have mortgages on them. These bills may not bring complete relief. Some of them may be failures. They may be experimental to a great extent, but at least when we are talking about platform pledges we ought not to forget pledges of that kind.

The joint resolution which we are considering now has been before us for two days. Every hour and every minute of the precious time wasted between now and the 4th of March means so much time lost for the consideration of those measures that should appeal to human mercy and human sympathy. There is nothing that ought to be hurried about the particular joint resolution which we are now considering. It ought not to be before us now. It would be all right if we had plenty of time to consider it, but when we ought to be devoting our time to things that are meritorious and admitted by all to be meritorious, and that would have a tendency to relieve the terrible suffering in the conditions under which our people are now living, I do not believe we can excuse ourselves for wasting those precious moments by taking up an amendment to the Constitution which, even if we ever get it past the Senate, it will be years before it goes into effect.

If we do nothing to relieve distress and suffering, the people of the United States will be bankrupt and most of them starved to death before this proposed constitutional amendment will ever become effective. It seems to me to be a sad commentary upon the wisdom of Congress that it should devote time, when time is so precious, to the consideration of this subject that must necessarily retard the consideration of other more important measures which we ought to consider and dispose of.

Mr. BRATTON. Mr. President, I realize as well as does the Senator from Nebraska the urgency of other measures now pending on the calendar, and for that reason I shall be very brief in what I have to say.

Mr. President, I favor the amendment offered by the Senator from Arkansas to submit this proposal to conventions in the several States instead of to the legislatures of the States. In the first place, it conforms strictly to the solemn pledge in the Democratic platform. It may be argued, and it has been argued to-day, that there are practical considerations which should move us to depart from that promise and, instead, to submit the question of ratification to the legislatures. Mr. President, the platform promise of the Democratic Party does not merely declare that this question shall be submitted to conventions in the several States, but it gives the implied, if not the express, reason why that system should be employed. It declares that it shall be submitted to truly representative conventions in the several States called specifically for that purpose, indicating clearly that it was the purpose of those who spoke for the Democratic Party in the national convention assembled at Chicago to appeal to the people of the Nation for their suffrage at the polls upon the definite promise that this important matter would be singled out and set apart from other issues, and would be submitted to representatives fresh from the people, elected upon the sole, single, and exclusive issue.

It may be said, Mr. President, that that promise was not a compelling or a controlling one, but who can say with justification that if there are 6 planks in a platform, 4 of them are controlling and binding and the other 2 are not?

Mr. President, this is a promise that was made by the national conventions of both parties to the electorate of the States. The argument now advanced that there are practical considerations why we should breach that promise, if you please, makes no appeal to me. Furthermore, as the Senator from Arkansas well said, in reply to the argument advanced by the able Senator from Montana [Mr. WALSH], many of those now serving in legislatures in session at this time were elected prior to the platform pledge; and, accordingly, they were not elected, indeed they could not have been elected, with any reference to that promise, either direct or remote.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. BRATTON. I yield.

Mr. WALSH of Montana. The Senator must realize that the same legislature, so constituted, must call the convention if we are to adopt the convention method?

Mr. BRATTON. Oh, yes.

Mr. WALSH of Montana. And they can defeat the proposal by not calling a convention?

Mr. BRATTON. Oh, yes; but there is this fundamental difference: A man serving in the legislature may well say that he has a fixed conviction either in favor of repeal or against it, but that, despite his individual view, he is perfectly willing to submit the question to the people of his State and let them elect their representatives on that sole issue, and if the people differ with him, their will shall be paramount and supreme.

Mr. WALSH of Montana. I quite agree with the Senator that there may be such an individual, but, as a practical matter, does not the Senator agree that a legislature that will call a convention in all reasonable probability would vote to ratify the amendment?

Mr. BRATTON. That is a reasonable assumption.

Mr. WALSH of Montana. Exactly; and the legislature that will call a convention in all reasonable probability would ratify the amendment, and a legislature that will not call a convention would probably not ratify it; so that by submitting the question to conventions are we not really doubling the difficulties in the way of securing ratification?

Mr. BRATTON. I think not, Mr. President; with great deference to the opinion of the very able Senator from Montana, I must differ with him in that respect. I think there are those who as voters in their respective States will vote against the repeal of the eighteenth amendment, but as members of the legislatures are entirely willing to submit the question to the people and let them pass judgment upon it. Indeed, as a voter at the polls in my own State, I shall vote against repeal, but as a Senator I am willing to submit the question to the country.

Mr. BARKLEY. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Kentucky?

Mr. BRATTON. Yes.

Mr. BARKLEY. Is it not true that in this "buck-passing" age a legislature would prefer to call a convention and say they were doing it on the ground that they ought to provide the most direct way possible to pass on this question whereas if they were required to vote on it themselves they might vote against ratification? They might, however, justify calling a convention on the ground that it gave the people the most direct way possible, under the Constitution, to pass on an amendment of this kind.

Mr. BRATTON. I think so. The convention system, Mr. President, has two virtues: The first is that it is the most effective way to obtain a direct reflection of public opinion. It is trite to call attention to the fact that in electing members of the legislature other issues enter, other questions become paramount; the wet and the dry issue is submerged, and to a large extent sight is lost of it. That is not true in electing delegates to a convention which has the one issue before it; but that argument is trite. Every Member of this body is familiar with it. Coupled with it is a consideration of less importance to which attention has already been directed, namely, that many of those now serving in the legislatures were not elected either as "wets" or "drys," with reference to this particular proposal, and consequently their election can not reflect public opinion in their respective districts or within their respective States.

Mr. BARKLEY. Mr. President, will the Senator yield to me again at that point?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Kentucky?

Mr. BRATTON. With pleasure.

Mr. BARKLEY. I find that there is a widespread misunderstanding among the people touching the nature of the conventions referred to in the Constitution and in the party platforms. I find that many intelligent people who are familiar with the old-fashioned type of political convention, which was outlawed by the modern device of the primary for the nomination of candidates of political parties, have the idea that a political convention in which takes place the ordinary jockeying and maneuvering and trading and trafficking for delegates or for nominations of political parties is the kind of convention that will pass upon this proposed amendment. I think we owe it to the people to emphasize the fact that the kind of convention contemplated by the Constitution, and the kind that will be contemplated by us, if we submit the proposed amendment to conventions, is more in the nature of a constitutional convention ordained by the legislature to write a new constitution for a State, a nonpolitical convention than that it has any resemblance whatever to the ordinary political convention as the average man and woman now understands that term.

Mr. BRATTON. Yes, Mr. President. At the time the Senator from Kentucky interrupted me, I was endeavoring to say that the convention system has two virtues: First, it more directly and more accurately reflects public opinion, and, second, in this particular instance, it carries out and performs in toto a solemn promise of the party to which I and the other Senators on this side of the aisle pay allegiance. The resolution as it came from the committee presents a complete failure to carry out that promise. The justification for such action is that there are practical considerations why we should depart from the platform covenant.

Mr. President, is it not reasonable to assume that those who wrote the platform foresaw that it would require time to call a convention, that they foresaw that the calling and the conduct of a convention would entail expense but that they thought the consideration of higher and controlling importance was to obtain a more direct expression of public opinion?

It has been argued by some that the Congress has the power to call the conventions. I do not intend to indulge in a lengthy discussion of that matter. I disagree emphatically with the suggestion that Congress has any such power.

Mr. President, there are two systems of proposing amendments to the Constitution. One is to propose them to be ratified by the legislatures of the several States and the other is to propose them for ratification by conventions held in the several States. The moment the proposition is announced that Congress can call an election in the several States for the selection of delegates there is injected into the two methods this difference: Under one the States are entirely free, while under the other there is an element of compulsion or coercion upon the States, because when we submit a proposed amendment to the legislatures that may ratify the amendment, they may reject it or they may ignore it entirely. If the States are authorized to call conventions, we have a comparable system, for each State may call a convention and ratify the amendment, the State may call a convention and reject the amendment, or the State may ignore the proposal entirely. Thus the two systems are exactly on a parity so far as the degree of freedom of action on the part of the States is concerned.

When, however, it is said that the Congress may call an election and fix the day on which it shall be held and specify the mechanics of holding it, then we place over the States a hand of compulsion and coercion. Does anyone conceive that those who wrote the Constitution and the States that ratified it understood and contemplated that the two systems were so radically different in that important respect that one gave to the States complete and uncontrolled freedom to act or fail to act, while the other required the States to act, required the people to assemble at the polls on the day specified by the Congress and elect delegates to the convention? In that way we bring forward that important difference between the two systems. Significant it is that no such thought was advanced or expressed during the debate in the Constitutional Convention. Research fails to disclose that anyone participating in the ratification of the Constitution entertained any thought that there was such a difference.

Mr. President, the language of the Constitution itself indicates that no such difference was contemplated. Under Article V, the Congress has power to propose amendments.

That is the language of the Constitution—that the Congress has the power to propose and the States have the power to ratify. The moment the Congress has proposed an amendment, specifying whether it is submitted to legislatures or to conventions, that moment the Congress becomes functus officio. It has nothing more to do with the matter. The function of proposing the amendment has been completed. All subsequent action relates to ratification—a State function. The matter of calling an election, the matter of selecting delegates, the matter of the delegates assembling, the matter of the convention voting in the affirmative or in the negative—these matters are all component parts of the process of ratification. That is a function of the States.

It has been urged that that is a Federal function. I think that is a play upon words. Assume that it is a Federal function: It is performed by the States, and they have utter freedom to determine for themselves whether or not they will exercise it. A State may elect not to act. It may ignore. It may remain utterly indifferent to the proposal. There is no power to require a State to act either favorably or unfavorably.

So, Mr. President, I do not share the view that there inheres in the two systems the vast difference to which reference has been made. I do not believe it was contemplated or understood or believed by those who wrote the Constitution. Neither do I believe that it was thought by the States ratifying the Constitution that through one system the State is free, while under the other it is not.

Congress proposes an amendment, specifying whether it shall be acted upon by legislatures or conventions. When Congress has thus proposed, Congress has fulfilled its functions under the Constitution, and the States then proceed to ratify, reject, or ignore.

As the Senator from Kentucky [Mr. BARKLEY] pointed out, a great many people throughout the country believe that the kind of a convention we are talking about is one held without regulations, without sanction of law; that it is a mass assembly to elect the delegates to the county convention, and then on to the State convention. Obviously, anyone who has given study to the proposal will concede that the convention must be called by an act of the legislature, fixing the time and place of electing delegates thereto, specifying the qualification of voters, and all other matters relating to the details of holding and conducting the election and canvassing the returns and declaring the results thereof. It is an official convention, called under an act of the legislature. It has the sanctity of a legislative fiat upon it. It is not a mere mass assembly.

The Senator from Kentucky rendered a real service when he called attention to that misconception quite prevalent throughout the country.

Mr. President, while freely conceding that ratification by conventions will delay action, while freely conceding that it will entail expense, I think there arises above those two considerations the one of higher importance, and that is a solemn promise made to the electorate of this country that this proposal would be submitted to truly representative conventions in the several States called for that purpose; and to submit it to the legislatures is a complete departure from that promise; it is a complete failure to carry out that pledge. Accordingly I shall vote for the amendment proposed by the Senator from Arkansas.

Mr. DICKINSON. Mr. President, I am in opposition to the motion of the Senator from Arkansas [Mr. ROBINSON].

Every constitutional amendment that has ever been submitted has been submitted to and ratified by the legislatures of the respective States. The legislatures and their assemblage and their personnel constitute a fixed institution of their respective States. They certainly reflect the proper sentiment of their respective States on public questions.

The theory that the legislature that was elected last November would not properly reflect the sentiment of the State with reference to any public question, it seems to me, is a misstatement of the facts. The fact is that the legislature is a fixed institution in the State. It is a method certain by which this amendment can be submitted to the States for their decision.

On the other hand, if we decide that we are going to submit this amendment to conventions, suppose a State legislature should say, "We are going to have a mass convention and let the people meet en masse and determine whether or not they want to ratify this amendment." Suppose, on the other hand, they should say that the respective counties shall have so many delegates at a State convention, and nothing be said with reference to how those delegates are going to be selected. Then it would simply be a contest of the old-type caucus system that we used to have in years gone by, as to who could go in there and count noses and control those county conventions. In other words, we go back to an old system that was relegated to the past when the primary system was adopted, and say that in order to get a decision on this question we ought to abandon ratification by State institutions, and accept some convention system that we have never accepted before; and in most of the States of the Union the conventions are not regulated in any way so far as delegates and representation are concerned.

In other words, we are subjecting this amendment to the will of the legislatures as to how they want to handle this matter. It seems to me we are doing that which we should not do.

In the second place, a great deal of stress is put on the fact that both the Republican platform and the Democratic platform declared for the convention system. I want to suggest something that was in the minds of those who had to do with formulating those platforms. It was speed; it was "Beer by Christmas." It was trying to get early action, thinking that they were going to have this matter determined almost instantly.

Now, as a matter of fact, it has been found that Congress can not specify how these conventions shall be held in the various States, and that it is necessary that we have action on the part of the various State legislatures before action can be taken by conventions in the respective States. That being the case, not only is it necessary to have the legislatures meet but the conventions can not be held until after the legislatures have met and provided the method and the means by which the conventions can be held. Therefore, instead of resulting in speed, it is going to result in delay.

There is one other thing that I think should be replied to, and that is that some of the States of the Union have a 4-year term for a State senator. That means that at least half of the senators of every State in the Union have been selected in the November election just past. Therefore, there is at least a reflection of half of even a State senate where it is said they have not been elected with reference to this proposal in the last election. I have not been able to find a single, solitary instance where a State legislature failed to reflect the sentiment of the State in passing upon a constitutional amendment.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. BINGHAM. The Senator was a member of the Republican convention in Chicago.

Mr. DICKINSON. I was.

Mr. BINGHAM. Does the Senator recollect any effort made there to strike out the provision calling for action by conventions rather than by legislatures?

Mr. DICKINSON. There was not. I was not a member of the resolutions committee; and when the resolution was brought in on the floor of the convention, there was only one substitute offered, and that was offered by the Senator from Connecticut. Let me suggest, however——

Mr. BINGHAM. May I say to the Senator that both the substitute offered by me and that proposed by the majority of the committee contained a provision for conventions, and in the resolutions committee no one appeared before us urging the adoption of any other method than that of ratification by conventions.

Mr. DICKINSON. I think that was probably due to the fact that the people thought they could get greater speed by adopting the convention system than by adopting the legislature system. I do not agree with that, and I do not think it is well founded. I think, also, that the convention system is involved with a lot of uncertainties and with a lot of conditions that may be questioned in the courts, and that the friends of the amendment here are going to involve the amendment in many complications that it will not be involved in if we will let it be submitted to the legislatures in the ordinary course.

If I had been a member of the resolutions committee, I should have proposed, and I know that in the negotiations leading up to the effort to formulate some proposals it was originally said that we would submit it to legislatures. It was changed. I do not know where the change took place, because I was not a member of the committee, and I knew nothing about their negotiations.

Mr. BINGHAM. Will the Senator yield there?

Mr. DICKINSON. I yield further.

Mr. BINGHAM. The Senator has suggested that the only reason was the desire for speed. I did not hear that reason suggested in the committee. The reason suggested in the committee was that we were more likely to get an expression of the views of the people themselves through conventions than through legislatures chosen for other purposes.

Mr. DICKINSON. That is what I want to answer. Let me suggest this:

Suppose we had 30 States in the Union that had already ratified by convention. Suppose we had six where we still wanted to have conventions ratify. I am wondering what the pressure would be from the various organizations, both pro and con, in those respective States; the amount of funds that would be used; the advertising that would be paid for; the efforts that would be made to misdirect those States in the effort, if you please, to get or to defeat ratification by conventions.

In other words, it seems to me we are going back to the old system of how to control a convention; what will be used in order to control it; whether or not it will be possible, if you please, to hold a convention that can be clothed with the necessary legislative limitations to prevent the use of money and the challenge that the delegates were fraudulently elected; whether or not the charge will go not only to the local conventions but also to the State conventions. I think the ramifications there are far-reaching and that the friends of this amendment should think twice before they insist on voting for and adopting the convention system of ratification.

Mr. BINGHAM. Mr. President, will the Senator yield further?

Mr. DICKINSON. I yield.

Mr. BINGHAM. Does the Senator include himself among the friends of repeal?

Mr. DICKINSON. I expect to vote for submission as required by the Republican platform, in so far as it can be worked out here, so that we will prevent the return of the saloon and preserve some Federal control over manufacture and transportation.

Mr. BINGHAM. But the Senator did not answer my question.

Mr. HASTINGS. Mr. President, will the Senator yield to me?

Mr. DICKINSON. Will not the Senator state his question again? I want to answer the Senator from Connecticut.

Mr. BINGHAM. Does the Senator consider himself as being among the friends of repeal?

Mr. DICKINSON. No; I am not among the friends of repeal.

Mr. BINGHAM. That is what I wanted to hear the Senator say.

Mr. DICKINSON. I am not for direct repeal.

Mr. HASTINGS. Mr. President, will the Senator yield to me?

Mr. DICKINSON. I yield.

Mr. HASTINGS. I would like to ask the Senator from Connecticut a question.

Mr. BINGHAM. I have not the floor.

Mr. DICKINSON. I yield for that purpose.

Mr. HASTINGS. May I inquire of the Senator from Connecticut, referring to the Republican platform, whether or not he proposes to vote for section 3 of the pending joint resolution?

Mr. BINGHAM. I do not. I propose to vote for the amendment to strike it out, and I have so stated, from the day after that on which the Republican platform was adopted.

Mr. DICKINSON. Mr. President, one further comment I want to make on the question of what attention was given to this particular phase of the question in the campaign. We heard a great deal about conventions and legislatures and various types of ratification prior to the time when we went to the convention. I think I know something about the sentiment that was developed during the campaign, and during the campaign I never heard the question asked or answered as to whether or not we were going to submit the question of repeal of the eighteenth amendment to conventions or to State legislatures.

Mr. HEBERT. Mr. President, will the Senator yield to me?

Mr. DICKINSON. I yield.

Mr. HEBERT. Is it not reasonable to assume that the opinions of everybody were pretty well known on that point? Both parties had agreed about how they should proceed, so the conclusion was, Why argue about it? Was not that the reason why there was no discussion of it during the campaign?

Mr. DICKINSON. If it was taken for granted that it was going to happen, I should think it would have been good advertising at least to have said to the country what we had pledged ourselves to do, and as to how we were going to do it. But I never heard the question discussed once in a single, solitary address during the entire campaign.

Mr. HEBERT. If the Senator will yield further, what advantage would there have been to either political party, since both were agreed on the proposition?

Mr. DICKINSON. We might have gathered in a few more of the stragglers. There seems to be some opposition here, and it comes from both sides of the Chamber. So undoubtedly there was no unanimous conclusion with reference to what was going to happen.

Mr. BINGHAM. Mr. President, will the Senator yield again?

Mr. DICKINSON. I yield.

Mr. BINGHAM. The Senator's sympathies are not with those who wish to see repeal, so he probably is not familiar with the fact that some of the great organizations which have been working so hard to secure repeal have made it an essential part of their program to work for submission to conventions, and they made a very strong point of it, not only last year but the year before and the year before that. Therefore, when the question came before the committees on resolutions of the two conventions, they urged the adoption of a provision calling for submission to conventions, and when both political parties accepted the convention principle there was no further need, as the Senator from Rhode Island has said, of discussing it at all.

Mr. DICKINSON. Let me further suggest that, since that has happened, and since the November 8 election, I am informed that even the friends of repeal have reached the conclusion that they would rather have the matter submitted to the legislatures, because they think the results of the recent election were so favorable to their cause that they do not want to run the chance of having conventions, and having the various State ratifications set aside or contested in court, and so forth.

Mr. BINGHAM. There the Senator from Iowa is speaking in behalf of the friends of repeal?

Mr. DICKINSON. Oh, no.

Mr. BINGHAM. Although he admits himself he is not a friend of repeal.

Mr. DICKINSON. No; I am simply reflecting what I understand to be the attitude of the friends of repeal, since the results of the November 8 election are known, but I will say to the Senator that the results of the election on November 8 were not satisfactory to me at all anywhere along the line, even in Connecticut.

Mr. BINGHAM. I thank the Senator.

Mr. FESS. Mr. President——

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Iowa yield to the Senator from Ohio?

Mr. DICKINSON. I yield.

Mr. FESS. I think I can throw a little light on why the convention system was proposed in the Republican convention. For 18 months at least there had been considerable agitation over the question of whether the Republican platform should yield to the pressure to resubmit the eighteenth amendment to the people of the States. The argument was heard everywhere that at least there ought not to be a refusal to let the people vote on it if they wanted to, and the argument also was urged that if we voted to send the question back to the people, that would not necessarily commit anyone at the convention to vote a certain way when he went back to his State.

I recognize that while that argument has been used, it is not very forcible. The Constitution provides for two methods of amending the Constitution, and the convention method is one of them, and when I vote to send the matter to the people for ratification, if three-fourths of the Congress shall favor it, I see the inconsistency of saying that I am voting to let the people determine the question, and yet not showing my own conviction. I think that is an inconsistent position to take, although there is no doubt but that that is in the minds of a lot of people, who think that this is only a referendum; which I do not admit. That idea, however, rather prevailed in many sections.

Then this question arose, if the idea is to let the people vote on the question, it ought to be submitted in such a way that the vote by the people in the States should be recorded in a body selected specifically on that one issue, so that if a convention were called in Ohio to act upon the ratification of the proposal submitted, if the delegates were selected specifically with that one thing in view, we would come nearer to getting a cross section of the public opinion of the State than if the action were taken by the legislature. I recognize that there is force in that contention.

I agree with the Senator, however, that it would entail additional expense that is unnecessary; secondly, that the convention would have to be called by the same legislature that would likely pass upon the ratification, and we would be taking two bites when the thing might be settled in one.

I think I ought to say that that was the thing that was determining in suggesting the convention rather than the legislatures.

Mr. DICKINSON. I thank the Senator from Ohio.

Mr. BINGHAM. Mr. President, will the Senator yield to me to make a remark in connection with what the Senator from Ohio has just said?

Mr. DICKINSON. I yield.

Mr. BINGHAM. The Senator reminds me that during the debates on the adoption of the eighteenth amendment, it was repeatedly stated in Congress, so I have heard—I was not here at the time, being in France—I think by the Senator from Texas himself, by the Senator from Arizona, and other friends of the measure, that a vote for the resolution was not to be considered as a vote in favor of the amendment, but was to be considered as favoring a means of permitting the people to say whether they wanted the amendment adopted or not. I think that is correct.

Mr. FESS. If the Senator will permit, that statement was often made. I was in the other House at the time, and it was made there very frequently. However, I did not think that was very forcible, because there are two methods by which the Constitution might be amended, and it is hardly consistent to say that when we vote for it here, we will not vote for it when we go back home.

Mr. BINGHAM. May I say to the Senator, on the question of legislatures and conventions, that I myself have given a great deal of thought to that matter, being desirous of getting the eighteenth amendment repealed at the earliest possible date, and with the least possible expense. But it has been brought to my attention that in many States the members of legislatures are elected year after year, and hold a kind of hereditary seat in the legislature, due to their ability, their representative character, and their distinction in their communities, that most of them have a record of having voted dry always, that it would be extremely difficult for them to change their votes, even to meet changed public opinion, that they would greatly regret doing it; but that a convention set up by the legislature in the same manner in which the legislature is chosen would consist of people who had not voted on the thing previously, and who would be free to vote as they believed their constituents wanted them to vote without regard to anything else. Therefore, I have finally come to the conclusion that the conventions of the great political parties were right in calling for the convention method, and that we would get a better expression of opinion with regard to the public thought in the States from conventions than we would from the legislatures.

Mr. HEBERT. Mr. President, will the Senator permit me to add one statement to what the Senator from Connecticut has just said?

Mr. DICKINSON. I yield.

Mr. HEBERT. It seems clear to me that in the choice of delegates to a convention there would be but one issue involved, whether or not a candidate was for or against the amendment, and immediately the delegates had been chosen, every one in all the States would know what the fate of the amendment was to be in that State. That can seldom be true of the election of men to a legislature, because there are so many other issues involved. There are always local questions to be considered in the choice of representatives to a State legislature. Those issues would never arise in the choice of delegates to a convention to pass on a constitutional amendment.

Mr. BINGHAM. Mr. President——

Mr. DICKINSON. Mr. President, I want to reply to the Senator from Rhode Island before I yield further. I would rather trust a legislature that is selected in a campaign where there are discussed the various problems that confront the average State legislature, as a reflection of the cross-currents of a State on a moral issue like prohibition, than to have a group of men selected under the heat of a driving campaign, which might be the reflection of the sentiments of the State for the moment, during the heat of the campaign; but, after the matter had settled down and the people saw the result of their action, they might say, "Well, I admit that I was enthusiastic, but I was wrong." Therefore in the legislature we would have the reaction of the men who were not driven into their position by an intensive campaign, such as a convention would bring about. To me that would be the vicious result of submitting the matter to conventions.

Now I yield further to the Senator from Connecticut.

Mr. BINGHAM. Mr. President, may I say to the Senator that it seems to me that his remark would be true of an issue which had come up suddenly and had been discussed under pressure for a number of months. But it is my observation that when we are considering this issue, which has been before the American people now ever since 1918 or 1919, during which time we have seen distinguished clergymen, distinguished heads of universities, distinguished leaders of public opinion, change their views over from proprohibition to antiprohibition, there would not be the danger which the Senator fears of an intensive campaign, leading to an expression of public opinion not in conformity with the wishes of the people.

If I may add just one more word, with the permission of the Senator, he said a few moments ago that a convention, after it had been chosen, would be subject to tremendous pressure, perhaps money might be used to purchase dele-

gates or to influence delegates. It seems to me, if the Senator will bear with me, that that is much more likely with a legislature than with a convention, chosen, as the Senator from Rhode Island has stated, where every candidate to the convention would be known to be either for repeal or against repeal. After a man was chosen he could not be bought away from it or he would lose all the respect of his community.

Mr. DICKINSON. Mr. President, I wish I had as much faith in all convention delegates who are selected on a particular issue as the Senator from Connecticut has. But I have known delegates to change their minds, and they have been responsible delegates to responsible conventions.

I want to state further that my fear is not so much of what will happen after the delegates are chosen; my fear is of the type of advertising and the propaganda that will be put into the various localities in the selection of the delegates, the holding of the precinct caucuses, and the county conventions. That is where the things I have in mind will be brought to bear.

I want to suggest one thing further, that there is probably no subject that a public man is compelled to meet that has suffered as many attacks and defeats as has the prohibition question. We used to have the old system under which a town would go dry one year and go wet the next year.

I want to suggest that liquor has never known how to obey the law. It has never yet obeyed the law. I doubt if we will be any better off when we take such action as we are contemplating in this amendment. But there is a demand for resubmission and I would like to see it put in form so we can vote for a type of resubmission that I think safeguards the moral principles which are involved in the question.

Mr. HASTINGS. Mr. President, the Senator from New Mexico [Mr. BRATTON] in almost the last sentence of his address upon the subject impressed upon us the importance of the Democratic and Republican platforms upon this subject. That is somewhat embarrassing to me. I like always, if it is possible for me to do so, to go along with my party platform. But when I am satisfied, as I am in this instance, that my party was wrong in writing such a provision into the platform, I can not bring myself to the point of following it merely because it is written there.

I have had advocates of straight repeal writing to me calling my attention to the fact that this is a part of the Republican platform. I think now I ought to call their attention to the fact that some Republican Senators here do not propose to follow the Republican platform upon this subject, notably, the Senator from Connecticut [Mr. BINGHAM], who has stated frankly, and stated, he says, before the election, that he does not propose to follow the Republican platform with respect to the third section of the pending joint resolution. I know of no reason why I should be more closely bound by the provisions of the platform than my good Republican colleague from Connecticut [Mr. BINGHAM].

Mr. BINGHAM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Connecticut?

Mr. HASTINGS. Certainly.

Mr. BINGHAM. The Senator from Delaware was a member of the committee that wrote the platform in the form in which it was adopted, was he not?

Mr. HASTINGS. Yes; I was, and I made what I believe to be under normal conditions an effective argument before that committee upon the subject, but, like some Members of the Senate, the committee made up their minds before they heard the argument, and there was nothing I could do to persuade them.

After I left the committee I had the privilege of calling upon two men, both of whom are residents of my State, and both of whom have done more to steer the country to the point of having anything written in the platform with respect to the eighteenth amendment than any other men that I know. I went to them and argued with them as friends of repeal of the eighteenth amendment, the straight repeal of the eighteenth amendment. I begged of them not to urge upon the delegates, with what influence they had—and they had a lot—that we place any such provision in the platform. I called their attention to the fact that they were making two hurdles to jump where there was no necessity for jumping more than one.

I called their attention to the fact that it would be necessary, as has been stated several times to-day here, that we must first get action of the State legislature setting up the machinery for the convention. In order to get that done it would be necessary to pass an act of the legislature and get it approved by the governor, just like any other act of the legislature. On the other hand, if we submitted the resolution directly to the legislature itself, then we need not consult the governor at all. In that event all we would have to do would be to get a majority of the two Houses.

I made that argument to them and pointed out the difficulties that confronted them and then for the first time I discovered that there was in their minds the determination and the thought that all this could be arranged by the Congress and that there could be but one election on the same day all over the country upon this subject.

I can readily understand, with people having that idea in mind, that they would urge upon both national conventions the adoption of the convention method rather than the legislative method. It would be a very much simpler thing and those who believe that that could be done might very well advocate it. My own judgment is that on neither side, either in the Democratic convention or in the Republican convention, did those who were advocating this plan know exactly what they were doing with respect to it. From the very beginning they had had the idea that in order to get a vote of the people of the Nation upon the subject, in order to get a majority vote of the people of the Nation, we must have a convention method.

Years ago, before many people were interested in the question of the repeal of the eighteenth amendment, they began associating the convention method with propaganda to repeal the eighteenth amendment. They started out having that idea in the beginning and having enlarged their views as they went along, they reached the national convention last summer with that idea in their minds without knowing the actual facts. I am saying that about two men who were largely responsible for the propaganda, neither of them knowing how it was to be done and both of them believing it was perfectly possible for Congress to make some provision with respect to it.

What they sought to do by the convention method was not only to get an individual opinion on this question from everybody, with nothing else on their minds, but they sought also to have a majority in the State control the convention in that State. In other words, here was a question to be propounded to the populace as a whole, to all those who could vote.

It was not intended by those persons and it is not even now intended by the persons advocating the convention method that there should be adopted the plan that is adopted in most States for selecting in various districts the members of the legislature. What they propose and what they hope to carry through is that the populace in the cities, most of which are wet, shall be arrayed against those in the country, most of whom are dry, and in order that they may get a majority of the wets on one side they propose that the subject shall be submitted in that form. Their purpose can not be accomplished in this way unless they control the legislature in the first instance, so that if they be able to control the legislature in the first place, why should they want any convention at all? Why should not they put their resolution through the legislature in the first instance?

In my own State, for instance, here is what happens. The city of Wilmington has half the population of the State. The city has one-half of the representatives in the legislature. If the legislature of my State begins to set up the machinery for a convention under this resolution, what will they do? If they want to make certain that the State goes wet they will submit it to the popular vote. If they want

the State to remain dry, the chances are they will not submit it at all. If they do submit it, they will submit it under a plan so that the delegates will be selected from the individual legislative districts as now.

If I were as enthusiastic about the repeal of the eighteenth amendment as is the Senator from Connecticut [Mr. BINGHAM], I should even then insist that my people and the people with whom I was advising are making a mistake in adopting the convention method, and that the quicker and more expeditious plan is the legislative method.

I may say to the Senator from Connecticut, and I say it to the Senator from Ohio [Mr. FESS] too, that as far as I am concerned, I do not feel that a vote upon this subject controls my vote in my State when I come to vote for delegates to the convention or to the legislature. When the people of my State have shown, as in my judgment they did show in the last election, that they want an opportunity to pass upon this question, then it is my duty, regardless of what I think about it, to give them that opportunity.

I go farther than that. I do not propose to be bound here by the Republican platform with respect to the matter. I propose to submit to my people as nearly the kind of resolution as I think ought to be submitted to them. But if I can not get that kind of a resolution adopted by the Congress, then I propose to vote for whatever is submitted in order that they may pass upon the question.

At the same time, when it comes to casting my individual vote in my State, it depends very much on the kind of resolution that is submitted as to whether I shall favor it or whether I shall not favor it. I warn those who are anxious that some modification be made of the eighteenth amendment, that they should not carry their convictions to the extreme and insist upon a clear clean-cut repeal of the eighteenth amendment. I agree with them that the situation has become such that something ought to be done. The eighteenth amendment ought to be modified in some form. But when they come to consider what the people of the country want, and remember that it must be approved by three-fourths of the States of the Nation, I warn them that in presenting to the people of the country a straight repeal and nothing but a repeal, with the possibility of the saloon returning in every State that is now wet, they are taking a great chance of arousing the sentiment of the people to the point where they may decline to modify the eighteenth amendment in any form.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Ohio?

Mr. HASTINGS. I yield.

Mr. FESS. The Senator has touched the very subject to which I meant to call attention a while ago, and that is the process of the amendment requiring two steps. The first one is in the Congress. The second one is in ratification by the States. It has been contended all over the country, including my own State, that a Congressman or a Senator can consistently vote for an amendment which requires a two-thirds vote in order that it be sent to the States, and at the same time let it be understood that he is not committing himself to the theory of the amendment, because he would not support it when it goes back to his State.

Does not the Senator have some embarrassment when he takes that position, that voting here in the Senate we are not committing ourselves back to the State on the ground that it is merely giving the people of the State a right to vote on the matter? Is that embarrassing to the Senator?

Mr. HASTINGS. Mr. President, it will take me but a moment to answer the Senator, but I shall gladly undertake to do so. I take it that when the Constitution provided that the Congress shall by two-thirds vote submit a proposed amendment to the Constitution it was intended that the Members of the Congress should themselves use some judgment of their own and not depend entirely upon the will of even a majority of the people of their own State.

In other words, the proposed amendment must be a reasonable proposition which a Senator or Member of the other House believes ought to be submitted to the people; but I do not at all agree that I can afford to stand here, when other Members of the Senate—it may be two-thirds of the Members of the Senate—maintain that a joint resolution proposing to amend the Federal Constitution should be submitted to the States of the Nation, and put my individual opinion against theirs, unless I should be satisfied that the people of my own State do not want to go to the trouble and go through the necessary procedure to pass upon the question. In other words, there is a combination of two considerations, first to use one's own judgment to determine whether there is such a sentiment of the people of the Nation as to make evident that they want the particular proposition submitted to them; and, second, to be satisfied that the people of one's own State want it submitted. Then, if those two conditions are met, it matters not at all what one's own individual opinion may be with respect to the proposed amendment, it becomes his duty to submit it so that the people of the Nation may pass upon it.

Mr. FESS. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Ohio?

Mr. HASTINGS. I yield.

Mr. FESS. I think the Senator has answered my question, but he goes farther than I feel free to go. In other words, the second section of the joint resolution that is now before us is designed to permit the Federal authority to assist the States that want to be dry to remain dry. I am in favor of that. The third section is intended to give authority to the Federal Government to prevent the return of the saloon to the extent of regulating or prohibiting the drinking of liquor on the premises where the sale is made. I have offered an amendment to the effect that the authority proposed to be conferred on the Federal Government by the third section shall be enlarged, so that it shall not be limited simply to the regulation of the drinking where the sale is made but shall include any means that Congress may deem necessary to carry into effect the provision against the return of the saloon.

Now, here is the question: I could vote for the joint resolution, amended as I have suggested, not only on the ground that it proposes to give the people of the States the right to say whether or not they want to change the eighteenth amendment, for probably there is justification for doing that; but, as I now see it, I can not vote for straight repeal, because if I should do that it would mean to me utter chaos in the handling of this problem, and I would be doing a thing that my whole conscience would revolt against. I can not take the position the Senator has just announced, that it would not be imparting chaos into the handling of the liquor problem to vote for straight repeal and leave it simply to the people of the States to determine what they shall do. I can not go that far.

Mr. HASTINGS. Mr. President, I should like to say in reply to the remarks of the Senator from Ohio that it seems to me the situation would be entirely different if the Republicans at the last election had succeeded in winning upon the kind of platform such as was submitted to them; but the truth is, unfortunately from my point of view, that the Democrats won, and in the Democratic platform there was the provision for the straight-out repeal.

The Democrats having won by such a huge majority, does not everyone feel justified, under circumstances like that, in submitting, if he has to, some proposal, even if it be a straight repeal? If we can not get what we want here, are we not bound to submit something to the people of the Nation who have spoken so loudly and so positively, assuming, if you please, that they were speaking upon that point as they were upon other pronouncements in the Democratic platform? If the Republicans had won I would not feel I could then vote for a straight-out repeal, and the only proposal I would be willing to submit to the people would be one embracing the substance of the promise contained in the Republican platform. I repeat, however, that is not the verdict of the people; the verdict of the people, so far as we know it upon this subject, is that they want a straight repeal.

If they insist upon Congress giving them a straight repeal, let us find out in the end whether or not there be three-fourths of the people of the various States of the Nation who agree with that. If they do, they will get what they want.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas [Mr. ROBINSON] to the amendment reported by the committee.

Mr. BLAINE and Mr. ASHURST asked for the yeas and nays, and they were ordered.

Mr. BRATTON. I make the point of no quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Clark | Hastings | Patterson |
| Austin | Connally | Hatfield | Pittman |
| Bailey | Costigan | Hayden | Robinson, Ark. |
| Bankhead | Couzens | Hebert | Robinson, Ind. |
| Barbour | Dale | Kean | Russell |
| Barkley | Davis | Keyes | Schuyler |
| Bingham | Dickinson | King | Sheppard |
| Black | Dill | La Follette | Shortridge |
| Blaine | Fess | Lewis | Smith |
| Borah | Frazier | Logan | Steiwer |
| Bratton | George | McGill | Stephens |
| Brookhart | Glass | McKellar | Trammell |
| Bulkley | Goldsborough | McNary | Vandenberg |
| Byrnes | Gore | Neely | Wagner |
| Capper | Hale | Norris | Walcott |
| Caraway | Harrison | Nye | White |

The PRESIDING OFFICER (Mr. FESS in the chair). Sixty-four Senators having answered to their names, a quorum is present. The question is on the amendment offered by the Senator from Arkansas to the committee amendment, on which the yeas and nays have been ordered.

Mr. BLAINE. I ask that the amendment to the amendment be stated.

Mr. BINGHAM. Let the amendment to the amendment be read.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. The Senator from Arkansas offers the following amendment to the committee amendment: On page 3, line 2, strike out the words "the legislatures of," and insert the words "conventions in," and on page 3 line 16, strike out the words "the legislatures of" and insert the words "conventions in."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas [Mr. ROBINSON] to the amendment reported by the committee, on which the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). I have a pair with the junior Senator from Nebraska [Mr. HOWELL], who is absent on official business of the Senate. I transfer that pair to the senior Senator from Louisiana [Mr. BROUSSARD] and will vote. I vote "yea."

Mr. DICKINSON (when his name was called). On this question I have a pair with the Senator from Maryland [Mr. TYDINGS]. If he were present and voting, he would vote "yea," and if I were at liberty to vote I should vote "nay." I withhold my vote.

The PRESIDING OFFICER (when Mr. FESS's name was called). The present occupant of the chair has a pair with the senior Senator from New York [Mr. COPELAND], and therefore withholds his vote.

Mr. NORRIS (when Mr. HOWELL's name was called). I desire to announce that the junior Senator from Nebraska [Mr. HOWELL] is absent on business of the Senate. He is paired with the Senator from New Mexico [Mr. BRATTON].

Mr. MCNARY (when his name was called). On this question I have a pair with the senior Senator from California [Mr. JOHNSON]. If he were present, he would vote "yea," and if I were at liberty to vote I should vote "nay."

Mr. BINGHAM (when Mr. METCALF's name was called). The senior Senator from Rhode Island [Mr. METCALF] is necessarily absent. If he were present, he would vote "yea,"

Mr. NYE (when his name was called). On this question I have a pair with the senior Senator from Massachusetts [Mr. WALSH]. If he were present, he would vote "yea," and if I were at liberty to vote I should vote "nay."

Mr. SHEPPARD (when the name of Mr. THOMAS of Oklahoma was called). The Senator from Oklahoma [Mr. THOMAS] is unavoidably absent. If present, he would vote "nay." He is paired with the Senator from Rhode Island [Mr. METCALF.]

The roll call was concluded.

Mr. STEPHENS. On this question I have a pair with the Senator from Wyoming [Mr. CAREY]. If at liberty to vote, I should vote "yea."

Mr. NORRIS (after having voted in the negative). On this question I have a pair with the Senator from Florida [Mr. FLETCHER]. I am unable to get a transfer, so I shall have to withdraw my vote. If at liberty to vote, I should vote in the negative, and the Senator from Florida would vote in the affirmative.

Mr. LA FOLLETTE. On this question I have a pair with the junior Senator from North Carolina [Mr. REYNOLDS]. In his absence I withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. ROBINSON of Arkansas (after having voted in the affirmative). I have a general pair with the Senator from Pennsylvania [Mr. REED]. That Senator has not voted. I transfer my pair with him to the Senator from Massachusetts [Mr. COOLIDGE], and will let my vote stand.

Mr. MCKELLAR (after having voted in the affirmative). I have a general pair with the junior Senator from Delaware [Mr. TOWNSEND]. It seems that he has not voted. I transfer my pair with him to the Senator from South Dakota [Mr. BULOW], and will allow my vote to stand.

Mr. SMITH (after having voted in the affirmative). I transfer my pair with the Senator from Indiana [Mr. WATSON] to the Senator from Minnesota [Mr. SHIPSTEAD], and will let my vote stand.

Mr. FESS. I desire to announce that the Senator from New Hampshire [Mr. MOSES] is paired with the Senator from Montana [Mr. WALSH]. If present, the Senator from New Hampshire would vote "yea," and the Senator from Montana would vote "nay."

I also desire to announce the following general pairs:

The Senator from Rhode Island [Mr. METCALF] with the Senator from Oklahoma [Mr. THOMAS];

The Senator from Idaho [Mr. THOMAS] with the Senator from Montana [Mr. WHEELER]; and

The Senator from Illinois [Mr. GLENN] with the Senator from Virginia [Mr. SWANSON].

I have also been requested to announce that the Senator from Pennsylvania [Mr. REED], if present, would vote "nay." He is unavoidably absent.

Mr. GLASS. I desire to announce the necessary absence of my colleague the Senator from Virginia [Mr. SWANSON]. If present, he would vote "yea."

The result was announced—yeas 45, nays 15, as follows:

YEAS—45

| | | | |
|---|---|---|---|
| Ashurst | Clark | Hull | Robinson, Ark. |
| Austin | Connally | Kean | Russell |
| Bailey | Costigan | Kendrick | Schuyler |
| Bankhead | Couzens | Keyes | Shortridge |
| Barbour | Davis | King | Smith |
| Barkley | George | Lewis | Trammell |
| Bingham | Glass | Logan | Vandenberg |
| Black | Goldsborough | McKellar | Wagner |
| Bratton | Gore | Neely | Walcott |
| Bulkley | Harrison | Oddie | |
| Byrnes | Hayden | Patterson | |
| Caraway | Hebert | Pittman | |

NAYS—15

| | | | |
|---|---|---|---|
| Blaine | Dale | Hastings | Sheppard |
| Borah | Dill | Hatfield | Steiwer |
| Brookhart | Frazier | McGill | White |
| Capper | Hale | Robinson, Ind. | |

NOT VOTING—36

| | | | |
|---|---|---|---|
| Broussard | Glenn | Norbeck | Swanson |
| Bulow | Grammer | Norris | Thomas, Idaho |
| Carey | Howell | Nye | Thomas, Okla. |
| Coolidge | Johnson | Reed | Townsend |
| Copeland | La Follette | Reynolds | Tydings |
| Cutting | Long | Schall | Walsh, Mass. |
| Dickinson | McNary | Shipstead | Walsh, Mont. |
| Fess | Metcalf | Smoot | Watson |
| Fletcher | Moses | Stephens | Wheeler |

So the amendment of Mr. ROBINSON of Arkansas was agreed to.

Mr. ROBINSON of Arkansas. Mr. President, I now offer the amendment which is at the clerk's desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. The next amendment offered by the Senator from Arkansas is, on page 3, to strike out section numbered 2, being lines 7, 8, 9, and 10.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas.

Mr. BORAH. Mr. President, as I understand, this is the question of striking out section 2, which provides for the protection of the so-called dry States. I should like to be heard on that amendment.

I look upon this provision of the amendment as vital. It does not seem to me that we can afford to strip the amendment of all effort to protect the dry States. Indeed, if I understand the two platforms, that is a part of the pledge of the platforms. While perhaps that is not controlling, it has been emphasized to-day to a considerable extent, and perhaps some would feel that they should be bound by it. I do not cite it, however, as binding myself.

Mr. President, it has been said that the Webb-Kenyon Act is a sufficient protection to the dry States. The Webb-Kenyon Act was sustained by the Supreme Court of the United States by a divided court. The President of the United States—President Taft, who was afterwards Chief Justice—vetoed it on the ground that it was unconstitutional. The Attorney General of the United States rendered an opinion to the effect that it was unconstitutional. Elihu Root, when in the Senate, argued that it was unconstitutional. Mr. Justice Sutherland, who is now upon the Supreme Bench, argued before the Senate that it was unconstitutional. Therefore, Mr. President, we are turning the dry States over for protection to a law which is still of doubtful constitutionality and which, as it was upheld by a divided court, might very well be held unconstitutional upon a re-presentation of it. Secondly, we are asking the dry States to rely upon the Congress of the United States to maintain indefinitely the Webb-Kenyon law.

It will be recalled that at the time the decision of the Supreme Court was made with reference to the Webb-Kenyon Act immediately thereafter there began a campaign upon the part of those interested in the liquor traffic to secure one of two things—either a repeal of the Webb-Kenyon Act by act of Congress or a reconsideration in the court. Thus, at the time of the adoption of the eighteenth amendment, that was an unsettled problem. It had not become, and never has become—except in the sense that now, since the adoption of the eighteenth amendment, it has not been contested as it otherwise would have been—it never has become a settled policy of the Government or a settled policy of the Congress and, it seems to me, could not be accepted as a sufficient protection to the dry States.

Mr. President, I want to go back a little in the discussion of this matter to the history of the fight of the dry States to remain dry and be protected.

We hear a great deal in these days about the eighteenth amendment destroying the police powers of the States. I venture to say that anyone who has taken the trouble to familiarize himself with the destruction of the police powers of the States relative to the liquor question will have to conclude that the police powers had been destroyed prior to the adoption of the eighteenth amendment, taken away from the States prior to that time through the decisions of the Supreme Court of the United States and the constant and persistent attack of the liquor interests upon the rights of the States to be dry and to exercise their police powers to the end that they might be dry.

In 1847 there came before the Supreme Court for the first time the question of the right of the States, in the exercise of their police power, to control the sale of intoxicating liquor.

I want Senators to bear in mind that for 75 years the States sought in every possible way to preserve the right to control the liquor interests within their respective borders, and I venture to say that had they been able to do so, the eighteenth amendment would never have been heard of.

The principle of local self-government is justly popular with the American people. It is interwoven with the memories which go back to the days when the great tenets of free government were being first tested in the wilderness of America. The New England town meeting and the burgesses of Virginia were the universities from which graduated a body of men who, in vision and courage, in dignity and poise, in constructive leadership, have never been excelled in the formative period of any nation. In these early gatherings where all questions of public concern were considered and debated, the people acquired an interest in public affairs, a vigilance for the public good, which enabled them to meet with rare judgment the great responsibilities placed upon them after a successful revolution.

When our fathers met to frame the Constitution, they guarded with conscientious care this right of local self-government. Local government for local affairs, a National Government for national affairs, was the great rule among those to whom was entrusted the making of our national charter. They adhered to it with unbroken fidelity and with an unwavering consistency.

It will be a sad day for this Republic when that principle is forgotten or ignored in the administration of this Government. I believe in this principle. I want to see it preserved.

The advocates of repeal insist that they are seeking to reestablish local self-government, State rights, in the matter of the control of intoxicating liquors. What I wish to say is that we have never had local self-government and State rights in reference to the liquor traffic except for a short time. The most persistent and successful opponents of these great principles have been those engaged in the liquor business. They disregarded the most fundamental principles of State rights and local self-government. Long before the eighteenth amendment was adopted they had practically destroyed or rendered futile these principles. If, therefore, local self-government or State rights are to be restored as to the problem now before us, we must do something more than repeal the eighteenth amendment. To repeal the eighteenth amendment and nothing more would be to leave these vital principles of government to become the plaything of the liquor traffic.

I want at this time to recall to you the long fight, the unsuccessful fight, which the temperance and prohibition people made for the preservation of local self-government, of State rights, as to the control of intoxicating liquors. I want to recall how in every conceivable way some of those engaged in the manufacture and sale of intoxicating liquors sought to break down and destroy these principles and to rob the people in their respective States of their protection. I have seen the laws of the dry States thwarted and defied, the policies adopted by the people trampled upon and disregarded by the same interests which now plead for State rights and for the right of every community to have its own policy with reference to intoxicating liquor. I have seen saloons in wet States established within 10 feet of the State line of dry States. A living conspiracy financed and supported by interests outside of the dry States violated, evaded, and nullified the laws within the dry States. We had no appeal from that source at that time for State rights. We had no well-financed association seeking to uphold the rights of the citizen and to bring about respect for the policies of the States.

I want first to refer to the decision of the Supreme Court in 1847 in what were known as the License cases. New Hampshire, Massachusetts, and Rhode Island, I believe it was—I know New Hampshire and Massachusetts—had passed what they called license laws, that is to say, laws that provided that no one could engage in the sale of intoxicating liquors within those States who had not secured a license and complied with certain terms and conditions under the statute. The case went to the Supreme Court of the United States, when Chief Justice Taney was presiding over the court, and the Chief Justice wrote the leading

opinion in the case. He took the position that while a shipment of liquor into a State came within the purview of the commerce clause of the Constitution, and therefore would ordinarily be under the control of the National Government, nevertheless, when the Congress had not acted, when it had not assumed to control the matter, it was within the power of the State, in the exercise of its police powers, to control the sale of intoxicating liquors. Therefore, Chief Justice Taney, in the main opinion, upheld the licensing laws of the States involved on the theory that the police powers of the States should remain in force and effect unless Congress had actually taken charge of the subject and legislated upon it.

Mr. President, that remained the decision of the Supreme Court of the United States from 1847 to 1888. During that time the States began to build up pretty general control of the liquor traffic under the decision of the Supreme Court. But as the States began to take control and limit the power of the liquor interests in shipping liquor into the States, and more and more States came to adopt measures of that kind, the contest was renewed in the Supreme Court of the United States, and those engaged in the liquor traffic again sought the decision of the court upon that question. While it is not directly on the point, I will ask Senators to bear in mind that for that length of time the Supreme Court of the United States sustained the Taney decision, which makes me rather uneasy about leaving the Webb-Kenyon Act to the protection of the Supreme Court of the United States, because in 1888 they wiped out the Taney decision and established a new doctrine.

In 1886 the State of Iowa passed a law not permitting common carriers to bring intoxicating liquors into the State without first being furnished with a certificate that the consignee was authorized to sell intoxicating liquors in the county where the liquors were going. The law would have been valid under the Taney decision, because Congress had never legislated upon the subject, and Iowa was exercising the power which had been allowed to New Hampshire and other States under the Taney decision. But the Supreme Court undertook to distinguish—it seldom overrules, it generally distinguishes—between the two cases; that is, the case which was before it and the Taney decision. At any rate, this decision in the case of Bowman *v.* Railway Company (125 U. S.), was the first step toward the doctrine that when Congress has failed to legislate touching a matter of interstate commerce, it is presumed that Congress intends the matter to remain free and uncontrolled by legislation.

It was conceded that Congress had not legislated; the State had legislated, the State was seeking in the exercise of its police powers to control that which was inimical to its health, to its peace, and to its proper development, all of which was conceded by the court.

The court said that the Congress had not acted; but, notwithstanding the fact that it had not legislated, it must be presumed that Congress wanted the matter to remain without any legislation. This situation: Congress did not act, did not legislate; the State could not act, could not legislate, and the liquor traffic was free and uncontrolled by either Congress or the State. That was the result of the decision in the Bowman case.

Those engaged in the liquor business were not satisfied with the decision. All the time those who are now asking us to turn back to the States the control of the liquor traffic were seeking to break down the power of the States to control the liquor traffic.

The State of Iowa passed a prohibition law prohibiting the manufacture or sale of intoxicating liquors, except under certain specifications made. The Supreme Court in the case of Leisy *v.* Harding (135 U. S. 100) held the law unconstitutional, in so far as it applied to the sale by the importer in the original package or keg. The Supreme Court took up the License cases, and finally and specifically overruled the Taney decision, or distinguished it to such an extent that there was nothing left of it.

The States therefore were powerless to protect themselves against the importation of liquor into the States. There never was any real chance for the dry States to enforce their laws after the decision which was made in the case of Leisy against Harding.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. ROBINSON of Arkansas. In so far as I am concerned, I shall modify the amendment I have offered and ask a vote to strike out section 3. I shall not insist on a vote to strike out section 2, which contains the following language:

> The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

I shall modify the amendment in that particular.

Mr. BORAH. Mr. President, then I shall not occupy the time of the Senate except for about 5 or 10 minutes to explain the contention which I was making.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. VANDENBERG. Will it not be a fact, however—if I may address myself to the Senator from Arkansas—that he will subsequently offer the straight repeal substitute, which will leave as the only issue before the Senate whether or not the particular section to which the Senator from Idaho addresses himself shall remain?

Mr. ROBINSON of Arkansas. No; my idea now is that I will modify my amendment so as to require a vote on striking out section 3, which is the provision giving Congress concurrent power to "regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold," leaving section 2 in the joint resolution. That will simplify the controversy.

Mr. BORAH. Mr. President, does the Senator understand that there is anyone else who will offer the amendment? Is the Senator from New York intending to offer the amendment?

Mr. WAGNER. Oh, no.

Mr. ROBINSON of Arkansas. The Senator from New York is in accord with the suggestion I have made, and all Senators on this side with whom I have had opportunity of discussing it at all are in accord with my proposed modification of the amendment.

Mr. NORRIS. Mr. President, as I understand the parliamentary situation, the motion is to strike out section 2. The Senator ought to withdraw his motion, then.

Mr. ROBINSON of Arkansas. No; the amendment is in the nature of a substitute for the entire resolution. But I will modify the motion, so that it will be a motion to strike out section 3. That will make it very simple.

Mr. BORAH. Mr. President, then I shall take but a few minutes more.

Mr. WAGNER. Mr. President, will the Senator yield to me?

Mr. BORAH. I yield.

Mr. WAGNER. In view of the inquiry made, I may say to the Senator that I have made a study of the history of these decisions to which he has been referring, and it is on account of those decisions, so far as I am concerned, that if the dry States want additional assurance that they will be protected I shall have no objection.

Mr. ROBINSON of Arkansas. Mr. President, I had that thought myself. I do not wish to ask the Senate to put itself in the position of denying any measure of protection to dry territory.

Mr. BORAH. Very well, Mr. President, then I will conclude in a few minutes. I simply want to round out the particular case about which I was talking.

All the cases I have cited—the Bowman case, the Leisy-Hardin case, and other cases—were decided by a divided court.

In the Bowman case this language is found in the dissenting opinion:

If, as the court now decides, the Constitution gives the right to transport intoxicating liquors into Iowa from another State, and if that right carries with it as one of its essential ingredients authority in the consignee to sell or exchange such articles after they are brought in and while in his possession in the original packages, it is manifest that the regulations forbidding sales of intoxicating liquors within the State for other than medicinal, mechanical, culinary, or sacramental purposes * * * will be of little practical value.

Again, in the dissenting opinion, it is said:

Suppose the people of a State believe upon reasonable grounds that the general use of intoxicating liquors is dangerous to the public peace, the public health, and the public morals, what authority has Congress or the judiciary to review their judgment upon that subject and compel them to submit to a condition of things which they regard as destructive of their happiness and the peace and good order of society?

In the dissenting opinion in the Leisy case we find the following language:

Call them [the laws] by whatever name. If they are necessary to the well-being and independence of all communities, they remain among the reserved rights of the States, no expressed grant of them to the General Government having been either proper or apparently embraced in the Constitution.

Again the court says:

Without attempting to define what are the peculiar subjects or limits of this power [the police power], it may safely be affirmed that every law for the restraint and punishment of crime for the preservation of the public peace, health, and morals must come within this category.

Again:

The police power, which is exclusively in the States, is alone competent to the correction of these great evils and all measures of restraint or prohibition necessary to effect the purpose are within the scope of that authority.

Mr. President, I wanted to say that this question of the right of the States, in the exercise of the police powers, to control the liquor traffic within the States, was fairly and squarely presented in many cases to the Supreme Court, always a portion of the court contending that the police powers should be permitted to be exercised by the States to the full extent within the boundaries of the States.

I venture the opinion, and it is my belief, that the eighteenth amendment would never have been adopted had it not been for the open, brazen, corrupt, persistent defiance of the laws of the dry States by the liquor interests outside those States. At the time the eighteenth amendment was adopted, 33 States had prohibition in some form. The people had declared they wanted to be rid of this evil, or at least to control it in their own way. These States were invaded, their laws broken, their officials corrupted, by the same influences which now plead for States rights and local control. They did not at that time respect that right at all. They trampled upon it and scoffed at it. Therefore, if we are to have what we are now promised, local self-government, State rights, the right of the people of the respective States to adopt and enjoy their own policies, we must have some other method, some other provisions of the Constitution, than those which existed prior to the adoption of the eighteenth amendment.

All this was sought to be remedied by the Webb-Kenyon Act, and I am very glad indeed the able Senator from Arkansas has seen fit to recognize the justice and fairness to the States of incorporating it permanently in the Constitution of the United States.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Illinois?

Mr. BORAH. I yield.

Mr. LEWIS. May I ask my able friend from Idaho a question? The Senator from Idaho has no doubt, has he, that it is both within the power and the propriety of Congress to enact a law that will make it a crime for what we call the wet States, or those living in one, to ship or send any intoxicating liquor across the border into a dry State?

Mr. BORAH. I have no doubt, if the amendment is adopted, that it will be within the power of Congress, as well as within the power of the State, to punish those who ship liquor into a dry State.

Mr. LEWIS. Such is my contention. I have been insisting upon such enactment.

The PRESIDING OFFICER. The clerk will report the amendment proposed by the Senator from Arkansas.

The CHIEF CLERK. The Senator from Arkansas [Mr. ROBINSON] proposes, on page 3, to strike out section 3, as follows:

SEC. 3. Congress shall have concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Costigan | Hull | Robinson, Ind. |
| Bailey | Couzens | Johnson | Russell |
| Bankhead | Dale | Kean | Schuyler |
| Barbour | Davis | Kendrick | Sheppard |
| Barkley | Dickinson | Keyes | Shipstead |
| Bingham | Dill | La Follette | Smith |
| Black | Fess | Lewis | Steiwer |
| Blaine | Frazier | Logan | Stephens |
| Borah | George | McGill | Townsend |
| Bratton | Glass | McKellar | Trammell |
| Brookhart | Goldsborough | McNary | Tydings |
| Bulkley | Gore | Neely | Vandenberg |
| Bulow | Hale | Norbeck | Wagner |
| Byrnes | Harrison | Norris | Walcott |
| Capper | Hastings | Nye | Walsh, Mass. |
| Caraway | Hatfield | Patterson | White |
| Clark | Hayden | Pittman | |
| Connally | Hebert | Robinson, Ark. | |

The PRESIDING OFFICER. Seventy Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Arkansas [Mr. ROBINSON] to the amendment of the committee.

Mr. BINGHAM. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The amendment will be again stated for the information of the Senate.

The Chief Clerk again read the amendment.

Mr. BLAINE. Mr. President, let us have the yeas and nays.

Mr. BORAH. Mr. President, this is the amendment upon which I reserved freedom of action. It will seem strange to some that I should have any hesitancy about this provision of the Constitution as I am so pronouncedly against the return of the saloon. But I do not believe that this will prevent the return of the saloon. I think it will prove wholly delusive. I am quite clear in my own mind that once we legalize the sale of intoxicating liquors and turn them back to the States, as a practical proposition the Federal Government can not possibly supervise how they shall be drunk.

For instance, it is claimed that at the present time we can not execute the eighteenth amendment, although it is illegal to sell liquor. Now we propose to make it legal to sell the liquor and propose at the same time to step in as a practical proposition and designate where that which is legally sold shall be consumed. As a practical proposition I do not believe it is possible to do it.

The second proposal to which I invite attention is this: When we come to execute this provision we will be executing it against the States, not like we do the eighteenth amendment against individuals. A State will designate the manner in which liquor may be sold. It may adopt the license system or it may adopt the saloon system. The Federal Government will be in the attitude of calling a State to the bar of public opinion and asking it to readjust its laws, to reenact its laws, to reestablish its system. The State will really be on trial before the National Government—not the individual, but the State itself which is backing the system and has the right to do so under the proposed amendment. The State has a perfect right to adopt the system, and if we undertake to say that the National Government shall step in as a sovereign against the

second sovereign and control its system, in my opinion, it will prove utterly impractical.

Mr. HASTINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Delaware?

Mr. BORAH. I yield.

Mr. HASTINGS. Does the Senator think that under section 3 a State could do anything which the Congress had prohibited?

Mr. BORAH. But it does not prohibit it.

Mr. HASTINGS. My understanding of section 3 is that, giving Congress concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold, it would leave the Congress in a position to enact a law which it would be illegal for the State to exceed. That is my understanding of it.

I think it has the additional advantage that all the Congress would have to do would be to enact the necessary law regulating or prohibiting the sale of intoxicating liquors to be drunk on the premises where sold and, Congress having done that, it would not be possible for the State to legalize any person to sell contrary to the provisions of the Federal law.

Mr. BORAH. On the other hand, suppose the State adopts a system and enacts a law which permits liquor to be drunk on the premises where sold?

Mr. HASTINGS. My own theory about it is that if Congress enacted a different law, the State provision would thereby become illegal.

Mr. BORAH. That is what I said, that we will have two sovereignties contending against each other as to the method in which liquor shall be drunk. Does the Senator think that is a practical proposition?

Mr. HASTINGS. I do think it is practical. I think Congress might enact a law stating what might be done in the way of selling liquor to be drunk on the premises, and then, immediately that Congress had enacted such a law, it would be necessary for the State to limit its own laws in that particular.

Mr. BORAH. How could we compel a State to modify its law? Would the mere fact of passing an act of Congress strike down the State law?

Mr. HASTINGS. Instantly the Congress enacted the law upon the subject and laid down the rule or prohibited the act from being done, any citizen at any time could by some civil action prevent another citizen from acting under some authority that came from the State. That is my own notion about the way it would operate.

Mr. BORAH. I do not think the National Government could act in a judicial capacity and strike down a law passed by a sovereign State and which it had a right to pass. The Senator will concede that in the first instance the State would have a perfect right to license a saloon.

Mr. HASTINGS. The State would not have any such right if the Congress by some act had prohibited it.

Mr. BORAH. But suppose the Congress has not acted?

Mr. HASTINGS. Oh, I agree to that. Unless the Congress acts this section does not become effective at all, but when the Congress does act, then the State may not exceed the powers given under the Federal act.

Mr. BORAH. It seems to me that unless we put into the amendment a specific statement to the effect that liquor shall not be drunk upon the premises where sold and make that prohibitive in the Constitution, we are going to get into all kinds of difficulties and troubles. And even then as a practical proposition it seems to me it would be impossible of successful enforcement. Now, above all things I do not want to deceive or mislead in writing a constitution. I feel if I should vote for this I would be doing an insincere thing and that about the fundamental law.

Mr. HASTINGS and Mr. BLACK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. I yield first to the Senator from Delaware.

Mr. HASTINGS. I do not want to take the Senator's time, but in view of the condition about which complaint is constantly being made, namely, that Federal appointees are going into the States and enforcing the police power there, and so forth, which is so objectionable from the viewpoint of many States and many persons in those States, my own thought was that that was not involved in this section at all.

Mr. BORAH. When the Congress passes a law how is it going to be enforced unless Federal agents are sent into the States to enforce it?

Mr. HASTINGS. If I were operating under section 3 of this resolution, I would not have Congress pass any law which had any penalty attached at all to it but I would rely upon the fact that that law is supreme; that the States cannot exceed it; and therefore some civil action may be taken against any person operating under State authority and selling liquor in violation of congressional authority.

Mr. GLASS. Mr. President, if offenders are not deterred by criminal action, how could we expect them to be deterred by an inane civil action?

Mr. HASTINGS. If the Senator from Idaho will permit me to answer the question, I will say that I assume that no State anywhere would pass a law after Congress had acted under this section and had said that it shall be unlawful to do this in any State in the Union. I assume that the members of the legislatures of the States of the Union who at the same time they take an oath to support the constitution of their own States also take an oath to support the Constitution and laws of the Federal Government would not permit any act to be passed by their own legislatures in violation of the provisions of the congressional act.

Mr. BLACK. Mr. President——

Mr. BORAH. Mr. President, I will yield to the Senator from Alabama in just a moment. The able Senator from Delaware is answered by the long experience which we have had under the eighteenth amendment. Each member of the legislature of every State in the Union has taken an oath since the eighteenth amendment has been adopted to support and maintain the Constitution of the United States. To support and maintain the Constitution of the United States, in the language of Abraham Lincoln, means the enactment of such laws as are necessary to maintain and enforce the Constitution of the United States; and yet the States, one after another, through their legislatures, have repealed all laws which enabled them to maintain and enforce the Constitution of the United States, and the members of those legislatures did not seem to think that they were violating their oaths in doing it. I think they did.

Mr. HASTINGS. I think that is a pretty complete answer to my suggestion.

Mr. BLACK. Mr. President——

Mr. BORAH. I yield to the Senator from Alabama.

Mr. BLACK. I want to ask the Senator from Idaho if he agrees with the viewpoint of the Senator from Delaware that under this clause the law passed by Congress would control and be over the law passed by the State? As I understand, the Senator from Delaware takes the position—and I think it is correct—that if two jurisdictions or two sovereignties each pass a law, one of them, of course, has to be supreme. Does the Senator agree that that would be the Federal law?

Mr. BORAH. Do I agree to it?

Mr. BLACK. Yes; which would be supreme?

Mr. BORAH. Well, I am very frank to say that where two sovereign powers have the right to enact laws, and both of them have a perfect right to do so, it would be very difficult for me to know which one was supreme as the question would be presented here.

Mr. ROBINSON of Arkansas. And it would result in great confusion.

Mr. BORAH. Yes.

Mr. BLACK. I should like to ask the Senator one other question, if he will permit me. That being true, suppose Congress should pass a law restricting and regulating, to a certain extent, the sale of liquor in Delaware or Idaho, and then suppose the State of Idaho or Delaware wanted to impose greater restrictions; they did not want liquor sold in their State in the manner prescribed by Congress; under

which law could the citizen operate? Would he operate under the Federal law or under the State law?

Mr. BORAH. Well, excuse me——

Mr. LEWIS. Mr. President——

Mr. BORAH. Just one word more, and I will conclude.

Mr. LEWIS. May I be pardoned for saying to the Senator from Idaho and the Senator from Alabama that I had before me a few months ago, among other decisions, a decision of the Supreme Court of Connecticut which passed upon that question, and it was held that where a local law was in conflict with a Federal law and the subject matter was the same the Federal law became supreme, and the court gave it precedence.

Mr. BORAH. There is no doubt about that as a general proposition; but where a State gets its authority to pass a law from the Constitution of the United States, from the same source that the Congress gets its authority, and both of them are sovereign within their territory, I do not see how it can be said that one is supreme over the other.

Mr. BLACK. If the Senator from Idaho will yield for one further question, assuming that the Federal Government should pass a regulatory law which was not prohibitive, whereas a State wanted a prohibitive law; if the law is as stated by the Senator from Illinois, the Federal law would prevail, and, of course the prohibitive law of the State could be stricken down. Therefore, instead of that State having a law prohibiting the sale of liquor within its borders, Congress would pass a law which would coerce the State into permitting the sale of liquor under regulations laid down by the Federal statute.

Mr. BORAH. Mr. President, just a word more and I shall conclude.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Oklahoma?

Mr. BORAH. Does the Senator wish to ask me a question?

Mr. GORE. I do. I will first say that I appreciate the difficulties which the Senator is pointing out, and I want to ask him if the situation might not be clarified and those difficulties obviated if we should strike out section 3 and substitute language something like this—

> That no State shall authorize or permit the retail sale for private profit of distilled spirits for beverage purposes.

Certainly that would obviate the conflict of the sovereignties. The gravamen of this trouble lies in the sale of distilled spirits for private profit. Such a provision would prohibit that being done, and then the States could sell liquor through some State organization as is done in Canada or in Scandinavian countries. It would remove the clashing of sovereignties and would eradicate the chief difficulty and trouble about the liquor business.

Mr. BORAH. Mr. President, I have spent some time during the last 18 months trying to determine how the National Government may control the consumption of liquor within the States after we shall repeal the eighteenth amendment. It is my judgment, and that is the reason why I am voting as I do both against the repeal of the eighteenth amendment and against this section—that when we shall have legalized the sale of intoxicating liquor and turned it back to the States there will be no power that can, as a practical proposition, prevent the return of the saloon except the people within the respective States. In dealing with the Constitution of the United States I do not want to vote for a clause in that Constitution which, while not so intended by those who are advocating it, I believe will be deceptive; and for that reason I shall vote against it.

Mr. LEWIS. Mr. President, if I may be pardoned, I should like to remove a false impression which I think the Senator from Idaho has perhaps created as to the legislative action of the State of Illinois concerning some of its local legislation. As he is a distinguished son of that glorious State which I have the honor to represent in part, I desire to say to him that the legislation which was repealed was known as the search and seizure act, under which law human beings could be seized and searched, and if the search disclosed liquor in any form upon that basis alone the individual could be convicted. That is the law that was repealed and wiped out.

Mr. BORAH. The Senator is in error. I did not mention the State of Illinois.

Mr. LEWIS. I thought the Senator said the State of Lincoln.

Mr. BORAH. I referred to what Lincoln said as to what constituted maintaining the Constitution, to wit, the passage of laws which were essential to its enforcement.

Mr. LEWIS. My correction was unnecessary; I misinterpreted the Senator's language.

Mr. NORRIS. Mr. President, since the State of Illinois has been cleared of any wrongdoing, I want to offer a few remarks regarding this proposed amendment. To my mind the amendment in its operation will present no difficulty whatever.

Mr. HASTINGS. Mr. President, will the Senator yield to me for a moment?

Mr. BORAH. I yield.

Mr. HASTINGS. I should like at some time before the Senator concludes his remarks—and I am making this suggestion now so as not to interrupt him again—to consider the advisability of striking out the word "concurrent."

Mr. NORRIS. I was going to make that suggestion if there was any doubt in anybody's mind.

Mr. President, I do not agree for a moment with those Senators, for whose judgment I have the highest respect, that this provision if retained in the proposed amendment will get us into any difficulty whatever. I refer to section 3. Suppose we leave it in and it goes in the Constitution of the United States. Let us assume that the Congress passes a law under this section prohibiting the sale of liquor to be drunk upon the premises where sold and fixing a penalty for its violation. Then let us assume that a State passes a law, or had passed one before Congress enacted a law on the subject, providing for the saloon, the old kind of a saloon, and suppose some individual for the violation of the act of Congress is indicted in the Federal court and brought to trial. He is indicted for the violation of a law passed by Congress, based upon a specific provision of the Constitution of the United States, and he offers in defense that he is operating his saloon under a State statute. Would any one claim that such a contention would be a defense? Would any court even permit him to offer that in evidence?

In the first place the law is plain; it has been passed by Congress; Congress has a right to pass it; it is admitted to be based upon this provision of the Constitution, and no one claiming a right to violate that law can offer it as a defense, unless he can show he is acting under a law that comes from some authority higher than Congress; and I take it that would be an impossibility, because Congress is operating under the Constitution of the United States; it has passed a law that the Constitution specifically permits it to pass and it would not make any difference, so far as that law is concerned, so far as the trial of the offender is concerned, that the State has passed a different law or has passed any law whatever. It would not be any defense. The only question involved in that case would be, Is the law under which the defendant was indicted a constitutional law? Did Congress have authority to enact it? Here it is in black and white. It seems to me it is as plain as anything can possibly be.

Mr. BORAH. Mr. President——

Mr. NORRIS. I yield to the Senator from Idaho.

Mr. BORAH. May I ask my friend this question: A man is brought into court for violating the act of Congress. The prosecution must establish his criminal intent; and he presents, in defense of his intent, the authorization of his sovereign State. Now, in the last analysis the court might hold that the authority of Congress was supreme; but, in my opinion, the jury would take into consideration the fact that this man was acting by authority of his State.

Mr. NORRIS. In the first place, he would never get it in evidence. The first thing that would happen when he offered his State license would be an objection on the part

of the prosecutor, and that objection undoubtedly would be sustained without any hesitancy. He never would get it in evidence. The jury never would have an opportunity to consider it. He has violated a Federal statute. The authority of Congress to pass the Federal statute stands unquestioned, because it is based upon the specific language of the Constitution; and unless he could show some defense under the Federal law there would not be anything to do but to find him guilty.

Mr. ROBINSON of Indiana. Mr. President——

Mr. NORRIS. I yield to the Senator from Indiana.

Mr. ROBINSON of Indiana. Furthermore, the court unquestionably would instruct the jury to disregard the evidence if it did get in.

Mr. NORRIS. Of course it would.

Mr. BORAH. Mr. President, I can not see how it would be possible to deprive the man of the evidence which would nullify the charge of criminal intent on his part.

Mr. NORRIS. Oh, but, Mr. President, in a statutory offense you would not have to prove intent. The violation of law is sufficient to show his criminal intent. Every man is conclusively presumed to know what the law is. To show, for instance, that he had told somebody that he intended to violate the law, or something of that kind, while proper evidence, would never be necessary in the violation of a Federal statute.

Mr. ROBINSON of Indiana. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. ROBINSON of Indiana. As a matter of fact, it is not evidence at all. That would be no evidence, as a matter of fact. The question is whether or not he violated the statute. That is the only question.

Mr. BORAH. Mr. President, permit me to say—and then I will not interrupt again—that the books are full of cases where statutes, although afterward declared void, were permitted to be introduced as reflecting upon the intent of the party charged with the commission of crime.

Mr. NORRIS. I will venture to assert that the Senator can not find any case anywhere in the history of jurisprudence that would apply to a case coming under a constitutional provision like this, passed by a legislature acknowledged to have authority to do it.

Mr. BORAH. If we can get an adjournment of this amendment until to-morrow morning, I feel I will be able to bring them in.

Mr. NORRIS. All right; I should like to have the Senator bring them in.

Mr. LEWIS. Mr. President——

Mr. NORRIS. I yield to the Senator from Illinois.

Mr. LEWIS. Will the Senator from Nebraska let me tell him a bit of history in Illinois?

The firm of Grommes & Ulrich, very large importers, and for years a very well-established institution, a large retail house, decided to dissolve and go out of business. It proceeded to avail itself of the statute of the State of Illinois which allowed it to dissolve and dispose of its goods. It, therefore, sir, disposed of its whiskies, wines, champagnes, and so forth, by disposing of them in gifts and sales to many establishments all around the city.

The members of the firm were indicted for conspiracy to violate the Federal laws on prohibition. The case was tried before Mr. Justice Evans, of the Wisconsin circuit, but sitting in the circuit court of appeals at Chicago. The statute of Illinois allowed the concern to dissolve itself and to dispose of whatever it possessed, whether it be wood or ironware or silver or what not, and the question was whether the members of the firm could be convicted for carrying out the law of Illinois which gave them authority to do what they did, because it also ran counter to the law of Congress passed subsequently.

That was the issue out in that State in a trial which lasted, I think, for a couple of months; but, as the Senator has correctly stated, right there arose the very complication to which he has made reference. Finally the sitting judge, with another Federal judge sitting with him, decided that the question should go to the jury to pass upon the good faith and honest intent of the defendants; whether they really meant merely to comply with their home law and incidentally violated the Federal law, or whether they were merely seeking to evade the Federal law by their action. But the complication and the confusion did exist in the exact manner our eminent friend from Nebraska has described.

Mr. NORRIS. I thank the Senator from Illinois.

Mr. GEORGE. Mr. President——

Mr. NORRIS. I yield to the Senator from Georgia.

Mr. GEORGE. May I suggest that the question of criminal intent, unless it is made a specific ingredient of a statutory crime, is never any more than the mere intent to do the thing which the statute forbids.

Mr. NORRIS. To do the thing that constituted the violation of the statute.

Mr. GEORGE. Exactly.

Mr. NORRIS. I thank the Senator for that. There is not any question about that being good law.

Mr. President, let me say in conclusion that if this amendment goes into the Constitution, and we do not want the return of the saloon, here is the only hope of preventing it. Strike it out and the saloon comes back. There is no way to prevent it. There can be saloons all around, in every State in the Union, if the States provide for it, and Congress is helpless.

We have been discussing prohibition for years. I have been, I think, at least in my own mind, fair enough to admit that in my judgment prohibition was a failure; and I have expressed a willingness to help to modify, if I can, the Volstead Act in order that we may see whether it is true, as Senators and other people everywhere have been proclaiming for years, "If you will give us beer and light wines we will all be happy, and there will be no more drunkenness, and it will result in a better morality, a more complete temperance life of our people, a better enforcement of prohibition, and the banishment of the bootlegger and the speak-easy." I have made up my mind, prohibitionist as I have been nearly all my life, that since it seemed that prohibition enforcement was falling down, we had better try that experiment; and I have, in the committee, voted in favor of reporting that kind of a bill that is now on the calendar of the Senate. I should like to see it enacted into law. I do not want to put this country back to the days when the saloons were rampant. I want to avoid it if I can.

If we adopt this amendment, and it becomes operative with section 3 out of it, there is nothing to prevent the return of the saloon. It is the only hope. If those of you who said, "The prohibition amendment is wrong, but the saloon is wrong, too, and if you will repeal the prohibition amendment we will help you to provide for laws that will prevent the return of the saloon," meant what you said, then it seems to me you ought to keep this provision in this amendment, because it is the only hope.

Mr. WALSH of Massachusetts. Mr. President——

Mr. NORRIS. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I infer from what the Senator has so ably said that he is of the opinion that the majority of the States and the public are opposed to the saloon and to the speak-easy, and that the only chance of removing the present evil, which is now the speak-easy—the former evil being the saloon—is by a proposal of handling the liquor question in some other way than it is being handled now, or was handled through the saloon. Do I correctly interpret the Senator's views?

Mr. NORRIS. Yes; that is right. That is what I believe.

Mr. WALSH of Massachusetts. And does not the Senator think that a proposition that prevents any State from reestablishing the saloon is the only likely one that will receive the support of 36 States?

Mr. NORRIS. I think so. I think that is true.

Mr. WALSH of Massachusetts. I thank the Senator.

Mr. NORRIS. Senators and all the other people who have been advocating the repeal of prohibition have been promising the public that they would see to it that the saloon did not come back. Here is the avenue through which

the saloon is coming back, or the avenue through which it is going to be prevented from coming back.

I believe I am fair in giving to the Senate what I think was the judgment of the Judiciary Committee on this matter. We did not believe that as a practical proposition it would perhaps be necessary for Congress to legislate on the subject. We believed that if this section were left in here, knowing that Congress had the right to legislate on the subject, a State would hesitate before it passed a law that would permit the saloon to come back, knowing that at any time there would exist the power in Congress to legislate on that subject and prevent the saloon from coming back.

As I look at it, there is no doubt whatever but that there would be no difficulty in the enforcement of the law—not anything like the difficulty that was presented to us in the enforcement of the prohibition amendment that we have had for the last 10 or 12 years. It would be easy of enforcement, because, in the first place, there is a sentiment in the country—I think, as the Senator from Massachusetts has said, a strong, almost a unanimous sentiment, on the part of all classes of people—that they do not want the saloon to come back. If we strike this out, it may be possible that it will come back. The Senator from New York [Mr. WAGNER] said he thought that in his State they would not legislate the saloon back; but, if they do not, they need not fear this law.

It seems to me, therefore, that if the States are going to do what Senators who are advocating the striking out of this amendment claim and believe, this law can not hurt them a particle. Congress will never undertake to legislate on the subject if the States themselves prevent the return of the saloon.

Therefore, Mr. President, I am opposed to striking out section 3.

Mr. WALSH of Massachusetts. Mr. President, I do not care to take up the time of the Senate in discussing this question. We have listened for several hours to speeches, and I am ready to vote.

My views are so concisely and clearly stated in one of many letters that have come to me, and in some newspaper editorials, that I am going to ask that they be inserted in the RECORD at this juncture of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

WORCESTER, MASS., *January 30, 1933.*

Senator DAVID I. WALSH,
*Washington, D. C.*

DEAR SENATOR WALSH: I have been asked to write you concerning the resolution on the eighteenth amendment now pending before the United States Senate. I do not think my opinions are of much value, but, as a constituent and as one who has invariably voted for you whenever you were a candidate for the Senate, I might perhaps trespass on your time sufficiently to have my little say.

I have always done what I could against prohibition from the start. I have always desired the repeal of the eighteenth amendment. I have not taken my part in the battle against prohibition solely for the sake of legalized beverages. I have always believed that the eighteenth amendment was a terrible mistake because it burdened the Federal Government with the responsibility of using police powers which ought to be used by the local authorities. I have always believed that this method hampered the Federal Government with responsibilities that did not belong to it and has been mainly responsible for the crime and corruption into which we have been plunged.

The repeal resolution which is now before the Senate would, if put into effect, still continue this state of affairs. In other words, some of the worst features of national prohibition would be retained under the proposed amendment as brought before the Senate. The Federal Government would still have on its hands a department for national enforcement which the taxpayers would have to provide for, and which would continue as a menace to national well being and national freedom, and would also, I am afraid, continue as a breeding ground for all sorts and kinds of corruption.

That, to speak frankly, seems to me the most objectionable feature of the resolution. The second feature is the fact that the resolution would be referred for ratification to State legislatures and not to conventions, which was promised in the platform of the Democratic Party when Governor Roosevelt was nominated. I see no reason whatever why the principle of State conventions should be ignored in the Senate in view of the overwhelming national demand for them. The conventions would be chosen solely on this question, whereas the members of the legislatures are chosen on a great many issues having nothing to do with prohibition. I am fairly sure that with the State conventions we should be able to eliminate national prohibition, and this of course is our main objective.

As a member of the Constitutional Liberty League of Massachusetts, I have always desired to oust prohibition from the Constitution. During the 13 disastrous years of nonenforcement, I have only been strengthened in my conviction that the only right way to do is to follow the directions on the signs we have lately seen on automobiles; namely, to repeal the eighteenth amendment.

May I assure you of my good wishes for your continued success?

Respectfully yours,

HENRY HARMON CHAMBERLIN.

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[From America, issue of January 21, 1933]

NOT A MATTER OF BEER

The substitute for the eighteenth amendment is growing like a snowball rolling downhill. Opposition to the substitute is growing even faster. For the substitute does not repeal the amendment. It merely affirms Federal prohibition under another and, it may well be, a more dangerous form.

What the citizen thought he was going to receive from the Senate committee headed by Senator BLAINE was an amendment couched in the following words, "The eighteenth amendment is hereby repealed," and no more. That is the form recommended by ex-Governor Smith, Doctor Butler, and the Democratic convention, and if the November elections have any significance, it is the form which the people desire. The committee began with a paper containing two clauses, of which the first was the Smith-Butler declaration. The drys protested that this would leave the dry States without protection against the States which should legalize alcoholic beverages. Thereupon the committee, ignoring the existence of the Webb-Kenyon Act which gives this "protection," added another clause, which was not a constitutional enactment but simple Federal legislation, prohibiting the transportation or importation of alcoholic liquors from wet to dry States. Thus at the outset of its work the committee authorized a Federal control, which is the very source of the evils of which the country is complaining, and imbedded in the Constitution, which should be a statement of fundamental principles in government, an offensive form of sumptuary legislation.

But the committee did not stop even at this point. Yielding to the senseless clamor against the "saloon," an institution which no court and no individual has yet been able to define satisfactorily, it added a third clause giving Congress "concurrent power" to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold. The committee does not trust the States to exercise their police powers properly, but demands that the final decision as to whether or not beer can be consumed in a hotel dining room or at a corner saloon or at a soda fountain, or in none of these places, be vested solely in Congress, acting under authority conferred by the Federal Constitution. Petty sumptuary legislation could hardly be carried to a more absurd extreme. Whatever "concurrent power" may mean, it certainly does not mean that any State, or all of them, can overrule Federal legislation. In practice, it signifies that the States may do what seems best, unless Congress rules that another arrangement is best.

Throughout the hearings the committee has apparently labored under the delusion that what the country wants is permission to sop up beer and to guzzle whisky. That is far from the wishes of the men and women who for 13 years have led the fight against prohibition. As this review has repeatedly insisted, with us it is not a question of beer or of whisky, but wholly a question of good government. It is our conviction that temperance in the use of alcoholic beverages is best secured through the influence on the individual of religion and of education. Should this influence fail, so that intemperance becomes a menace to the peace and good order of the community, the necessary restrictions should be made and enforced by that community. In the regulation of personal habits, innocuous in themselves, yet subject to abuse, legislation should be the last, not the first, recourse. Further, legislation, if deemed necessary, should be enforceable. Otherwise it will only enhance the evil against which it is directed.

Thirteen years of sad experience have demonstrated beyond doubt that prohibition has no place in the Federal Constitution. It can not be enforced, and it brings with it a train of graft, perjury, murder, and general disrespect for law. Any substitute amendment which fails "to restore to the States their ancient right of local self-government," as Representative BECK writes, will perpetuate these frightful abuses, together with the fundamental vice of Federal prohibition which is its incompatibility with the spirit and purposes of the Constitution.

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[Editorial from the Baltimore Sun, issue of January 12, 1933]

REDEEM THE PLEDGE

The prohibition repeal resolution as submitted to the Senate is a repudiation of the pledge in the platform of the Democratic Party upon which the election last November was won. The pledge was that the question of repeal should be submitted to constitutional conventions. The resolution before the Senate proposes that it be submitted to State legislatures.

There are compelling reasons why the issue should not be submitted to State legislatures. To do so would likely cause pro-

longed delay, inviting nation-wide participation in the fight in every State, opening opportunities for corruption, plunging the country into continued excitement and bad feeling, to say nothing of the chaotic conditions that would prevail while the issue was being settled. The resolution allows seven years for the States to act, no consideration being given to the certainty that the interim would be marked by steady aggravation of the evils that have been witnessed in the past decade. It is inconceivable that enforcement of prohibition would not go from bad to worse in view of the fact that many States have repealed their own Volstead laws.

Moreover, State legislatures would not be chosen solely on the issue of repeal, and election to these bodies would not constitute a referendum on prohibition. Many wets and drys will not cross party lines to vote their views on the liquor question. In choosing delegates to constitutional conventions voters would cast their ballots on a single proposition and express their convictions without giving thought to many other important matters that are involved in the selection of members of the legislature. Another objection is that legislatures of many States are not so constituted as to give equal representation to urban and rural voters. For this reason, even if Congress were held not to have authority to dictate the composition of the conventions, selection of delegates to them by direct vote of the people would supply a better test on prohibition.

The resolution under consideration violates the platform of the Democratic Party in another particular by retaining concurrent power in Congress to "regulate or prohibit the sale of intoxicating liquors to be sold on the premises." This provision retains a police power in the Constitution of the United States which the Democratic Party is pledged to eliminate. Its retention would mean a continuation of policies that have aroused deep-seated hostility to the Volstead law. It is not repeal. It is modification. True, Senator WALSH of Montana is quoted as saying that he does not believe the power would ever be exercised by Congress. In that case there is no excuse for granting the power. However, we disagree with Senator WALSH and believe, on the contrary, that its retention would be a constant incentive to strife and would bring down upon Congress the forces that have bedeviled it in the past.

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[From the Liberty Magazine, issue of January 21, 1933]

SALOON OR SPEAK-EASY—WHICH?

The open saloon was a destructive force of great magnitude. It catered to human depravity, and it was the flaunting of its shamelessness to the public everywhere that brought us prohibition.

To be sure, there were all kinds of saloons, just as there are all kinds of speak-easies, and it is difficult to frame a law that would set a definite dividing line. But admitting that the saloon was guilty of all that was charged against it, and more, too, we still have to acknowledge that the speak-easies are far worse.

They are unlawful and lawless to the last degree. There you will find the home of racketeering of the worst sort. Easy money is the tempting bait that aids and abets this criminality.

And now that prohibition is liable to receive its final deathblow we will indeed have a difficult problem before us. We will probably have to decide between the speak-easy and the saloon. It is needless to try to deceive ourselves. Why shut our eyes to a situation that we must face? We can not be hypocritical pretenders.

The liquor evil is with us. Prohibition has moved the saloons from the street corners into the speak-easies. And we know from bitter experience that the liquor habit can not be crushed by law. We have learned that lesson beyond all refutation.

And the question we will doubtless have to ask ourselves at this time is: Will we have the open saloon that is lawfully controlled, or will we have the speak-easy?

If we refuse to license the saloon, will it be possible to close the speak-easy?

We hear an unlimited amount of discussion as to what we must do when the Volstead law is repealed, and there is nearly always the associated warning that we must not go back to the saloon. But if we expect to close the speak-easy what other method can be used?

Some politicians are not averse to deceiving the public, and the speak-easies are hidden away on side streets. They do not flaunt their ugliness to the general public.

It is our belief, if we are compelled to choose between the two—and that seems to be the situation—that the saloon, licensed and controlled by governmental edicts, compelled to close at certain hours, is by far the lesser of the two evils.

And this is by no means an indorsement of the saloon. God forbid!

But there is no room for argument as to which is the lesser evil—the speak-easy or the saloon. There are literally hundreds of thousands of speak-easies doing business throughout the country at this time. If we have licensed saloons they can all be closed; if there are no saloons the speak-easies will undoubtedly find it profitable to remain in business.

And there seems to be no possible chance of closing them by legal measures. We know that in spite of all the efforts made through Federal and State edicts they have continued in business.

There is only one way to close them, and that is through legitimate competition by licensed drinking places. We can call them saloons, or whatever we please. No matter how much we may object to their presence we can not put them out of business.

They will either exist as a secret, unlawful business, or else they can be subject to close scrutiny, made to conform to certain definite rules through governmental license, which would at least materially lessen their evil influence.

There are still many who will doubtless condemn this attitude, but when we have an unpleasant situation to deal with it is foolish to close our eyes. It must be recognized and handled in the most effective manner.

We will candidly admit that all drinking places should be closed. We will go further and admit that prohibition, if it could be enforced, would be of infinite benefit to the Nation.

This we have tried for a decade or more and we have failed miserably, and when we ultimately find that we are compelled to choose between two destructive forces it is certainly desirable to select that which is the least harmful.

Mr. BLACK. Mr. President, I do not desire to delay the Senate, except to express my own idea of this amendment in two or three minutes.

The Constitution is the supreme law of the land. If this amendment should be adopted in this form, it would be the supreme law of the land. In other words, it would give to Congress the power to regulate the sale of intoxicating liquor within the States.

If that power is given to Congress to regulate, it becomes important to know what "regulate" means. It means—

To adjust or control by rule, method, or established mode; to direct by rule or restriction; to subject to governing principles or laws.

If this amendment should become a part of the Constitution containing section 3, it would take away from the State the right the State now has to regulate or prohibit the sale of liquor. It would take it away by giving that power to Congress.

In other words, if section 3 should become a part of the Constitution of the United States and the State of Alabama desired to prohibit the sale of liquor in a saloon and Congress should determine that it would regulate the sale of liquor in Alabama merely by imposing a license tax of $1,000, the right of Alabama to go any further would be denied. It could not prohibit the sale of liquor in Alabama, because that right would be reserved to the Congress of the United States by this section of the amendment. In other words, this is not an amendment which would give to the States an added right with reference to the control of liquor within its boundaries. It is an amendment which would take away from every State in the Union the right to determine how it would regulate the liquor traffic within its boundaries.

Mr. President, I am opposed to that. I voted against it in the committee. Since it remained in the proposal, I voted against a favorable report of the joint resolution. I desire to state now, because I shall not make any further remarks, that if this section is not stricken from the resolution, I shall vote against a resubmission of the eighteenth amendment to the people. I favor the resubmission of the eighteenth amendment to the people, to be voted upon by conventions, unless there is added this provision which takes away from every State in the Union the power to determine whether or not it shall regulate or prohibit the sale of liquor within its boundaries. This would go to exactly the opposite extreme of the eighteenth amendment. The eighteenth amendment prohibits the sale of liquor in any State. If this amendment should become the law of the land, no State would have the right to prohibit the sale of liquor within its own boundaries if it saw fit to do so, for Congress would have already asserted its right to enact a law covering that subject.

The Constitution is the supreme law of the land. It is not difficult to imagine that there might be a Congress which would be opposed to any State passing a prohibition law. Let us suppose that were the case, and that Congress should pass a law saying, "We will undertake to regulate the sale of liquor," and then should say, "We will regulate it by providing that liquor may be sold within a State"—and it would have that right, under this provision—"but those desiring to sell it must first pay a license of $1,000." That would be the supreme law of the land, because it would be enacted under the Constitution itself.

Mr. President, in so far as I am concerned, I shall vote to strike out section 3. If section 3 is not stricken out, I shall

vote against the submission of the amendment. I simply wanted the RECORD to show the facts, so that those who voted might have called to their attention the fact that, instead of being a movement to permit the States to prohibit the sale of liquor in a saloon, this amendment would deprive the States of the right to prohibit the sale of liquor in a saloon. Both the State and the Federal Government can not have the power at the same time. The action of one of them will be the supreme law of the land, and the supreme law of every State is the Constitution of the United States. When the Constitution delegates to Congress the right to determine in what way liquor shall be sold in a State, if it is sold, then a law enacted by Congress will be supreme, and the States of this Union will be helpless, they can not regulate the sale of liquor within their own boundaries, nor can they prohibit it.

Mr. President, I shall vote against the third section for the reasons I have stated, and for the further reason that it would result in a state of chaos and confusion. This matter should be submitted back to the people, to be voted upon fairly and squarely upon its merits, and not with an amendment which would further take away from the people a right which they have had heretofore. They would be far better off if they desired to prohibit the sale of liquor within their States, if there should be a plain, bald, naked repeal of the eighteenth amendment, because then they could regulate or prohibit the sale of liquor in the States as they saw fit, and not in the manner Congress saw fit to prescribe.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment offered by the senior Senator from Arkansas [Mr. ROBINSON] to the amendment of the committee.

Mr. BROOKHART obtained the floor.

Mr. BLACK. I ask for the yeas and nays.

Mr. KEAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Iowa yield for that purpose?

Mr. BROOKHART. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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|---|---|---|---|
| Ashurst | Costigan | Hull | Robinson, Ind. |
| Bailey | Couzens | Johnson | Russell |
| Bankhead | Dale | Kean | Schuyler |
| Barbour | Davis | Kendrick | Sheppard |
| Barkley | Dickinson | Keyes | Shipstead |
| Bingham | Dill | La Follette | Smith |
| Black | Fess | Lewis | Steiwer |
| Blaine | Frazier | Logan | Stephens |
| Borah | George | McGill | Townsend |
| Bratton | Glass | McKellar | Trammell |
| Brookhart | Goldsborough | McNary | Tydings |
| Bulkley | Gore | Neely | Vandenberg |
| Bulow | Hale | Norbeck | Wagner |
| Byrnes | Harrison | Norris | Walcott |
| Capper | Hastings | Nye | Walsh, Mass. |
| Caraway | Hatfield | Patterson | White |
| Clark | Hayden | Pittman | |
| Connally | Hebert | Robinson, Ark. | |

The PRESIDING OFFICER. Seventy Senators having answered to their names, there is a quorum present.

Mr. BROOKHART. Mr. President, the Senator from Arkansas [Mr. ROBINSON] seems to be very much disturbed because the lame ducks are going to have a vote on this amendment. So far as I am concerned, I am one of the lame ducks who do not want that responsibility. I have been perfectly willing all the time to pass it over to the Senator from Arkansas when he will be in control of the majority in the United States Senate in the session soon to be held. But I want to say to the Senator that since he has forced the decision upon me, I do not want him to do all the squawking.

Mr. President, at this time I am going to speak briefly upon the amendment under consideration.

Mr. McNARY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Oregon?

Mr. BROOKHART. I yield.

Mr. McNARY. I desire to propose a unanimous-consent agreement that we proceed to the consideration of the pending amendment, giving the Senator from Iowa 10 minutes to conclude his remarks, and then recess until 11 o'clock to-morrow morning; and that at 3 o'clock to-morrow afternoon we vote upon the pending joint resolution and all pending amendments thereto.

The PRESIDING OFFICER. Is there objection?

Mr. NORBECK. Mr. President, just a moment. I very much desire to vote on the pending amendment if I possibly can, but the Committee on Banking and Currency are holding hearings relating to the New York Stock Exchange and there are many Senators who will be present at those hearings to-morrow morning. Would it not be possible to take a recess until 12 o'clock instead of 11 o'clock?

Mr. ROBINSON of Arkansas. We propose to vote to-night, in just a few minutes, on the pending amendment. There will probably be no further votes until the debate has been closed to-morrow.

Mr. McNARY. I am willing to yield to the suggestion of the Senator from South Dakota and change the proposal accordingly; that is, that we proceed to the consideration of the pending amendment after the Senator from Iowa has 10 minutes in which to discuss the matter——

Mr. BROOKHART. Mr. President, I do not think I shall need more than 10 minutes, but a time limit always has a tendency to confuse me a little.

Mr. McNARY. Very well. I ask unanimous consent that after the vote on the pending amendment the Senate recess until 12 o'clock to-morrow, and that at 3 o'clock to-morrow afternoon we shall vote without further debate upon the pending joint resolution and all amendments thereto.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

Mr. SMITH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH. At 3 o'clock to-morrow afternoon we are to vote without further debate on the joint resolution and all amendments to it?

The PRESIDING OFFICER. That is the understanding.

Mr. ROBINSON of Arkansas. But we are to vote to-night on the pending amendment.

The PRESIDING OFFICER. That is correct.

Mr. BROOKHART. Mr. President, I shall address myself at this time to section 3 and the motion to strike it out, which is the pending question. The Congress of the United States has no power except that which is given to it by the Constitution of the United States. If this amendment should be adopted, which I do not think it ever will be, it would be a part of the Constitution.

Section 3 as worded provides that "Congress shall have concurrent power." It does not say that Congress shall have "supreme" power, but "concurrent power," that is to say, "concurrent power to regulate or prohibit the sale of intoxicating liquors to be drunk at the premises where sold." That power is concurrent with what? It is concurrent with the power of the State. Therefore the State has concurrent power with the Congress and the powers are equal. Neither is supreme.

Under the terms of the amendment it would be possible for the State of New York or the State of Pennsylvania or any other State to legalize the saloon, which the amendment seeks to describe. They could make it a legal institution. At the same time Congress, with its concurrent power, could prohibit that same saloon and make it an illegal institution. That is an unthinkable provision to have in the Constitution. I am going to vote to leave it in because I think a repeal of the eighteenth amendment is a more unthinkable thing than this unthinkable section.

The Senator from Virginia [Mr. GLASS] will offer an amendment that would correct this inconsistency. The Senator from Nebraska [Mr. NORRIS] has made a suggestion and I believe the Senator from Delaware [Mr. HASTINGS] made a suggestion that would correct the inconsistency by striking out the word "concurrent." If that were done then the section would read:

> Congress shall have power to regulate or prohibit the sale of intoxicating liquors to be drunk on the premises where sold.

If it were worded that way, there would be no question, I think, about the supreme power of Congress to regulate the saloon. It would take further legislative enactment, of course, to do that, but as it stands now we are going into this pandemonium of legal war of the States with the National Government; but since we are going into a national civil war with everything that is moral and decent on the one side and with drunkenness and disorder and intoxicating liquor generally on the other side, I think even this disorderly section 3 is preferable to the amendment without any restrictions whatever.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas to the amendment of the committee.

Mr. ROBINSON of Arkansas. Let us have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Again announcing my pair with the junior Senator from Nebraska [Mr. HOWELL], I transfer that pair to the senior Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

The PRESIDING OFFICER (Mr. FESS, when his name was called). On this question the present occupant of the chair is paired with the senior Senator from New York [Mr. COPELAND]. If the present occupant of the chair were permitted to vote, he would vote "nay."

Mr. NORRIS (when Mr. HOWELL'S name was called). As previously announced, my colleague [Mr. HOWELL], is absent on official business of the Senate. If he were present and voting on this question, he would vote "nay."

Mr. MCNARY (when his name was called). On this vote I have a pair with the junior Senator from Nevada [Mr. ODDIE]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. BINGHAM (when Mr. METCALF'S name was called). The senior senator from Rhode Island [Mr. METCALF], who is necessarily absent, if present, would vote "yea."

Mr. NORRIS (when his name was called). Upon this vote I am paired with the senior Senator from Florida [Mr. FLETCHER]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. REED]. I transfer that pair to the junior Senator from Massachusetts [Mr. COOLIDGE] and vote "yea."

The roll call was concluded.

Mr. MCNARY. I desire to announce the necessary absence of the Senator from Pennsylvania [Mr. REED]. If present, he would vote "nay."

Mr. SMITH. I have a general pair with the senior Senator from Indiana [Mr. WATSON]. Not knowing how he would vote, I withhold my vote.

Mr. WAGNER. I wish to announce that my colleague the senior Senator from New York [Mr. COPELAND] is absent on account of the death of his father. If present, he would vote "yea."

Mr. SHEPPARD. I wish to announce that the Senator from Oklahoma [Mr. THOMAS] is necessarily absent. If present, he would vote "nay." He is paired with the Senator from Rhode Island [Mr. METCALF].

Mr. WALSH of Massachusetts. I desire to announce that my colleague the junior Senator from Massachusetts [Mr. COOLIDGE] is unavoidably absent. If present, he would vote "yea." An announcement of his pair has been made.

The PRESIDING OFFICER (Mr. FESS). The present occupant of the chair announces the following general pairs:

The Senator from New Hampshire [Mr. MOSES] with the Senator from Montana [Mr. WALSH];

The Senator from Idaho [Mr. THOMAS] with the Senator from Montana [Mr. WHEELER];

The Senator from Vermont [Mr. AUSTIN] with the Senator from Utah [Mr. KING];

The Senator from Illinois [Mr. GLENN] with the Senator from Virginia [Mr. SWANSON]; and

The Senator from Rhode Island [Mr. METCALF] with the Senator from Oklahoma [Mr. THOMAS].

The result was announced—yeas 33, nays 32, as follows:

YEAS—33

| | | | |
|---|---|---|---|
| Ashurst | Bulkley | Hull | Trammell |
| Bailey | Bulow | Johnson | Tydings |
| Barbour | Byrnes | Kean | Vandenberg |
| Barkley | Clark | Kendrick | Wagner |
| Bingham | Couzens | La Follette | Walcott |
| Black | Davis | Lewis | Walsh, Mass. |
| Blaine | Harrison | McKellar | |
| Borah | Hayden | Pittman | |
| Bratton | Hebert | Robinson, Ark. | |

NAYS—32

| | | | |
|---|---|---|---|
| Bankhead | Dill | Hatfield | Russell |
| Brookhart | Frazier | Keyes | Schuyler |
| Capper | George | Logan | Sheppard |
| Caraway | Glass | McGill | Shipstead |
| Connally | Goldsborough | Neely | Steiwer |
| Costigan | Gore | Nye | Stephens |
| Dale | Hale | Patterson | Townsend |
| Dickinson | Hastings | Robinson, Ind. | White |

NOT VOTING—31

| | | | |
|---|---|---|---|
| Austin | Glenn | Norbeck | Smoot |
| Broussard | Grammer | Norris | Swanson |
| Carey | Howell | Oddie | Thomas, Idaho |
| Coolidge | King | Reed | Thomas, Okla. |
| Copeland | Long | Reynolds | Walsh, Mont. |
| Cutting | McNary | Schall | Watson |
| Fess | Metcalf | Shortridge | Wheeler |
| Fletcher | Moses | Smith | |

So the amendment proposed by Mr. ROBINSON of Arkansas to the amendment was agreed to.

ADDITIONAL REPORTS OF COMMITTEES

Mr. MCKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the resolution (S. Res. 349) creating a special committee of the Senate to investigate air mail and ocean mail contracts, reported it with amendments, submitted a report (No. 1229) thereon, and moved that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, which motion was agreed to.

Mr. KEAN, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6292) to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes, reported it without amendment and submitted a report (No. 1230) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 11504) authorizing the sale of certain Government property in the District of Columbia, reported it without amendment and submitted a report (No. 1231) thereon.

RECESS

Mr. MCNARY. Mr. President, under the unanimous-consent agreement, I now move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 8 o'clock and 20 minutes p. m.) the Senate took a recess, the recess being, under the unanimous-consent agreement previously entered into, until to-morrow, Thursday, February 16, 1933, at 12 o'clock meridian.

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# HOUSE OF REPRESENTATIVES

## WEDNESDAY, FEBRUARY 15, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, whose light is as the morning and whose glory is as the rising of the sun, we thank Thee that there is not one human life beyond Thy love and care. With relentless determination and unyielding courage may we lose ourselves in unremitting toil in the service of our country. Enable us to set free our fullest and our ripest powers in the solution of the baffling problems which confront us. O stir within us the song of hope, and defeat everlastingly the dirge of despair. Animate us with the faith and the sacrifice of those heroic souls who made possible the glory of our Re-

public, and transform all needless alarms, groundless fears, and false prophecies into abiding victories. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CLARENCE R. KILLION

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2148) for the relief of Clarence R. Killion, with House amendments, insist upon the House amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HILL of Alabama, MONTET, and CHIPERFIELD.

GEORGE W. M'DONALD

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4368) for the relief of George W. McDonald, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, after the word "soldiers," insert "and their widows."

Amend the title so as to read: "An act for the relief of the widow of George W. McDonald."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were agreed to.

DEPARTMENT OF INTERIOR APPROPRIATION BILL, FISCAL YEAR 1934

Mr. TAYLOR of Colorado. Mr. Speaker, I call up the conference report on the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. TAYLOR]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 9, 25, and 26.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 7, 8, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, 24, 27, 30, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, and 46, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert "with the exception of attorneys"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$355,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further*, That the unexpended balance of the appropriation contained in the Interior Department appropriation act, fiscal year 1932, for the construction and equipment of the Albuquerque Sanatorium, and employees' quarters, New Mexico, and not to exceed $300,000 of the unexpended balance of the appropriation for the Sioux Sanatorium and employees' quarters, South Dakota, contained in the same act, are hereby continued available for the same purposes until June 30, 1934"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$110,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$210,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,992,500"; and the Senate agree to the same.

EDWARD T. TAYLOR,
W. W. HASTINGS,
FRANK MURPHY,
BURTON L. FRENCH,
*Managers on the part of the House.*

REED SMOOT,
TASKER L. ODDIE,
GERALD P. NYE,
KENNETH McKELLAR,
JOHN B. KENDRICK,
*Managers on the part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13710) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

BUREAU OF INDIAN AFFAIRS

On No. 1: Restores the language stricken out by the Senate modified so as to except attorneys from the group of employees to be appointed after competitive examination by the Civil Service Commission and from an eligible list furnished by such commission.

On No. 2: Eliminates, as proposed by the Senate, the provision of the House bill permitting the use of tribal funds of the Pueblo Indians, New Mexico, for "general purposes, except per capita payments," as might be of direct benefit to the several pueblos.

On No. 3: Appropriates $103,521.67, as proposed by the Senate, instead of $114,430, as proposed by the House, for expenses incidental to the sale of timber.

On No. 4: Appropriates $20,000 as proposed by the Senate, from tribal funds, for insect-control work on the Klamath Indian Reservation, instead of $10,000 as proposed by the House.

On No. 5: Appropriates $355,000 for the purpose of developing agriculture and stock raising among Indians, instead of $315,000 as proposed by the House and $373,000 as proposed by the Senate.

On No. 6: Eliminates the Senate provision making available not to exceed $2,500 to pay in whole or in part expenses of Federal, State, or county extension agents and home-demonstration agents or specialists for work in the Indian Service.

On Nos. 7 and 8: Appropriates $3,000 from tribal funds for industrial assistance of Indians on the Klamath Reservation, Oreg., as proposed by the Senate.

On No. 9: Eliminates the provision inserted by the Senate making $6,000 available for aid of the public-school districts of Uintah and Duchesne Counties, Utah.

On Nos. 10 and 11: Makes the appropriation for construction of physical improvements at Indian schools immediately available and eliminates the appropriation of $11,000 for repairs to the Eastern Navajo School building, as proposed by the Senate.

On No. 12: Continues available during the fiscal year 1934 the unexpended balance of appropriation contained in the Interior Department appropriation act, fiscal year 1933, for shop building, including equipment, at Haskell Institute, Lawrence, Kans., as proposed by the Senate.

On No. 13: Continues available during the fiscal year 1934 the unexpended balance of the appropriation contained in the second deficiency act, fiscal year 1932, for new school building and auditorium, including equipment, at Pipestone, Minn., as proposed by the Senate.

On No. 14: Continues available during the fiscal year 1934 the unexpended balance of the appropriation contained in the Interior Department appropriation act, fiscal year 1933, for central heating plant, Wahpeton School, North Dakota, as proposed by the Senate.

On No. 15: Appropriates $3,755,000, as proposed by the Senate, instead of $4,745,000, as proposed by the House, for nonreservation boarding schools.

On No. 16: Continues available during the fiscal year 1934 the unexpended balance of the appropriation contained in Interior Department appropriation act, fiscal year 1933, for construction and equipment of Albuquerque Sanatorium, and employees' quarters, New Mexico, and not to exceed $300,000 of the unexpended balance of the appropriation for the Sioux Sanatorium and employees' quarters, South Dakota, as contained in the same act, instead of reappropriating the total unexpended balance in each instance as proposed by the Senate.

On Nos. 17 and 18: Appropriate $44,900 for general support of the Klamath Indians, Oregon, as proposed by the Senate, instead of $50,000, as proposed by the House.

On Nos. 19 and 20: Appropriate $35,000 for general support of the Colville Indians, Washington, as proposed by the Senate, instead of $30,000, as proposed by the House.

On Nos. 21 and 22: Appropriate $55,000 for Keshena Indians, Wisconsin, as proposed by the Senate, instead of $50,000, as proposed by the House.

On No. 23: Corrects total.

BUREAU OF RECLAMATION

On No. 24: Provides authority for a 10 per cent interchange of appropriations under the reclamation fund, as proposed by the Senate.

GEOLOGICAL SURVEY

On Nos. 25 and 26: Appropriate $300,000 for geologic surveys, with limitation of not to exceed $265,000 for personal services in the District of Columbia, as proposed by the House, instead of an appropriation of $325,000, with limitation of $280,000 for personal services in the District of Columbia, as proposed by the Senate.

On No. 27: Appropriates $30,000 for continuation of investigation of mineral resources of Alaska, as proposed by the Senate.

On Nos. 28 and 29: Appropriate $110,000 for printing and binding, instead of $100,000, as proposed by the House, and $120,000, as proposed by the Senate.

On No. 30: Appropriates $225,000 for mineral leasing, as proposed by the Senate, instead of $200,000, as proposed by the House.

On No. 31: Corrects total.

NATIONAL-PARK SERVICE

On No. 32: Eliminates language of the House requiring the salary of the superintendent to be subject to compensation reduction or furlough without pay requirement as such language is unnecessary to insure such reduction.

On Nos. 33 and 34: Appropriates $54,200 for administration, protection, and maintenance, as proposed by the Senate, for the Acadia National Park, Me., instead of $49,200, as proposed by the House.

On Nos. 35 and 36: Appropriate $25,000 for administration, protection, and maintenance, Lassen Volcanic National Park, Calif., as proposed by the Senate, instead of $18,500, as proposed by the House.

On Nos. 37 and 38: Appropriate $40,940 for administration, protection, and maintenance, Zion National Park, Utah, as proposed by the Senate, instead of $38,500, as proposed by the House.

On Nos. 39 and 40: Appropriate $70,000 for the park service, the control, and the prevention of spread of forest insects, as proposed by the Senate, instead of $63,000, as proposed by the House.

VIRGIN ISLANDS

On Nos. 41, 42, 43, 44, and 45: Appropriate $197,000 for defraying the deficits in the treasuries of the municipal governments of St. Thomas and St. John and municipality of St. Croix, as proposed by the Senate, instead of $210,000, as proposed by the House.

On No. 46: Corrects the total for Howard University.

EDWARD T. TAYLOR,
W. W. HASTINGS,
FRANK MURPHY,
BURTON L. FRENCH,
*Managers on the part of the House.*

Mr. TAYLOR of Colorado. Mr. Speaker, I move the adoption of the conference report.

Mr. STAFFORD. Mr. Speaker, will the gentleman inform the House as to the total amount carried in the act, under the original estimate?

Mr. TAYLOR of Colorado. Yes; I can give the figures. The amount of the Interior Department appropriations for 1933 was $67,183,684.35. The amount carried in this bill for 1934 as agreed upon in this conference report is $43,753,935.67. This bill is $23,429,748.68 below the appropriations for 1933 for this department.

Mr. LAGUARDIA. Where are the savings?

Mr. TAYLOR of Colorado. The savings are, I think, equitably scattered all through the activities of the Interior Department from the Arctic Circle to the Equator.

Mr. STAFFORD. My inquiry was directed as to the amount under the Budget estimate, as carried by the bill.

Mr. TAYLOR of Colorado. The amount under the Budget estimate is $2,329,993.33.

Mr. STAFFORD. In scanning the bill I notice the committee only allowed the interchangeable item of 10 per cent, as far as the Reclamation Service is concerned.

Mr. TAYLOR of Colorado. Yes, sir. That is correct.

Mr. STAFFORD. In the appropriation bill for the Department of Agriculture, which is to follow shortly, the committee has recommended an interchangeable item applicable to all items. May I inquire of the gentleman whether, in the administration of the Interior Department, where there was a drastic cut of 10 per cent in last year's appropriation act, there is any evidence that the department suffered by reason of that reduction?

Mr. TAYLOR of Colorado. Of course, the construction work has been reduced and various activities curtailed, but I do not think the general welfare of the Government has suffered any material injury by reason of the reduction of about 35 per cent during the past two years. However, the Senate amendment No. 24, to which the gentleman refers, making 10 per cent of the appropriations available interchangeably for expenditures on the reclamation projects, applies only to that special reclamation fund set apart especially for reclamation and irrigation projects. That provision is necessary to take care of emergency repairs from floods or unusual conditions.

Mr. STAFFORD. But I am directing the attention of the House to the fact that one committee as to one department does not apply any interchangeable allowance of 10 per cent, except as to one minor matter, the reclamation fund, but as to the Department of Agriculture the commit-

tee brings in an interchangeable item of 10 per cent that applies to all the activities of the Department of Agriculture. Apparently there is no uniformity in the position of the Committee on Appropriations as to this interchangeable item.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. TAYLOR of Colorado. The Treasury and Post Office Departments appropriation bill carries a general provision of that kind applicable to practically all the general appropriations from the Federal Treasury for the departments.

Mr. STAFFORD. Then what was the need of putting in a limited 10 per cent application as far as the reclamation fund is concerned?

Mr. TAYLOR of Colorado. Because the reclamation fund is a special fund created and set apart for the construction of irrigation works, dams, reservoirs, canals, and ditches throughout the arid States of the West, and I assume the Senate thought that general provision would not apply to the Reclamation Bureau or to that fund.

Mr. STAFFORD. The gentleman is well aware there has been no agreement as to the Treasury and Post Office Departments bill, because it has not yet been agreed upon in conference.

Mr. TAYLOR of Colorado. Yes; I realize that that general provision has not yet become a law.

Mr. SNELL. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. SNELL. As I understood the gentleman from Colorado, he stated that this bill carried about $2,300,000 less than was estimated?

Mr. TAYLOR of Colorado. Yes. It is that much under the Budget recommendation.

Mr. SNELL. As I understand, practically two millions of that comes about because of no appropriation for Boulder Dam. Is that true?

Mr. TAYLOR of Colorado. The Budget recommended an appropriation of $10,000,000 for the Boulder Canyon project for the fiscal year 1934 and this Interior Department subcommittee reduced that amount to eight millions.

Mr. SNELL. That will probably have to be appropriated later in a deficiency bill.

Mr. TAYLOR of Colorado. The committee did not think $10,000,000 would be needed during the coming year, because they have an unexpended balance of over $10,000,000 from former appropriations. However, if they need it they can and will get it in a deficiency bill. There is no use of appropriating more than they need.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. LAGUARDIA. Will these reductions, aside from the $2,000,000, in any way impair the Indian schools or educational work of the Department of the Interior?

Mr. TAYLOR of Colorado. No; not at all.

Mr. LAGUARDIA. Or conservation work intrusted to that department?

Mr. TAYLOR of Colorado. No; I do not think so. I am confident I voice the sentiment of every member of this subcommittee, of which I am proud to be the chairman, in saying we are doing our utmost for the welfare of the Indians and are constantly trying to aid them in getting into a position where they will become self-supporting and independent and have more comfortable homes and better conditions.

Mr. PATTERSON. Will the gentleman compare the totals reported by the conference committee with those appropriated by the House and the Senate?

Mr. TAYLOR of Colorado. Yes. The Senate increased the amount of the bill as it passed the House by $154,031.67. In conference the House conferees conceded $101,031.67, and the Senate conferees receded to the extent of $53,000. So that, considering the bill carries over $43,000,000 and thousands of items, there is but very little really in controversy.

Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

## DISTRICT OF COLUMBIA APPROPRIATION BILL, 1934

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 14643, with Mr. PRALL in the chair.

The Clerk read the title of the bill.

Mr. SMITH of Virginia. Mr. Chairman, at the time the committee rose yesterday afternoon I had reserved a point of order against the pending paragraph. I did not at that time have the opportunity of stating what the point was.

The point of order is directed at the language in the bill on line 10, page 2, which reads as follows:

> And the tax rate in effect on the fiscal year 1933 on real estate and tangible personal property subject to taxation in the District of Columbia shall not be decreased for the fiscal year 1934.

I make the point of order, Mr. Chairman, that this is legislation on an appropriation bill.

For the information of the Chair, the existing permanent law on the subject is found in the report of the committee on this bill at page 22. The law is there quoted. I will not take the time of the Chair to read the law, but merely to state its general purport.

This law provides that the Commissioners of the District of Columbia shall annually fix the rate of taxation in a sufficient amount to meet the appropriations and, so to speak, balance their budget.

This provision changes that law. It takes from the District Commissioners the power they have under the general permanent law on the subject.

For the further information of the Chair I may say this provision has been carried for several years in the District of Columbia appropriation bill. This question has been before the House on similar matters. I refer the Chair to a decision made in the Fifty-eighth Congress found in Volume IV of Hinds' Precedents, section 3822. The same question arose there, Mr. Chairman. In that instance there was language in an Army appropriation bill to the effect that no ships might be sold in certain instances without the permission of Congress. A point of order was made against that language of the bill. In reply the committee defended the bill on the ground that similar language had been carried in the bill for four or five years. The Chair sustained the point of order. The decision is found on page 553 of Volume IV. I will read it if the Chair wishes me to.

The CHAIRMAN. The Chair has that decision before him.

Does the gentleman from Missouri wish to be heard on the point of order?

Mr. CANNON. Mr. Chairman, it is not material whether the point of order is sustained or overruled, for the reason that yesterday before this point of order was presented we drafted an amendment to strike out this language and substitute a provision which I will offer as soon as the point of order is disposed of.

The CHAIRMAN. The gentleman from Virginia makes a point of order against the language appearing on page 2, line 10, which reads as follows:

> And the tax rate in effect in the fiscal year 1933 on real estate and tangible personal property subject to taxation in the District of Columbia shall not be decreased for the fiscal year 1934.

The point of order is that this language is legislation on an appropriation bill.

The Chair is of the opinion that it is legislation on an appropriation bill, and, therefore, sustains the point of order.

Mr. CANNON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON: On page 2, line 10, after the word "Columbia," add the following: "And the tax rate on the full value and no less of the real estate and tangible personal property subject to taxation in the District of Columbia shall be $1.50 per $100."

Mr. SMITH of Virginia. Mr. Chairman, I reserve a point of order.

Mr. CANNON. Mr. Chairman, I would be glad to have the attention of the members of the committee for just a minute.

We are just starting on the consideration of this bill. It is my understanding that practically every reduction it makes in the Budget estimates—practically every economy it proposes to effect—will be attacked by amendments proposing to raise these amounts.

Mr. Chairman, the control of the purse strings of a nation is the highest prerogative of a legislative body. And the right to vote to appropriate money from the Public Treasury is the gravest responsibility a Member of Congress can exercise. It is a particularly solemn responsibility at this time. To-day, as never before, the country and the taxpayers are scrutinizing the attitude taken by Members of Congress on appropriations and retrenchments of expenditures.

This demand for economy in government, and this disposition to hold legislators to account for failure to decrease the cost of government, grows daily more insistent. Let me read to you extracts from just a few letters received in this morning's mail on this subject.

Here is a letter from the Board of Commerce of Manistee, Mich., from which I read:

We wish to remind you of the absolute necessity of reducing Federal expenditures at once. This is no time for additional taxation. The most drastic economy is necessary if there is to be any recovery.

Another letter is from Philadelphia, Pa., in which the following statement is made:

Unless some action is taken by your body and something definite done to balance the Federal Budget things will continue to get worse until there is nothing with which to balance it. We are writing you bluntly because it is high time something is done.

The Hartford Chamber of Commerce of Hartford, Conn., writes:

The United States Chamber of Commerce advocates a reduction in Federal expenditures of $800,000,000 for 1934. The directors of the Hartford Chamber of Commerce unanimously indorse this proposal and urge you to give this your favorable consideration.

The Chamber of Commerce of Muskegon, Mich., in a letter just received this morning says:

In view of the tremendous decline in business we again urge upon you the necessity of reducing Federal expenditures for the fiscal year beginning July 1, 1933, to an absolute minimum. The urgency of the crisis impels up to impress upon you and upon your associates in Congress the need for drastic economy.

The Board of Trade of Kansas City, Mo., writes this morning:

Business is universally concerned with the problem of balancing the Federal Budget and a sharp reduction in cost of government. We urge the concentration of your committee on reducing Federal expenditures.

The Chamber of Commerce of Torrance, Calif., in a letter which has just come to hand, admonishes:

There is substantially unanimous agreement that the Federal Budget must be brought into balance. The directorate of the Torrance Chamber of Commerce hereby urges our Members of Congress, both in the House of Representatives and in the Senate, to take full cognizance by means of real economy rather than resorting to the expediency of levying new taxes.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. The Mansfield Chamber of Commerce, of Mansfield, Ohio, writes this morning:

The board of directors of the Mansfield Chamber of Commerce in regular session assembled on Monday, February, 6, 1933, by formal action, have instructed me to convey to you as a member of the House Committee on Appropriations the following message: "We are of the opinion that economies totaling upward of $750,000,000 can be effected and we urge upon you a vigorous and militant attitude and action in accomplishing this end."

Mr. BLANTON. Will the gentleman yield?

Mr. CANNON. Yes.

Mr. BLANTON. Has the gentleman the resolution passed by the national chamber of commerce?

Mr. CANNON. It was received by all Members of the Congress several days ago, and I did not consider it necessary to more than refer to it. As the gentleman doubtless recalls, it is even more emphatic in its recommendations and insists on a reduction of at least $800,000,000 in the cost of government.

Mr. BLANTON. I wish the gentleman would refer to it and call attention to what it is demanding.

Mr. CANNON. Here is a letter—apparently a circular letter addressed to all Members of the House—from the Chamber of Commerce of Utica, N. Y., from which I quote:

For the fiscal year ending June 31, 1934, there will be another huge deficit unless the Government's expenses are sharply curtailed. Believing that no other action by Congress can do so much to develop confidence, the Nation's business men are demanding a cut to bring the Federal Budget into balance.

Mr. Chairman, our mails are filled with letters from individuals, but these letters are from boards of trade, chambers of commerce, and other organizations of business men. They come from every section of the country, from the Atlantic to the Pacific.

The people are aroused. They are demanding that any possible waste or extravagance be eliminated from these appropriation bills; and I say to you that, if they are not eliminated and if expenses are not retrenched wherever possible and the business of these departments conducted in a businesslike way, we are going to hear from the country as we have never heard before.

Mr. Chairman, the District appropriation bill is a particularly difficult bill, for the reason that its beneficiaries are on our doorstep. Every man downtown who wants a job in the District government, either for himself or for his friends, every man in the public service who wants to spend more public money, is up here interceding with every Member he knows. Now, there is no objection to that. They have a perfect right to call on Members or appear before committees, and we welcome them. No citizen of the District has ever asked to appear before the District subcommittee who was not granted a hearing. But may I earnestly suggest that, after they have been heard and the bill has been reported, Members take into consideration the personal interest of the applicant and the disinterested position of the committee and investigate fully before they propose increases in appropriations or support amendments to overrule the carefully considered decisions of the committee who have made exhaustive studies of these questions.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. GOSS. Mr. Chairman, a parliamentary inquiry. Are we operating under a reservation of a point of order or discussing a point of order?

The CHAIRMAN. The committee is proceeding under a reservation of a point of order.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, it is always an unpleasant duty to deny appeals for appropriations. It is much easier to be a good fellow and go along and give them what they want. But, Mr. Chairman, no bureau of any department of the Government is ever satisfied. They are constantly asking more employees, more supplies, and more money, and the District government is no exception to the rule. The cost of government in the District is increasing out of all proportion to its increase in population or wealth. At the beginning of the World War, in 1913, the cost per capita with a population

of 353,443 was $30.20; last year, with a population of 491,000, the cost per capita was $96.70. While population has grown 39 per cent, expenditures have grown 220 per cent, and are increasing every year by leaps and bounds. Unless some one can be relied upon to try to hold down the increase in this already vast sum, there is no end to it, and for that reason we are asking you this morning to cooperate with us in this unpleasant duty of holding down these numerous proposals to amend the bill and increase these already generous amounts.

For, Mr. Chairman, we have been very moderate in our economies in the writing of this bill. In comparison with the other appropriation bills we are far down the list in the amounts of our reductions below the Budget estimates. For example, the first deficiency of 1933 cut 10 per cent below the Budget estimates. The Department of the Interior bill of last year was 11 per cent below the Budget estimate. The legislative bill was 10.2 per cent below the Budget estimate, while the District bill made the moderate cut of 9½ per cent.

This year the legislative bill cut appropriations 22 per cent below the estimates submitted by the Budget Bureau, while the District bill before you this morning cuts only 8 per cent below the estimates. It lacks 1½ per cent of being as economical as last year's bill, and yet the District papers are charging that it is the most unreasonable bill ever reported for the support of the District government.

We submit to the House that on the face of these comparative statistics the bill we have reported and which is under consideration here this morning is more than generous to the District and its activities.

[Here the gavel fell.]

Mr. CANNON. I ask unanimous consent to proceed for five additional minutes.

Mr. GOSS. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. Are we not operating under a reservation of a point of order, the time being controlled by the Chair?

The CHAIRMAN. The gentleman from Virginia reserved a point of order to the amendment, and we are proceeding under the reservation of that point of order.

Mr. CANNON. Mr. Chairman, in the formulation of the District bill we are largely dependent for information and recommendation upon the representatives of the District departments, and especially upon the Board of Commissioners. Let me take advantage of this opportunity to express my high regard—and the regard of every member of the committee—for each of the commissioners who compose this board. They are without exception men of the highest integrity and ability. They have difficult positions to fill and they have administered them with unfailing capacity and fidelity. The committee desires to express to them its appreciation of their invaluable cooperation during the years we have served with them in the formulation of the annual District bills. It is to be regretted that the change in the national administration will probably require the selection of a new board. I am certain that in all the body of the citizenship of the District of Columbia it will be impossible to find three men better equipped for this arduous and exacting work or commissioners who will discharge their duties with more credit to themselves or greater advantage to the District.

Mr. Chairman, the pending amendment proposes to reduce the tax rate on real estate in the District. The present tax rate is $1.70 on $100. I am proposing by this amendment to reduce it to $1.50 on a hundred. That will save the taxpayers of the District from $2,000,000 to $2,500,000 a year. The committee has all along been under the impression—and any Member of the House who reads the hearings on this bill will inevitably get the impression—that the officials of the District wished to accumulate a surplus to their credit in the Treasury. Every year for the last three years when the District officials came before the committee they called attention in their opening statements to the fact that their former surplus of nine and a half million dollars had been so depleted that it stands to-day at about half a million dollars or less. In each of the last three annual hearings this point has been stressed, and the committee received the impression that they objected to the reduction of the surplus and desired to maintain it. Accordingly, with that in mind, when we first drafted the bill we did not include a reduction in the tax rate.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. BANKHEAD. I did not hear all of the gentleman's statement, but as I understand, the purpose of the amendment we are now discussing is to reduce the tax rate in the District of Columbia, the ad valorem tax rate, from $1.70 to $1.50.

Mr. CANNON. Yes; that is correct.

Mr. BANKHEAD. Is it the gentleman's opinion from the information that he has that that reduction, on the present valuation, will afford sufficient fiscal revenues for the District for all of its necessary expenditures, without the District officials coming back to Congress for an increase in the Federal contribution?

Mr. CANNON. The interviews of local officials through the newspapers and the editorials in the newspapers of the District emphasize the fact that if this bill goes through as it is, it will leave a surplus in the Federal Treasury of approximately six and one-half million dollars.

Mr. BANKHEAD. To the credit of the District of Columbia fund?

Mr. CANNON. To the credit of the District in the Treasury.

Mr. BANKHEAD. Another question. Of course, as I understand it, we will be called upon here to add an appropriation of $625,000 for relief in the District of Columbia. If the District of Columbia has that balance to its credit, why can not it spend some of that money for this relief?

Mr. CANNON. That will be taken up when we reach that item in the reading of the bill.

Mr. BANKHEAD. The gentleman then is firm in his conviction that this reduction in the tax rate will not cripple the treasury of the District of Columbia beyond where it would be required to carry on the essential expenses?

Mr. CANNON. As I said before, the only information which the committee has in respect to these fiscal matters is necessarily the information that is given us by the officials of the District in the hearings before the committee, and those officials tell us, and the newspapers of the District call attention to the fact—as does the minority report of the committee—that this bill will create a surplus in the Treasury to the credit of the District of Columbia. We were led to believe they wanted that surplus. It develops now that they do not want it. And so, in response to this demand, we are asking that a reduction be made in the tax rate of the District in order to avoid the accumulation of this surplus and to give the home owners in the district as low a tax rate as possible. Without this reduction, the bill will provide a District surplus in the Treasury of $6,500,000.

This reduction in taxes will take from $2,000,000 to $2,500,000 from that surplus, and if this amendment is passed it will still leave in the Federal Treasury, to the account of the District government, a surplus of $4,000,000 or $4,500,000 at the end of the fiscal year.

Mr. MAPES. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. MAPES. Could not the same purpose which the gentleman has in mind be accomplished, and would it not be more equitable, in view of the economic conditions in the District of Columbia, which are better than any other place in the United States, and in view of the fact that the tax burden here is less than almost anywhere else in the United States, if the Federal contribution carried in this bill were reduced this year from $6,500,000 to $1,500,000? In that way the present tax rate of $17 per $1,000 of assessed valuation would probably be required to raise enough money to balance the Budget without carrying this rate provision in the bill and without building up a surplus.

Mr. BANKHEAD. Would it interrupt the gentleman to ask another question?

Mr. CANNON. May I answer the gentleman's question first? In response to a request from the Commissioners of the District of Columbia, as expressed in the hearings before the committee, we took up the problem of making an appropriation for District relief from the exclusive funds of the District.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection it is so ordered. There was no objection.

Mr. CANNON. There are only two ways in which that can be accomplished. One is the method adopted by the committee, and carried in this bill, levying a specific tax for that specific purpose. The other is the method just suggested by the distinguished gentleman from Michigan [Mr. MAPES]. It could be done either way. Either the amount could be raised by separate taxation in the District, or the Federal contribution could be reduced by that amount. Both methods would comply with the request of the commissioners to supply the item from purely District funds. One would be as effective as the other. If they do not prefer the method suggested by the committee, then they can adopt the method suggested by the gentleman from Michigan [Mr. MAPES]. Either would be satisfactory to the committee.

Mr. BANKHEAD. I am simply asking for information. I desire to go along with the gentleman. As I understood the gentleman's amendment, it proposes to reduce the tax rate, based on the full value of property in the District of Columbia?

Mr. CANNON. That is true.

Mr. BANKHEAD. Is property assessed at full value under the present arrangement?

Mr. CANNON. That is the information given the committee by the assessor.

The purport of this amendment is, in brief, to reduce taxes on real estate in the District. It was not included in the bill originally because it was our understanding that they wished to replace the surplus formerly carried in the Treasury. Now that they have indicated their objection to the accumulation of a surplus, we are glad to avoid such a surplus by reducing the tax rate. That is what we propose to do by this amendment.

Mr. BLANTON. Mr. Chairman, I offer a substitute for the gentleman's amendment.

The CHAIRMAN. The gentleman from Virginia [Mr. SMITH] has reserved a point of order. Does the gentleman withdraw his point of order?

Mr. BLANTON. I would like to have the substitute before the House. The gentleman might be willing to accept one of the amendments.

Mr. SMITH of Virginia. If the gentleman will yield for a moment, I wish to make a brief statement. The very object I had in view in making the original point of order was in order that the people of the District of Columbia might enjoy a reduction in their taxes if their budget justified it. The amendment which the gentleman has offered does the very thing that I sought to do in making the point of order against the original language of the bill, and it reduces the tax rate from $1.70 to $1.50. I think that is highly commendable. While I do not agree with the principle of legislation on an appropriation bill, nevertheless I will withdraw the reservation of the point of order.

Mr. BLANTON. Mr. Chairman, I offer a substitute.

Mr. HOLADAY. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. HOLADAY. This amendment is legislation the same as the other. The Chair just sustained a point of order. One was $1.70 and the other is $1.50.

The CHAIRMAN. Does the gentleman from Missouri [Mr. CANNON] desire to be heard on that point?

Mr. CANNON. Mr. Chairman, this amendment would obviate a situation referred to in the minority report. If the minority prefer to repudiate the report, there will be no objection. We propose here to reduce taxes for the District of Columbia. The minority report objects to the maintenance of a surplus fund to the credit of the District. This will reduce that surplus and at the same time reduce taxes of the home owners of the city.

The CHAIRMAN (Mr. PRALL). The Chair is ready to rule. The Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I offer the following amendment:

Page 2, line 7, strike out "$6,500,000" and insert in lieu thereof "$1,500,000."

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 7, strike out "$6,500,000" and insert in lieu thereof "$1,500,000."

Mr. BLANTON. Mr. Chairman, this amendment carries out the judgment and wisdom and suggestion of the gentleman from Michigan [Mr. MAPES]. When I first came here the tax rate in the District of Columbia was 90 cents on $100. At that time we had an outrageous plan here which made the people of the United States, after paying their own taxes at home, their State, county, city, school taxes, their water tax, their paving tax, and all their other municipal taxes, they then had to pay one-half of the city tax here in Washington for the people living here.

Then, the rate was increased to $1, then to $1.10, then to $1.20, and we increased the proportion that the District should pay of its own taxes to three-quarters instead of one-half. Finally, the taxes went up to $1.30, and then $1.60, and $1.70.

If the District were to cut down its waste and cut out its extravagances the tax rate here ought not to be over $1.50. I just want to call your attention to one of the extravagances of the city. If you will look at page 516 of the hearings you will see that our subcommittee required the District Commissioners to put in here the amounts they had expended for sending various officials connected with the District, little and big, off on junket trips over the United States. Look at some of them! Here is a bunch of policemen they sent off to police school. Here is Mr. W. A. Van Duzer, a good friend of ours, we all like him; he was sent off on several junket trips. They sent him up to New York at an expense of $16.28; up to New York again; then up to New York a third time at $16.28; then to Chicago at $16.95; then back to Chicago again at an expense of $38.43. Those are his junket trips—just one employee of the District government, all since July 1, 1932.

Then, coming down the list you will see they send the Hon. Sibyl Baker of the playgrounds department off on a junket way out to Los Angeles, Calif., at a cost of $300 to the people of the District and to the people of the United States. The District Commissioners allowed her to spend $300 on that junket trip to the west coast. Then they sent her on another trip, Hon. Sibyl Baker, to Toronto, Canada, at a cost of $87.96 more.

Then they sent Richard S. Tennyson to Toronto, Canada, at a cost of $78.02. Then the commissioners sent Mr. Herbert L. Davis down to my State, to Houston, where I was born, and to Galveston, at a cost of $171.29. Then they sent him up to New York for $50 worth, and they sent him to Chicago for $74.97 worth. Then they sent him up to Portland, Oreg., and Los Angeles, Calif. He had to go out to Hollywood and it cost $300 more.

Is not this ridiculous?

I know what my friend, the gentleman from Indiana [Mr. WOOD], thinks about these matters.

It ought to stop! It ought to stop!

So you can go through the whole list. Mr. Chairman, I ask unanimous consent to extend my remarks and include therein this whole list showing the junket trips since July 1, 1932, the commissioners have paid for out of the public exchequer for various officials.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. I quote from the hearings:

"In regard to the expense of a trip to Detroit made by employees and officials of the District government in January, 1933, the following statement is submitted:

"W. A. Van Duzer, H. C. Whitehurst, and F. M. Davison, paid by American Road Builders' Association.

"H. F. Clemmer, paid by District; estimated cost, $100.

"J. N. Robertson and R. L. Bourgeois, paid by District; estimated cost, $150."

Mr. CANNON. I should also be glad to have in this connection a report of the expenses of all who have attended meetings at a distance at District expense for the past year.

Mr. DONOVAN. For the fiscal year 1932, and up to this date in the fiscal year 1933?

Mr. CANNON. Yes.

*Official travel authorized by the Commissioners of the District of Columbia for the period July 1, 1931, to January 15, 1933*

| Name of employee | Destination | Purpose | Amount expended |
|---|---|---|---|
| Police department: | | | |
| J. E. Fondahl | Harrisburg, Pa | National Police School | $30.00 |
| E. C. Moore | do | do | 30.00 |
| K. G. McCormack | do | do | 30.00 |
| B. F. Bean | do | do | 30.00 |
| G. M. Stewart | do | do | 30.00 |
| William Engeart | Rochester, N. Y | Fingerprint School | 34.50 |
| Do | do | do | 7.35 |
| Do | do | do | 28.00 |
| E. W. Brown | Chicago, Ill | Annual Safety Congress | 31.95 |
| Do | do | do | 16.50 |
| Do | do | do | 24.00 |
| Paul W. Jones | do | Testify in United States court | 41.67 |
| P. D. Glassford | Philadelphia, Pa., New York, N. Y., Providence, R. I., and Boston, Mass. | Study police procedure in those cities | 27.95 |
| Department of vehicles and traffic: | | | |
| W. A. Van Duzer | New York, N. Y | Conference of motor-vehicle administrators | 16.28 |
| Do | do | do | 4.88 |
| Do | do | do | 16.28 |
| Do | Chicago, Ill | National Safety Council | 16.95 |
| Do | do | do | 38.43 |
| Playgrounds department: | | | |
| Sibyl Baker | Los Angeles, Calif | First International Recreation Congress | 300.00 |
| Do | Toronto, Canada | Conference of playground directors | 87.96 |
| Richard S. Tennyson | do | do | 78.02 |
| Insurance department: | | | |
| Herbert L. Davis | Houston and Galveston, Tex., and New Orleans, La. | National convention of insurance commissioners | 171.29 |
| Do | New York, N. Y | do | 50.00 |
| Do | Chicago, Ill | do | 74.97 |
| Do | Portland, Oreg., and Los Angeles, Calif | do | 300.00 |
| Board of Public Welfare: | | | |
| Geo. S. Wilson | Indianapolis, Ind | Convention of welfare associations | 78.65 |
| Do | Philadelphia, Pa | National conference of social workers | 44.89 |
| Corporation counsel's office: | | | |
| R. E. Lynch | do | Helen Marie Fink estate case | 1.25 |
| Assessor's office: | | | |
| W. P. Richards | New York, N. Y | National Tax Association | 20.03 |
| John T. Bardorff | Atlanta, Ga | National tax conference | 162.82 |
| W. P. Richards | do | do | 63.00 |
| Office of inspector of plumbing: | | | |
| A. R. McGonegal | Rochester, N. Y | Society of Sanitary Engineers | 70.00 |
| Do | Richmond, Va | Annual meeting of the American Society of Sanitary Engineers | 36.70 |
| Do | Wilmington, Del | Witness tests of refrigerant gases | 22.72 |
| Do | Richmond, Va | Convention of American Society of Sanitary Engineers | 22.72 |
| Do | Atlantic City, N. J | Meeting of American Gas Association | 40.00 |
| Water department: | | | |
| Ray M. Dowe | Tamaqua, Pa | Inspect pipe | 42.45 |
| D. W. Holton | Memphis, Tenn | Convention of American Water Works Associations | 36.25 |
| Do | do | do | 20.26 |
| Do | do | do | 50.36 |
| Health department: Wm. C. Fowler | Montreal, Canada | Convention of American Public Health Association | 76.29 |
| Sewer department: | | | |
| Ellwood Johnson | Pittsburgh, Pa | Conference of International Association of Public Works | 13.75 |
| Do | do | do | 2.25 |
| Do | do | do | 2.25 |
| David V. Auld | Cumberland, Md | Conference of Maryland-Delaware Water and Sewerage Association | 20.62 |
| Electrical department: | | | |
| Walter E. Kern | New York, N. Y | Conference of International Association of Electrical Inspectors | 26.25 |
| J. S. Zebley | do | do | 20.00 |
| Walter E. Kern | do | do | 5.63 |
| Do | Pittsburgh, Pa | do | 31.50 |
| J. S. Zebley | New York, N. Y | do | 8.14 |
| Walter E. Kern | do | do | 8.14 |
| J. S. Zebley | do | do | 8.14 |
| Walter E. Kern | do | do | 8.14 |
| J. S. Zelbey | do | do | 1.88 |
| F. C. Lyman | Pittsburgh, Pa | Convention of Illuminating Engineers Society | 22.50 |
| Walter E. Kern | do | Conference of International Association of Electrical Inspectors | 21.80 |
| Do | do | do | 6.00 |
| Do | New York, N. Y | do | 1.88 |
| Do | do | do | 16.28 |
| F. C. Lyman | Pittsburgh, Pa | do | 16.35 |
| Walter E. Kern | Atlantic City, N. J | National Electric Light Association Convention | 8.70 |
| F. C. Lyman | do | do | 8.90 |
| City refuse division: | | | |
| T. L. Costigan | Pittsburgh, Pa | Conference of International Association of Public Works | 45.02 |
| Do | New York, N. Y | International Association of Public Works Officials | 46.24 |
| Purchasing Office: J. L. Gelbman | Philadelphia, Pa | Investigate plant and equipment of Eagle Bookbinding Co | 23.82 |
| Municipal architect's office: | | | |
| C. A. Bennett | Detroit, Mich | Witness and participate in tests conducted on commercial stoker | 78.46 |
| H. H. Marsh | Philadelphia, Pa | Investigate stage equipment | 26.10 |
| Chas. G. Achstetter | do | do | 25.90 |
| C. A. Bennett | Cleveland, Ohio | Convention of American Society of Heating and Ventilating Engineers. | 58.76 |
| Public Library: Clara W Herbert | New Orleans, La | Conference of American Library Association | 100.00 |
| Highway department: | | | |
| J. N. Robertson | Detroit, Mich | Annual convention of road show of American Road Builders' Association. | 75.39 |
| L. P. Robertson | do | do | 75.39 |
| E. N. Chisholm | do | do | 97.28 |
| Fire department: John S. West | Pittsburgh, Pa | In connection with repair of self-contained oxygen breathing apparatus. | 79.60 |
| Director of inspection: | | | |
| Hugh P. Oram | New York, N. Y | Meeting of committee to consider tests in waterworks in connection with Federal aid. | 36.32 |
| Do | Detroit, Mich | Annual convention and road show of American Road Builders' Association. | 75.39 |

*Official travel authorized by the Commissioners of the District of Columbia for the period July 1, 1931, to January 15, 1933*—Continued

| Name of employee | Destination | Purpose | Amount expended |
|---|---|---|---|
| Assistant engineer commissioners: | | | |
| D. A. Davison | Richmond, Va | Annual meeting of American Society of Sanitary Engineers | $18.56 |
| Do | Newburgh, N. Y | Sign regulations | 46.40 |
| Do | Richmond, Va | Annual meeting of American Society of Sanitary Engineers | 4.00 |
| H. L. Robb | Buffalo, N. Y | National conference on government | 69.76 |
| Total | | | 3,546.86 |

Mr. BLANTON. Do not you think that the foregoing shows a pretty good-sized travel expense for the employees of one city the size of Washington, for a little over six months, to wit, since July 1, 1932, to the date of these hearings?

Mr. HOLADAY. If I remember correctly, last year, the gentleman from Texas voted for this appropriation.

Mr. BLANTON. No; I did not. I have not voted for any travel allowances, because I do not believe in junkets; I never take them myself.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. I want to call special attention to a few of these travels. Here is Mr. Richards, our tax assessor. He had to take a trip to New York and it cost $20.03. Then he had to go to Atlanta, Ga., at a cost of $63. And here is Dr. William Fowler, of the health department. He had to go to Montreal at a cost of $76.29. There is a whole bunch of them here. Hon. Clara W. Herbert, of the library department, had to take a trip to New Orleans, at a cost of $100. It ought to stop.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. MAPES. As I understand it, if the gentleman's amendment reducing the Federal contribution from $6,500,000 to $1,500,000 should be adopted and the total amounts carried in this bill should be appropriated, the District still would not have to raise the present tax rate on real estate and tangible personal property above $17 per $1,000, which is lower than the tax rate in almost any other city in the United States, in order to balance the Budget?

Mr. BLANTON. That is correct. It would merely eliminate this surplus the gentleman from Illinois [Mr. HOLADAY] objected to.

I wish the Members who are not familiar with it would take the other supply bills, not only the District bill, but the other supply bills, and check up and see just how many millions of dollars this Government is appropriating for local matters, nothing in the world but local civic matters. Why, there is nearly $1,000,000 extra that was put into the Interior bill for Howard University above its regular appropriations. That does not come in the District of Columbia appropriation bill; that is in the Interior Department appropriation bill. You will find millions after millions for local matters here in the District of Columbia that do not come out of the District Treasury at all, but come out of the pockets of all the people of the United States. It ought to stop! It ought to stop!

Mr. Chairman, you will not find a single capital of any State of the 48 making up this Union where the rest of the people of the Union pay any part of the civic expenses of that capital. They are paid by taxation of the people who live in the capital, not by the people of the 48 States.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. MAY. How does the public indebtedness of the District of Columbia, as well as the tax rate, compare with the indebtedness and tax rate of municipalities and cities outside the District?

Mr. BLANTON. The District does not have any public indebtedness. The Government of the United States has been paying all the public indebtedness here. Every other city has public indebtedness; but as long as you have a Federal Treasury here with the doors wide open, with hungry, lean, lanky arms always reaching into it, you are not going to have any public indebtedness against Washington people.

Mr. MAY. The gentleman proposes by his amendment to reduce the contribution of the Federal Government exactly $5,000,000, and I want to vote for the amendment.

Mr. BLANTON. And if you reduce it $5,000,000, you still will not raise the taxes. The present tax rate here of $1.70 per $100 will produce every dollar they need and you will still have a surplus of possibly $1,500,000 in the treasury, will you not, Mr. Chairman?

Mr. CANNON. That is true.

Mr. BLANTON. You will still have a surplus of possibly $1,500,000 left in the treasury.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FULBRIGHT. I would like to ask the gentleman if he has undertaken to estimate the cost of these pleasure trips that have been made over the country at the expense of the Government?

Mr. BLANTON. I have a few moments ago put this table in the RECORD which shows you exactly what they have amounted to, just for the employees of the District of Columbia city government alone since July 1, 1932.

Mr. SIMMONS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I had not intended to take any particular part in this discussion to-day. I know something of the burdens of handling this bill and I know something of the work that our colleague from Missouri [Mr. CANNON] has done on it; I know something of the long hours of labor he has put in and I know just how thankless the task is that he is undertaking to perform. With due regard to all that I want to appeal this afternoon to the House of Representatives to exercise a bit of good, common sense with reference to this bill.

We have gone through this fight year after year. The House of Representatives in this Congress is on record fixing the amount of a fair contribution to the District of Columbia at $6,500,000. This has been done as the basis of a report of a special committee of the House. This Congress adopted the report, as I remember it, unanimously, or almost so. Now, why, in this way, repudiate the action of the Mapes committee and the House of Representatives on this special report?

To say that you can put through a bill in this Congress cutting the Federal contribution for the support of the District of Columbia to $1,500,000 is absurd. Anything like that in this bill will mean the defeat of the bill in this Congress.

I am not one of those, as the House well knows, who shares the idea that the Federal Government ought to contribute a great amount to the support of the District of Columbia, but we ought to be fair. The statement has been made by the gentleman from Texas, and supported by my good friend from Missouri [Mr. CANNON], that if this amendment is put in the bill there will still be a surplus of $1,500,000 in the District treasury. If this is true, why did they not tell the House so in their report? I am reading now from the report of the committee headed by Mr. CANNON

at page 3, showing that the gross surplus if this bill is adopted, as written by the committee, will be $5,060,000. But of this amount, according to the report, only $4,329,205 is a general-fund surplus. So that if you adopt the amendment of the gentleman from Texas [Mr. BLANTON] you are automatically creating a deficit in the District treasury and creating a situation that is going to cause discord and turmoil in District finances.

We have had a well-balanced bill. The Federal contribution under this bill, as well as the District set-up, has been such that the revenues of the District have been sufficient and the District has been properly financed; and my appeal now to the House is that you not disturb this balance which has been maintained for these years between the Federal Government and the District of Columbia in this bill.

In passing, my good friend from Texas [Mr. BLANTON] has referred to various expenditures here. They are expenditures that have been made during all the years by the District officials, and I am ready to defend the sending of public officials on public business to get information. Here are the traffic director, the chief of police, and the assessor of the District; and there is not a more public-spirited, self-sacrificing, competent official in the District government than the assessor. These men are not out on junketing trips. They have not been on pleasure trips. They have been out getting themselves better equipped to serve the people of this District, and we should commend them for it. The total expenditures carried by all this tabulation amounts to $3,546.86. This is not an extravagant expenditure.

[Here the gavel fell.]

Mr. SIMMONS. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SIMMONS. We do have, in my opinion, in the District of Columbia a government that is as free from graft and is as honest and efficient a government as exists anywhere in the United States and probably is superior to the government of any large city anywhere in this country.

I make this statement after eight years of intimate contact with the officials in the District government. The District Commissioners and the personnel of the District government are honest, efficient, courageous public servants, and they ought not to be questioned with reference to an expenditure of this kind; and I am confident that my friend from Texas did not mean to leave that inference.

Mr. BLANTON. Since the gentleman has mentioned me, will he yield?

Mr. SIMMONS. Gladly.

Mr. BLANTON. If the gentleman will look in the Herald this morning, he will see the statement that in 1928 the rate was reduced to $1.70 and at that time the District had a surplus of approximately $10,000,000 in the Federal Treasury.

Now, if they can have a surplus of $10,000,000 in 1928, with a tax at $1.70, why can not they have a $6,500,000 surplus in 1933, when property has almost doubled in taxable value since 1928?

Mr. SIMMONS. There has been a material increase in expenditures, largely on the salary rolls.

Mr. HOLADAY. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. HOLADAY. In order to keep the record straight, it may be that some of the items mentioned by the gentleman from Texas are necessary, and some unnecessary, but I want to say that the gentleman from Texas, along with myself, voted for every dollar of those expenditures. The RECORD shows that the gentleman from Texas voted for every dollar that has been expended under those items.

Mr. BLANTON. Show me the RECORD.

Mr. HOLADAY. Look at the vote last year when the bill was passed.

Mr. BLANTON. Oh, I voted for the big supply bill on final passage, because we had to have a bill, but I never voted for those items.

Mr. HOLADAY. The gentleman voted for all the items in the bill.

Mr. BLANTON. Just as you vote for the naval bill or the legislative bill—you vote for those bills on final passage, but you don't approve of every item in them.

Mr. HOLADAY. The gentleman can not stand up here and say he did not vote for each and every one of those items in the bill.

Mr. BLANTON. Oh, that is ridiculous. Of course I voted for the supply bill on final passage; but it is just like a conference report—you have to vote it up or vote it down, but you do not vote for everything in the conference report.

Mr. SIMMONS. Now, I want to make this closing appeal to the House, that it use its common sense in handling this matter. I have gone through this several times. Frankly, I do not believe that the reductions that can be made as the result of the surplus in the District government ought to all go to the credit of the United States. The District taxpayers have contributed their part of it. By this method to credit all the surplus to the United States is in effect to levy a tax on the property of the District of Columbia for the benefit of the United States. To me such a proposal is indefensible. I also believe that before the bill becomes a law the greater part of the surplus referred to will have been expended in necessary appropriations for the District of Columbia. The report shows that there is approximately $4,000,000 in the general fund, approximately half a million dollars in the gasoline fund, and $150,000 in the water fund, and I venture to say that a greater part of it, if not the whole, will be appropriated for expenses in the District of Columbia before this bill becomes a law.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, just such speeches as the gentleman from Texas [Mr. BLANTON] has made go out and are printed in the newspapers and cause editorials reflecting upon Congress. I want the RECORD to show that the Federal Government has buildings throughout the entire District for which not one dollar in taxes is collected. Police and fire protection is furnished to the Government for its public buildings. If the people of the country know the situation, do you think upon reflection that they would be heartless enough to ask the residents of the District to bear the entire burden of the cost of government in the district? The contribution of $6,500,000 carried in this bill is for the purpose of paying the share of the Government toward maintaining the Capital of the Nation as it should be maintained. If there have been abuses in administration then eliminate the abuses, but we should not eliminate the aid that the Government has always extended to the District.

I repeat, the people of the United States do not expect the people of the District of Columbia to maintain a city to house Government offices. When they analyze the situation, they will want some contribution to be made toward the expenses of the city by the Government.

The gentleman from Texas [Mr. BLANTON] talks about junkets. He puts one side of the matter into the RECORD; and if it is not answered, we will be subject to criticism for letting officials spend money in that way. I ask permission to place in the RECORD at this point a statement by Colonel Grant, and I think this House has confidence in Colonel Grant, in reference to at least one of the junkets.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend in the RECORD a certain statement made by Colonel Grant. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, and I shall not, I want this RECORD here to show that these items that I mentioned and the table of trips I inserted are traveling allowances made by the Commissioners of the District of Columbia. Colonel Grant had nothing in the world to do with them. He is a colonel in the United States Army, and is not an officer of the District of Columbia. He is a United States Government officer in charge of Government institutions here wholly disconnected from the Government of the District of Columbia. What Colonel

Grant said related only to a little item of $300 for some of his employees to travel. It did not refer to travel of District employees.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COCHRAN of Missouri. Colonel Grant has control over the spending of about $2,000,000 of this appropriation.

The statement of Colonel Grant follows:

Mr. CANNON. You are also asking, for the first time, an appropriation of $300 for attendance at meetings. Those are national meetings of park officials?

Colonel GRANT. Park officials and technical people of one kind or another connected with our work, such, for instance, as the Park Executives' Institute and the Road Builders' Association.

We have developed, I think, a very good type of road, a very excellent type of road, with the help of the Bureau of Public Roads. Where we have had any money to rebuild an old road, or to build new roads, this type has been so successful that we have had practically no maintenance cost at all on any of the roads that have been rebuilt in that way, or built new in that way, unless there was a slip in the ground. Sometimes we have had slight repairs due to unequal compacting of the ground on which the road was built.

In order that the people who are doing that work should be up to date and know the latest methods and the best ways of saving money, they should be able to come in contact with the people doing the same sort of work from all over the country. They will learn a great deal more for the benefit of the District than the small amount it costs to send them to such meetings, and yet they are not people who are receiving salaries high enough for them to be able to afford to attend such conventions and meetings at their own expense.

Mr. CANNON. How have these expenses been met in former years?

Colonel GRANT. Sometimes, and sometimes not. Sometimes they have taken the money out of their own pockets * * *.

The District bill at the beginning, I think, provides for that sort of thing for the District officials, and it has been understood that that language did not apply to the technical people in my office. This is not an additional appropriation; it is merely an authority to send them for that purpose.

Mr. COCHRAN of Missouri. In reply to the gentleman from Texas [Mr. BLANTON], let me say that on page 515, under the subhead Appropriations for Attendance at Meetings, Colonel Grant testified before the subcommittee, and on the next page what the gentleman refers to will be found.

In regard to the engineers, here is what Mr. Donovan, the auditor, said:

TRAVELING EXPENSES IN ATTENDING CONVENTIONS BY DISTRICT HIGHWAY DEPARTMENT

Mr. DONOVAN. It is being held at Detroit, and the expenses of such District officials in attendance at that meeting, whose expenses are being paid by the District, are paid from the item on page 55 of the bill, where there is an authorization of $4,000.

You have an item of $3,000 for—

"Traveling expenses not to exceed $3,000, including payment of dues and traveling expenses in attending conventions when authorized by the Commissioners of the District of Columbia."

Mr. CANNON. How many are in attendance at this meeting at Detroit?

Mr. DONOVAN. I could not give you that information. But I am pretty certain that the District is not paying Captain Whitehurst's expenses. Mr. Eldridge is also there.

Mr. CANNON. Mr. Eldridge is there at the expense of the District?

Mr. DONOVAN. No; at his own expense.

Mr. CANNON. Captain Whitehurst is there at his own expense?

Mr. DONOVAN. I do not know about that, but I will check up on that and give you the information in the morning.

(The statement referred to is as follows:)

"In regard to the expense of a trip to Detroit made by employees and officials of the District government in January, 1933, the following statement is submitted:

"W. A. Van Duzer, H. C. Whitehurst, and F. M. Davison, paid by American Road Builders' Association.

"H. F. Clemmer, paid by District; estimated cost $100.

"J. N. Robertson and R. L. Bourgeois, paid by District; estimated cost $150."

I know Major Gotwals, the engineer commissioner. He was the United States district engineer for the Engineer Corps of the Army in my city. He is a wonderful commissioner. He was brought to Washington and was appointed engineer commissioner for the District of Columbia, and you all know what an excellent record he has made. You can go all over the United States and you can not find a more capable or honest man or a man that could give better service to the District than Major Gotwals has given. Captain Whitehurst is an excellent man and so is Major Davison. A mistake will be made if men of this type are not retained in their positions. Outstanding public service must be rewarded, and these men are giving that. They did not go to Detroit at the expense of the Government, and it is so stated by Mr. Donovan in the hearings. Still, they went there to get information. They went there to get the latest data on road building. They went there to learn how to construct roads for a less amount than they had been paying. They went there to get information that in the end will be beneficial to the District of Columbia.

I think it would be highly unfair to reduce this appropriation of $6,500,000 to $1,500,000, as the gentleman from Texas suggests. I repeat, the people of this country do not want the people of the District of Columbia to maintain Government offices and space for Government offices and buildings here. In the last few years we have bought an enormous amount of property down here in the Mall on the south side of Pennsylvania Avenue on which taxes were being paid to the District of Columbia. When the Government took the property over, the District of Columbia received no more taxes. The people who formerly owned that property paid taxes on it to the District. If I am wrong, I wish some one would correct me.

The assessor of the District of Columbia is responsible for the statement that as of June 30, 1932, the value of Federal property in Washington was estimated at $506,651,848. Not one dollar in taxes is paid upon this outstanding amount. There can be deducted from this amount, however, $144,-305,109, the value of property such as large and small parks dedicated to the use of the District, and also one-half of the water plant. This leaves $362,346,739 for assessment purposes, if the law permitted assessment.

There is the other factor in favor of the District that must not be overlooked. That is whenever the Government purchases property, ground and buildings the District loses the taxes that previously had been paid by the private individual from whom the property was purchased.

At $1.70 a hundred the total holdings of the Government, if owned by private individuals, would pay taxes of $8,337,-608. When property becomes a Government reservation, it does not pay taxes here or elsewhere. You reduce the revenue of the District of Columbia whenever the Government buys a piece of property in the District. If that statement is not so, I would like to have some one correct me. In the absence of a correction I take it I have stated the fact.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. CLARKE of New York. What is the tax rate of the District of Columbia in comparison with cities of the same size?

Mr. COCHRAN of Missouri. I do not know that. I have no knowledge as to that.

Mr. CLARKE of New York. Is it not a fact that the tax rate of the District of Columbia is lower than that of cities of the same size generally throughout the United States?

Mr. COCHRAN of Missouri. I repeat I do not know, but if that is true it is evidence of good management. I do know this, that industries are not invited to the District of Columbia. You do not want industries here—industries that would pay large taxes toward the revenues of the District; in fact, you discourage industries from coming. This is a district set aside for the Capital of the Nation, and it should be looked upon as such and treated as such.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MAPES. Mr. Chairman, I rise in opposition to the pro forma amendment. Inasmuch as some reference has been made to the report of the special committee, of which I was a member, I would like to say just a word. This debate here and the situation in which we find ourselves today are fair illustrations of the difficulties involved in trying to adjust the fiscal relations between the Federal and the District Governments. The report of the special committee did not contemplate that the tax rate, already low in the District of Columbia, would be made still lower, as it may be

as the result of the point of order made by the gentleman from Virginia [Mr. SMITH] and sustained, and correctly so, I presume, by the Chair. It may lower a tax rate which is already lower than that of any other like community probably in the United States. The report of the special committee said that for the present the committee thought that a contribution of $6,500,000 per year would be equitable, but it also said that the time might come when it would be fair and reasonable to expect the property and the citizens within the District of Columbia to take care of all of the expenses of the District government.

The gentleman from Missouri [Mr. COCHRAN] has discussed the building program within the District of Columbia and the fact that some private property is thereby taken off the assessment rolls. The assessor for the District of Columbia, Mr. Richards, testified that that does not lessen the revenues of the District, but, as a matter of fact, it increases them, because it raises the value of the adjoining property, and the former tenants or owners of the private property that is taken over by the Government have to move into other sections of the District and carry on their businesses in new locations, and that the general effect over a series of years is, as the District assessor testified before the Committee on Appropriation a few years ago, to add to the tax rolls and to add to the tax receipts in the District. So that instead of being a hardship to the residents of the District it is a benefit.

I think it is unfortunate that the gentleman from Virginia [Mr. SMITH] saw fit to make a point of order against the provision which would prevent the District commissioners from fixing a rate below the present rate of $1.70 per $100 or $17 per $1,000 on the assessed valuation of real estate and tangible personal property. No one can claim that that rate is overburdensome when considered in the light of existing economic conditions in the District of Columbia as compared with those throughout the United States outside of the District. I repeat that I think it is unfortunate that the gentleman saw fit to make a point of order against that provision.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. SMITH of Virginia. The gentleman is of course aware of the fact that under the law as it exists now, the commissioners have the power, and it is their duty to fix the tax rate. They can fix it up or down. They can raise it or lower it. That is the present law.

Mr. MAPES. Can they do that regardless of the necessities of the budget?

Mr. SMITH of Virginia. The law does not say anything about the budget. The law says they must fix a levy that will raise sufficient taxes. The chairman of the committee has shown by his amendment that a reduction of 20 cents will raise sufficient money.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MAPES. What the gentleman has said is true, with this limitation, as I understand it, that the District Commissioners are required to fix a tax rate that will raise the amount of the budget or appropriations as carried in the appropriation law, but they can not provide for a surplus, as I understand it. This matter of surplus is very largely a matter of bookkeeping. The money goes into the Federal Treasury. It is not earmarked but is paid out of the general fund as required to meet the expenses of the District government. It is very probable that the appropriations in this bill are reduced to a minimum, lower perhaps than the District would be satisfied with in normal times. As soon as we get back to normal conditions the District will be insisting upon additional appropriations, and this tax rate will have to be raised, or the Federal Government will have to contribute a very much larger item than $6,500,000, carried in this bill.

To adjust this matter equitably over a series of years, the $17 per $1,000 ought to be carried in this appropriation bill. If it is not, I do not believe that it is inequitable to reduce the contribution of the Federal Government for this particular year.

I read only yesterday in one of the local papers that while the House passed the report of the select committee, which recommended a contribution of $6,500,000, by subsequent action in adopting the report of the conferees, it raised the amount to $7,775,000 and thereby reversed its former action and established a precedent for a larger contribution. The District people watch every action of the House in this respect and they will cite this action as a precedent and argue that this House believes in a lower rate for the District than the present rate of $17 per $1,000 if the provision as reported by the subcommittee is not carried in this bill as it has been for the last few years.

Mr. BLANTON. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. BLANTON. Answering the remarks of the gentleman from Missouri [Mr. COCHRAN], is it not a fact that the evidence offered before the gentleman's committee in the hearings on the Mapes bills showed that every building which the Government owns here is an asset to the District government? For instance, the Congressional Library, the Lincoln Memorial, the Washington Monument, the $3,000,000 Key Bridge, the $14,000,000 bridge to Arlington, and all of the various important buildings of the Government attract hundreds of thousands of people here as visitors every month in the year who spend millions here. Is that not a fact?

Mr. MAPES. I think there is no question about that.

Mr. MAY. Will the gentleman yield further?

Mr. MAPES. I yield.

Mr. MAY. There is some information I would like to have. Can the gentleman tell the House just what percentage of rise in the assessable value of the property of the people of the District of Columbia would be necessary to balance their budget, without any appropriation whatever from the Congress?

Mr. MAPES. I can not give the gentleman the exact figures. It would not have to be raised very much over the present rate to raise the amount appropriated in this bill.

[Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish to say a few words on this matter of taxation in the District of Columbia as it compares with other communities of like size. I would like it understood that anything I may say with respect to this question of taxation in the District of Columbia is said with the greatest deference to the gentleman from Michigan [Mr. MAPES]. I read his very splendid report. I know that no Member of the House, with the possible exception of the gentleman from Missouri [Mr. CANNON], has given more time and more thought and more unselfish study to the troublesome problem of fiscal relations between the Federal Government and the District of Columbia. While I find it necessary to differ sometimes with matters in that report and with some provisions in the pending bill. I do so with the greatest deference, both to the gentleman from Michigan [Mr. MAPES] and the gentleman from Missouri [Mr. CANNON].

Mr. STAFFORD. Will the gentleman yield for a question?

Mr. SMITH of Virginia. I yield.

Mr. STAFFORD. Will the gentleman inform the House as to how the rate prevailing in the District of Columbia compares with the rate prevailing across the river in his own district, for instance?

Mr. SMITH of Virginia. Yes. I can do that. I do not know that the rate in my district is typical, but I will be glad to give the gentleman the information. In my home city of Alexandria the tax rate is $2.50. In the District of Columbia the tax rate is $1.70. Gentlemen will say " a much lower rate," but here is the catch in this thing, and I hope the House will recall it: In every community I know of in Virginia, and I imagine it goes throughout the entire coun-

try, the assessors, in fixing the valuation of property, assess that property anywhere from 25 to 50 per cent of its market value.

Mr. STAFFORD. In my own city of Milwaukee it is at full value.

Mr. SMITH of Virginia. Now, what is the result? I would say that a fair average of the whole thing would be that property generally is assessed at about 30 per cent of its actual cash value. A piece of property in the District of Columbia valued at $100,000, at the tax rate of $1.70, would make the taxes on that property $1,700 per annum. Let us assume the property was in some city where the tax was $3. Whereas the taxes on that property in the District of Columbia would be $1,700, assessed upon its full market value, that same property in your State or my State where there is a lower rate of assessment, say, 30 per cent of the market value, would pay a tax of only $1,200.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. FULBRIGHT. Does the gentleman mean to say that the property in the District of Columbia is assessed at its full market value?

Mr. SMITH of Virginia. At its actual full market value, scientifically ascertained by the assessors.

Mr. FULBRIGHT. That was not revealed by the various hearings that have been had before committees.

Mr. SMITH of Virginia. It is revealed by the hearings before the Committee on Public Buildings and Grounds, of which I am a member.

Mr. FULBRIGHT. They do not show that the cost to the Government of this property was up to four or six times its assessed valuation.

Mr. SMITH of Virginia. I am not defending the effort of some individual property owners to try to get more money from the Federal Government for their property than it is fairly worth.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. McSWAIN. Does the gentleman remember a case that came up before the Committee on Public Buildings and Grounds, of which the gentleman from Virginia is a distinguished member, in which the evidence showed that property owners, believing that the public acquirement of property was coming in their direction, increased their assessments upon their own motion two and one-half times?

Mr. SMITH of Virginia. I remember the discussion. I remember the gentleman from South Carolina was present. I do not think that has any particular bearing on the question I am now discussing.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I would like to yield but also I would like to have some of the time for myself.

Mr. STAFFORD. We will get the gentleman more time. The gentleman has been very active opposing this provision which came from the committee.

Mr. SMITH of Virginia. I yield.

Mr. STAFFORD. I can name a city where property is assessed at full value and the rate of taxation is about $2.60 per hundred—my home city. How can the gentleman justify his position when the rate in his own city is much higher?

[Here the gavel fell.]

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia be allowed to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Virginia. I am not sure I understand the gentleman's question.

Mr. STAFFORD. The gentleman stated as his premise, if the gentleman will permit, that in the District of Columbia, the taxation is against the assessed value and that the assessed value is the full value of the property. I said that in my home city of Milwaukee, where the population is about the same as it is in Washington, the assessment is at the full value and the rate of taxation is at least $2.60, and a few years ago, $2.80 per hundred.

How, then, can the gentleman say the people in the District of Columbia are paying higher taxes? And that is the very basis of the comprehensive report made by the distinguished gentleman from Michigan. His committee had an expert compare all these rates, and the finding was that the taxpayers of the District were not paying anything comparable to what taxpayers were paying in other cities of like size.

Mr. SMITH of Virginia. Now, if the gentleman is through, and I understand that what he has said is put in the form of a question, I shall be pleased to answer it if the gentleman will give me his attention. I assume the gentleman wants me to answer the question.

Mr. STAFFORD. Oh, yes.

Mr. SMITH of Virginia. I think the gentleman's town is all wrong. If property is assessed at a fair market value, the tax rate is too high.

Mr. STAFFORD. If the gentleman will permit——

Mr. SMITH of Virginia. I have not yielded further, I may say to the gentleman. Now, if the people of Milwaukee are paying too high a rate on their property, that is no reason why this Congress should overtax the people of the District of Columbia.

Mr. STAFFORD. I can not let the gentleman's statement go unchallenged that the people of my city are all wrong. At least, there is one Representative here on the floor of the House who takes the position that he is not all wrong.

Mr. MARTIN of Oregon. The gentleman from Virginia understands the gentleman from Wisconsin is working under the Wisconsin system that has practically bankrupted that State.

Mr. STAFFORD. The gentleman is acquainted with a condition that is nonexistant.

Mr. UNDERHILL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. UNDERHILL. I think the gentleman may very well answer these criticisms by laying the blame at the door of Congress. Congress is responsible for the whole of this situation. Congress, instead of going out, as it should, and getting refusals, or bonding property when it wants to buy a piece of property, advertises that it is in the market to buy that property, and what is the result? The price goes sky-high; it goes up three or four times what it was before.

Congress has burdened the District with 127 bureaus, commissions and officers; and they are trying to do business with 127 different communities, or groups. So the fault is with Congress.

There is a good deal to be laid at the doors of the District itself. I served for eight years on the Committee on the District of Columbia. This is the first time in 12 years' history that I believe the contribution to the District is a fair and equitable one based upon a real investigation of the relations between the District government and the Federal Government.

I know of one instance where a connecting link was wanted between the parkways. That land could have been bought by a private citizen, or by us if we had gone out and bonded it, for $450,000. However, the Committee on Appropriations insisted that Colonel Sherrill should tell them the very land they wanted. The result was that when the property was bought, the Government had to pay $635,000 when it could have been bought for $450,000.

Do not blame the District of Columbia when Congress itself is to blame.

Mr. SMITH of Virginia. I thank the gentleman from Massachusetts very much for his contribution.

Mr. FULBRIGHT. Mr. Chairman, I would like to call this to the attention of the gentleman from Virginia: In the hearings before the Subcommittee on the District of Columbia, at page 337, Mr. Donovan was testifying and said among other things:

The owners would not agree to sell the property at what the District considered to be a reasonable price, and thereupon the commissioners ordered the corporation counsel to institute condemnation proceedings. A verdict was handed down by the first condemnation jury for $105,000. The owner of the property appealed to the Court of Appeals, and the case was thrown out by the Court of Appeals because the assessor was permitted to testify. Thereafter, the case went to a second condemnation jury. The second condemnation jury awarded $294,000.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia be given five additional minutes, and that he use the time himself. He has very generously yielded to all who have asked him to yield.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FULBRIGHT. If the gentleman will permit, I would like to finish this question. Mr. CANNON asked this question:

What is the assessed valuation?

And Mr. Donovan replied:

The assessed valuation, as I recall it, was considerably under $105,000.

This condemnation price was fixed by the people of the District of Columbia who are supposed to know the value of property here, and that is a very good standard to determine whether or not property here is assessed at its actual value or at a very low value.

Mr. SMITH of Virginia. I do not think that was at all fair, and I agree with the gentleman that that was outrageous and should not have happened; but because some individual has gouged the Federal Government in the sale of his property through a condemnation jury, is no reason why this Congress should not be fair with the taxpayers of the District of Columbia in determining the amount of Federal contribution or the amount of their taxes.

Mr. Chairman, I have before me what seems to be a very pertinent table with respect to taxation per capita in the larger cities of the United States, and I ask unanimous consent to include this in my remarks, as it is very brief.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

*Per capita tax for calendar year 1933 of certain cities as compiled by the Associated Press and Universal News Service, except for Washington, which figure is for the fiscal year 1933*

| | |
|---|---|
| New York | $75.00 |
| Boston | 48.00 |
| San Francisco | 65.00 |
| Philadelphia | 57.00 |
| Cleveland | 55.00 |
| Baltimore | 42.00 |
| St. Louis | 46.00 |
| Detroit | 44.00 |
| Chicago | 36.00 |
| Los Angeles | 30.00 |
| Milwaukee | 53.00 |
| Pittsburgh | 31.00 |
| Denver | 24.00 |
| Richmond | 45.00 |
| Kansas City | 47.00 |
| Louisville | 32.00 |
| Houston | 22.00 |
| New Orleans | 17.00 |
| Washington | 67.85 |

Mr. SMITH of Virginia. This was prepared by the Associated Press and the Universal News Service and shows the per capita tax in all the large cities of the United States. The per capita tax for the District of Columbia is $67.85. The only city in the United States that exceeds this per capita tax, so far as shown on this list, is the city of New York, where it is $75 per capita.

Mr. CANNON. Will the gentleman yield?

Mr. SMITH of Virginia. Yes.

Mr. CANNON. What did the gentleman say was the per capita cost of government in the District of Columbia?

Mr. SMITH of Virginia. This is headed "Per capita tax, $67.85." I do not vouch for the accuracy of it. It was handed to me as having been prepared by the Associated Press and the Universal News Service.

Mr. CANNON. Does the gentleman mean the per capita tax or the per capita cost of government?

Mr. SMITH of Virginia. It is headed "Per capita tax."

Mr. CANNON. Has the gentleman also statistics on the cost of government in the various cities?

Mr. SMITH of Virginia. No; I have not those figures.

May I call the attention of the House to this fact, because I know that the question of fairness in dealing with these matters always appeals to the Membership of the House, and this has already been called to the attention of the House by those who have preceded me on the floor. Every year a large amount of property is withdrawn from local taxation by reason of property being acquired by the Federal Government. This goes on from year to year, and millions and millions of dollars of property in the last two or three years has been withdrawn from local taxation by the acquisition of the Mall property, and this will go on. These properties are in the heart of the city. They are of assessable values, which are the highest in the city; and as this property is withdrawn from taxation, the burden upon the remaining property owners in the city becomes greater. It is, therefore, all the more urgent that a fair and reasonable contribution should be made by the Federal Government to the revenues of the District; and after a most exhaustive study and a most thorough and painstaking study, and I am sure an unprejudiced study, the gentleman from Michigan [Mr. MAPES] in his report recommended as a permanent basis a contribution of $6,500,000; and it seems to me this is a very poor time to undertake to change this in the present Congress.

Mr. MAY. Will the gentleman yield for a question?

Mr. SMITH of Virginia. Yes, if I have any time remaining.

Mr. MAY. The rate as given by the gentleman from Virginia in his home city of $2.50, as compared with $1.70 in the District of Columbia, leaves a difference of 80 cents on the $100 in the taxable rate of the two cities, with just a river between them. What amount per $100 would be necessary to be raised on the assessed valuation in the District of Columbia, based on the present assessed value of property, to equal the amount of this appropriation that the Congress is proposing to make?

Mr. SMITH of Virginia. I have not those figures.

Mr. MAY. Would it be very materially greater or would it be just an ordinary raise?

Mr. SMITH of Virginia. I have no idea, because I have no figures on that.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I was a member of the special committee on fiscal relations. Mr. MAPES was the chairman of this special committee. Considerable time was given by this committee to the subject of taxation in the District of Columbia. Prior to this I was a member of the District subcommittee on appropriations for several years. I feel therefore that I am conversant with District matters, particularly the subject of taxation in the District of Columbia.

It is my opinion that real-estate taxes in the District are lower than they are in any other city of comparable size in the United States; also that the taxes collected in the District of Columbia come almost entirely from land taxes. Even in the case of intangibles, the only intangible taxes of consequence collected are taxes from mortgages or deeds of trust on land. Such taxes are listed as intangibles in this District and they are taxed on the basis of $5 per $1,000.

The Mapes committee had a very excellent adviser in the person of Mr. Lord. Mr. Lord is very progressive in his tax views. He is not wedded to the real-estate tax as the proper way to collect taxes, and neither am I, but he was of the opinion that Washington real-estate taxes are lower than the average in cities of comparable size throughout the country.

It is commonly asserted that the property in the District of Columbia is assessed at its real value. The assessor states that property here is assessed at 92 per cent of its real value.

As a matter of truth, it is much less than this, for values are determined by the assessor by taking all sales that are made in a particular locality over a period of time and averaging these sales with the assessment that the other property adjacent to it bears to the sales price. This is about as good a way as one can use, but all of us know that in times like these the sales price of property is no index of value. So if I were going to make a guess, I would say that property in the District of Columbia is assessed at around 60 per cent of its true value, or about the same as property elsewhere, in your State and in mine, is assessed.

Nearly all the States have the constitutional provision that all property shall be assessed at its real or true value, and the assessors in all jurisdictions contend that property is assessed at its true value or thereabouts, and I am sure their statements are believed to be true. I am sure the District assessor is earnestly trying to give to his task the best thought possible and that he is doing his very best.

I believe taxes are too high everywhere. I believe they are too high in the District and much too high elsewhere. They should be reduced, and the correct way to bring about reductions is by lopping off useless expenditures as the splendid chairman of this committee and his associates are doing in their task of writing this bill.

Mr. HOLADAY. Mr. Chairman, I move to strike out the last four words. While as a member of the subcommittee I was not consulted in the actual preparation of the report, and a great many of the items in the bill I knew nothing about, and therefore personally I do not want to be held responsible for the report.

However, this item was informally discussed, and I fully agree with the report on this item prepared by the chairman of the subcommittee.

The Mapes committee, of which I was a member, went very carefully into this question. Mr. MAPES was chairman. Mr. COLLINS, of Mississippi; Mr. FREAR, of Wisconsin; Mr. DAVIS, of Tennessee, were members; and they devoted a great deal of attention to this question, and after the most careful investigation they decided that six and one-half million dollars was the proper amount for the United States Government to contribute to the District of Columbia. While my personal opinion might have been a little below that figure, the report was presented to the House, and the bill was passed by the House.

The subcommittee, in placing the figures at $6,500,000, followed what I consider to be the policy laid down by the House. Now, without any consultation, without any basis upon which the amendment should be framed, it is proposed to reduce this appropriation to $1,500,000, which, in my opinion, can not be maintained in any way. I believe it is a mistake to disregard the report of the Mapes committee and disregard the policy of the House and put in the bill a figure which we can not maintain in conference. Therefore, I think the amendment ought not to prevail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BLANTON. I do not ask for a division, Mr. Chairman. I realize that it is absolutely impossible to get such an amendment through this Congress.

Mr. COCHRAN of Missouri. I demand a division.

The committee divided, and there were 16 ayes and 23 noes.

So the amendment was rejected.

Mr. MAY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 7, strike out the figures "$6,500,000" and insert in lieu thereof "$4,000,000."

Mr. MAY. Mr. Chairman, I offer this amendment not for the purpose of having an opportunity to speak on it but I want to explain to the membership the fact that I have made a calculation from the committee report of the amount of reduction that the bill will stand and still create an actual balance in the District budget. By the reduction of this amount it leaves a small balance in the treasury.

It is not so drastic as the one on which you have just voted, but merely takes off $2,500,000 from the amount provided in the bill. I do not care to go into the question of the merits of the valuation of the property in the District here by the assessor, or anything of that kind, but it does seem to me, in view of the situation throughout the country, that it is generally known everywhere that municipalities and cities are so heavily involved in debt that they are practically insolvent; that it would be ridiculous before the country for the Congress of the United States to make an appropriation that will create a surplus in the treasury of the District of Columbia merely because the Government happens to own some property in the District. I think it is a question that ought to be approached by every Member of the House in the attitude of an impartial juror. We ought to consider it without prejudice against the District or partiality for the Congress or the Government.

When we do that, and when we have an amendment here that leaves the account balanced, how will you explain to your constitutents when you go back home, when they ask you why it was that you voted a surplus into the treasury of the District of Columbia? You may be able to explain it to yours, but I will not be able to explain it to my constituents, if I should vote for the $6,500,000 carried in the bill. I think upon its face that it ought to be considered and this amendment ought to be agreed to. I think the Government of the District of Columbia ought to be provided with the necessary revenues to operate the Government intelligently and economically, regardless of the values of property, and yet I feel that the people who live in Washington and have homes in Washington and have business property in Washington, have many, many advantages which they can enjoy by reason of the activities of the Government of the United States here that people in the country do not have.

This is the most interesting historic city in the world. We maintain in Washington great historic societies, vast free public libraries, great historic buildings, and numerous other attractions that bring here hundreds of thousands, yea, millions of visitors and tourists from all over America and from foreign countries, and by that the business of the people of the District of Columbia is augmented by multiplied millions. I think that the chairman of the Board of Trade of the District of Columbia on the radio just a few nights ago said that the tourist trade in the District of Columbia, by reason of governmental attractions here, amounted to more than forty million dollars a year. With that increased trade, the profits of which go into the pockets of taxpayers of the District of Columbia, they ought to be glad to go a little further on the question of the increased rate of taxation, and the increased value of their property, with all these advantages at their doors. I think my amendment ought to be agreed to. I am actually in earnest about it, and I shall expect this House, with a view to practicing real, genuine economy, to vote for the amendment, instead of creating a surplus in a treasury that does not need it. Thousands of Government employees live in Washington and receive their pay checks from the Government of the United States every month. There is no missing of pay rolls as is the case in many industrial cities and sections where pay rolls have very largely ceased to exist. Where thousands continue idle and multiplied millions of women and children look to charity for their daily bread, and yet here in Washington the Government by its ever-increasing pay rolls helps to relieve Washington taxpayers of charity obligations, and still Members of this House are willing to vote a surplus into the District treasury while the Federal Treasury has a constantly increasing deficit now running into billions. If you can do this then do it and make atonement to your constituents afterwards if you can.

Mr. LOZIER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kentucky. In

my opinion, the findings of the Mapes committee were wholesome and sound, well supported by indisputable facts, and the committee's recommendations measure the full degree of liability on the part of the District of Columbia.

We should not lose sight of the fact that the District of Columbia was carved out of the wilderness and established as our National Capital. Our constitutional forefathers wisely decided not to locate our Capitol in any of the large cities, but to establish the seat of our Government on the banks of the Potomac, where they believed it would be free from the selfish, sordid, and sinister influences which even at that time dominated Boston, New York, Philadelphia, and other important cities.

The Federal Government is not an interloper or a sojourner here in the District of Columbia. Washington has grown to be a great city of nearly half a million population, all as a result of the action of the American people in selecting this particular area as our seat of government. Those who have come to the District of Columbia to live and carry on their various vocations are here at the will and by the sufferance of the Federal Government. Washington is primarily and essentially a Federal city, and the United States Government need not apologize to the people of Washington for its presence here, or for having reared monumental structures to house its multitudinous and far-reaching activities. It is exceedingly ungracious for the people of Washington to complain that the Federal Government pays no taxes on its own property in its own city, which was established primarily as the seat of our Government. The city of Washington owes its prosperity, its beauty, and its accomplishments as a great city solely to the fact that it is the Nation's Capital.

Other than the activities of the Government, there are few commercial, industrial, or business resources to support or maintain the city of Washington and its population. Without the Capitol and the enormous Government pay rolls, this proud city would quickly lose much of its population and many of its stately mansions would be tenanted by bats and owls. What right has the District of Columbia to levy a tax against Federal Government property?

The selection of the District of Columbia as the seat of our Government grew out of political exigencies and emergencies. Before the adoption of our Constitution the Continental Congress met ten times in eight different cities, and in 1783 it was dispersed by riotous soldiers because Congress had failed to grant their demands. Our constitutional forefathers recognized the necessity of establishing our seat of Government far removed from those tumultous and turbulent centers of population; and as the result of a compromise between Washington, Jefferson, and Hamilton the Capitol came to the banks of the Potomac.

Conditions here are different from those prevailing in any other capital in the world, except Australia, where a few years ago, on virgin soil and in almost the heart of a wilderness, the city of Canberra was established as the capital of the Commonwealth of Australia. London, Paris, Rome, and Vienna were cities generations or centuries before they became the capitals of their respective nations. But in the District of Columbia we have an essentially national city. The people of the District, instead of being critical and complaining, should at all times be moved by a spirit of profound gratitude for what the Federal Government has done for Washington. The complaint that the properties of the United States are not subject to taxation for District purposes is unjustifiable, ungenerous, and ungracious. The merchants and business and professional groups of the District are beneficiaries of the Nation's bounty and governmental activities.

In a period of unprecedented economic distress throughout the Nation the people of Washington scarcely feel the touch of depression. The pay rolls of the Government always insure prosperity and plenty for the people of the District. Within the last few years a public-building program has been launched in the District of Columbia which, when consummated, will involve the expenditure of approximately $400,000,000. The people of Washington get the benefit of these enormous expenditures of public funds.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. LOZIER. Not now. While it is right and proper for the Federal Government to make a reasonable contribution toward the maintenance of the government of the District of Columbia, it is the prerogative of Congress to determine what is a fair and just contribution. Power to pass upon that question is not lodged with the people of the District of Columbia, but it is exclusively a Federal function.

I would not deal in a parsimonious manner with the people of the District of Columbia. I think we should deal generously with them. I would not withhold from the District of Columbia $1 that is justly and fairly due from the United States to the District for the support of the District government. On the other hand, I do not think that we should contribute a sum larger than our just proportion of District expenses.

Following the Civil War, Washington had growing pains and began an aggitation for local self-government, which Congress granted in 1871. The District was given a miniature legislature and allowed to select a full complement of municipal officers. Sinister forces seized the reins, and extravagance, prodigality, and corruption ran riot. Taxes became unbearable. Budgets were in a chronic state of unbalance. The people were exploited. A ruthless political machine ruled with an iron hand, and during this saturnalia of maladministration the proud Capital of the Nation was dominated by a political boss, Mr. Sheppard, whose statue stands in front of the District Building at the other end of the Avenue. These untoward and intolerable conditions soon satiated the artificially stimulated appetite of the people of Washington for local self-government.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. LOZIER] has expired.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LOZIER. So when the District of Columbia was given local self-government it made a sorry mess of its opportunities. After six or seven years of local self-government the people of Washington petitioned Congress to again take over the administration of the affairs of the District.

Mr. MAY. Will the gentleman yield?

Mr. LOZIER. In just a moment.

The pending bill makes a fair, just, and reasonable contribution to the expenses of the District of Columbia. It would be unfair to increase this appropriation. It would, in my opinion, be unjust to reduce it.

I now yield to the gentleman from Kentucky.

Mr. MAY. The gentleman has given quite an interesting historic statement as to the old existence of the governments of the District of Columbia, but can the gentleman tell the House any reason that will justify this Congress for voting a surplus into the treasury of the District of Columbia when the Federal Government is in the financial condition it is in, and the municipalities of every State in America are insolvent?

Mr. LOZIER. If $5,000,000 or $6,000,000 is a fair and just contribution of the Federal Government to the expenses of the District of Columbia it ought to be paid without regard to whether or not the District of Columbia has a surplus or has a deficit. In other words, if five or six million dollars is what we should pay for the support of the District of Columbia for the fiscal year ending June 30, 1934, we ought to pay it, whether the District has a surplus of $5 or $5,000,000. The financial ease of a creditor does not relieve the debtor of the obligations to pay his just obligations.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. UNDERHILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, every argument previously given to the House by the gentleman from Nebraska [Mr. SIMMONS]

and the gentleman from Illinois [Mr. HOLADAY] would stand in opposition to this amendment as they did to the other. I know of no two men in the House who are better qualified to speak on this subject than those two gentlemen, and I know of no other two gentlemen in the House at the present time, and only one in the last several years, who has ever received the amount of abuse that those two gentlemen have, from the newspapers of the District of Columbia, because of their penurious attitude toward the District of Columbia. If they say the present report is fair and square to the District, I do not think anyone should question it in the least, because they certainly, in years gone by, have stood steadfast in the protection of the Federal Government. There is only one other man, and that was Mr. Cramton, of Michigan, who has ever been abused as those two men have, because he had tried, as they had, to bring to the District an equitable, fair, and just contribution from the Federal Government, based upon an investigation of the facts.

It was Mr. Cramton and myself who first introduced to this House a bill for the lump-sum appropriation to the District of Columbia, instead of the old idea of a 50-50 or 40-60 proposition. As I said a few moments ago, the Congress is largely to blame for the situation that exists in the District. It has burdened the District with a great deal of expense, but at the same time, as the gentleman from Missouri has said, it is because of the integrity of the Government in the District that the taxes are so low.

I know of no other city where there are less charges of graft or corruption or where there is more honest administration of public affairs than there is in the District of Columbia. Oh, they make mistakes; they make errors, but they do not begin to make the mistakes and errors that Congress has made. We are continually burdening the District. Take the triangle, for instance. I would like to get this into the RECORD just as an illustration of the shortsightedness of Congress. I introduced a bill for the purchase of the triangle many years ago. At that time the entire property was assessed for something like $7,500,000. The House listened to me and were very generous in their support of the proposition, but they did not pass the bill. They did pass a bill, however, for the building of a bridge costing $15,000,000. What was the result? An immediate increase of the valuation of the property on the triangle, because of the approaches to the bridge. There was an increase in valuation of over $1,500,000.

I tried when that bridge bill came in, by way of an amendment, to secure the purchase of this property that was then assessed for $8,500,000 or $9,000,000. I failed on a point of order. Later on, when the House passed the so-called Underhill bill for the purchase of the triangle, the whole property could have been bought for less than $23,000,000. The Senate turned it down. The very man who opposed the proposition at that time, afterwards secured passage through the Senate of a bill under his own name, the triangle bill, at an expense of over $37,000,000. That covered a period of less than five years. You see what it cost the people of the United States because of the shortsightedness of Congress and because of the inability of another body to see the necessity for the purchase of this land.

This is the first time I have ever taken the floor in defense of the District. I served for over eight years on that committee and I tried during all that time to bring about an equitable adjustment of the amount of contribution there should be on the part of the Federal Government to the District government. This is the first time there has ever been anything scientific about it. This is the first time it was based upon a study of the situation; and we paid over $15,000 for the expenses of this committee which studied the situation, and now we are going to throw their findings into the waste basket. I think it is a very unfair and unwise proposition.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. UNDERHILL] has expired.

Mr. BLANTON. Mr. Chairman, I offer a substitute, to strike out "$6,500,000" and insert in lieu thereof "$3,000,000."

The Clerk read as follows:

Amendment offered by Mr. BLANTON as a substitute for the amendment offered by Mr. MAY: Page 2, line 7, strike out "$6,500,000" and insert in lieu thereof "$3,000,000."

Mr. BLANTON. Mr. Chairman, the gentleman from Kentucky must not fool himself into thinking that he is going to pass his amendment, because he is not; and I am not fooling myself into thinking that my amendment is going to pass.

There is not a chance in the world in this Congress to change this situation in Washington. The gentleman from Massachusetts [Mr. UNDERHILL] has just admitted to you here on the floor that if his first bill on that triangle had been passed, the property could have been bought by the Government for $7,000,000. He then told you that when Congress finally did pass the bill the land cost the Government $37,000,000. In other words, the people owning that property here in Washington charged the Government an extra $30,000,000 for putting in all this improvement; they held up the Government for another $30,000,000 profit. Washington has thus mulcted the Government on all occasions.

The great trouble is that most of the Members who speak here on District matters do not understand the facts or the situation like my friend from Nebraska, BOB SIMMONS; they do not understand the situation like my friend from Michigan, Mr. MAPES; they do not understand the situation like my friend from Missouri, Mr. CANNON, who has made an exhaustive study of it. They merely guess at it, and guess wrong most of the time.

Why, my friend from Massachusetts, Mr. UNDERHILL, yesterday made a statement on the floor of the House indicating that the House library was not used, and he thought he was telling the truth. He asked, "How many Members of the House know there is a House library?" And then he said there is one "down in the basement of the House Office Building." It is not in the basement. It is on the first floor.

Mr. UNDERHILL. Mr. Chairman, a point of order.

The CHAIRMAN (Mr. O'CONNOR). The gentleman from Massachusetts will state the point of order.

Mr. UNDERHILL. Mr. Chairman, I make the point of order the gentleman is not speaking to the subject matter of his amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. MAY. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to withdraw my substitute amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, I move to strike out the enacting clause of the bill.

Mr. BULWINKLE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. The rules of the House provide that all motions shall be in writing.

Mr. BLANTON. Not this motion.

Mr. BULWINKLE. Yes; all motions. The gentleman should have his motion in writing.

The CHAIRMAN. The point of order is sustained.

The question is on the amendment offered by the gentleman from Kentucky.

The question was taken; and on a division (demanded by Mr. MAY) there were—ayes 26, noes 42.

Mr. MAY. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer an amendment in writing.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, lines 1 and 2, strike out the enacting clause.

Mr. BULWINKLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. In addition to being in writing should not the motion to strike out the enacting clause state after the words striking out the enacting clause that the committee shall rise and report the bill back to the House?

The CHAIRMAN. The Chair will state that the proper motion is that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken from the bill.

Mr. BULWINKLE. Mr. Chairman, I make the point of order that the motion of the gentleman from Texas is out of order.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

Effective for the fiscal year ending June 30, 1934, the Commissioners of the District of Columbia shall increase the rate of taxation on intangible personal property to a rate which is $1 per thousand more than the rate in effect on such property during the fiscal year ending June 30, 1933, and the proceeds from such additional levy for the fiscal year ending June 30, 1934, shall be deposited in the Treasury of the United States to the credit of the District of Columbia in a special fund to be designated the "District of Columbia emergency relief fund, 1934," and such fund shall be available to meet expenditures under the appropriation for emergency relief hereinafter provided. Pending the collection of the revenues from such additional levy there may be transferred to such fund from other revenues of the District of Columbia such amounts as may be necessary to meet expenditures currently chargeable to the fund; such advances shall be repaid from such fund as soon as tax collections under such levy are available and the total amount expended from the fund in no event shall exceed the aggregate of the amounts to be collected from such additional levy on intangible personal property.

Mr. WOOD of Indiana. Mr. Chairman, I make a point of order against the paragraph.

Mr. BLANTON. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Mr. Chairman, I move to strike out the enacting clause.

The CHAIRMAN. In the opinion of the Chair the proper procedure is first to dispose of the point of order raised by the gentleman from Indiana. The gentleman will state his point of order.

Mr. WOOD of Indiana. The basis of my point of order is that the language changes existing law and, in consequence, is legislation upon an appropriation bill.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard upon the point of order?

Mr. CANNON. Undoubtedly the section is subject to a point of order.

The CHAIRMAN. The Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, as a member of the committee, in order to be able to correct the matter which I know the gentleman from Massachusetts wants corrected, I ask unanimous consent to proceed out of order for three minutes.

Mr. UNDERHILL. Mr. Chairman, reserving the right to object, I stated I wanted this bill disposed of. If the gentleman will confine himself to questions under the bill, I am perfectly willing he go on for half an hour, but I do not think he ought to take time on some other subject matter.

Mr. BLANTON. I want to correct a statement made by the gentleman from Massachusetts yesterday.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. HOLADAY. Mr. Chairman, I object.

Mr. BLANTON. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BLANTON moves that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. BULWINKLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. Must not the motion carry with it the statement that the committee now rise?

The CHAIRMAN. The motion so provides.

Mr. BLANTON. The gentleman overlooked that part of it.

Mr. UNDERHILL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. UNDERHILL. Is the gentleman from Texas under the motion obliged to confine himself to a discussion of the bill?

The CHAIRMAN. The gentleman from Texas must discuss the bill.

Mr. BLANTON. Mr. Chairman, I am going to direct my few remarks to the part of the bill that embraces the library system here in the District of Columbia. The gentleman from Massachusetts attempted to speak yesterday on the library system——

Mr. UNDERHILL. Mr. Chairman, I raise the point of order that the library in the House Office Building is not under the jurisdiction of the District and has nothing to do with the matter contained in this bill.

Mr. BLANTON. O Mr. Chairman, there is always latitude allowed in debate.

The CHAIRMAN. If the gentleman from Texas will point out where the library is included in the bill, the statement will be in order.

Mr. BLANTON. Mr. Chairman, I have the right to discuss the whole bill and anything in it. On page 9 I direct the Chair's attention to the "free Public Library and for books and periodicals and newspapers and other printed material" and all the paragraph that follows there for several pages.

The CHAIRMAN. The Chair understands that pertains to libraries of the District of Columbia, and not the House library or the Congressional Library.

Mr. BLANTON. It applies to the library service here.

The CHAIRMAN. The Chair does not believe it applies to the Library of Congress, because that is an entirely different appropriation.

Mr. BLANTON. I want to discuss these items of the library in the District of Columbia in connection with the usual rules of debate.

The CHAIRMAN. The gentleman will proceed in order.

Mr. BLANTON. Mr. Chairman, we have in this bill quite an appropriation for library service. It embraces not only the main library on New York Avenue, but also embraces all of the many branch libraries. We passed a bill here the other day for additional librarians in the schools. There is a system here of interchange of books between all of these libraries, including the Congressional Library, the Supreme Court library, and the library we have here, as well as the library over on the first floor of the House Office Building.

Mr. HOLADAY. Will the gentleman yield?

Mr. BLANTON. Not now.

Mr. HOLADAY. The gentleman is off on his facts, and I want to put him right.

Mr. BLANTON. Yesterday our friend from Massachusetts [Mr. UNDERHILL] was off on his facts when referring to the library in the House Office Building.

Mr. UNDERHILL. Mr. Chairman, I raise the point of order that I referred on yesterday to the House Office Building library and to none of the District libraries, and I object to having my name connected with any such suggestion.

The CHAIRMAN. The Chair does not believe the point of order is well taken. The gentleman from Texas will proceed in order.

Mr. BLANTON. The gentleman from Massachusetts [Mr. UNDERHILL] asked yesterday, "How many Members know there is a library in the House Office Building?" He said there was not 1 per cent of them who had ever obtained any books there, and lo and behold, on yesterday at that

very time this library had 137 Congressmen charged with books they had not yet returned.

Mr. UNDERHILL. Mr. Chairman, will a point of order lie now?

The CHAIRMAN. A proper point of order will always lie. The gentleman will state his point of order.

Mr. UNDERHILL. I object to the remarks of the gentleman as they do not concern the bill under discussion.

The CHAIRMAN. The gentleman must confine his remarks to the bill and to the libraries mentioned in the bill.

Mr. BLANTON. I am going to. [Laughter.]

Mr. Chairman, there is an interchange of books between all these libraries in the District, and I have here the names of 137 Congressmen who yesterday had books they had not yet returned charged against their names from this library in the House Office Building.

Mr. UNDERHILL. Mr. Chairman, I insist on the point of order.

Mr. BLANTON. That is all I wanted to say. The gentleman just missed it—137 Congressmen who yesterday had unreturned books charged against them in that library—137 of them.

Mr. MAY. Will the gentleman yield for a question?

Mr. BLANTON. No; I am through. I just wanted to correct the gentleman from Massachusetts [Mr. UNDERHILL], and it was a lot of trouble to get to correct the statement he made, but I have now corrected it.

Mr. MAY. Does the gentleman from Texas mean to say that the libraries around here are open to the people of the District of Columbia and yet we are expected to make an appropriation for their government of $5,000,000 or $6,000,000 in addition to that?

Mr. BLANTON. This Government has been spending millions of dollars annually for the people of Washington, and it is a tremendous job to get it stopped. But referring again to this House Office Library, our Resident Commissioner from the Philippines [Mr. OSIAS] had books charged against him yesterday, when the gentleman from Massachusetts [Mr. UNDERHILL] made his speech. Our Resident Commissioner from Puerto Rico [Mr. PESQUERA] had books charged against him yesterday in that library. Our Resident Commissioner from the Philippine Islands [Mr. GUEVARA] had books charged against him in that library yesterday. There were nine committees of this House that had books charged against them in that library when Mr. UNDERHILL spoke yesterday. The legislative service had books charged against them in that library yesterday. The gentleman from Massachusetts [Mr. UNDERHILL], I am afraid, lately, has become like the ostrich, who buries its head in the sand and does not know what is going on around him.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. Yes; always.

Mr. UNDERHILL. Could they not get all those books from the Congressional Library or from the House library?

Mr. BLANTON. Possibly. They prefer, however, to get them from this special-service library that looks up special references for them and gathers statistics for them. They are using something that if the gentleman from Massachusetts [Mr. UNDERHILL] would use also, his information would be more authentic and correct.

I do not like for the gentleman from Massachusetts to malign the former Speaker of this House. The gentleman said he went to the Speaker three or four years ago and the Speaker told him he did not know there was such a library over there. I am sure the then Speaker must have been better informed on such matters, for the present Speaker had books from this library charged against his office as not yet returned when the gentleman from Massachusetts spoke yesterday.

I want to say if there is any other Member here like my friend from Massachusetts [Mr. UNDERHILL], who does not know the value of that library over in the House Office Building, he ought to go over there and get acquainted with it. It will be helpful to him in his work here. You not only can get books there but you can have them look back through the records and procure valuable data for you, just like I sent over there and got a list of the names of Congressmen now using their books from them. I have got a list of the 137 Congressmen who yesterday had unreturned books charged to them at the very time the gentleman from Massachusetts [Mr. UNDERHILL] stated in the RECORD that not 1 per cent of the Members here knew there was a library there.

The House having granted me consent to extend my remarks in the RECORD, I am going to put these names of these Members furnished me by said library in the RECORD just to show my friend from Massachusetts how far off the facts he was yesterday, and just to show how many statements are made here from time to time when Members have not investigated and do not know what are the real facts.

It so happens that on yesterday when the gentleman from Massachusetts [Mr. UNDERHILL] asked the question, "How many Members of this House know there is a House library?" and he stated, "I doubt if 1 per cent of the Members ever were in it or ever got a book from it," as shown on page 4069 of yesterday's RECORD, this same little library on the first floor of the House Office Building then, at that very time, had 137 Congressmen charged with books not yet returned, and then had eight big committees and the Speaker's office, and the Clerk of the House, and the Legislative Counsel's office, and Hon. William Tyler Page, our former Clerk of the House, all charged with books not yet returned. It then had the Ways and Means Committee, the Judiciary Committee, the Committee on Rules, the Committee on Revision of Taxes, the Naval Affairs Committee, the Committee on Patents, the Committee on Immigration, and the Commitee on Interstate and Foreign Commerce all charged with books not yet returned. The Members of Congress who on yesterday were charged on the books of this library with having books out that they have not yet returned are the following, whose names have been furnished me by said library, to wit: LAGUARDIA, MALONEY, BOEHNE, BLACK of New York, FRED M. VINSON, LOZIER, LANKFORD, GIFFORD, MARVIN JONES, SWANK, SCHAFER, A. T. SMITH, WITHROW, Mrs. OWENS, CAMPBELL of Iowa, CARTWRIGHT, BLANTON, WASON of New Hampshire, POU, MCSWAIN, HARE, CRAIL, KNUTSON, SABATH, KUNZ, RANDELL, H. W. SMITH, CLARK of Missouri, DISNEY, MAY, SMITH of West Virginia, ALMON, SANDERS, BLOOM, MANSFIELD, MAPES, GUINN WILLIAMS, DONALD SNOW, PETTENGILL, RANKIN, HARDY, PARKER of New York, PEARSON of Illinois, TINKHAM, MCCORMACK, LEWIS, EATON of Colorado, SEIBERLING, SOMERS of New York, BOLAND, GARBER, BRAND of Georgia, COLTON, HOGG of West Virginia, CROSS, WOLVERTON, PEAVEY, PATMAN, REED of New York, DREWRY, RAINEY, CABLE, WICKERSHAM, DICKSTEIN, SANDERS of Texas, MICHENER, HESS, HANCOCK of North Carolina, WILLIAM E. HULL, COLLINS of Mississippi, GRANFIELD, GILCHRIST, CONNOLLY, DOUGLAS, HOPE, CLARK of North Carolina, SIMMONS, KOPP, HASTINGS, KARCH, GRISWOLD, CELLER, MONTAGUE, SWANK, GAMBRILL, KETCHAM, MOUSER, REID of Illinois, SMITH of Virginia, HOUSTON, HARLAN, SCHNEIDER, MCKEOWN, MEAD, COX, RAGON, COOKE, BOILEAU, WRIGHT, SWING, DOUGHTON, WARREN, LUDLOW, RUTHERFORD, NORTON of New Jersey, MILLER, BACON, GIBSON, BEEDY, BUCHANAN, GRIFFIN, BUSBY, TAYLOR, PATTERSON, O'CONNOR, AMLIE, CHAVEZ, PALMISANO, SNELL, GAMBRILL, STRONG, STEVENSON, CHAPMAN, GUEVARA, RAMSEYER, COCHRAN of Missouri, BROWNING, LAMBERTSON, BOYLAN, and a number of former colleagues, such as Snyder, Crisp, and others. That is a pretty fair cross section of our Members here.

The above will explain, also just why such a strenuous effort was made to keep me from speaking, and to keep me from making this proper correction. This is one of the greatest public forums in the world. A Representative of the people can always find a way to be heard, if he knows the rules, and frivolous points of order can not crush him, and can not keep him from presenting his facts, if he will use the rules of the House, and bide his time. The gentlemen who tried to gag me, and who tried to obstruct me, and to keep me from presenting the facts, merely wasted their own time and efforts, and did not suppress anything.

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

Mr. BLANTON. Mr. Chairman, that was pro forma, and I withdraw the motion.

Mr. GOSS. Mr. Chairman, I object to the gentleman from Texas withdrawing the motion.

Mr. BLANTON. I am not even going to vote for my own motion.

Mr. HOLADAY. Mr. Chairman, I rise in support of the motion. While I do not always agree with the gentleman from Texas, on this occasion I am glad, as a minority member of the subcommittee, to join with the majority member in this motion to strike out the enacting clause, which will allow the whole matter to go back to the committee for further consideration, which I believe is desirable.

I believe this bill has been ill considered, and I heartily agree with the gentleman from Texas that it is a desirable thing that it be sent back to the committee for further consideration. Therefore, I am glad to support his motion.

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

The question was taken, and on a division (demanded by Mr. BANKHEAD) there were 48 ayes and 63 noes.

So the motion was rejected.

Mr. SMITH of Virginia. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 2, after line 10, insert a new paragraph, as follows:

"PUBLIC WELFARE

"Emergency relief of residents, District of Columbia: For the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia, by loan, employment, and/or direct relief, under rules and regulations to be prescribed by the Board of Commissioners, and without regard to the provisions of any other law, payable from the revenues of the District of Columbia, fiscal year 1934, $625,000: *Provided*, That not to exceed $50,000 of this appropriation shall be available for administrative expenses including necessary personal services."

Mr. GOSS. Mr. Chairman, I reserve a point of order on the proposed amendment.

Mr. CANNON. Mr. Chairman, I make the point of order that it is not in order at this place in the bill. It is not germane to this particular section. It comes under the head of public welfare, and if it is germane at all, it should be offered at page 64.

Mr. SMITH of Virginia. I will withdraw it for the present and let it lie on the desk and offer it at the proper place in the bill.

The CHAIRMAN. The amendment is not germane at this point in the bill.

Mr. MAY. Mr. Chairman, I offer the foHowing amendment.

The Clerk read as follows:

Page 2, line 7, strike out the figures "$6,500,000" and insert "$3,500,000."

Mr. STAFFORD. Mr. Chairman, I make the point of order that we have passed that paragraph.

The CHAIRMAN. The paragraph is still pending.

Mr. STAFFORD. Will the Chair indulge me a moment? The point of order is that amendments to the first paragraph which have been presented should have been presented before the reading of the second paragraph which began on line 14, page 2.

The CHAIRMAN. The gentleman is correct, and the point of order is sustained. The Clerk will read.

The Clerk read as follows:

No part of the appropriations contained in this act shall be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs: *Provided*, That this prohibition shall not be construed to affect any order or part of an order of such Public Utilities Commission other than with respect to the requirement of the installation of such meters.

Mr. HARLAN. Mr. Chairman, I make the point of order against this paragraph for the reason that it is legislation on an appropriation bill. The Public Utilities Commission here apparently has a combined executive and administrative function. This paragraph imposes such a limitation, particularly the last portion thereof, that it becomes an affirmative direction to an executive branch of the Government. The law involved is set forth in Thirty-seven Statutes, page 992, paragraph 88.

Mr. CANNON. Is the point of order against the entire paragraph, or merely against the proviso?

Mr. HARLAN. The point of order is against the entire paragraph, my position being that the proviso vitiates the entire paragraph.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. Yes.

Mr. GOSS. It seems to me that that portion of the paragraph contained in lines 14, 15, 16, and 17 and a portion of 18, down to the taxicab provision, is not subject to the point of order, but that the proviso is. If the gentleman makes the point of order on the paragraph, the committee can reoffer the first portion of it, and then the whole order would be void. I know that the gentleman does not want to do that. I am sure the committee can offer an amendment to make it in order, and then, with the proviso knocked out, it will work a hardship and would not be antagonistic to meter taxicabs.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. Yes.

Mr. BLANTON. The whole paragraph is clearly a limitation and it has been held to be a limitation.

Mr. HARLAN. Oh, the gentleman can get recognition to present his argument in his own time I imagine. Paragraph 88 of the act of March 13, 1913, Thirty-seventh Statutes, specifically grants and directs the Public Utilities Commission to provide regulations for rates controlling taxicabs. The Supreme Court of the District of Columbia has passed upon that paragraph and declared that it is within the power of this commission to pass this taxicab regulation. It is my contention, first, that the first part of the paragraph so limits the action of the Public Utilities Commission that it vitiates the power already granted to them in this act, and that the second part, from the proviso down, is such a limitation as to become a direction to the Public Utilities Commission in their functions.

Mr. CANNON. Mr. Chairman, this is a limitation. It complies with every requirement of the unwritten rule that has been in force since the days of Jefferson.

It is a limitation, pure and simple, and the proviso to which the gentleman refers merely restricts the application of the limitation. The limitation would be more comprehensive without the proviso, and the last section of the paragraph only adds to its immunity. It is clearly a limitation upon an appropriation bill, and the gentleman's point of order is not well taken.

Mr. STAFFORD. Mr. Chairman, I wish the Chair to indulge me while I present an argument to uphold the position that the paragraph violates the rule against legislation on an appropriation bill, and that applies not only to the proviso, but also to the main part of the paragraph. I have high regard for the parliamentary attainments of the gentleman from Missouri [Mr. CANNON], who has charge of the bill, and who at one time was parliamentary adviser to the late Speaker, Mr. Champ Clark.

This provision was not contested when the bill was under consideration a year ago, as I recall. I take it that the present occupant of the chair has some general knowledge of the rule of limitations. I invite the chairman's attention to an exhaustive ruling made by the chairman of the committee, former Representative Frederick C. Hicks, on January 8, 1923, when he reviewed all of the decisions relating to limitations. This paragraph infringes the rule for the reason that it impairs and intrudes upon the right and the power of the Utilities Commission to determine how they shall exercise their functions. The authority which is vested in the Utilities Commission over these taxicabs is

found in paragraph 88, which has been called to the attention of the Chair by the gentleman from Ohio [Mr. HARLAN]. It reads as follows:

That whenever, after hearing and investigation, as provided in this section, the commission shall find that any rate, toll, charge, regulation, or practice of any public utility in the District is unreasonable or discriminatory, it shall have the power to regulate, fix, and determine the same as provided in this section.

There is nothing in that paragraph which says how the Utilities Commission shall exercise its authority over these taxicabs, and yet the committee here is attempting to tell the Utilities Commission how it shall exercise its authority, by forbidding it from enforcing one of its orders in respect to taxicabs.

I briefly now advert to one or two of the excerpts referred to in that elaborate opinion, delivered by former Representative Hicks, as found in section 953 of the manual. Among others he refers to paragraph 3967, IV Hinds' Precedents, in which this language is used:

A limitation is negative in its nature and may not include positive enactments establishing rules for executive officers.

This limitation here establishes a positive direction as to how the utilities commission may exercise the functions vested in it by Congress and to that extent it is legislative. I am not referring to the matter contained in the proviso, but I am referring to the main inhibition forbidding the utilities commission from exercising its right and power to determine how it shall enforce its determination of the regulation of taxicabs in this District.

Further, from section 3966, IV Hinds' Precedents:

Limitations which directly, or indirectly, vest in any executive officer any discretion or impose any duty upon the officer, directly or indirectly, in the expenditure of money, would be obnoxious.

Then also paragraph 3936, IV Hinds' Precedents:

The fact that a paragraph on an appropriation bill would constitute legislation for only a year does not make it admissible as a limitation.

Further, 3942, IV Hinds' Precedents:

While it is not in order to legislate as to qualifications of the recipients of an appropriation, the House may specify that no part of the appropriation shall go to recipients lacking certain qualifications.

Then he refers to a decision rendered by Mr. Speaker Cannon and pays high compliment to Mr. Cannon for this decision, as the Speaker was then in the House, but many years removed from the time when he delivered the opinion.

May I say for the benefit of the parliamentary clerk and also the occupant of the Chair, that the opinions of Speaker Cannon, in almost every instance during the four terms he was Speaker, during which time I had the honor to serve as a Member here, were prepared at the instance of that great Parliamentarian, Asher D. Hinds, who has compiled these precedents? This is what Speaker Cannon stated at that time, construing what is in order on limitations and what is not.

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

Mr. STAFFORD. Mr. Chairman, I do not intend to allow the gentleman from Texas, after he has used so much time to-day, to take me off the floor. It rests with the Chair whether he wishes to hear me or not, and not with the gentleman from Texas.

Mr. BLANTON. The rules permit me to ask for the regular order, Mr. Chairman. That leaves it to the discretion of the Chair as to whether he wants to hear further argument.

Mr. STAFFORD. The gentleman has no right. I am proceeding in order. If the gentleman does not know that much parliamentary law after his long service here, he ought to be told that it is in the indulgence of the Chair.

Mr. BLANTON. The gentleman will lose his temper if he does not be careful. If the Chair can stand further argument, we can likewise.

Mr. STAFFORD. No. I am not losing my temper. I am trying to acquaint the gentleman from Texas with the first elements of parliamentary law, with which he seems to be entirely unacquainted.

Mr. BLANTON. The gentleman's breakfast did not set well, apparently. The ruling of the Chair on the point of order will determine the extent of our parliamentary knowledge.

Mr. STAFFORD. Oh, I just had a beefsteak and a good cup of tea, and I am in fighting mood. I paid a dollar for it, too. [Laughter.]

If a limitation, whether it be affirmative or negative, operates to change law or to enact law in effect, then it is subject to the rule that prohibits legislation upon a general appropriation bill.

This limitation infringes on the discretion of the Utilities Commission in the way it shall properly function in determining how it shall carry on the general powers, as provided in paragraph 88 of the Public Utilities Commission law, which provides that—

Whenever, after hearing and investigation as provided in this section, the commission shall find that any rate, toll, or regulation * * *.

It is an attempt by direction, not by indirection, to tell the commission it can not exercise its full authority, which that general law vests in the commission so to do.

Mr. HARLAN. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. HARLAN. I do not want to intrude on the gentleman's argument, but further in that same opinion the Speaker held that no matter how artful the amendment may be drawn we must look to the purpose back of the amendment as well as to the express words in which the amendment is drawn.

Mr. STAFFORD. I will read merely that paragraph which is in the summary of the Chairman's opinion:

Is the limitation accompanied or coupled with a phrase applying to official functions, and, if so, does the phrase give affirmative directions in fact or in effect, although not in form?

I respectfully contend, after giving this subject some consideration at the request of the gentleman from Ohio [Mr. HARLAN], who made the point of order, that this is violative of the rule of limitations, in that it attempts to curtail and impair the full discretion of the commission in the exercise of its general powers in the regulation of taxicabs.

Mr. CANNON. Mr. Chairman, in all due deference to the position taken by my good friend from Wisconsin, it is only necessary to call attention to the fact that there is not a single word of affirmative direction in this provision. It in no way seeks to curtail or impair the rights, authority, prerogatives, or activities of the commission. So far as this paragraph is concerned, the commission may go ahead and take any action it deems wise or do anything in the world it wants to do. The only thing we say in this provision of the bill is that if they do of their own volition take certain designated action it can not be paid for out of the funds provided by this bill. It is merely a limitation, Mr. Chairman, and there is no other interpretation that can be placed on it, and the point of order does not lie.

The CHAIRMAN (Mr. PRALL). The Chair is ready to rule. The Chair does not believe that the paragraph interferes with the power of the Utilities Commission. The Chair believes that the limitation is proper in that it is merely a restriction upon the use of the money appropriated.

Further, the Chair would like to quote from a ruling of Chairman SNELL on January 18, 1930, in which he said:

A negative restriction on the use of money appropriated in a bill or proposed to a bill in the form of an amendment is a limitation and in order.

He further states:

A limitation on the use of money appropriated may change existing law to the extent of forbidding the use of the money for the propositions that are authorized by law, and in such form is in order.

The Chair therefore overrules the point of order.

Mr. HARLAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. HARLAN: Page 7, line 14, strike out all of line 14 to and including line 21.

Mr. HARLAN. Mr. Chairman, the amendment involved would permit the Utilities Commission to proceed with the regulations which they adopted a few years ago. That regulation has been attacked in the courts. The Supreme Court of the District of Columbia approved not only the legal side of that regulation but also the factual necessity of such regulation.

In this District there are at the present time something like 6,000 taxicabs roaming about the city. Forty per cent of their mileage is consumed in occupying the streets and blockading necessary traffic. Last year there were 8,000 traffic accidents in the city of Washington—almost a disgrace. There was an average of 10 deaths a month in this city, the Capital of the United States.

In 1931 there were 1,725 accidents involving taxicabs alone. Others involved general traffic, but those accidents are due to the crowded condition of our streets, which is absolutely needless. We do not need that. We can have just as good service. The regulation of the Utilities Commission puts a charge of 25 cents for a 2-mile ride, 5 cents more than we pay now. It would permit insurance. It would permit those men to keep their cabs in repair; it would permit them to keep their brakes in good condition. It would permit them to keep them clean. All of the things that we have been calling for on the floor of the House that are needed at an additional charge of 5 cents.

Mr. Chairman, the average ride in the District is less than 2 miles. We have a zoning ordinance here that allows a person riding in one direction to go 7 miles for 20 cents, but in another direction if he rides half a mile it will cost him 60 cents.

The Utilities Commission have tried for years to get some kind of a sensible fare-zoning ordinance, but it can not be done, and the court says that it can not be done.

The gentlemen who oppose this regulation say they are doing it on behalf of the poor soldier boys who are making a living driving cabs. When this matter was before the Utilities Commission only one driver appeared favoring it. The men do not want it. They want to have a chance to charge a fare under which they can give good service and make a livelihood.

The testimony before the committee showed that some men were working 18 hours a day. One man testified that he had worked 20 hours out of the previous 24, trying to eke out a bare living. Your children and my children are walking the streets of Washington facing the hazard of drivers who have worked 18 and 20 hours at a stretch. We should protect their safety in crossing the streets.

Eight thousand accidents in one year is too much to pay in order to save 5 cents fare. It is nothing but money saved out of the blood of the citizens of Washington, yet we come in here without any real consideration at all and write this restriction into this bill as legislation.

Let me read the statement of a justice of the supreme court. This is not a statement from the Public Utilities Commission, but this is a statement made by the judge of the supreme court who passed on this question:

> In my judgment, the zone system has been possible only through the exploitation of labor. Under the system the owner furnishes a new car to the driver at a rental paid each day. Men are compelled to work from 12 to 16 hours daily or be supplanted by some one else.

We can not impose insurance, Mr. Chairman, unless we give these taxicab drivers enough funds to pay for it.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, as a member of the committee I rise in opposition to the amendment.

Mr. Chairman, there are two interests in Washington that want meters. One is the street-railway companies that have been robbing the people, charging them a big fare nearly double that authorized by their charters, until the people have rebelled and stopped riding on their street cars; they want to stop this cheap taxicab service so the people will be forced to ride on their street cars again. The other interest is the big Diamond cab organization and the Black and White and Yellow monopoly. If Brother WOOD and I, notwithstanding he has been chairman of the Committee on Appropriations and has been an honored Member of Congress for years and has been at the head of the Republican organization here, if he and I were to go over to the Union Station now driving our own car we could not drive in next to the building, we would have to get out about the second or third driveway and climb in between all those Yellow and Black and White taxicabs, because they still have a monopoly at that Union Station. They are the ones who are trying to run the independent taxicabs off the streets of Washington; and how on earth they got in here and persuaded some of our friends to back them up I can not understand.

Mr. HOLADAY. Not the Diamond.

Mr. BLANTON. The Diamond is one of them. The Diamond is becoming one of the biggest and most autocratic taxi organizations in Washington.

Mr. HOLADAY. It is an organization made up of independent owners.

Mr. BLANTON. But they are now in the monopoly class, and in favor of putting meters on the taxicabs to ruin the independents. They, the Yellow cabs, and the Black and White cabs want to run every real independent off the street.

Let me tell you what we have involved here. We have 1,500 ex-service men who went to France, who served their country in the World War, who are driving taxicabs right now in Washington, making a living for their families here in the Nation's Capital; and until they got to driving their taxis their wives and children were hungry, without shelter to cover their heads, and with no means of getting food. Fifteen hundred of them are making a living now. They tell me they make from $3 to $8 per day and that they are satisfied.

Read the hearings and see what General Patrick said. See what will happen if you strike out this provision. General Patrick appeared before the committee and in substance said:

> Gentlemen, if you fail to put that limitation back in the bill I am going to put meters on the cabs.

He said it in the hearings.

I said:

> General, when you know the House passed this limitation unanimously, and when you know the Senate passed it unanimously, when you know it is the expressed will of Congress not to have meters put in cabs in Washington to run the independents off the street, why not be a good sport and enter into a gentleman's agreement with this committee not to put meters in the cabs, so that when we go home we will not be afraid you will do it in our absence?

He said:

> If you do not put that limitation in the bill, I am going to put meters in the taxis.

After he found out we were going to put it in—the committee voted on it right there—he came around to my office and said:

> I will make the gentleman's agreement with the committee.

It was too late.

Within the last 10 days three of my friends, one gentleman from Hanover, Pa., and two from Texas, were charged 75 cents apiece for riding from the Union Depot to the Willard and Washington Hotels.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. The gentleman has had his time.

Mr. HARLAN. I merely wished to state that that is one of the reasons why cabs should have meters in them.

Mr. BLANTON. No; it is not. Just the reverse. People coming to Washington, not knowing there is a 20-cent zone system, take a cab to a hotel, then ask the driver how much they owe him, and he says, "Seventy-five cents"; and they do not argue with him but pay the holdup.

If you strike out this provision and let General Patrick put meters back on these cabs, every time you ride from this Capitol to some hotel in the downtown district you will be charged 75 cents; and you will pay him rather than have a fuss with him, even though you know it ought not to be more than a quarter. Are you going to let your constituents

come to Washington and be robbed by those cabs? They will ride from the station to the Roosevelt or Wardman Park Hotels, ask the driver how much they owe him, and he will tell them a dollar and a quarter. They are not going to fight the cab driver on the street but they will pay the dollar and a quarter. That is exactly what will happen if you strike out this provision.

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, I move to strike out the last two words.

The gentleman from Texas is in error when he makes the statement that we are going to put the veterans off the streets.

This morning I rode to the House of Representatives in a taxi. I spoke to the driver. He told me it cost him $3 a day for the rental of his cab. He worked 14 hours yesterday and his total receipts were something like $5.

He paid nearly one dollar for gas; he paid $3 for rental of the taxi, and his net income for working 14 hours yesterday was $1.

Surely it is not a fair proposition to have men working 14 hours a day on the streets of Washington for $1. Surely the gentleman is again in error when he says that you could take a taxi at the Capitol and go to any of the hotels and pay 75 cents. Why is he in error? He is in error according to the figures I put in yesterday's RECORD, which show that the first drop is 25 cents and for that 25 cents you can go 2 miles under the rate fixed by the Utilities Commission. You can reach any of the hotels in Washington from the Capitol, practically, within a radius of 2 miles.

Mr. BLANTON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BLANTON. Our friend sitting right here [Mr. McSWAIN], who is the chairman of the Military Affairs Committee and a prominent Member of the Congress, whom we all love, told me a moment ago that last night a taxi driver charged him 65 cents and not the 20 cents others charge, and he paid it because he did not want to have an argument with the cab driver.

Mr. BOYLAN. The gentleman should know that the Utility Commission's rates are not in effect. That is what I am trying to explain to the gentleman. Mr. McSWAIN paid the old rates.

Mr. BLANTON. Oh, but if you put in the meters, when you get out of the cab and they tell you the charge is $1.25, you will pay the $1.25 or have a fight. And you had rather pay it.

Mr. BOYLAN. The gentleman speaks of meters that are installed under the old system. That is why I want some regulation. There is now no regulation. These meters that are now in are meters that were installed three or four years ago and they do not register the rates as provided by the Public Utilities Commission.

Mr. BLANTON. Suppose we adopt this new meter system, beginning with the initial charge of 25 cents, and my friend from New York, who is very peaceful, gets into a taxicab and drives out to the Roosevelt Hotel, within the 25-cent limit, and gets out expecting to pay 25 cents and hands the driver 25 cents and the driver says, "You owe me $1.25," and you say, "There is a 25-cent meter system here," and he says, "Pay me $1.25." the gentleman will pay him the $1.25 rather than have a brawl.

Mr. BOYLAN. Can I not get the gentleman out of the error of his way? Is the gentleman so "sot" in his ways that he will not see the light?

Mr. BLANTON. Oh, I know these things from a practical standpoint and not from a theoretical standpoint. After you put in meters authorizing 25 cents, they will hold you up for $1.25 whenever you do away with the 20-cent zone system.

Mr. BOYLAN. But the gentleman persists in quoting the rates formerly fixed on the meters. They are the rates that are in force now, and not the new rates as proposed by the Public Utilities Commission.

Mr. BLANTON. But suppose you put in the meters authorizing a new rate of 25 cents and you go from here to the Roosevelt Hotel and the gentleman gets out of the car and hands the driver a quarter and he says, "Pay me a dollar and a quarter," what is the gentleman going to do? Argue that it should be 25 cents? No; he will not get in a brawl. He will pay the $1.25 demanded.

Mr. BOYLAN. That is ridiculous because the meter would only register 25 cents under the new schedule.

Mr. BLANTON. How does the gentleman know. It may be run up to $1.25. What is the gentleman going to do when the taxi driver demands the $1.25? Is the gentleman going to argue with him? Is he going to engage in a street fight?

Mr. BOYLAN. The gentleman speaks beside the point at issue.

Mr. HARLAN. Will the gentleman yield for a question? I think the gentleman can get additional time.

Mr. BOYLAN. Yes.

Mr. HARLAN. Is the gentleman aware that the very point raised by the gentleman from Texas as to disputes arising out of taxicab fares with taxi drivers is one of the reasons the court said this new regulation should be enforced. Here is what the court said:

> The system increases cruising in congested areas, causes drivers to refuse unprofitable hauls and causes frauds and disputes.

Under the present system one company may recognize the present zoning system and another company may refuse to recognize it. A stranger here does not know where one zone begins or ends. One is half a mile wide and another may be 7 miles wide, and this produces disputes. I had the record here some time ago and I think the disturbances of the peace average something like seven cases a month, arising out of taxicab disputes because of the present chaotic conditions, which is the thing that the Utility Commission wants to correct.

Mr. BOYLAN. I thank the gentleman for his able contribution to a worthy cause.

[Here the gavel fell.]

Mr. HARLAN. Mr. Chairman, I ask unanimous consent that the gentleman may have five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BOYLAN. I would like first to confine myself to the statement of the gentleman from Texas. The gentleman is very painstaking and I do not think any man in this House works harder than he does to get at the facts; but, unfortunately, he has not got them right this time, and why? When he says that the distinguished chairman of the Military Affairs Committee was charged a certain amount under the meter rate I agree with him, but that is the old meter rate. That rate has not been changed because the Public Utilities Commission has not been permitted to use any money to regulate installed meters. I admit that is what we want to get away from, and how are we going to get away from it except by permitting the Public Utilities Commission to use whatever part of these funds they may need in order that the rates they promulgate may be effective, not only on one but on every taxicab in the city of Washington.

Mr. BLANTON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BLANTON. There are approximately 2,500 of these independents whom meters will ruin and put out of business. The peoples' counsel is a lawyer here named Richmond B. Keech, who is paid a big salary to represent the people of Washington and I wish you would look in the Washington Herald of this morning and notice his statement that meters will ruin the independents and that they do not want to change back to meters. These 2,500 independent taxies say they are making a living and they want this present system of a 20-cent zone continued. If they are satisfied, why does the gentleman want to interfere with the business? I quote this from this morning's Herald:

> Keech has the support of the Federation of Citizens Associations and other civic organizations in his fight against the meter order.

Mr. BOYLAN. I will say to the gentleman that he spoke a moment ago about the Diamond Cab Association being a

big monopoly. Every one of the members of the Diamond Cab Association is an independent owner. Does the gentleman know that?

Mr. BLANTON. No; there are just about one-third of them who are individual owners. There are men who own several Diamond cabs and employ other men to drive them.

Mr. BOYLAN. No; the gentleman is again in error.

Mr. BLANTON. I have checked that up, and know it to be a fact. And they are bound in an ironclad way by all the regulations of the company and if not controlled it could be one of the biggest monopolies in Washington.

Mr. BOYLAN. It is not a company, it is an association of independent drivers.

Mr. BLANTON. Well, an association is a company.

Mr. BOYLAN. No; they are independent drivers banded together for mutual protection.

Now, if the gentleman will look at the CONGRESSIONAL RECORD of February 14, page 4098, he will find this statement:

> Of the present 3,746 cabs, 2,556 of them, or 70 per cent, are owned by independent owners; while of the remaining 1,190 company-owned cabs, 706 belong to rental companies and only 484 belong to the seven different companies that might be classed as taxicab companies. Among the latter, the Black and White and Yellow Co. has only 200 cabs operating, and at its all-time peak had only 500 cabs, while of the remaining six taxicab companies not a single one now has, or has ever had, more than 50 cabs.

Mr. BLANTON. Who wrote that?

Mr. BOYLAN. I want to say that I am as receptive of information from all sources as is the gentleman from Texas. I do not ask him where he gets some of his statements. [Laughter.]

The Bell Cab Association—298 cabs—the Premier Cab Association—175 cabs, and other cooperative associations of independent owners, will certainly not be put out of business by enforcement of the meter order.

Now, gentlemen believe in a certain degree of safety, so if you get into a taxicab you want to arrive whole and not arrive at your point of destination in sections.

Mr. BLANTON. If you put meters in cabs and let them charge $1.25, you still have to protect your people from accidents. Meters do not protect them.

Mr. BOYLAN. Meters alone do not protect, but they cause safer driving and the commissioners can compel them to carry liability insurance.

Mr. BLANTON. You can not do it without law. The Public Utilities Commission holds that it is now without authority of law to require insurance.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph be closed in 27 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOYLAN. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BOYLAN. Now, if we are going into the question of liability insurance, we ought to have liability insurance here. All the large cities and towns of the country demand that liability insurance be carried by taxicabs. The gentleman from Texas knows there are judgments to the amount of half a million dollars unpaid in the city of Washington that have not been paid on account of irresponsible taxicab drivers.

Mr. COLLINS. The House has already passed a liability insurance act and sent it to the Senate, and the bill is pending there.

Mr. BOYLAN. Well, the Lord only knows when that will become a law.

Mr. HOLADAY. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. HOLADAY. Where does the gentleman get his information that there is half a million dollars of judgments outstanding in the city of Washington?

Mr. BOYLAN. I received the information from several prominent attorneys in the city of Washington who are in a position to know.

Mr. HOLADAY. I have not been able to receive any such information, and I wonder if the gentleman's information is authentic.

Mr. BOYLAN. Perhaps I worked harder to get the information. The judgment record will show it.

Mr. BLANTON. I think that information is the most reliable of all the information the gentleman has.

Mr. BOYLAN. I thank the gentleman, and I am glad we agree on one thing. Just think of it, a half million dollars in judgments that can not be collected. You and I know that if you are unfortunate enough to meet with an accident immediately your expenses are doubled, trebled, or quadrupled, and yet if you want to avail yourself of a cheap taxicab ride you take your life in your hands for 20 cents. You get into a taxicab to-day at the Capitol to go to your dwelling place for 20 cents, and on the way you collide with another cab operated by a driver who has worked 14 hours and made only a dollar for himself. He has to get through as quickly as he can and get you to your destination in order to get a new fare. Therefore, he takes all kinds of chances. Assuming then that you were in a collision and you fractured a limb. What would that cost you? How far would the 20 cents go toward paying expenses attendant upon a fractured limb?

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BLANTON. The gentleman knows that a good meter costs $85.

Mr. BOYLAN. Oh, no; you can get a good meter, guaranteed for two years, for $35.

Mr. BLANTON. Only a cheap or second-hand meter could be bought for $35. The kind that I would ask them to use, a reliable one, would cost $85.

Mr. BOYLAN. I am not going to ask the men to pay $85 for a meter when these poor fellows can get a meter for $35. Why should I ask them to spend $85?

Mr. BLANTON. To get one reliable. But the $35 meter would not be reliable. I am fighting against all meters because they would run independents out of business. The $35 meter is no good.

Mr. BOYLAN. Oh, yes; it is guaranteed for two years.

Mr. FULBRIGHT. Will the gentleman tell us how much accidents have increased since the fare has been reduced over what they were before that time?

Mr. BOYLAN. Oh, yes. They are killing at the rate of 10 a month.

Mr. FULBRIGHT. How many were they killing before that?

Mr. BOYLAN. About three.

Mr. BLANTON. Has the gentleman looked at the mile post of fatal accidents kept up daily in New York City to find the number they killed up there? They have such a mile post, corrected daily, where every day they report the number of people who have been killed in New York by traffic accidents.

Mr. BOYLAN. Of course, the appropriation for the District of Columbia has not yet included the empire city of New York.

Mr. BLANTON. The last time I looked at it, it was up in the many thousands.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PALMISANO. Mr. Chairman, I rise in opposition to the amendment. I have listened to the discussion of the amendment with some interest. The gentleman from New York [Mr. BOYLAN] argues that the mere fact that there is half a million dollars worth of judgments rendered against taxicab companies is one reason why we ought to meter them. I think the answer to that is that we ought to make them obtain insurance in order to take care of the public, and not meter them.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. PALMISANO. In a moment. We have had some experience in Baltimore City. Two years ago the State legislature passed a law metering every taxicab in Baltimore City. The consequence was that the little fellows who had to pay $80 or $90 for a meter were put out of business and had to quit, and a lot of sharks came along, such as the Sun Taxi Co. and the General Taxi Co. and they ran around like wild cats. The little fellow who was trying to make a living had to go out of business as these monopolies were created, charging a quarter. There is nothing that prevents the Utilities Commission from raising the rates on the zones here. If 20 cents is not enough, permit them to charge 25 cents and make them obtain insurance, and if the bill comes in the next House before the Committee on the District of Columbia, I shall be in favor of compelling them to obtain insurance in order to take care of the public. In Baltimore there is but one taxicab that is worth while driving in, and that is the cab of the company that pay their men a regular salary, the Yellow cab. But you take your life in your hands, because they travel in the city at 40 and 45 miles an hour, in this kind of weather. I say, let the commission raise the rate and let it cut down the hours, or if it can not cut down the hours that these chauffeurs may work, let us pass a law compelling them to work no more than 8 or 10 hours a day, whatever is reasonable. I think you should vote down this amendment and let us get a proper regulation by way of insurance. I travel every evening from the House Office Building to the Union Station. When you get on one of the meter taxicabs it costs you 45 cents just to drive about half a mile.

Mr. BOYLAN. The gentleman knows, as I explained, that those are the old meters and not the meters provided by the Utilities Commission under this provision.

Mr. PALMISANO. I say to the gentleman from New York that the meters did not take care of the public in Baltimore and will not take care of the public here. Make them obtain insurance, and cut down the hours that the chauffeurs are required to work. In Baltimore I may say that they run 2½ miles, and some companies 3½ miles, for 25 cents.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words.

Mr. HOLADAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOLADAY. Is it my understanding the debate has been limited?

The CHAIRMAN. The gentleman is correct.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for seven minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. Mr. Chairman, the question before the committee is whether the system is a fair method of determining the charge that should be levied or whether the existing zone system should be continued. The gentleman from Texas has cited the abuses that arise from no regulation under the existing zone system, of how taxicab drivers exact a tribute of 75 cents in going from the Union Station to the Willard Hotel, a mile and a half. That condition could not exist if we had the meter system.

Anyone who has the barest acquaintance with the meter system in effect in other cities knows that you pay according to the mileage. I say that a 25-cent rate, as established by the Utilities Commission, plus 5 cents for every one-third of a mile in excess of the first 2 miles, or 40 cents for 3 miles, is a reasonable charge.

In no other city in the country do the intolerable conditions exist which exist here. I venture this statement: That if it were left to the operators of the taxicabs in the District of Columbia to-day they would vote in favor of the meter system. It is not going to result in any curtailment of service. It will result in a little more added revenue. I do not believe it is fair, under the existing system, to have Government employees or any other persons in the District, four in number, get into a cab and be driven 7 miles and pay the taxicab driver only 20 cents. That is outrageously unremunerative. If any gentleman, rising in protest of the establishment of the meter system, can point out where the establishment of a rate of 25 cents for the first 2 miles and 5 cents for every third of a mile in excess is exorbitant and unfair, let him so rise.

There is no question here as to liability insurance. The supreme court has denied that the District Commissioners have the right to exact liability insurance. The only question is whether we shall come to the rescue of the people, particularly the drivers. I sympathize with those drivers in being required to work 12 or 14 hours a day for a stipend of a dollar. Let us give them a living wage, and not let it be said that in the House of Representatives you voted against allowing those men 25 cents for a 2-mile ride. I yield to the gentleman from Illinois.

Mr. KELLER. Who says these men only make a dollar a day?

Mr. STAFFORD. It has been stated time and time again. I have asked them how much they make under the existing system. The mere placing of a meter costing $35 or $50 will not place an undue burden on those drivers.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. CAMPBELL of Iowa. I have ridden in those taxicabs many times, and I have made inquiry, and no man has told me that he has made less than $3 a day.

Mr. KELLER. Nor me either.

Mr. STAFFORD. Well, what is $3 for a man working 16 hours a day? The question is whether the rate established by the Public Utilities Commission of 25 cents for 2 miles is a reasonable rate. I do not believe we should discriminate. I do not believe persons should get into those cabs and travel 7 miles and give the taxicab driver only 20 cents or 25 cents. I am not going to state what my practice is. I use the street cars whenever it is fair weather. When it is rainy weather I use the taxicabs. When I use the taxicab I do not give them a mere 25 cents. I believe that traveling 2 miles is worth at least 50 cents.

We have had the meter system in use in many cities. We have had low meter rates in Detroit; we have had low meter rates in Milwaukee; we have had low meter rates in other cities. The question is whether you are going to do justice to the drivers; whether you are going to establish a fair and remunerative rate; whether you are going to compel those who are abusing the zone rate, traveling 7 miles for 20 cents, to pay a fair stipend.

A meter speaks for itself. It is based upon distance. It is not based upon time. Who is here to say that 25 cents is an exorbitant charge for going 2 miles in the District of Columbia? I wish to get rid of these overcharges, these holdups cited by the gentleman from Texas [Mr. BLANTON]. I want a register, so that when I get in I will know the distance I have traveled and the amount the driver is entitled to receive. If I see fit to give him a little tip in addition, I want to know what the distance charge is. That is fair. Let us establish once and for all time a remunerative rate for distance carried, and not allow the cut rate, cutthroat system that is in effect at present, by which we are imposing upon these poor drivers the necessity of working 12 or 14 hours a day.

Mr. KELLER. Will the gentleman yield?

Mr. STAFFORD. I again yield to the bellwether.

Mr. KELLER. How much does the gentleman pay for riding 2 miles on a street car?

Mr. STAFFORD. Oh, the street car has been called into this debate by the gentleman from Texas, supported by the valuable ally, the gentleman from Cairo. [Laughter.] Why, Mr. Chairman, it is not a question of street cars. The street car is a separate institution. They should be patronized. I believe in patronizing the streets cars and I believe in patronizing the railroads instead of busses. I patronize

street cars because I believe it is my duty to see that that system should be supported. I am appealing to the membership of this body to establish a reasonable means of paying a remunerative rate to the drivers of taxicabs. I appeal to those in this body who use taxicabs.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. Let the Chair say to the gentleman from Oklahoma that the time limit of 27 minutes was set with the understanding that certain gentlemen would be recognized to speak on this amendment.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, I ask unanimous consent to address the House for three minutes on this subject.

The CHAIRMAN. The Chair has promised to recognize the gentleman from Arkansas for five minutes.

The Chair recognizes the gentleman from Arkansas.

Mr. GLOVER. Mr. Chairman, I certainly hope this amendment will be voted down.

When the matter of the consolidation of the two street-railway companies in Washington was before us a short time ago I had in mind that this thing was coming on. Whenever you start a concentration of these big interests you can never satisfy their greed. The purpose, as everybody knows, is to put the taxicabs out of business here so that the street-railway systems and the cabs will be one and the same thing. That is exactly what we are driving into. We are driving into a situation where they can exploit the public.

I say to you there is not a city in the United States that has better cab service than Washington City has right now. It is entirely satisfactory to the public. It is entirely satisfactory to those engaged in it.

I, too, have talked to drivers of taxicabs, but I have not yet talked to a driver who has ever told me he made less than $3.50 a day and who has not said he could live on that, and live nicely under present conditions.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. GLOVER. I yield.

Mr. PALMISANO. I call the gentleman's attention to the fact that when the consolidation of the railway companies was before the Committee on the District of Columbia the question then rose of permitting the railway companies to operate taxis, and the committee refused to allow it.

Mr. GLOVER. Absolutely. That is what they are seeking to do. The effect will be to turn the cabs over to the street-railway systems. Also it will put 1,500 ex-service men out of jobs and submit every man and woman who comes into Washington City and uses cabs to extortionate fees for driving a short distance. I have had the same experience these other gentlemen have had. The other night I drove from a downtown hotel to Congress to attend a night session. I got in a cab without thinking whether it was a 20-cent cab or not, with the result that I had to pay 70 cents, when I could have gotten here for 20 cents and had just as good service.

Men talk to you about having no protection under the present system. I want to say that I never saw more cautious drivers than we have in Washington City now. I never drive my car, although I have it here. I would not undertake to drive it in this city with the traffic there is here, without having a better knowledge of driving than I have. I feel absolutely safe when I get into one of these taxicabs, because the drivers know the rules of driving and observe them. Suppose the 435 Members of the House and the 96 Members of the Senate undertook to drive their cars in Washington City; the result would be more cripples than we now have.

Mr. BOYLAN. What about the $500,000 in unsatisfied judgments arising out of accidents due to inefficient and careless operation of cabs?

Mr. GLOVER. Oh, that is mere idle talk. Who knows about that? I heard the gentleman's statement a while ago, made in somewhat uncertain terms, that it might be this or it might be that. The inference is justified that the gentleman did not have any accurate information upon it at all.

Mr. BOYLAN. There was nothing uncertain about the $500,000. That is a matter of record.

[Here the gavel fell.]

Mr. McCLINTIC of Oklahoma. Mr. Chairman, these are perilous times. It seems to me every Member should take into consideration the exact conditions existing with respect to labor.

Anyone who has resided in Washington several years knows that a few years ago we were confronted with a kind of monopoly here on the part of two companies that brought about a situation not fair from any standpoint. We likewise know that when the zone system was put into effect these companies brought large numbers of cars here from other cities for the purpose of crushing those who were forced to go out and do the best they could to make a living.

My sympathy has always been with the little fellow. I know, and you know, that if you require these individuals to pay a high price for a meter many of those who are now barely able to make a livelihood can not afford to go to this extra expense. As far as I have been able to learn, there is no dissatisfaction at present with the taxicab service. If this be true and we compel cabs to be equipped with meters we will be taking the means of making a living from those who were forced by economic conditions out of good jobs to take up taxi driving to make a livelihood for themselves and their families.

Why should we attempt to put into effect a measure which would enrich some big company to the extent that it would force out of business these fellows who are not able to get meters to-day?

I venture the assertion that if the Members have taken an inventory, or have asked those who drive taxicabs what was their former occupation, it has been found that many of those at present driving cabs have held lucrative positions, but because of inability to get any other kind of work have gone into the taxicab business and are able to make $3, $4, or $5 a day, thus keeping the wolf away from the door.

So, these conditions it seems to me make it necessary that we do nothing that would in any way bring an injury to those who are now making an honest livelihood in this occupation. They should not be penalized. Therefore, in my opinion, this amendment should not be adopted.

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, for a great many years in Washington a very unsatisfactory condition existed with reference to the monopoly held by two taxicab companies at the Union Station and at the hotels. The then commissioners refused to take any action. New commissioners were appointed and some changes were made.

Then came the investigation and the decision of the Public Utilities Commission, and an order was entered for meters.

Mr. Chairman, bear in mind that the issue in this case is simply between the two taxicab companies that formerly had a monopoly, and want it again, and the street-car companies on one side, and the independent drivers of taxicabs and the public on the other side.

This order was issued by General Patrick, and General Patrick when appearing before our committee—I am reading from page 100 of the hearings—with reference as to whether or not the residents of Washington were satisfied with the present condition, said:

> I should say the consumers are highly satisfied.

This is the testimony of General Patrick himself.

If this provision is taken out it means that the independent operators, including the Diamond Taxicab, which is a cooperative organization with about 1,200 members, will be practically put out of business. As far as I have been able to ascertain by inquiring of various drivers for the past 15 months, they make on the average about $3 or $3.50 per day, occasionally more and occasionally less. You may say they are not making enough. If this amendment prevails it

means you have thrown them out of business and they do not make a dollar.

The reasonable thing to do is to accept the suggestion of the gentleman from Maryland that this limitation be continued in the bill until the District of Columbia Committee shall have had time to thoroughly investigate the matter and report appropriate legislation.

It is simply a question of whether or not you are going to throw out of employment these 1,200 members of a cooperative concern functioning as the Diamond Taxicab, as well as a great many other independents, and turn the thing back to where the big companies can again secure the monopoly which they had at one time.

Mr. BOLAND. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. BOLAND. Does the gentleman wish to state to the House that in his opinion $3.50 a day is a fair day's pay for these taxicab drivers?

Mr. HOLADAY. I say it is better than no pay at all, and that is the question involved here. It is not a question of whether $3 or $3.50 is fair, but whether or not you want to throw these men out of employment and take their $3 a day and give it as profit to the owners of a monopoly. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

The question is on the adoption of the amendment offered by the gentleman from Ohio [Mr. HARLAN].

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 10, noes 71.

So the amendment was rejected.

The Clerk read as follows:

DEPARTMENT OF VEHICLES AND TRAFFIC

For personal services, $68,320.

Mr. WOOD of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 9, line 5, strike out "$68,320" and insert in lieu thereof "$74,280."

Mr. WOOD of Indiana. Mr. Chairman, I desire to explain the purpose of this amendment.

If this amendment prevails it will add to the sum granted by the committee and the amount will then be in accordance with the recommendation of the Budget.

I desire to call the attention of the committee to the fact that this is one of the services that is not only self-sustaining, but brings to the District a large amount of money. It has to do with the permits that are granted for automobiles and vehicles as well as registration of titles. The registration of titles was added in 1923 and this has brought into the treasury of the District the sum of $166,750, and all of these items each year bring into the treasury $658,000.

This department has dispensed, voluntarily, with the temporary services that they employed from time to time, which amounted to $5,000.

I am not in favor of increasing appropriations except when the increase of an appropriation will bring some return. We might as well say that we should decrease the appropriation for our Customs Service, which is one of the means of raising revenue for the United States. We might as well say that we will reduce or cripple the service of the Internal Revenue Bureau, which is one of the great agencies bringing money into the Treasury of the United States.

I am informed by those who have charge of the Traffic Department that by reason of the additional service that is required on account of their title work, it will be absolutely impossible for them to efficiently do the work that is required of them or that they should do, and at the same time get the amount of revenue that should be paid into the Treasury from these different sources. I therefore hope because of the fact this is a money raiser, the committee will agree to the adoption of the amendment.

Mr. CANNON. Mr. Chairman, a great many go on the theory that if we make money we ought to spend it simply because we have it, and the more we make the more we ought to spend. The committee takes the position that the criterion of expenditure should be not the amount of income but the amount required to maintain adequate, efficient, and economical service. The amendment here even proposes to increase the sum over the Budget estimate. It goes to show how utterly inconsiderate these bureau chiefs are when they come to Congress asking for money. Apparently there is no limit to which they will not go in increasing the cost of government. Back in the year 1928, only a little while ago, we were only appropriating $25,000 for this purpose. I submit, Mr. Chairman, that the committee was generous in their allowance for this item, and not a dollar should be added to the amount provided by the bill.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. CANNON. Certainly; with pleasure.

Mr. WOOD of Indiana. The gentleman says that a while ago the appropriation was $25,000.

Mr. CANNON. Yes; in 1928.

Mr. WOOD of Indiana. And the receipts at that time were $73,302, while in 1933 it amounted to $348,000.

Mr. CANNON. That is true, but we are making the appropriation on the basis of service. One reason why we made this reduction was that they had four places down there that they wanted money appropriated for that were not filled and have not been filled for months.

Mr. WOOD of Indiana. Mr. Chairman, I wish to modify my amendment. I intended to make it on the recommendation of the Budget, but through a mistake it is over the recommendation of the Budget.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Page 9, line 5, strike out "$68,329" and insert "$73,780."

Mr. CANNON. Even that amendment appropriates for four more men than they need.

Mr. STAFFORD. Mr. Chairman, I would like to ask the gentleman how he arrived at the sum of $68,320, the appropriation in the bill? What was the basis of it?

Mr. CANNON. We took off the furloughs, which, of course, should be taken off in all these appropriations, and we took out the positions that had not been filled. They have been vacant since July.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The question was taken, and the amendment was rejected.

Mr. COYLE. Mr. Chairman, I move to strike out the paragraph for the purpose of calling the attention of the committee to the fact that the gentleman from Ohio [Mr. HARLAN] has been attempting to do a rather seriously good job. I think perhaps like myself he is accustomed to being in the minority, and certainly we both consider ourselves right.

In connection with that I want to call your attention to some words of Andrew Jackson 100 years ago in his message to Congress that bears on this question of appropriations for the District of Columbia. It is so pertinent and up-to-date that I am imposing it on your attention.

Andrew Jackson in December, 1831, in his annual message to Congress said:

I deem it my duty again to call your attention to the condition of the District of Columbia. It was doubtless wise in the framers of our Constitution to place the people of this District under the jurisdiction of the general Government (was Old Hickory's tongue in his cheek as he wrote it?) but to accomplish the objects they had in view it is not necessary that this people should be deprived of all of the privileges of self-government. Independent of the difficulty of inducing the representatives of distant States to turn their attention to projects of laws which are not of the highest interest to their constituents, they are not individually, nor is Congress collectively, well qualified to legislate over the local concerns of this District. Consequently, its interests are much neglected, and the people are almost afraid to present their grievances lest a body in which they are not represented and which feels little sympathy in their local relations should, in its attempt to make laws for them, do more harm than good. * * * Is it not just to allow them at least a delegate in Congress, if not a local legislature, to make laws for the District, subject to the approval or rejection of Congress? I earnestly recommend the extension to them of every political right which their interests require and which may be compatible with the Constitution.

I read that to the committee at the present time because it is directly in line with a few suggestions that have been made that would serve to take the immense detail of these local concerns off the shoulders of the Congress, and place it in some measure on the shoulders of the people of the District of Columbia, where there is really an immense amount of latent ability, that might very well be called into service. I know that the gentleman from Texas [Mr. BLANTON] in many ways agrees with exactly what I have said.

Mr. BLANTON. I do in some things, but if we were to have a legislature here in the District, about the first thing it would do would be to pass a law that the Government should not have any rights here at all in its own District.

Mr. COYLE. I agree with my friend from Texas in that I do not believe the people of the District of Columbia should have a legislature, and neither do I believe that they should have unlimited franchise. I know the history of that, and the way it developed, but I do believe, in line with President Jackson's suggestion, that when the time comes that the people of the District of Columbia, like the people of Puerto Rico or the people of Alaska or any one of the Territories or island possessions, shall have a Delegate to present the views of the people of the District of Columbia here in Congress, then we will begin to get somewhere. [Applause.]

The Clerk read as follows:

For purchase, installation, and modification of electric traffic lights, signals and controls, markers, painting white lines, labor, maintenance of non-passenger-carrying motor vehicles, and such other expenses as may be necessary in the judgment of the commissioners, $63,200: *Provided*, That no part of this or any other appropriation contained in this act, or that is now available shall be expended for building, installing, and maintaining street-car loading platforms and lights of any description employed to distinguish same.

Mr. CANNON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CANNON: Page 9, line 11, strike out the comma at the end of the line and the words "or that is now available."

Mr. CANNON. Mr. Chairman, this is merely to correct a typographical error.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LANKFORD of Georgia. Mr. Chairman, I move to strike out the last word. Is this the usual provision carried in the bill, with reference to street-car loading platforms?

Mr. CANNON. It was carried in a former bill and was inadvertently included here.

Mr. LANKFORD of Georgia. Does that mean that in the future we will have less loading platforms and other necessary facilities for people who are waiting for street cars?

Mr. CANNON. No. This in no way affects present accommodations.

Mr. LANKFORD of Georgia. It does not, then, mean a lessening of the number of loading platforms and other protection for the pedestrian who uses the street cars?

Mr. CANNON. No. The street-car companies maintain them and will continue to provide all needed facilities of the kind.

Mr. LANKFORD of Georgia. And the money for this purpose is derived from another source?

Mr. CANNON. Yes. These platforms are merely a part of the equipment of the transportation companies, and they take care of all expenses incident to their construction and maintenance.

Mr. LANKFORD of Georgia. Mr. Chairman, I do not want anything done to lessen the protection now afforded those of us who use street cars, and am glad that loading platforms and other similar facilities are to be maintained in the future.

Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

REGISTER OF WILLS

For personal services, $60,000.

Mr. HOLADAY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: Page 10, line 16, strike out "$60,000" and insert in lieu thereof "$68,490."

Mr. HOLADAY. Mr. Chairman, this amendment adds $8,490 to the bill and brings the amount available for the register of wills back to the Budget figures. The register of wills is a fee office and, strange as it may seem, the business of that office has been increasing. It was more last year than it had ever been before, and it will be more this year. That is brought about by the fact that many estates in process of being administered are insolvent. Therefore there is greater demand upon the office of the register of wills. In 1932 the register of wills collected $93,000, which was about $3,000 more than the year before, and there has been a steady increase of something like two or three thousand dollars a year. I apprehend that this figure was cut without a full realization of the condition. If this amendment is not adopted, it means that some five or six employees of the office will be dropped. The business of the office has been increasing, so that with his present force he has not been able to keep the work current, and at the present time the work is behind and is gradually falling behind. In about all of the other offices the work is current. I believe it is a mistake to allow this office where the work is increasing to be decreased in personnel through a decrease in the appropriation and thus throw out of employment five or six people and get the office into worse and worse shape as the weeks go by. The $8,490 brings it to where it was last year. There has been an increase of only one employee in this office since 1927, and I believe that in the interest of wise administration the amendment should prevail.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. Yesterday I put in the RECORD a list of all of the Government employees in the District of Columbia who were drawing over $2,500 a year, showing the increases they obtained under the classification act of 1923. Among them happened to be the register of wills, Mr. Theodore L. Cogswell. It showed that his salary under the 1923 classification act was raised from $4,000 to $6,400. Then I put in a table of the auditor showing that Mr. Cogswell was one of those who, in addition to his $6,400, had been retired under the emergency officers' retirement act at $125 per month retired pay.

Then I mentioned that last year Mr. Cogswell got $700 from the Howard University as professor of wills, for delivering lectures there. He claimed it required three or four hours a day to prepare those lectures. In no way did I attack him. When I referred to him I started out by saying, "Here is Theodore Cogswell, a splendid, good fellow," but I mentioned those facts. Were not they pertinent facts? Was not it well for Members here to know about them? My friend from New York [Mr. GRIFFIN] later took the floor just before we adjourned, and he intimated that I had done Mr. Cogswell an injustice when such was not the fact, and he used this language in referring to Mr. Cogswell:

He is entitled to the pay of an emergency officer, and I fear my colleague gave the impression that he was drawing such pay. I want to make it clear to my colleague that he is not drawing such pay as an emergency officer, but only his pay as register of wills.

Now, the facts are that as soon as that disabled emergency officers' retirement act was passed Mr. Cogswell applied for retirement and for retirement pay. He was retired at $125 per month for life additional to the salary of $6,400 per year he was drawing from the District government as register of wills. He claimed to be disabled 45 per cent. He was retired upon the basis of 38 per cent permanent disability. Immediately there was a check handed him for $180.93, up to that date. Under that retirement act he has drawn from the United States Government, and I got these authentic figures from the department this morning, $6,399.67 in cash as a disabled emergency retired officer, and that is additional to his salary of $6,400 per year as register of wills. If he is

38 per cent disabled permanently, how can he earn $6,400 per year and also $700 for lecturing?

Mr. HOLADAY. Will the gentleman yield?

Mr. BLANTON. In just a minute. This is just why we can not stop abuses. Whenever we try to put important facts before Congress, somebody tries to hamstring us. We are not inveighing against the acknowledged integrity of individuals. We are merely discussing facts. I was inveighing against the 1923 classification act as unduly raising salaries and arguing for its repeal, and then somebody not posted gets up and tries to destroy every effort made to remedy conditions. This is the reason the Congress will never change conditions and will never properly reduce governmental expenses. You will always find somebody who is a friend of the fellow, or of the bureau, or of the department who will get up here and defend, when he does not know the facts and is not well posted.

Mr. HOLADAY. Will the gentleman yield?

Mr. BLANTON. I yield now.

Mr. HOLADAY. I wish the gentleman would bear in mind that my amendment does not affect the gentleman about whom the gentleman from Texas is talking at all. This goes to five or six employees in the office. I fully agree with what the gentleman says about the Personnel Board, and all the gentleman may say about the register of wills may be true, but this does not affect him at all.

Mr. BLANTON. Now, if my friend from Illinois will wait just a minute, I will give the gentleman some information that will appeal to him after I am through with my present subject. The Washington Herald this morning, in speaking of that incident, said:

Cogswell called upon BLANTON in the latter's office and sought his assistance in having this amount restored. BLANTON is said to have promised to help restore the appropriation, but instead he arose yesterday and accused Cogswell of conducting a lobby.

Now, who knew about his calling on me except myself, my secretary, and Mr. Cogswell? Nobody. So that newspaper item must have come from Cogswell, because my secretary does not give interviews. I made no such promise to Mr. Cogswell, and Mr. Cogswell will not say that I made such a promise.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. I told Mr. Cogswell about some idleness and "pink teas" going on in his office, and told him that if he would require more diligence of his employees he could dispense with some of them. And I told him that I would recheck his office and see whether we had cut him too deep. I made no other promise to him. I did recheck his office.

Mr. GRIFFIN. Will the gentleman yield?

Mr. BLANTON. Yes; certainly.

Mr. GRIFFIN. I took occasion to make some comment about Mr. Cogswell, and I found that Mr. Cogswell has not drawn a cent from the emergency officers' retirement fund.

Mr. BLANTON. Now, if the gentleman will just wait a minute until I get through, I will give him all the facts. The gentleman is mistaken. I have the facts here before me authenticated by the records of the department. Mr. Theodore Cogswell has drawn in cash $6,399.67 from that retirement fund, that he has kept, as a disabled emergency officer, 38 per cent permanently disabled. Now, if the gentleman will just wait a minute, he will have all the facts.

Mr. GRIFFIN. Up to what time?

Mr. BLANTON. Up to last October. You remember that I got the Committee on Military Affairs to hold hearings on my House Joint Resolution No. 355, when we kicked William Wolff Smith out, and that last year we passed an act that provided that any employee who was receiving a salary from this Government of as much as $3,000 could not draw this disabled emergency officers' retirement pay. Why? Because in drawing the retirement pay he is supposed to be disabled; and if he is disabled, he can not earn a salary of $6,400 per year as register of wills, and also earn $700 additional as professor of wills lecturing in Howard University.

Therefore we made that provision in the law, and automatically those who drew salaries of as much as $3,000 from the Government were not permitted to draw further payment from the retirement fund. But the bureau, after stopping his pay, after the passage of that act, looked up his record and found that he was wounded in France. There was a proviso in that bill which provided that those wounded in actual battle would be allowed to draw their retirement pay regardless of any salary they draw. So, after having stopped his pay, the bureau restored it, and when they sent him his check in October, 1932, he sent it back; and I want to commend him for it.

Mr. GRIFFIN. And he has sent it back ever since.

Mr. BLANTON. Yes; but just wait a minute until I tell you what happened. I know more about it than my friend does. He sent his October check back, and this is exactly what he said, as I quote—

I hope to be able to continue this action—

That is, of sending the checks back—

at least until conditions are improved.

Indicating that when things get better he is going to draw his retirement pay again.

Now, I commend him for what he has done; but my friend, the gentleman from New York [Mr. GRIFFIN], evidently did not know he had drawn $6,399.67 from this disabled emergency officers' retirement fund when the gentleman made his speech yesterday.

Mr. GRIFFIN. Oh, yes; I did.

Mr. BLANTON. Then the gentleman's speech was not quite fair either to me or to the House.

Mr. GRIFFIN. But I know he discontinued it.

Mr. BLANTON. Now I want to use the rest of my time.

Over in Virginia, splendid old Commonwealth, my father was a Virginian, the clerk of the court there probates all wills. The clerk of the court grants letters testamentary. The clerk of the court grants guardianship letters. You can probate a will there in four days' time and it costs the people interested in that matter less than $5 to do it. Here in Washington it takes about 12 months or more to probate a will. It costs a minimum of about $35 to probate a will in the District of Columbia. Old, archaic procedure. Instead of letting the clerk attend to it, instead of letting Mr. Cogswell attend to it, there is a $10,000-a-year judge here who has to sign every order. These $10,000-a-year judges in Washington designate one of their number to sign probate orders. You could change the system in that office and put some of the proper, common-sense rules in it that they have in Virginia and save two-thirds of the expense of that office and have a better system here. Chairman CANNON and his committee have been very fair to Mr. Cogswell and this amendment should not be passed.

Mr. GRIFFIN. Mr. Chairman, I move to strike out the last two words.

Mr. CANNON. Mr. Chairman, will the gentleman yield to permit me to make a unanimous-consent request?

Mr. GRIFFIN. I yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GRIFFIN. Mr. Chairman, I have a great deal of respect for the vigilance and earnestness of my friend the gentleman from Texas. He takes a great deal of trouble to make researches as to the operations of the various offices of the Government, and I commend him for it; but I do not believe he will think it is fair, nor will we think it is fair, to penalize an existing establishment, or the occupants of an office the creation of which, the support of which, depends upon ourselves, the Members of Congress. It may be that it is more expensive to probate a will in the District of Columbia than it is elsewhere. I know it is not more expensive

here than it is in New York. I had one experience in the District in the probate of a will, and it was done very promptly, expeditiously, and efficiently.

If there is to be any change in probate procedure in Washington, it is a matter for the legislative committee of the House and is not for a subcommittee of the Committee on Appropriations to undertake at the behest of one economy enthusiast to cut the appropriation for the office by one-third or one-half without deliberation, without thought. Changing probate procedure is a legislative matter. So long as the procedure remains as it is, so long as we have the office there with this staff of 36 employees, I think it is wrong and unjust to deprive this office of the appropriation to which it is entitled. It should be remembered that last year this office brought in a revenue of $93,000. Surely Congress does not want to have this self-supporting office help make up the deficits in other departments? Last year it made a profit of $25,000. The appropriation allowed by the Budget is $68,640. I believe the sole purpose of the amendment of the gentleman from Illinois is to restore the Budget allowance.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I yield.

Mr. BLANTON. We are giving this office in this bill $68,000. Does the gentleman know that is twice as much as the same office in Richmond, Va., gets? Richmond, Va., would compare favorably with Washington, D. C., in the matter of population, and so forth, would it not?

Mr. GRIFFIN. No; this bill gives them $60,000, not $68,000; and the population of Richmond is only 183,000 against 487,000 in Washington.

Mr. BLANTON. I am not talking about the $8,000; I am talking about the total, $68,000, when the same office in Richmond, Va., gets only half that much.

Mr. GRIFFIN. I think what they do in Richmond is hardly relevant to the matter now under consideration.

Mr. HOLADAY. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I yield.

Mr. HOLADAY. Let me suggest that the clerk has nothing to do with the law governing the probate of wills. It may be, as the gentleman from Texas says, that the Virginia law is much better than the District of Columbia law. In Virginia the clerk may administer the law, but that has no bearing upon the question now before us. It is simply a question whether we want to curtail the activities of this office by dismissing six employees and causing the office to become further and further behind in its work.

Mr. GRIFFIN. In other words, demoralizing the office. This is an office that brings in $93,000 a year. Are we to begrudge them the amount the Budget allowed, $68,000? Should we not respect the recommendation of the Budget and not penalize a number of innocent employees in the office and compel their discharge and probably interfere with the administration of the office?

I think we ought to appropriate the $68,000 the Budget recommended, and even then we would not be doing too much, because the office shows a profit of $25,000 a year, even if we allow them the $68,000.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, the committee is very anxious to provide every facility for the operation of these offices. We have been told that by the use of ordinary business efficiency this office could save and ought to save a great deal more than $8,000. We felt we were very generous in providing this amount for its maintenance.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. COLLINS. How many employees are there in this office?

Mr. CANNON. There are 35 employees there.

Mr. BLANTON. There are 34 besides Mr. Cogswell.

Mr. COLLINS. They must write the same records over and over, day after day.

Mr. CANNON. There must be some circumlocution of some sort. In the Virginia State office which handles this work for the entire State they require only five employees to perform the duties for which this office employs 35.

Mr. COLLINS. They have five at Richmond.

Mr. CANNON. Yes; at Richmond, Va.

Mr. HOLADAY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Certainly.

Mr. HOLADAY. I understood the gentleman to say that the evidence before the committee indicated they could get along——

Mr. CANNON. No; the gentleman apparently misunderstood me. I said that we were told that the office could be efficiently managed for much less.

Mr. HOLADAY. The evidence before the committee was that it was difficult for them to get along with the present appropriation; that even if you increased it they could not keep the work current.

Mr. CANNON. The gentleman has had sufficient experience with testimony adduced at these hearings to know that on every application for an appropriation from the public funds they always submit ample and convincing evidence. In one item before this committee last year they asked for over $300,000 when it later appeared that less than $100,000 was required.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. GRIFFIN. Mr. Chairman, on that I demand a division.

Mr. BLANTON. Mr. Chairman, this matter is of such importance I think we ought to have a quorum present. I make the point there is not a quorum present.

Mr. CANNON. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. PRALL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 14643, the District of Columbia appropriation bill, had come to no resolution thereon.

MEMORIAL SERVICES FOR THE LATE PRESIDENT CALVIN COOLIDGE

Mr. STEVENSON. Mr. Speaker, I call up a privileged Senate concurrent resolution (S. Con. Res. 42).

The Clerk read as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the oration delivered by Hon. Arthur P. Rugg in the House of Representatives during the exercises held in memory of the late President Calvin Coolidge on February 6, 1933, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

With the following committee amendments:

In line 4, strike out "25" and insert in lieu thereof "15"; in line 9, strike out "8" and insert "5"; in line 10, strike out "17" and insert "10."

Mr. MICHENER. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. MICHENER. Will these documents be distributed through the folding room or the document room?

Mr. STEVENSON. Through the folding room, as I understand it.

Mr. MICHENER. Then each Member will get his quota?

Mr. STEVENSON. Each Member will get his own quota.

The committee amendments were agreed to.

The concurrent resolution was agreed to.

On motion of Mr. STEVENSON, a motion to reconsider the vote by which the concurrent resolution was passed was laid on the table.

PANAMA CANAL

Mr. LEA. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 49) and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

HOUSE CONCURRENT RESOLUTION 49

*Resolved by the House of Representatives (the Senate concurring)*, That the Clerk of the House is hereby authorized and

directed in the enrollment of the bill (H. R. 7522) entitled "An act to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code," to omit Senate amendments numbered 15 to 23 inclusive.

Mr. BLANTON. Mr. Speaker, reserving the right to object, the adoption of this resolution will not require the reprinting of all of this document?

Mr. LEA. It will not. That is the object of proceeding in this way.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The concurrent resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WYANT (at the request of Mr. DARROW), for balance of the week, on account of important business.

To Mr. MONTAGUE, indefinitely, on account of illness.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6456. An act to amend section 98 of the Judicial Code, as amended.

ADJOURNMENT

Mr. CANNON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 33 minutes p. m.) the House adjourned until to-morrow, Thursday, February 16, 1933, at 12 o'clock noon.

## COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Thursday, February 16, 1933, as reported to the floor leader:

EXPENDITURES

(10.30 a. m.)

Hearings on the administration of seed and crop production loans.

DISTRICT OF COLUMBIA—SUBCOMMITTEE ON PARKS AND PLAYGROUNDS

(10 a. m.)

Hearings on H. R. 14568, commercial airport for the District of Columbia.

WAYS AND MEANS SUBCOMMITTEE

(10 a. m.)

Hearings on the establishment of foreign-trade zones.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LONERGAN: Committee on Interstate and Foreign Commerce. H. R. 14537. A bill authorizing Essex Shore Way (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across the Merrimac River at or near Plum Island Point, Mass.; with amendment (Rept. No. 2034). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. H. R. 14412. A bill to enable the United States Roanoke Colony Commission to carry out and give effect to certain plans for the comprehensive observance of the three hundred and fiftieth anniversary of the birth of English-speaking civilization in America; without amendment (Rept. No. 2035). Referred to the Committee of the Whole House on the state of the Union.

Mr. SWING: Committee on the Public Lands. H. R. 14534. A bill to provide for the selection of certain lands in the State of California for the use of the California State park system; with amendment (Rept. No. 2036). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNUTSON: Committee on Indian Affairs. H. R. 13960. A bill to amend the description of land described in section 1 of the act approved February 14, 1931, entitled "An act to authorize the President of the United States to establish the Canyon De Chelly National Monument within the Navajo Indian Reservation, Ariz."; without amendment (Rept. No. 2037). Referred to the House Calendar.

Mr. McCORMACK: Committee on Ways and Means. H. R. 12843. A bill to change the name of the retail liquor dealers' stamp tax in the case of retail drug stores or pharmacies; without amendment (Rept. No. 2038). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 14665. A bill authorizing the State of Georgia to construct, maintain, and operate a toll bridge across the Savannah River at or near Lincolnton, Ga.; with amendment (Rept. No. 2039). Referred to the House Calendar.

Mr. McREYNOLDS: Committee on Foreign Affairs. House Joint Resolution 580. Joint resolution to prohibit the exportation of arms or munitions of war from the United States under certain conditions; with amendment (Rept. No. 2040). Referred to the House Calendar.

Mrs. ESLICK: Committee on Public Buildings and Grounds. Senate Joint Resolution 237. Joint resolution authorizing the erection in the Department of State Building of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances; without amendment (Rept. No. 2041). Referred to the House Calendar.

Mr. LANHAM: Committee on Public Buildings and Grounds. S. 5588. An act authorizing the acceptance of title to sites for public building projects subject to the reservation of ore and mineral rights; without amendment (Rept. No. 2042). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEVENSON: Committee on Printing. Senate Concurrent Resolution 42. Concurrent resolution to compile, print, and bind the proceedings of Congress in connection with the exercises in memory of the late President Calvin Coolidge; (Rept. No. 2043). Ordered to be printed.

Mr. CELLER: Committee on the Judiciary. H. R. 14395. A bill relating to the prescribing of medicinal liquor; without amendment (Rept. No. 2044). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 14461. A bill to provide for placing the jurisdiction, custody, and control of the Washington city post office in the Secretary of the Treasury; without amendment (Rept. No. 2045). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Indian Affairs. H. R. 14648. A bill providing for an alternate budget for the Indian Service, fiscal year 1935; without amendment (Rept. No. 2046). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee on the Judiciary. S. 4020. An act to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict; without amendment (Rept. No. 2047). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MICHENER: A bill (H. R. 14683) authorizing persons, firms, corporations, associations, or societies to file bills of interpleader, or bills in the nature of interpleader; to the Committee on the Judiciary.

By Mr. ALLEN: A bill (H. R. 14684) authorizing R. L. Metcalf, of Omaha, Nebr., and W. E. Wright, of Kansas City, Mo., to construct, maintain, and operate a toll bridge across the Mississippi River, between the cities of Davenport, Iowa, and Rock Island, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. JENKINS: A bill (H. R. 14685) to repeal the first proviso of section 24 of the immigration act of February 5, 1917; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 14686) to make uniform the method of appointing immigration officials in charge of districts, ports, or stations; to the Committee on Immigration and Naturalization.

By Mr. COCHRAN of Missouri: A bill (H. R. 14687) providing for the accounting of certain moneys made available to the Secretary of Agriculture pursuant to the provisions of section 2 of the Reconstruction Finance Corporation act of January 22, 1932, as amended, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. DAVIS of Tennessee: A bill (H. R. 14688) to provide for fees for radio licenses, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. STEAGALL: A bill (H. R. 14689) to provide for the postponement of the payment of installments due on loans made by the Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. CELLER: Resolution (H. Res. 382) for the consideration of an act relating to medicinal liquor; to the Committee on Rules.

By Mr. SIROVICH: Joint resolution (H. J. Res. 601) to create a commission to investigate and study problems with respect to the Indians in Alaska; to the Committee on Indian Affairs.

Also, joint resolution (H. J. Res. 602) providing for an investigation and study of problems with respect to the Indians in Alaska; to the Committee on Rules.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial from the State of Maine, memorializing the Senate and the House of Representatives of the United States to enact into law House bill 13999; to the Committee on Ways and Means.

Memorial from the State of Idaho, memorializing the Senate and the House of Representatives of the United States to enact into law House bill 413; to the Committee on the Public Lands.

Memorial of the provincial government of Cagayan, Tuguegarao, P. I.; protesting against the Hawes-Cutting bill, and urging Congress to enact a law granting the immediate and complete independence to the Philippine Islands; to the Committee on Insular Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 14690) for the relief of Harold Goldstein; to the Committee on Claims.

By Mrs. ESLICK: A bill (H. R. 14691) for the relief of Claude Almon Fox; to the Committee on Naval Affairs.

By Mr. SNELL: A bill (H. R. 14692) for the relief of Jane B. Smith and Dora D. Smith; to the Committee on Claims.

By Mr. STALKER: A bill (H. R. 14693) granting an increase of pension to Mary P. Bruner; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10433. By Mr. BOYLAN: Letter from the R. H. Comey Brooklyn Co., opposing imports from Japan; to the Committee on Ways and Means.

10434. Also, resolution adopted by the Washington Board of Trade, Washington, D. C., on behalf of the citizens of the National Capital, respectfully protesting the accumulation of a surplus of District money in the United States Treasury and the proposed increase of taxes as indicated in the current appropriation bill; to the Committee on Appropriations.

10435. By Mr. CLARKE of New York: Petition of Rev. Robert Earle Gibby, pastor of the Methodist Episcopal Church of Ouaquaga, N. Y., and 51 other members of his parish, urging that the Sparks-Capper stop-alien representation amendment be brought to a vote in this session of Congress; to the Committee on the Judiciary.

10436. Also, petition forwarded by Rev. Robert Earle Gibby, opposing any change in the prohibition laws; to the Committee on the Judiciary.

10437. Also, petition of the Ladies Aid Society of the Methodist Episcopal Church and Harriet B. Root, secretary of the Marytha Society of the Methodist Episcopal Church, Cooperstown, N. Y., requesting our United States Senators, our Congressmen at large, and our own Congressman to vote against all legislation intended to nullify, weaken, or repeal the eighteenth amendment and the Volstead Act, and to vote instead for adequate appropriations for law enforcement and a campaign of education in law observance; to the Committee on the Judiciary.

10438. By Mr. DELANEY: Petition of the East Bay municipal utility district of Oakland, Calif., urging certain amendments to the revenue act of 1932; to the Committee on Ways and Means.

10439. Also, petition of Clarence Poe, president and editor of the Progressive Farmer and Southern Ruralist, advocating that the domestic allotment plan be amended to give relatively more benefits to small farmers and relatively less to big-scale farm operators, and also urging settlement of war debts to restore international commerce and so help farmers; to the Committee on Agriculture.

10440. By Mr. FRENCH: Senate Joint Memorial No. 5, State Legislature of Idaho, urging prompt passing of House bill 413, a bill to enlarge the Boise National Forest by adding thereto certain areas in Idaho; to the Committee on the Public Lands.

10441. Also, a joint memorial from the Legislature of the State of Idaho, House Joint Memorial No. 5, urging upon the Congress of the United States to eliminate from the amendatory act the provision authorizing the State in its discretion to add a portion of the annual income to the permanent funds; and upon the elimination of this provision urging upon the Congress that it immediately enact into law House bill 11058, a bill amending sections 5 and 8 of the Idaho admission act; to the Committee on the Public Lands.

10442. By Mr. FULLER: Memorial of the Forty-ninth General Assembly of the State of Arkansas, memorializing Congress to repeal the act creating the Farm Board; to the Committee on Agriculture.

10443. By Mr. GARBER: Petition of the Mutual (Okla.) Woman's Christian Temperance Union, expressing appreciation of support of prohibition laws; to the Committee on the Judiciary

10444. Also, petition of Bartlett Collins Co., Sapulpa, Okla., calling attention to the merit of the American Manufacturers Foreign Credit Insurance Exchange of New York and Chicago, and urging that necessary aid be extended to it to enable it to continue its insurance of foreign credits for its members; to the Committee on Banking and Currency.

10445. By Mr. HAINES: Petition signed by Rev. H. R. Wilkes and other members of the York County (Pa.) Ministerial Association, urging the United States House of Representatives to vote for the stop-alien representation amendment to the United States Constitution; to the Committee on Immigration and Naturalization.

10446. By Mr. JAMES: Telegram from Ironwood Association of Commerce, Ironwood, Mich., asking for economies to balance the Budget; to the Committee on Appropriations.

10447. By Mr. LARRABEE: Petition of Mrs. H. O. Pritchard and 111 other persons, representing missionary societies of various Protestant churches in Indianapolis, Ind., petitioning Congress to defeat the Howard resolution relating to Indian affairs in the Department of the Interior; to the Committee on Indian Affairs.

10448. Also, petition of Rev. Edwin E. Hale and 80 other citizens of Indianapolis, Ind., petitioning Congress to defeat all measures proposing modification of the Volstead Act or repeal of the eighteenth amendment, and urging all necessary appropriations for maintenance and enforcement of the eighteenth amendment; to the Committee on Ways and Means.

10449. By Mr. MARTIN of Massachusetts: Petition of John F. Leahy and seven other residents of East Taunton, Mass., urging a revaluation of the gold ounce and the correction of financial abuses associated with mass production; to the Committee on Coinage, Weights, and Measures.

10450. By Mr. MEAD: Petition of citizens of Erie County, Buffalo, N. Y., urging enactment of the stop-alien representation amendment to the Constitution; to the Committee on the Judiciary.

10451. By Mr. NELSON of Maine: Joint memorial of the Senate and House of Representatives of the State of Maine, memorializing Congress to enact into law the Hill bill, H. R. 13999; to the Committee on Ways and Means.

10452. By Mr. SNOW: Memorial of the legislature of the State of Maine, memorializing Congress to promptly enact into law House bill 13999; to the Committee on Ways and Means.

10453. By Mr. SUMMERS of Washington: Petition signed by Bertha Speck and 42 other citizens of Yakima, Wash., urging adoption of the stop-alien representation amendment to the Constitution; to the Committee on the Judiciary.

10454. By Mr. STALKER: Petition of Christine Stickney, secretary of Circle No. 4 of the Church of Christ, Elmira, N. Y., and 25 other members, opposing the return of beer and the repeal of the eighteenth amendment; to the Committee on Ways and Means.

10455. Also, petition of Mrs. R. R. Birch, secretary of the Ladies' Aid Society, and 500 members; Mrs. C. C. Squier, secretary of the Women's Home Missionary Society, and 190 members; and Annie D. Payne, secretary of the Women's Foreign Missionary Society, all of the First Methodist Episcopal Church of Ithaca, N. Y., opposing the return of beer and the repeal of the eighteenth amendment; to the Committee on Ways and Means.

10456. Also, petition of Oswald Baker and 25 other residents of Ithaca, N. Y., R. F. D. No. 2, opposing every legislative act that would legalize alcoholic liquors stronger than one-half of 1 per cent; to the Committee on Ways and Means.

10457. Also, petition of Florence M. Wheat, secretary of Taylor Philathea Class, and 57 members of class of the Disciple Church, Elmira, N. Y., opposing the return of beer and the repeal of the eighteenth amendment; to the Committee on Ways and Means.

10458. By Mr. WASON: Petition of citizens of Groveton, N. H., favoring the stop-alien representation amendment to the United States Constitution; to the Committee on Immigration and Naturalization.

10459. By Mr. WEST: Resolution of the Woman's Home Missionary Society, Mount Vernon, Ohio, urging legislation which will establish a Federal motion-picture commission, declare the motion-picture industry a public utility, regulate the trade practices of the industry used in the distribution of pictures, supervise the selection and treatment of subject material during the processes of production, and provide that all pictures entering interstate and foreign commerce be produced and distributed under Government supervision and regulation; to the Committee on Interstate and Foreign Commerce.

10460. By the SPEAKER: Petition of the Sons of Philippines, Salinas, Calif., expressing their viewpoint on the Dickstein bill; to the Committee on Immigration and Naturalization.

10461. Also, petition of citizens of the District of Columbia, opposing the enactment of any blue law for the District of Columbia; to the Committee on the District of Columbia.

# SENATE

## THURSDAY, FEBRUARY 16, 1933

*(Legislative day of Friday, February 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. HATFIELD obtained the floor.

Mr. FESS. Mr. President, will the Senator from West Virginia yield to enable me to suggest the absence of a quorum?

The VICE PRESIDENT. Does the Senator from West Virginia yield for that purpose?

Mr. HATFIELD. I yield.

Mr. FESS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Keyes | Schuyler |
| Austin | Dale | King | Sheppard |
| Bailey | Davis | La Follette | Shipstead |
| Bankhead | Dickinson | Lewis | Shortridge |
| Barbour | Dill | Logan | Smith |
| Barkley | Fess | McGill | Smoot |
| Bingham | Fletcher | McKellar | Steiwer |
| Black | Frazier | McNary | Stephens |
| Blaine | George | Metcalf | Swanson |
| Borah | Glass | Moses | Thomas, Idaho |
| Bratton | Goldsborough | Neely | Thomas, Okla. |
| Brookhart | Gore | Norbeck | Townsend |
| Bulkley | Grammer | Norris | Trammell |
| Bulow | Hale | Nye | Tydings |
| Byrnes | Harrison | Oddie | Vandenberg |
| Capper | Hatfield | Patterson | Wagner |
| Caraway | Hayden | Pittman | Walcott |
| Clark | Hebert | Reed | Walsh, Mass. |
| Connally | Hull | Reynolds | Walsh, Mont. |
| Coolidge | Johnson | Robinson, Ark. | Watson |
| Costigan | Kean | Robinson, Ind. | White |
| Couzens | Kendrick | Russell | |

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is absent owing to illness. I ask that this announcement may stand for the day.

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained on official business of the Senate.

Mr. FESS. I wish to announce that the junior Senator from Wyoming [Mr. CAREY] is detained on official business. I ask that this announcement may stand for the day.

Mr. WAGNER. I desire to announce that my colleague [Mr. COPELAND] is necessarily absent from the Senate because of the death of his father. I ask that this announcement may stand for the day.

Mr. SHIPSTEAD. I wish to announce that my colleague [Mr. SCHALL] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

### WITHDRAWAL OF CLOTURE PETITION

Mr. BINGHAM. Mr. President, on behalf of those who signed the cloture petition regarding the motion of the Senator from Wisconsin [Mr. BLAINE] to take up the proposed amendment to the Constitution, in view of the fact that the vote was had on yesterday, I ask to withdraw the petition.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

### AMENDMENT TO THE CONSTITUTION—REPEAL OF PROHIBITION

Mr. REED. Mr. President, I wish to enter a motion to reconsider the vote by which the amendment of the Senator from Arkansas [Mr. ROBINSON], striking out section 3 of the committee amendment, was agreed to last night.

The VICE PRESIDENT. The motion will be entered.

Mr. GLASS. Mr. President, I desire formally to offer Senate Joint Resolution 202 as a substitute for Senate Joint Resolution 211.

The substitute is as follows:

*Resolved, etc.*, That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all

intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. Article XVIII of the amendments to this Constitution is hereby repealed. The sale of intoxicating liquors within the United States or any territory subject to the jurisdiction thereof for consumption at the place of sale (commonly known as a saloon), and the transportation of intoxicating liquors into any State, Territory, District, or possession of the United States in which the manufacture, sale, and transportation of intoxicating liquors are prohibited by law, are hereby prohibited. The Congress and the several States, Territories, and possessions shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

ATTACK ON LIFE OF PRESIDENT-ELECT ROOSEVELT

Mr. KEAN. Mr. President, I, like all the world, am much shocked at the dastardly attack upon the President elect yesterday. That any such thing could have happened with all the safeguards that are thrown around the President elect is beyond my comprehension, and it seems quite impossible to guard against such unexpected attacks. I express my deepest sympathy for the wounded and my congratulations to the President elect that he escaped. I would like to read into the RECORD a telegram which I have just received from one of the principal newspaper publishers of Paterson, N. J.:

PATERSON, N. J., *February 16, 1933.*

HAMILTON F. KEAN,
*United States Senate:*

Wire stories carry report that despicable Miami assassin was member of anarchist ring in Paterson. Federal and local investigations here thus far offer nothing even nearly definite to indicate this is so. Zangara's association here brief and intangible. In name of decency and fairness, and out of respect to the city of Paterson, which has given State and Nation some of its great men, I urge you to protest most vigorously against unfair maligning of our reputation. As representative of New Jersey I respectfully exhort you to use your every influence to prevent serious injury to the fair name of a community so law-abiding, so patriotic, and so sincerely devoted to everything worth while and decent. Speak out with emphasis and courage to repel this blasphemy, in the name of 140,000 decent souls.

HARRY B. HAINES,
*Publisher Paterson Evening News.*

Mr. President, Paterson gave to the United States a distinguished Vice President in the person of Garret A. Hobart and a distinguished Attorney General in the person of John W. Griggs, besides it being a leader in all patriotic work for many years.

ATTACK ON THE PRESIDENT ELECT—IMMIGRATION RESTRICTION

Mr. HATFIELD. Mr. President, I read from a morning paper, the Washington Herald, dated February 16, 1933, the headline:

Roosevelt escapes assassin at Miami. Cermak and four others shot.

The subheadlines of the paper state:

Anarchist is seized; confesses firing at the next President. Woman throws up arms of gunman in act of firing. Cermak, Chicago mayor, undergoes operation. President remains on yacht. Guards increased.

Mr. President, the frequent attacks that are made upon our Government are becoming almost continuous. The majority of cases where the assassination of a President has been attempted or carried out have been the acts of individuals who come from some other country with the idea of destroying the head of our Government and then bringing about its overthrow. This was the case in the assassination of President McKinley; also the attempted assassination of ex-President Roosevelt in the campaign of 1912 by John Schrank.

The attempt last night is by another foreigner, who has admitted he was in a plot to assassinate the King of Italy in 1911. The assassin is alleged to have stated after his arrest that he would kill all Presidents and all public officials and police officers.

Mr. President, there has been upon the calendar since the beginning of the first session of this Congress House bill 12044, sponsored by Congressman DIES and supported by the patriotic organizations of this Nation. Upon every call of the calendar there have been some objections made to its consideration in this body. The Labor Department, through its Secretary and those who have the responsibility of enforcing the immigration laws, have repeatedly said to the Committee on Immigration, of which I am chairman, that there is nothing the Congress of the United States can do that will more substantially supplement their efforts in dealing with the undesirables who come to our land, either by way of legal or illegal admissions, than the passage of this bill. The only change it makes in our present deportation laws is that it adds to section 1 of the act of October 16, 1918, the words, "aliens who are anarchists or communists."

Then the bill defines a communist as any alien who is a member of an organization that believes in the overthrow by force or violence of the Government of the United States, or the assassination of its public officials.

The passage of this measure, in my judgment, due to the times in which we live, and because of this overt act upon the part of this man who has attempted the life of our President elect, is so important and so timely that I feel, as an expression of resentment by this body, that we could do nothing better than to lay aside the unfinished business now before us and take up for immediate consideration House bill 12044 and pass it, and by so doing serve notice upon these man-killers who come to our land that we will not tolerate such action if within our power to prevent, and that it is our determined effort to rid this country of those who encourage sedition, those who instigate or participate in plots against the lives of our public men. The foreign element which advocates the overthrow by force or violence of the Government must be excluded.

Those in our own land who have acquired this abhorrent character of inspiration have derived it from those whose nativity and whose citizenship largely belong in some other country. We can deal with those, Mr. President, who have developed this inspiration under our own flag, who are an integral part of our citizenship; but we find it difficult for the enforcing department of our Government to deal with the alien who continuously preaches, after his admittance, against our institutions and advocates the doctrine of change by force.

The adoption of the measure to which I have referred will give the Labor Department an instrument with which to deal with this class of undesirable immigrants.

Mr. President, I ask unanimous consent that the unfinished business before this body may be temporarily laid aside and that House bill 12044 be taken up for immediate consideration.

The PRESIDENT pro tempore. Is there objection?

Mr. BORAH. Mr. President, we are working now under a unanimous-consent agreement to vote at 3 o'clock, and the time between now and 3 o'clock will not make any material difference in the situation so far as it could be remedied by the bill proposed by the able Senator from West Virginia. That bill will call for discussion, for it injects into our immigration laws a new principle, and one which I should not be willing to support without further debate. I shall have to object to the request for unanimous consent.

The PRESIDENT pro tempore. Objection is made.

Mr. ROBINSON of Arkansas. Mr. President——

Mr. HATFIELD. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. Well, I yield to the Senator from West Virginia.

The PRESIDENT pro tempore. The Chair thought the Senator from West Virginia had yielded the floor.

Mr. HATFIELD. I had not, but I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. No, Mr. President; I thought the Senator had surrendered the floor.

Mr. HATFIELD. I have not surrendered the floor.

Mr. President, I do not in any way want to interfere with the consideration of the unfinished business that is

now before this body. I have great respect for the distinguished Senator from Idaho [Mr. BORAH], and I am quite willing to defer the consideration of House bill 12044 until 3 o'clock, at which time we will have concluded consideration of the unfinished business that is now before the Senate. So I amend my request and now ask unanimous consent that we take up and consider the House bill referred to at the conclusion of the unfinished business of the Senate.

The PRESIDENT pro tempore. Is there objection?

Mr. BARKLEY. Mr. President, I hope the Senator will not press that request now. I would not consent that the measure to which he has referred have precedence over a resolution which went over yesterday and which I expect to call up immediately after the vote on the prohibition matter. It may not take long to dispose of the resolution, but I will have to object at this moment to the request of the Senator.

The PRESIDENT pro tempore. Objection is made.

Mr. HATFIELD. Very well. I wish to give notice, Mr. President, here and now, that I will renew my request for unanimous consent at the conclusion of the consideration of the unfinished business; and if I can not obtain unanimous consent, I will then move to take up for consideration House bill 12044.

Mr. ROBINSON of Arkansas. Mr. President, the indignation, the resentment, and the sorrow expressed by the Senator from West Virginia respecting the incident which occurred at Miami, Fla., yesterday prompts response from every loyal American citizen. It occasions resentment to realize that such a cowardly and inhuman attack could be made upon the President elect and it provokes resentment in the breasts of all of us. We grieve, too, that others who were not the direct objects of the attack should have suffered serious injury.

There is one thing that must be understood that even in times of distress and disturbance, when forces which normally could not prove powerful may be augmented by anxiety and discontent and manifest themselves in such incidents as that to which reference is being made, still the people of this country are loyal to their Government. They are loyal to those intrusted with authority and would hedge them about with protection and security. Let it be understood that when the authority of the Government is about to be transferred all of us who are Americans, who love our flag and support its institutions, stand side by side, united in the purpose to preserve those institutions and to give protection to those who are charged with public responsibility.

We may complain, we may make mistakes, but, thank God, we have the best Government on this earth, and our flag is still the most beautiful that ever was uplifted into light. Pitiable it is beyond the power of language to portray that one who has the affectionate regard of all the right-minded, loyal citizens of America should be endangered by the effort and attack of an assassin.

GIUSEPPE ZANGARA, ASSASSIN, NOT ASSOCIATED IN PATERSON, N. J.

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in full in the RECORD the telegram which I have just received from Mr. Harry B. Haines, publisher of the Paterson Evening News, of Paterson, N. J. He denies that the would-be assassin of President-elect Roosevelt is a resident of Paterson, as was reported in the press to-day.

There being no objection, the telegram was ordered to be printed in the RECORD, and it is as follows:

PATERSON, N. J., *February 16, 1933.*

W. WARREN BARBOUR,
*United States Senator:*

Wire stories carry report that despicable Miami assassin was member of anarchist ring in Paterson. Federal and local investigations here thus far offer nothing even nearly definite to indicate this is so. Zangara's association here brief and intangible. In name of decency and fairness, and out of respect to the city of Paterson, which has given State and Nation some of its great men, I urge you to protest most vigorously against unfair maligning of our reputation. As representative of New Jersey, I respectfully exhort you to use your every influence to prevent serious injury to the fair name of a community so law-abiding, so patriotic, and so sincerely devoted to everything worth while and decent. Speak out with emphasis and courage to repel this blasphemy in the name of 140,000 decent souls.

HARRY B. HAINES,
*Publisher Paterson Evening News.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed the concurrent resolution (S. Con. Res. 42) to compile, print, and bind the proceedings of Congress in connection with the exercises in memory of the late President Calvin Coolidge, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 49), in which it requested the concurrence of the Senate, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That the Clerk of the House is hereby authorized and directed, in the enrollment of the bill (H. R. 7522) to provide a new Civil Code for the Canal Zone and to repeal the existing Civil Code, to omit Senate amendments Nos. 15 to 23, inclusive.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 4368. An act for the relief of the widow of George W. McDonald;

H. R. 6456. An act to amend section 98 of the Judicial Code, as amended;

H.R. 7518. An act to amend an act entitled "An act extending certain privileges of Canal employees to other officials on the Canal Zone, and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916; and

H. R. 13710. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Privileges and Elections:

Joint resolution memorializing the Congress of the United States to enact legislation for the nomination of candidates for President and Vice President in a primary election

Whereas the present convention system of nominating candidates for President and Vice President is undemocratic and has often resulted in manipulation by bosses and the selection of candidates not favored by the majority of the party members; and

Whereas the best method to enable the voters to control nominations is through a primary election: Therefore be it

*Resolved by the assembly (the senate concurring)*, That the Legislature of Wisconsin hereby memorializes the Congress of the United States to enact legislation providing for the nomination of candidates for President and Vice President through a nation-wide presidential primary election; be it further

*Resolved*, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*
CORNELIUS YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Finance:

Joint resolution memorializing Congress for higher tariff on dairy products

Whereas the United States Bureau of Agricultural Economics has listed the following figures for imports of dairy products into the United States for the year ending June 30, 1932:

Total value of all dairy imports into the United States, $14,293,000.

| Amounts of dairy imports into the United States: | Pounds |
|---|---|
| Butter | 1,838,000 |
| Casein or lactarine | 1,904,000 |
| Swiss cheese | 13,568,000 |
| Other cheese | 43,667,000 |
| Condensed and evaporated milk and cream | 1,470,000 |
| Dried malted milk | 818,000 |
| Cream | 118,000 |
| Milk | 280,000 |

Whereas thousands of farmers in various sections of the United States depend mostly on dairying for a living; and

Whereas it is evident from the above figures that farmers in other countries come into the United States and take away the market of the American farmer, thereby forcing the farmers in the United States to consume that which they produce themselves, or to seek a market outside of the United States; and

Whereas the present tariff on dairy products is no longer as effective as it was before many European countries abandoned the gold standard, with a consequent premium on American money in practically all European nations; and

Whereas importers claim that the European farmer can lay down his butter on the New York market and receive only 3 cents a pound for it, and still receive a larger return than he would obtain by the sale of this butter at home; and

Whereas this butter made in Europe, and paid for at the rate of 3 cents a pounds in the money of the United States, can be sold in New York for 20 cents a pound; and

Whereas to overcome the cheap production from abroad and prevent the European farmer from selling his dairy products in the United States, in ruinous competition with the American farmer: Therefore be it

*Resolved by the assembly (the senate concurring)*, That the Legislature of the State of Wisconsin hereby respectfully memorializes the Congress of the United States to place a higher tariff on dairy products in order to protect the American farmer against foreign competition; be it further

*Resolved*, That properly attested copies of this resolution be transmitted to both Houses of Congress of the United States and to each Wisconsin Member thereof.

THOS. J. O'MALLEY,
*President of the Senate.*
R. A. COBBAN,
*Chief Clerk of the Senate.*
C. T. YOUNG,
*Speaker of the Assembly.*
JOHN J. SLOCUM,
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate a report submitted by the New York Stock Exchange Reform Committee of the Manhattan Board of Commerce to the president and members of the board of directors relative to activities of the Committee on Banking and Currency of the Senate pursuant to the resolution (S. Res. 84) to investigate the practice of "short selling" of listed securities upon stock exchanges and its effect on actual values (agreed to on March 4, 1932), together with a resolution adopted by the board of directors of the Manhattan Board of Commerce, requesting the Senate to proceed immediately to investigate the activities of its Banking and Currency subcommittee in investigating the New York Stock Exchange and other stock exchanges, etc., which, with the accompanying paper, was referred to the Committee on Banking and Currency.

## WAR DEPARTMENT APPROPRIATIONS

Mr. BARBOUR. Mr. President, I present a certified copy of a concurrent resolution adopted by the Legislature of the State of New Jersey memorializing Congress to appropriate sufficient funds to carry out the provisions of the national defense act of 1920.

The concurrent resolution was ordered to lie on the table and, under the rule, to be printed in the RECORD, as follows:

SENATE OF NEW JERSEY,
*Statehouse, Trenton, N. J.*

Concurrent resolution adopted January 30, 1933

Whereas the platforms of the two great political parties of this Nation advocate the maintenance of an adequate system of national defense; and

Whereas the people of New Jersey have ever been in the front rank when the safety of this Nation has been endangered; and

Whereas the Organized Reserve will, in case of a national emergency, constitute by far the largest component of the Army of the United States and should therefore receive proper training and equipment; and

Whereas the Reserve Officers' Association of the United States, a patriotic body of citizens of whom the great majority have had active service in the Army of the United States during the late war, have requested the Committee on Appropriations of the House of Representatives and the Senate of the Congress of the United States to appropriate sufficient funds to carry out the training of the Organized Reserve for the fiscal year 1934: Then be it

*Resolved by the Senate of the State of New Jersey (the House of Assembly concurring)*, That the Congress be, and it hereby is, requested to appropriate sufficient funds to carry out the provisions of the national defense act of 1920 and its accompanying legislation, so that the program of the War Department may be effectively carried out; be it further

*Resolved*, That the secretary of the senate is hereby instructed to forward certified copies of this resolution, signed by the president and secretary of the senate and the speaker and clerk of the house, to the following: The President of the United States, and United States Senate, the House of Representatives, the Senators and Members of Congress from the State of New Jersey.

A. CROZER REEVES,
*President of the Senate.*

Attest:

O. F. VAN CAMP,
*Secretary of the Senate.*
CHARLES A. OTTO, Jr.,
*Speaker of the House of Assembly.*

Attest:

ROBERT W. PURDY,
*Clerk of the House of Assembly.*

## THE WORLD COURT

Mrs. CARAWAY presented a resolution adopted by the Arkansas Baptist State Convention at Little Rock, Ark., which was ordered to lie on the table and to be printed in the RECORD, as follows:

The Arkansas Baptist State Convention in Little Rock, November 15, 1932, unanimously passed the following resolution:

Whereas it is peculiarly appropriate for the Baptists of Arkansas, through their representatives in annual convention, to express their deep interest in the cause of world peace; and

Whereas the question of American participation in the World Court has been pending for six years and the United States, although among the first to recommend the establishment of a permanent court of international justice to the rest of the world in 1899, now remains the only large nation, with the exception of Russia, that is outside the court; and

Whereas this is not a party question, since both major party platforms of this year call for completing the adherence of the United States to the World Court; and

Whereas it will be obviously difficult to reach a record vote on ratification of the pending treaties at the coming short session of the Senate, which adjourns on March 4, unless the treaties are taken up early in this session: Now, therefore, be it

*Resolved by the Arkansas Baptist State Convention*, That we earnestly bespeak the influence of both of our Senators in getting the Senate to consider the World Court treaties early enough in the coming session to make it possible to reach a favorable vote before the session adjourns on March 4.

Respectfully submitted.

E. P. J. GARROTT, *President.*
J. B. LUCK, *Secretary.*

## REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 3607) for the relief of Dr. M. M. Brayshaw, reported it without amendment and submitted a report (No. 1232) thereon.

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2872. An act for the relief of the Dongji Investment Co. (Ltd.) (Rept. No. 1233);

H. R. 3905. An act for the relief of Maj. L. D. Worsham (Rept. No. 1234);

H. R. 8216. An act for the relief of the First National Bank of Junction City, Ark. (Rept. No. 1235);

H. R. 8800. An act for the relief of Laura J. Clarke (Rept. No. 1236);

H. R. 9336. An act for the relief of Emily Addison (Rept. No. 1237); and

H. R. 9476. An act for the relief of the Merchants & Farmers Bank, Junction City, Ark. (Rept. No. 1238).

Mr. FESS, from the Committee on the Library, to which was referred the bill (S. 5625) authorizing an appropriation to provide for the completion of the George Rogers Clark memorial at Vincennes, Ind., reported it with an amendment and submitted a report (No. 1239) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3009) to extend the boundaries of the Fremont National Forest, reported it without amendment and submitted a report (No. 1240) thereon.

Mr. KEAN, from the Committee on the District of Columbia, to which was referred the bill (H. R. 13853) to authorize the merger of the Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes, reported it without amendment and submitted a report (No. 1241) thereon.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on the 15th instant that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.);

S. 3438. An act authorizing adjustment of the claim of Lindley Nurseries (Inc.);

S. 4673. An act to amend an act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown, and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874;

S. 4694. An act to amend section 812 of the Code of Law for the District of Columbia;

S. 5289. An act to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District; and

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DALE:

A bill (S. 5645) for the relief of Anna Elizabeth Rice Denison; to the Committee on Foreign Relations.

A bill (S. 5646) granting a pension to Catherine Davis Broughton (with accompanying papers); to the Committee on Pensions.

By Mr. BLACK:

A bill (S. 5647) to revive and reenact the act entitled "An act granting the consent of Congress to the Highway Department of the State of Alabama to construct a bridge across Elk River between Lauderdale and Limestone Counties, Ala.," approved February 16, 1928; to the Committee on Commerce.

By Mr. METCALF:

A bill (S. 5648) granting an increase of pension to Lena Hook (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 5649) granting certain lands to Salt Lake City, Utah; to the Committee on Public Lands and Surveys.

By Mr. REED:

A bill (S. 5650) for the relief of Wayne Smallwood Vetterlein; to the Committee on Finance.

By Mr. JOHNSON:

A joint resolution (S. J. Res. 255) authorizing the Secretary of the Navy to sell surplus coal at nominal prices for distribution to the needy; to the Committee on Naval Affairs.

CHANGE OF REFERENCE

On motion of Mr. REED, the Committee on Military Affairs was discharged from the further consideration of the bill (H. R. 7232) providing for settlement of claims of officers and enlisted men for extra pay provided by act of January 12, 1899, and it was referred to the Committee on Claims.

RELIEF FOR THE UNEMPLOYED—AMENDMENTS

Mr. WAGNER submitted amendments, and also an amendment in the nature of a substitute, intended to be proposed by him to the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which were ordered to lie on the table and to be printed.

ISSUANCE OF STAMPED MONEY CERTIFICATES, ETC.

Mr. BANKHEAD submitted an amendment intended to be proposed by him to the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table and to be printed.

PRODUCTION COSTS OF COTTON FISHING NETS AND NETTING

Mr. AUSTIN submitted the following resolution (S. Res. 361), which was referred to the Committee on Finance:

*Resolved*, That the United States Tariff Commission is hereby authorized and directed to investigate for the purpose of section 336 of the tariff act of 1930 the differences in cost of production between the domestic article or articles and competitive foreign article or articles, and to report at the earliest practical date on the following items:

Cotton fishing nets and cotton fishing netting, classifiable under paragraph 923 of the tariff act of 1930.

PRINTING OF PROCEEDINGS OF THE MEMORIAL SERVICES IN HONOR OF CALVIN COOLIDGE

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 42) to compile, print, and bind the proceedings of Congress in connection with the exercises in memory of the late President Calvin Coolidge, which were, on page 1, line 4, to strike out "twenty-five" and insert "fifteen"; in line 9, to strike out "eight" and insert "five"; and in line 10, to strike out "seventeen" and insert "ten."

Mr. WALSH of Massachusetts. Mr. President, this concurrent resolution provides for printing the bound volumes of the memorial exercises in honor of former President Calvin Coolidge. The House has reduced the number of volumes that may be printed. That reduction is agreeable to me; and I move that the Senate concur in the amendments of the House.

The VICE PRESIDENT. The question is on the motion of the Senator from Massachusetts.

The motion was agreed to.

AMENDMENT TO THE CONSTITUTION—REPEAL OF PROHIBITION

The Senate resumed the consideration of Mr. BLAINE'S motion that the Senate proceed to consider the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States.

Mr. ROBINSON of Indiana. Mr. President, in all that has been said by the eminent Senator from Arkansas [Mr. ROBINSON] and my good friend the distinguished Senator from West Virginia [Mr. HATFIELD] I am in hearty accord. The incident at Miami was deplorable; the entire country is shocked and grieved.

Mr. FESS. Mr. President, will the Senator yield for a moment?

Mr. ROBINSON of Indiana. I yield.

Mr. FESS. I wanted to ask the Senator, who is a good lawyer, whether, in his judgment, there could not be some additional protection accorded to the man who occupies the Presidency of the country by the imposition of a more drastic penalty upon those who undertake to do a dastardly deed and yet fail, and by the fact of failure are relieved of the penalty that otherwise would be administered?

Mr. ROBINSON of Indiana. The Senator means the death penalty?

Mr. FESS. Yes; whether it is not feasible to undertake some additional protection to the high office of the Presidency.

Mr. ROBINSON of Indiana. I do not know what the result would be, Mr. President, but, so far as I am personally concerned, I believe that anybody who attempts to assassinate the President of the United States or the President elect of the United States ought to suffer the death penalty.

I desire now, Mr. President, to discuss the joint resolution which is pending before the Senate.

The PRESIDENT pro tempore. The unfinished business is before the Senate.

Mr. ROBINSON of Indiana. Mr. President, for the past three days we have been discussing the question of whether

or not intoxicating alcoholic beverages should be permitted to return legally. Three valuable days, three days during every one of the 24 hours of each of which untold thousands of people in America have been crying for bread, have been wasted in an academic discussion of a resolution that can have no effect possibly for the next 2, 3, 4, or 5 years. While measures are before this body that, if enacted into law, would provide relief for suffering humanity in America and alleviate agricultural conditions that are well-nigh intolerable, we continue to discuss the question of booze and the American saloon and whether or not they shall be tolerated in the future. We fiddle while the Nation burns, discussing a resolution which, if adopted, can only bring more misery to the country, and fail to consider measures that would unquestionably bring relief to millions of people under the American flag.

Mr. President, let nobody be deceived. This resolution is not for submission. Any one voting for the adoption of this resolution votes for the return of the American saloon with all its evils.

I have heard that some legislators occasionally believe that when they vote to submit an amendment of this kind somehow or other they are relieved of any responsibility either way. They take a neutral position. As a matter of fact, Mr. President, whoever votes for the joint resolution now before the Senate votes directly and deliberately for the return of the saloon. No other interpretation can be placed upon any vote in the affirmative. Not only that, but whoever votes for the adoption of this joint resolution requests the people in the State from which he comes to support that vote when the question comes up for decision by the various Commonwealths.

Mr. President, I understand perfectly well that anything I may say on this subject will doubtless have little effect. I assume it will influence no votes in this body; but I should feel myself derelict in duty did I not present to the Senate and to the country some observations that suggest my own line of reasoning with reference to this problem.

For years it has been a usual thing to see men, and women, too, going up and down the country insisting on the repeal of the eighteenth amendment, but also insisting equally as emphatically that they were against the return of the saloon. Evidently most of these advocates of repeal had their tongues in their cheeks when they made those pious statements. "Oh, no," said they; "we must never have the saloon again. We are opposed to the saloon." Even the Association Against the Eighteenth Amendment continuously stated their opposition to the saloon or its return; but, Mr. President, here we have the saloon back again.

This measure provides for the return of the saloon, pure and unadorned; and evidently the organized interests who have been advocating the repeal of the eighteenth amendment have used the lash and, notwithstanding their protestations to the contrary, have insisted that the saloon must come back. Out must go the eighteenth amendment. In must come the American saloon; and by a vote yesterday of 33 to 32 the Members of this body voted for its return. No other interpretation can be placed on that vote; and section 3 was stricken from the joint resolution.

"Happy days are coming back"; there is no doubt about it, Mr. President. One campaign pledge will be redeemed. We will have the American saloon back, and, presumably, happy days; but the "happy days" we sing about will be only a smoke screen, for back of that screen will be misery, human misery, far worse than it is to-day.

The question of the saloon has been with us always. It is nothing new. From the beginning of the Government we have had the liquor question and the saloon problem.

Mr. President, the first difficulty we had, in the way of revolt, after the Government was organized, was the saloon rebellion, the Whisky Rebellion, at the very beginning of Washington's administration; and we have had a whisky rebellion from then until now. This question has been in politics throughout all those years; and let no one here to-day think for a second that this joint resolution will take it out of politics. There is a right side and a wrong side, and in the end the right side will prevail.

For 133 years the American people tried to live with the saloon. I go further: For 133 years the American people did everything in their power to tolerate the liquor traffic. Local option was tried; license, State control, and every method the genius of man could invent was undertaken to find ways and means for living with the saloon, but all to no avail. It besotted manhood everywhere; destroyed homes; befouled womanhood and childhood; it controlled politics and corrupted government. Throughout those years State after State went dry, and the breweries and distilleries shipped their wares from wet States into dry States with impunity. They positively would not obey the law. There was no question about it. Finally the American people, discovering that the American saloon refused to be law-abiding, that it refused to yield to legal control, rose in their might and wrote prohibition into the basic law of the land in the form of the eighteenth amendment, and there it has remained until this day.

Now we propose—and I assume the votes are here to do it—we propose at 3 o'clock this afternoon to repeal that amendment as far as this body can do so. Ah, but, Mr. President, we go further. We not only propose to repeal the amendment but we propose to restore the saloon—the same saloon that all the liquor apologists during the past 12 years have insisted should never return; and we find a majority in this body for the restoration of that very saloon.

Mr. President, as soon as we bring back the saloon we shall have 48 State boundaries to police and patrol. One of the favorite arguments of the apologists for the liquor traffic during the past few years has been that the eighteenth amendment could not be enforced because we had the great Canadian boundary up there to the north, Mexico and the Gulf of Mexico on the south, the Atlantic Ocean on the east, and the Pacific on the west. It was impossible, they said, to enforce the law; and so rational, so reasonable are they, apparently so logical, that now they propose to add 48 more boundaries to those 4, and expect the American people to believe that in some manner or other it will be easier now to enforce the law and to patrol all of those additional boundaries than it was originally to patrol the four.

Mr. President, I am bound to say that the revenue will be disappointing. I do not think anybody expects any considerable revenue to come from this measure. I think the incoming administration will be utterly disheartened when they find how pitifully little money they get out of this traffic. The controlling reason is not revenue. It is twofold: First, to bring it back so that the thirsty may be supplied with little effort and, second, to transfer the income taxes from organized wealth to the backs of the beer drinkers of the country, those who have little means. That is the purpose. That means that more of the stuff will have to be drunk than is being consumed now, of course; and where is the money coming from to buy it, with 12,000,000 men walking the streets looking for work, with nothing to do, with no bread for themselves and their families? How are they going to get money to buy booze?

No; the revenue will be disappointing; but one result will come, Mr. President, and come immediately. As soon as this measure goes on the books, if ever, and if it requires some time for its ratification, if ever, I assume the beer bill will come before us and be promptly passed by the incoming Congress. That will mean that a saloon will be established within six months on every street corner throughout the country in all the cities, as they were before the eighteenth amendment; and then America will go on a spree the like of which was never heard of before. Everybody who can get the money with which to purchase, will drink—the young, the old, the rich, and the poor. This thing called prohibition has been so widely advertised and publicized that everybody will seek out liquor to learn more about it. It will not be safe to go on the streets, and everybody knows it, with 32,000,000 automobile drivers in the land. It will

not be safe to ride on the railways, to say nothing of the air and aviation. That will be one of the inevitable results, Mr. President. Then the pendulum will swing back, back, beyond any question of a doubt, toward decency.

Of course, the American people will be disgusted with the saloon, as they were for 133 years. There never was a period when they were not; and, of course, as soon as they become thoroughly disgusted with it, the sentiment will change; the people will rise again in their wrath, and out the saloon will go. There is no question about that.

This legislation will not take the saloon out of politics; it will put it back into politics. Bootleggers will continue to bootleg; illicit distillers will continue to distill illicitly; and illicit brewers will continue to ply their trade. Nothing will be bettered.

Mr. President, I do not criticize any of my colleagues in the slightest degree. They have as much right to their views as I have to mine. But I am wondering whether it does not make them dizzy sometimes dodging from one side of the street to the other every time the wind changes. It would give me the "jitters" if I had to change my position on this great moral question every time it looked as if there were a little flurry in public sentiment.

Mr. President, I should prefer to find the right side, a position which my conscience would assure me was correct, and then take my stand there regardless of politics, understanding full well that if the winds of public sentiment blew away from me sooner or later they would be bound to come back, and if they never did, then it would be no tragedy to anybody but myself, and that would amount to little.

Mr. President, I want to observe also, while I am on my feet, that the nineteenth amendment is the next in order. Let the good women of America take warning. There is no question in the world but that the warfare now will begin against the nineteenth amendment.

Mr. President, I went through the lobby committee's investigation three years ago with my distinguished friend the late Senator Caraway, of Arkansas, who was the honored chairman of that committee. We had before the committee the so-called wet leaders. We had before us those who were leading the movement against the eighteenth amendment. We interrogated them all, and with frankness that practically amounted to effrontery they charged that the nineteenth amendment enfranchising the women of the country was a mistake, that it ought to be repealed, and that if they could bring it about they would have it repealed. It is all in the record of the hearings for any Senator who desires to see for himself. Let the women of America beware!

There are other amendments in the Constitution which safeguard the liberties of our people; which make it impossible for men to be sent to their death without fair trial, which gives every citizen the right to be tried for any offense by 12 of his peers, his neighbors, by a jury. All of the rights of the American people are safeguarded in that document known as the Constitution of the United States.

It is not safe to tinker with the Constitution. We never have done so. In 144 years of glorious history we have never yet repealed an amendment which went into the Constitution after the people had sanctioned it, and I submit that it is dangerous to tamper with the basic law. If the eighteenth amendment should be repealed, the nineteenth would be next in order. Then some one would want another amendment out, and the first thing we knew, the safeguards of freedom for the American people would be destroyed.

Mr. President, before the lobby committee to which I have referred correspondence was read; it is all in the RECORD, one letter from Irénée du Pont, as I remember—it was one of the du Ponts, and I think it was Irénée—to one of his friends stated in substance that the reason why he was so actively against the eighteenth amendment was that he wanted to restore beer, and that if beer could be restored, it would save one of his corporations alone $10,000,000 annually in income taxes, because the tax would be transferred to the beer drinkers of America.

Who are the people who have brought this thing about? I say that it is a group of not to exceed 75 millionaires in America. They have furnished all the money for poisoning American public opinion on this question, and it is all in the record, if any of my friends desire to see it, as a result of the disclosures before the lobby committee in 1930.

Mr. President, regardless of politics, I purpose to take my stand. I refuse to dodge around back and forth on this question. My own opinion is that the American saloon is an evil second to none that might be conjured up in one's imagination. Therefore I shall certainly do everything in my power to prevent its return, and, of course, vote against the pending joint resolution.

May I not, before resuming my seat, read a few excerpts from a statement published by the Country Editor Publishing Co. (Inc.) under the heading "The Poor Man Pays the Bill." I read:

> In considering present conditions there may be some comfort in the reflection that probably no social system can be so devised as to render it immune to attacks from its predatory elements. The whole mass, as a matter of fact, is inherently selfish and, therefore, cohesive; otherwise it would disintegrate, every separate unit would strike out for itself, and anarchy would ensue. So, however idealistic the original conception may be, the scheme must be worked out practically by reconciling the idealism toward which the race is eternally striving with those other provisions which are indispensable to the physical existence of each individual.
>
> There ought not, of course, to be any material subversion of the aspirations toward higher moral levels such as we are at present experiencing. There ought not to be in the political field any complete surrender by the legislative branch to the least desirable constituents of the population such as seems to be impending as soon as the new Congress can be brought into action.
>
> This surrender, it can be plainly seen, is infectious. The politician in local as well as in national affairs is misled by the talkativeness of the almighty dollar. The still, small voice of the moral sense of the Nation is drowned by the lusty-lunged mouthpieces of organized wealth.
>
> And organized wealth is not concerned with the moralities of the situation. It traffics in what it considers more tangible merchandise; it carries out its purpose by playing upon the weaknesses of human nature, and it thrives best, therefore, when the moral sense of the Nation is in suspension.
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> * * * * * * *
>
> The most disturbing feature, however, will be its (the new Congress) subservience to the crowd that temporarily has the whip handle and is using the lash mercilessly on everyone who dares to oppose it. This crowd is meeting with surprising success mainly because for the time being the political influence of those who have sought to guide the Nation into a cleaner moral atmosphere is at a low ebb. In reality their following represents by far the majority of the population, but they have been rendered inarticulate, and therefore demoralized, by the power of huge aggregations of wealth in the hands of a few men, functioning first in the national conventions and now at the Capitol in Washington.
>
> These men have made no secret of their intentions. Indeed, their chief spokesman, testifying before a congressional committee, boasted that his financial backers represented more than $10,000,000,000 of corporate and individual wealth. In the face of such an offensive it is not strange that the voice of the churches has been silenced. It is not strange that the big dailies have the effrontery to refer to these religious organizations as a collection of bigots and hypocrites. The almighty dollar does not believe in mincing words while it drives its chariot exultantly through the "common herd" on the road to its objective. It is not afflicted with a troublesome conscience. Those who will not get out of the way it destroys.
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> * * * * * * *
>
> It would seem so. The megaphone of the rich and powerful is calling loudly for liquor, and more liquor, so that the Budget may be balanced by making the poor man pay through the nose as he gulps down his schooner of lager and stands, maudlin drunk, at the bar, sumptuously furnished for him by the manipulators of $10,000,000,000 worth of the country's wealth.
>
> Balance the Budget with the nickels of the poor! That is the rich man's cry to-day. The billions lent to Europe were money poured into a rat hole. Therefore, let the poor man foot the bill as the saloon keeper rings up on his cash register the money that should have gone into shoes and stockings for the youngsters, and warm clothing, nourishing food, and wholesome amusements.
>
> The power of money, the saloon, unbridled greed, distillery, and brewery profits on the one hand, and, on the other, the country parsonage, the little red school house, the institution of the family, the protection of the children, the ideals of virtuous womanhood. Surely, it is an unequal struggle, a humiliating spectacle, a denial of inspiration and of leadership, a perversion of the destiny of a great people.

Mr. President, as far as I am concerned I shall stand on the side I believe to be the right side. Others, of course, will make their own decisions. I shall vote against the repeal resolution.

Mr. GLASS obtained the floor.

Mr. BULKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Virginia yield for that purpose?

Mr. GLASS. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Kendrick | Russell |
| Austin | Dale | Keyes | Schuyler |
| Bailey | Davis | King | Sheppard |
| Bankhead | Dickinson | La Follette | Shipstead |
| Barbour | Dill | Lewis | Shortridge |
| Barkley | Fess | Logan | Smith |
| Bingham | Fletcher | McGill | Smoot |
| Black | Frazier | McKellar | Steiwer |
| Blaine | George | McNary | Stephens |
| Borah | Glass | Metcalf | Swanson |
| Bratton | Goldsborough | Moses | Thomas, Idaho |
| Brookhart | Gore | Neely | Thomas, Okla. |
| Bulkley | Grammer | Norbeck | Townsend |
| Bulow | Hale | Norris | Trammell |
| Byrnes | Harrison | Nye | Tydings |
| Capper | Hastings | Oddie | Vandenberg |
| Caraway | Hatfield | Patterson | Wagner |
| Clark | Hayden | Pittman | Walcott |
| Connally | Hebert | Reed | Walsh, Mass. |
| Coolidge | Hull | Reynolds | Walsh, Mont. |
| Costigan | Johnson | Robinson, Ark. | Watson |
| Couzens | Kean | Robinson, Ind. | White |

The PRESIDING OFFICER. Eighty-eight Senators having answered to their names, a quorum is present.

Mr. GLASS. Mr. President, on last July 16 the Senate voted on Senate Joint Resolution 202 offered by me and by a recorded vote of 37 yeas to 21 nays decided to make it the order of business. Subsequently it was displaced by an appropriation bill. I have now offered it as a substitute for the pending Senate Joint Resolution 211.

I had hoped, Mr. President, to discuss the question in a practical way. I have never in either House of Congress in a service of 30 years felt it desirable to speak only for home consumption. If the Senate has no desire to hear these grave matters discussed I am not going to exhaust my reserve strength or that of the Senate either by undertaking a discussion of the question. Therefore, with a meager attendance of Senators, I shall accordingly abbreviate as much as possible my intended exposition of Senate Joint Resolution 202.

Mr. President, I have never voted anything but the prohibition ticket in my life when the issue was live and practical. I am not a zealot on the subject, but whenever opportunity has afforded I have invariably voted to banish intoxicating drinks. However, I realize, as other observant persons must realize, that the experiment of national prohibition seems to have proven an utter failure. What the causes may be, no man may accurately say. There are a multiplicity of them and they are of a varied nature. One of them in my considered judgment is the fact that moral lepers and statutory criminals have had the effrontery to assume leadership of the moral forces in the country. I think that fact has made a tremendous contribution to the reaction throughout the United States against prohibition as a national problem. There are some few things worse than liquor. But in any event, whatever the causes are, whatever their nature, every observant person must know that there has been this reaction.

There has been a tremendous demand for a resubmission of the question to the States for further determination. It has always been my view that there is just as much reason and equity in the general demand for resubmission of the prohibition problem as there was in the demand in the first instance for the submission of the eighteenth amendment to the States for ratification or rejection. Therefore, reluctantly I have joined the forces which are demanding a resubmission of the question.

I was on the platform committee of the national Democratic convention at Chicago, and there was no difference of judgment as to the desirability of submitting the question to the States for further consideration. The Democratic convention of my own State, to which I owe primary allegiance and of which I am their representative here in the Senate and not of any national convention, declared for a resubmission of the question. But concurrently with that declaration the Virginia Democratic State platform denounced the return of the saloon and by implication advocated a submission in the form of a proclamation against the return of the saloon.

The Democratic National Convention at Chicago denounced the return of the saloon. It may be said that by implication at least it advocated action by the States against the return of the saloon and that is granted. But that declaration, I contend, did not necessarily preclude a constitutional reservation against the return of the saloon. On the other hand, the Republican National Convention at Chicago textually and in terms demanded a constitutional reservation against the return of the saloon.

In all the last campaign, so far as I was able to observe—because I was not permitted on account of physical disability to participate actively in the campaign—it was urgently insisted by candidates and the press that there should not be a return of the saloon. So that, far from naked repeal of the eighteenth amendment being the commanding issue of the campaign, it was not an issue of the campaign, the differences between the two parties being so indistinguishable that the widespread contention was that the liquor question was utterly subordinated and the economic issues of the campaign were predominant.

For myself I have said, and now repeat, that I do not attach any great degree of sanctity to platform declarations as contradistinguished from a Senator's obligation under oath to follow his own judgment and his conscience in matters of this kind. I note that the Judiciary Committee of the Senate attached no sanctity to convention declarations, either the Democrats or the Republicans on that committee, for they utterly rejected and disregarded the textual declaration of both the Republican and the Democratic national platforms, in that Senate Joint Resolution 211, as reported by the Judiciary Committee, provides not for the submission to conventions called solely for the purpose of deciding this question but rather to legislatures, as has been the invariable practice. Therefore, if the distinguished lawyers composing the Judiciary Committee of this body may thus lightly brush aside party platform declarations, the laymen among us may as readily and as safely disregard those declarations in other respects. However, it is not my purpose to disregard them materially. On the contrary, it is my considered view that unless we shall regard the declarations of both major parties it will prove impossible to submit this question at all to the States.

Let us consider that phase of the subject for a moment. Some of us on this side have stressed party declarations. Let us assume that there is a certain sanctity about such declarations. Why should the Democrats assume that the Republicans owe less allegiance to the declarations of their party platforms than we presume to avow for the declarations of the Democratic National Convention?

Mr. BULKLEY. Mr. President, will the Senator from Virginia yield to me?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Ohio?

Mr. GLASS. I yield.

Mr. BULKLEY. The Republican platform expressly declares that as to this particular subject no one may be bound by the platform pronouncement.

Mr. GLASS. The Republican platform expressly declares that while in dealing "with the evils inherent in the liquor traffic," the States shall be allowed "to deal with the problem as their citizens may determine," such dealing shall always be subject "to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses."

Mr. BULKLEY. But the platform goes on to declare——

Mr. GLASS. Oh, I know.

Mr. BULKLEY. The platform goes on to declare that no Republican need be bound by its declaration on this subject, and that it shall not come in conflict with anybody's conscience.

Mr. GLASS. I do not intend that my party platform shall ever come in conflict with either my judgment or my conscience, if the Senator from Ohio wants my view on the subject.

However, to return to the point: I say if submission be desired, it is my view that we can never get it except by regarding the platforms of both major parties, for the simple reason that the Republicans have now but one majority in the Senate, the Democrats being in the minority, and, if the Republicans observe their party platform, where are we going to get the necessary two-thirds to submit the question? We shall not have it in the next Senate. Where are we going to get it?

Something has been said on the other side of the Chamber about keeping faith with party declarations. The distinguished Senator from Connecticut [Mr. BINGHAM], now absent, I regret to say, undertook to charge the Democrats in the Senate with violation of their party platform, and yet he himself has violated his own party platform in his action and his votes here. I am a genuine submissionist; I believe that the American people in the respective 48 States are entitled to the privilege of voting on this question again; and it is because I do believe in submission that I want to have passed a resolution that has some prospect and hope of obtaining the required two-thirds vote in each House of the Congress.

Mr. FLETCHER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Florida?

Mr. GLASS. I yield.

Mr. FLETCHER. I am wondering if the Senator would be willing to change his amendment, in the nature of a substitute, beginning in line 7, page 2, where it reads:

> The Congress and the several States, Territories, and possessions shall have concurrent power to enforce this article by appropriate legislation.

In other words, I do not like the "concurrent power" provision.

Mr. GLASS. I will say to the Senator when the proper time arrives I will be glad to make any reasonable concession that will assure us the prospect of submitting this question to the States.

Mr. FLETCHER. Very well. I should like, however, to have the Senator devote a little thought to this phase of the question. I recognize, of course, that the Congress has power to regulate interstate commerce and to prohibit the movement of wet goods into dry States and that sort of thing. That is in the law now; we do not need to express that in a new amendment to the Constitution.

Mr. GLASS. Oh, I understand that, Mr. President.

Mr. FLETCHER. But as to the control of the saloon and the provision of the proposal the Senator offers with reference to the sale on the premises, it seems to me that that might well be left entirely to the States and not have the power concurrently vested in the Federal Government and the States.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Montana?

Mr. GLASS. Yes; I yield to the Senator from Montana.

Mr. WALSH of Montana. I wish to say a word, in view of what has just been stated by the Senator from Florida in relation to the second paragraph of the joint resolution as tendered by the committee.

It is true that the original Constitution authorizes Congress to prohibit the transfer of intoxicating liquors in interstate commerce. It is held, however, that that authority simply indicates the intention to have commerce free except as Congress may otherwise direct. It has been held that under the existing Constitution the right obtains on the part of any citizen to pass his goods into another State, and they remain under the protection of the Federal Constitution until they actually reach the hands of the consignee; so that they can not be stopped at the State line nor there fall under the jurisdiction of the State authorities, but the goods will not fall under the jurisdiction of the State authorities until they actually get into the possession of the consignee who may live in the center of the State. Meanwhile all manner of opportunity is afforded for the diversion of the intoxicating liquors from the consignee to whom they are addressed. Likewise, even then, the intoxicating liquor is protected by the commerce clause; if it remains on the siding in the car of the transportation company, it still remains under that protection, and if it goes into a warehouse belonging to the transportation company it remains under the protection of the Federal statute, and is immune from any control by State statutes until it actually reaches the possession of the consignee. The purpose of the provision in the resolution reported by the committee was to make the intoxicating liquor subject to the laws of the State once it passed the State line and before it gets into the hands of the consignee as well as thereafter. It was so decided in a case reported in One hundred and seventieth United States Reports, with which, I think, the profession generally is not particularly familiar.

Mr. GLASS. Mr. President, in my own interpretation of the resolution as I have presented it, there can be no consignee of intoxicating liquors in a dry State. Liquors may be shipped across a State in interstate commerce from one wet State to another wet State, but the resolution as I have drafted it prohibits the shipment of intoxicating liquors into a State whose laws prohibit the manufacture, sale, or transportation of liquors. So I have met the objection that we are undertaking to interfere with interstate commerce as between States which authorize the manufacture, transportation, and sale of liquors; but there can be no consignee in dry territory under the terms of my proposed amendment to the Constitution.

Mr. President, at every point in the presidential campaign when submission of this question was discussed, and whenever the objection was raised as to the return of the saloon, assurances were given that both parties, with unexampled unanimity, were opposed to the return of the saloon. The Democratic national platform, in spirit and by suggestion—indeed, by denunciation—objected to the return of the saloon. The Republican platform in text insisted upon a constitutional guaranty against the return of the saloon. So my joint resolution complies with both the Democratic and the Republican platforms; and that is the only way you are ever going to get the question submitted at all, as it requires a two-thirds vote. Moreover, not only is it the only way you are ever going to get it submitted but it is the only way you are ever going to get it ratified by 36 States of the Union.

The Anti-Saloon Leagueites rode to a precipitate downfall because of their spirit of intolerance and tyranny, manifested in various offensive ways on every occasion. Now some of these gentlemen who want to repeal the eighteenth amendment would better beware lest they find themselves riding to a downfall. They are manifesting a spirit that is calculated to arrest the reaction that we have had against the eighteenth amendment, and that will make it impossible to get 36 States to ratify the proposed repeal of the eighteenth amendment. It is my considered judgment that they will never get it on earth unless we make a constitutional reservation against the return of the saloon.

Yesterday there was stricken out of Senate Joint Resolution 211 the almost attenuated constitutional guaranty against the return of the saloon. If that policy is to be pursued, I predict now and here that you will never get two-thirds of both Houses of Congress even to submit the question, and much less is the likelihood that you will ever prevail upon 36 States of this Union to vote for a proposition that involves the return of the vile institution called the liquor saloon.

The intemperance of the saloon was the least objection to it. It was the breeding place of crime and immorality and vulgarity and profanity of every description. It was the rendezvous of the immoral and criminal elements. Its effrontery was unparalleled, because it sought to control and for a time succeeded in controlling the politics of the com-

munity, of the State, and largely of the Nation, so that any man who had a worthy aspiration to serve his people must first kotow to the liquor league in his State. Not only that, but if you submit this question without a constitutional guaranty against the return of this vile institution you will witness in this country a campaign such as we have never had, not even in 1928, when the presidential nominee of the Democratic Party over and over again proclaimed himself in antagonism to the return of the liquor saloon.

Ask the extreme Anti-Saloon Leaguers in what form they would prefer to have this question submitted, and those who are honest among them—and God knows there are enough of them who are not—will tell you that they would rather have it submitted for naked repeal, without the remotest constitutional guaranty against the return of the saloon; and why? Because it would enable them to stir the passions, to appeal to the emotions, rather than to the minds, of their people. It would enable them to organize all of the churches of this country again; and Heaven knows that their actions have already done harm enough to the churches of the country, and to religion itself. But, thus enabling them to appeal to the emotions of the church people, nobody can convince me that you will ever be able to get three-fourths of the States to ratify this amendment.

Mr. REED. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Pennsylvania?

Mr. GLASS. I do.

Mr. REED. May I preface the question by saying that I am in sympathy with every word the Senator has thus far uttered on this subject.

A good many Senators are obviously bothered by the continuance of Federal control in this matter; and while they are anxious to see the saloon outlawed, they would like to see it done by prohibition on State action rather than continuing this unsuccessful Federal effort to carry its police power into the States. I am wondering whether the Senator feels that the last sentence in section 1 of his amendment is essential. That is the one which gives concurrent power to Congress.

Mr. GLASS. No; I do not think it is essential. If I could be brought to believe that the joint resolution stands a better chance of passage by the elimination of that sentence, I should be glad to eliminate it, because the balance of the joint resolution gives us a constitutional prohibition against the return of the saloon.

Mr. REED. That is just what I want to see; and the question of the Senator from Florida [Mr. FLETCHER] a little while ago seemed to be animated by the same thought I had—that there are many votes that would be secured for the joint resolution if that grant of concurrent power to Congress were eliminated.

Mr. GLASS. That being so, I should be perfectly willing to eliminate that one sentence from the measure. All I want is a constitutional guaranty against the return of this abominable saloon system of dispensing intoxicating liquors—that is all—and if we write it into the Constitution I assume that no State would ever even undertake to violate the text of the Constitution by licensing a saloon.

Mr. REED. Obviously, if it did, its licensing law would be invalid.

Mr. GLASS. Why, absolutely so.

Let me recall the fact that it was Mr. Woodrow Wilson's idea that the administration of any law that we might have on the subject—it was his idea that the administration of the Volstead Act except as to interstate shipments of liquor and the importations of liquor should be confided to the respective States, with their varying habits, with their tempers and their facilities for knowing the habits of their own people, and with their greater ability to enforce the law. Less than three months before he died Mr. Wilson wrote a proposed declaration on this very subject for incorporation in the platform of his party at the succeeding convention, in which he declared that it would require all of the power and resources and ingenuity available to the Federal Government to do the one thing of preventing interstate traffic in intoxicating liquors and the importation of intoxicating liquors, and that the States themselves could more effectively and certainly enforce the letter of the Volstead Act than the Federal Government could.

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Kentucky?

Mr. GLASS. I yield.

Mr. BARKLEY. The Senator may recall that when the eighteenth amendment was originally passed through this body it did not contain any provision for concurrent power to enforce its provisions, and that language was added in the House as a concession to the spirit of State rights, which prevailed probably more dominantly there than elsewhere.

I have always felt myself that probably it was a mistake to put in the original amendment the provision for concurrent power, and for that reason I am somewhat impressed with the suggestion of the Senator from Pennsylvania that that language is not only not necessary but probably unwise.

Mr. GLASS. It is entirely agreeable to me to omit that language.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Pennsylvania?

Mr. GLASS. I do.

Mr. REED. Then, passing that point, if the Senator will permit another question, it seems to me that it was made clear by the Senator from Montana [Mr. WALSH] and other previous speakers that the phraseology of section 2 of the joint resolution as it came from the committee is more satisfactory than the language in the amendment of the Senator from Virginia. I am wondering if, in the long run, we would not do best by inserting the prohibition against the saloon in section 3, to be added to what the committee has already put in regarding transportation into the dry States.

Mr. GLASS. That has been brought to my attention, and I am unable to see that that course would be any more effective than that proposed in my joint resolution. The language is simple. It is a layman's language. The lawyers find distinctions which I have not comprehension enough to follow and to understand.

Mr. REED. We can not help doing it when the Supreme Court puts those distinctions down as part of the law of the land.

Mr. GLASS. Not even the Supreme Court can help doing it, because on important matters its decisions are generally 4 to 5. But I am not willing to make the alteration suggested. Of course, it is for the Senate to say. I think the resolution as prepared, with the modification first suggested by the Senator from Pennsylvania, meets the issue in every respect.

Mr. BULKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Ohio?

Mr. GLASS. I yield.

Mr. BULKLEY. Does the Senator conceive that, by the modification suggested by the Senator from Pennsylvania, the Congress would be deprived of jurisdiction to enforce the provision carried in the section above?

Mr. GLASS. I want the Federal Government to have as little to do with the matter as possible. I never relished the idea; and, as I stated a while ago, President Wilson never relished the idea, of sending Federal employees into the States, without any understanding of the habits and temperaments of the people of the several States, to enforce a law, and I want to exclude the Federal Government, as far as it is practicable to do so, from having anything to do with this matter. But I do insist upon a constitutional guaranty against the return of the saloon.

The candidates for the Presidency either meant what they said or they did not mean what they said when they stated that they were opposed to the saloon. The political parties, in State convention and in national convention, either meant

what they said or were merely thundering in the index to deceive the people when they stated they were opposed to the return of the saloon. If everybody is, as has been suggested, opposed to the return of the saloon, what possible objection can there be to asserting it in the Constitution of the United States and letting the States govern themselves accordingly?

Mr. REED. Mr. President, will the Senator yield to me for one more statement?

Mr. GLASS. I believe the Senator from Ohio rose first.

Mr. BULKLEY. I was only going to suggest that I do not think that even by the acceptance of the modification proposed by the Senator from Pennsylvania the Senator would avoid the problem of Federal enforcement in the respective States.

Mr. GLASS. I do not intend to avoid it completely. I intend that there shall be a constitutional prohibition against a return of the saloon, and a Federal court might invalidate a State law which undertook to disregard the Constitution.

Mr. REED. Absolutely, and it would be binding both on the States regarding action in their territory, and binding on us in Congress regarding the District of Columbia, Alaska, Hawaii, and the other Territories.

Will the Senator permit me to say one more word?

Mr. GLASS. Certainly.

Mr. REED. When the session opened to-day I entered a motion to reconsider the vote by which section 3 was striken out last night. In view of the decision of the Senator from Virginia to omit that last sentence in section 1 of his amendment, while I would like now to make the motion, I will not ask that it be acted upon until after the disposition of the Senator's amendment.

Mr. GLASS. That is very good of the Senator.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. GLASS. I yield.

Mr. BARKLEY. I merely desire to suggest to the Senator that the elimination of this concurrent provision in the Senator's resolution would leave his resolution entirely analogous to the provision of the Constitution which now forbids any State to pass a law impairing the obligation of a contract. While there is no jurisdiction in the instrument giving Congress concurrent power to enforce that provision, Congress could enforce it, and would do so in this case.

Mr. GLASS. Mr. President, I want to get back to the vital point of this whole controversy; that is, does Congress want submission, or does it not want submission? That is the whole point. I have been unable to see how it is possible even to get submission, much less ratification, unless we regard the declarations of both of the major parties. How can any Senator on the other side vote against this Senate joint resolution I have proposed? It meets textually the Republican Party platform. How is any Senator on this side able to vote against it, when they overwhelmingly voted on July 16 last to take this resolution up and make it the order of the day, when there is nothing in the resolution which contravenes anything that is in the Democratic national platform, not a thing? It proposes to submit, and to submit, as I conceive, in the only way we can get submission. It meets the spirit of the declaration and the denunciation against the return of the saloon. We are not precluded from doing it simply because the declaration proceeded no further than to say, "We urge the States to enact laws against the return of the saloon."

Mr. BULKLEY. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. BULKLEY. I am one of those who voted to take up the Senator's resolution last July; but, of course, the resolution was subject to amendment.

Mr. GLASS. Oh, yes.

Mr. BULKLEY. I respectfully differ from the Senator as to this resolution being in adequate compliance with the Democratic platform.

Mr. GLASS. I imagine that there are other Senators who disagree with me; but that does not cause me to relinquish my own view of the matter.

Mr. BULKLEY. I did not want it to appear that I thought the Senator's resolution was a compliance with the Democratic platform merely because many of us voted to take it up last July. Of course, we voted to take it up.

Mr. GLASS. Oh, no; it was not "of course" at all. I had the greatest difficulty in prevailing upon the Senate to take it up.

Mr. BULKLEY. I am speaking of those who want to get the amendment repealed. Naturally we voted to take up the Senator's resolution for consideration, but it was open to amendment, and to the offering of a substitute.

Mr. GLASS. I have great respect for the opinion of my colleague from Ohio, and always have had, in this body and in the other House, but I have not altered my own opinion that a mere harmless and ineffective declaration of a party platform which promises to urge the respective States to do something does not preclude us from doing something in a more effective way, and giving the people of this country a constitutional guaranty against the return of an evil institution which we all say everybody is opposed to.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GLASS. I yield.

Mr. CLARK. Does not the Senator think there is a very essential difference, as a matter of party declaration, between the declaration of a platform in which the Democratic Party urges the States to take some particular action in dealing with this situation, and writing it into the Constitution of the United Staes?

Mr. GLASS. I say there is a difference, because I think the party-platform declaration was not worth the paper it was written on, and I think the amendment would be worth everything it says.

Mr. STEIWER. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Virginia yield to the Senator from Oregon?

Mr. GLASS. I yield.

Mr. STEIWER. Just a moment ago the Senator from Virginia asked the question how the Senators upon the Republican side of the aisle could vote against the Senator's proposal. Speaking only for myself, I want to say that I do not propose to vote against his proposal; on the contrary, unless the Senator's proposal, or some other like reservation, shall be contained in the joint resolution, I shall be obliged to vote against submission at all.

Mr. GLASS. Yes; and many Senators on the other side, and many on this side, occupy the same position.

I do not owe any supreme allegiance to a party declaration that had nothing on earth to do with my presence in the Senate. I was here as the representative of a sovereign State before a few people conspired in a national convention to get a declaration which suited themselves, and which is impossible of being effectuated, either in the Congress, in my judgment, or through an appeal to the States for ratification.

Submit the question of naked appeal to the American people, with the inevitable consequence—let Senators say what they will—that there will be a liquor saloon on every corner of every community, and in every filling station on every highway, and see whether 36 States can be persuaded to ratify any such proposal.

It is that sort of tyranny of spirit, that sort of mistaken feeling of domination, that almost literally destroyed the Anti-Saloon League, and wrought a damage to the churches and to religion that will not be repaired in the next half a century by the fervent prayers of people who are worthy to wear God's robes in his visible church. It is that sort of thing that destroyed those people, and you had better beware but that it is that sort of thing that will completely upset your plans for the repeal or modification of the eighteenth amendment.

Mr. President, I think I can say no more than I have said, as I feel that I could say no less than I have said, and I submit the matter to the Senate.

Mr. GORE. Mr. President, the purpose of the substitute offered by the Senator from Virginia is to prevent the return of the saloon. I share his views upon that subject. I do not wish to see the saloon resurrected. I have often said that the saloon was as dead as human slavery. I have often said that it had no more chance to rise from the dead than human slavery. I can not vote to falsify my own words. I can not help to roll the stone from its grave. I shall, therefore, vote for the Senator's substitute. But I feel obliged to say that, whether his substitute is adopted or rejected, owing to an obligation imposed upon me by the organized Democracy of Oklahoma, I can not vote for either of the resolutions.

Mr. President, I will now have read for the RECORD, rather than for Senators, a plank from the Democratic platform adopted in 1930 in Oklahoma, upon which I made my race for the Senate, and upon which I obtained my commission and the seat which I now hold.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk read as follows:

We pledge the people of Oklahoma that if the Democratic candidates for United States Senator and Congress are elected to Congress they will oppose the repeal of the eighteenth amendment or any effort to weaken the Volstead law, unless and until the people themselves, by their expressed will, shall have otherwise directed.

Mr. GORE. Mr. President, the last phrase, "unless and until the people themselves, by their expressed will, shall have otherwise directed," was inserted at my instance and upon my own insistence. Otherwise this declaration, more or less iron-bound, as Senators see, would have been perpetual. Even had the people of Oklahoma in a referendum voted against national prohibition, this pledge as originally drawn would still have bound me. Had the Democracy of Oklahoma in convention assembled adopted a contrary declaration, this pledge would have bound me but for the addition of that phrase. But I interpreted it, and I think the people of Oklahoma interpreted it, to mean some action on the part of the State. I construed it that way, and I do not feel at liberty to disregard that sort of instruction.

I was not bound to accept the nomination on that platform, but I did. I could have renounced it and could have taken my chances, and if elected would not have been bound by this declaration. But I stated during the campaign that I would stand on this platform and carry out this pledge in good faith so long as it stood as the expressed will of the organized Democracy in Oklahoma. I therefore feel bound by this declaration. But for that declaration I would have been in a different situation; in view of the platform adopted at Chicago and in view of the ratification of that platform by the people of my State, I would have been at liberty to act otherwise; but in the circumstances I feel in conscience and in duty bound to obey such explicit instructions so solemnly laid upon me by the Democracy of my State.

Mr. CAPPER. Mr. President, I am opposed to repeal of the eighteenth amendment. So is the State of Kansas, which I represent.

Mr. President, our first duty is to the hungry, the unemployed, the tax-ridden, the impoverished farmers, and other victims of this terrible depression.

I am opposed to the repeal of the eighteenth amendment because I am opposed to the return of the saloon. The wets claim they do not want saloons, but they have not yet told us how they will resume the traffic in liquor without saloons. In the old times the saloon brought untold misery and suffering in its wake, particularly to innocent women and children who had to pay the price for the appetites of husbands and fathers.

The presence of the saloon is a constant temptation to many men. It is a constant menace to the home and to the economic welfare of the women and children. I am unalterably opposed to its return.

Right at this time, in spite of the hue and cry, the tumult and the shouting, this Congress has more important things to consider than the proposed legalization of the liquor traffic.

Legalization of the liquor traffic will not make the liquor traffic law abiding. Whether legal or illegal, those who deal in the manufacture and sale of intoxicating liquor will be lawless. The liquor traffic always has been essentially lawless, whether the traffic is recognized as legal and under regulation, or has been banned as illegal. It always has been lawless, always will be lawless.

Mr. President, the wets tell us that when liquor comes back it will end unemployment, produce prosperity, balance the Budget, make everybody happy; but it will not. We are constantly told that the country gave this Congress a mandate at the November election which directed the Congress to submit this repeal question to the States. Nothing took place in Kansas which could possibly be construed as a declaration for repeal. Every candidate on the State and congressional tickets in Kansas, Republican and Democrat, with one exception, ran on a prohibition platform. The one wet candidate was overwhelmingly defeated.

Right now I think bread is more important than beer. I have received a telegram from the executive board of the Rawlins County Farm Bureau. Rawlins County is in northwest Kansas. The telegram symbolizes the sentiment not only of Kansas but of practically the entire agricultural section of the great West. That telegram says:

We ask that you use your influence in insisting that a farm relief bill be given first consideration in this session of Congress and over any legislation affecting the eighteenth amendment.

That is exactly the stand I propose to take.

Understand, I am speaking from my viewpoint as a Kansan born and bred and as an American citizen who believes he holds the best interests of the people of this Nation at heart. This does not mean that I condemn those who have a different viewpoint but who equally believe they have the best interests of the people of this Nation at heart. Those persons and myself are just in disagreement, that is all. Each has a perfect right to his own convictions, his own belief, and has entire liberty of action to crystallize those convictions and beliefs into action, so far as I am concerned.

I am one of those who doubt that making it easier to obtain liquor would lessen the amount of drinking in the United States. In passing, let me say that some of the wets have been making at least one claim in the past few years that on its face is hypocritical. They assert they favor temperance; that repeal of the amendment and abolition of national prohibition enforcement would mean less drinking. That is not true. They want—or most of them want—more liquor, liquor more easily obtainable.

I doubt very much that making it easier to obtain liquor would lessen the amount of crime, for the very good reason that it never has lessened crime.

I am sure that making it easier to get liquor would increase the number of traffic accidents and all the troubles and miseries that liquor always has increased.

Mr. President, when, some 14 years ago, 46 States voted through their legislatures to place the eighteenth amendment in the Constitution it was not due to any sudden, overnight change of heart. Adoption of the eighteenth amendment was the culmination of many years of observation and experience; the result of testing many and various means for the control of liquor. It was the culmination of a long series of "noble experiments."

The States had tried, with high license, with local option, with State dispensaries, with other means, to make a law-abiding person of John Barleycorn. All these efforts had failed. The fact is John Barleycorn is not cut out for a law-abiding citizen. So the States and the people were looking for something better. They believed that with State and Federal regulation combined John could be looked after and guarded and held in restraint a little more closely in the public interest than he ever had been before.

A good start was made with prohibition. Then New York State, with a great liquor stronghold within its borders and a city government that never had obeyed any liquor law, went back on its agreement. New York early became a backslider. It repealed its State enforcement act and has insisted ever since that prohibition is a failure. A few

other States in which the liquor interests and liquor politics have always been strongly intrenched followed New York's example in nullifying the Constitution.

Of course, this did not help the experiment in national prohibition, nor has it been helped by the constant stream of propaganda against the law that has come from that part of the country.

Frankly, I am for continuing the experiment nationally. We went through similar experiences in Kansas for 30 years before we had really effective prohibition enforcement. It must be admitted that national prohibition has not been entirely successful up to date; but I am satisfied, and the most authentic statistics we have all indicate, that prohibition is doing more good than harm—if it is doing harm. The records of the Treasury and of the Department of Justice, studied calmly and dispassionately, prove the increasing efficiency of the law's enforcement.

I do not believe we should expect to wipe out an age-old curse like the liquor evil by statutory law in a dozen years nor in a score of years. If we are really making progress, as in many respects we undoubtedly are, we should be encourage by this progress, not discouraged, and should proceed to make more progress.

It is said that in spite of prohibition a man can get a drink almost anywhere in the United States. Doubtless that is more or less true. Also a man may still commit murder anywhere in the United States, and many men do, although laws against murder have been on the statute books for ages.

Mr. President, if there is any ideal way of handling the liquor traffic I do not believe the world has yet discovered it. In Canada the wets told the people if they would repeal prohibition, lawlessness would decline. Statistics from the office of the Dominion's attorney general show that during the eight years, from 1923 to 1930, lawlessness in the Dominion increased from 18 to 153 per cent. Canada's jails have never been so full as they are now, nor her courts so crowded with business.

All over the world a colossal struggle is going on between right and wrong. Crime has increased everywhere. As the population of the world is larger than ever before, I doubt if it ever has witnessed so gigantic a contest between good and evil as is now taking place.

In this country the wets point to prohibition as the cause of this condition. In Great Britain it is laid to "the motor age" and to the war. In one of its reports the National Probation Commission declares that prohibition is not one of the five major causes of crime in the United States. This flatly contradicts the oft-repeated wet argument.

The World War had much to do with this mushroom growth of every kind of wickedness throughout the world. But conditions for its rapid development had long been rife, especially in our graft-ridden American cities.

Greed is responsible for most of our economic troubles. Greed always has been behind the liquor evil. A lifetime of observation has convinced me that we shall never get anywhere by temporizing with liquor. All our history shows we never have.

Speaking in New York City, March 29, 1919, Al Smith, then Governor of New York, said:

> The liquor interests have opposed stubbornly, for as many years back as I can remember, every attempt at the regulation of their business.

I wonder if Al Smith really believes those interests would be more amenable to control and regulation now, if they should be flushed with a victory over national prohibition?

If we make liquor a State rights problem, as it is proposed to do, provided three-fourths of the States agree, which is not at all certain in spite of the present hysteria on the question, would we not then have 48 prohibition problems instead of 1?

Now, Mr. President, I want to ask one other question: What have the wets to offer in place of national prohibition? So far, nothing except a return to conditions as they were before the days of national prohibition.

For years the wets have been protesting publicly and often that they are in favor of temperance; that they oppose the return of the saloon. The wets' only definite plan so far is the repeal of the eighteenth amendment. I say that means the return of the saloon, and I am opposed to the return of the saloon.

Legalize and reinstate liquor to its old position before we had prohibition, and it will be only a matter of a short time until it will be flaunting its vices openly and publicly and gutterly on every street. Experience shows that the saloon, gambling den, and brothel go hand in hand; and the three, led by the saloon, not only debauch young and old but pollute the body politic, especially in cities, and breed corruption and racketeering.

The wet leaders well know that the moment liquor is legalized, both retailers and manufacturers will form the old-time political ring in order to "liberalize" and do away with whatever regulations and restrictions are placed upon their business. Bootleggers—who existed long before we had prohibition—are a corrupt element in the political life of some of our communities, but the bootlegger has much to learn in moral knavery and political skullduggery from the brewers, distillers, and saloon keepers of old days.

Mr. President, the wets are making a campaign of false pretences. They even claim legalization of the liquor traffic would help raise farm prices in this country—but the brewers propose to make beer from imported hops, mixed with some domestic production.

The farm organizations know better than this, and are much opposed to the move to destroy national prohibition. They know the small amounts of farm products used would be more than offset by the loss of dairy products alone. More men would buy more beer; fewer children would get milk.

Right here let me say that I not only am opposed to repeal of the eighteenth amendment but I am opposed to and will vote against any measure proposing to legalize the sale of beer of an increased alcoholic content ostensibly for the purpose of raising revenue. I shall oppose it first because I consider that is an attempt at legal nullification of the eighteenth amendment. I shall never support a program which nullifies my Government's Constitution.

In the second place, I am opposed to levying a beer expense of $3,000,000,000 upon the families of the American working men even though it does increase the revenues of the Federal Government a few hundred million dollars.

It is true we must get better farm prices if we are to recover from the economic depression, but beer and whisky will not bring them. My information is that a bushel of corn will produce 4 gallons of whisky. The farmer under the old system got 25 cents for his bushel of corn. It retailed at $16.40, of which Uncle Sam got $4.40, the manufacturer got $4, the retailer $7, and transportation costs were $1.15.

Again I say, Mr. President, that there is no help for agriculture in repeal of the eighteenth amendment.

Mr. WATSON. Mr. President, I want to submit a unanimous-consent agreement on the pending question.

Mr. WALSH of Massachusetts. To extend the time for debate?

Mr. WATSON. Yes. I ask unanimous consent that the time for debate be extended until 4.30 o'clock, and that no Senator shall be permitted to speak more than 10 minutes at any time from now on until that hour.

Mr. WALSH of Massachusetts. Mr. President, I hope that will be agreed to.

Mr. BLAINE. Mr. President, will the Senator restate his request?

Mr. WATSON. My request is that the time for debate be extended until 4.30 o'clock this afternoon.

Mr. NORRIS. Why not put it "not later than 4.30"?

Mr. WATSON. From the number of Senators who have told me that they wish to speak, I think debate will run until 4.30. However, I will say not later than 4.30, and that no Senator shall speak more than once nor longer than 10 minutes until that time.

The PRESIDING OFFICER. Is there objection?

Mr. BLAINE. The present unanimous-consent agreement is to take a vote upon the resolution and all pending amendments or motions at 3 o'clock.

Mr. WATSON. I am now asking to set aside that agreement and substitute for it another unanimous-consent agreement, which may be done by unanimous consent.

Mr. BLAINE. But the Senator's unanimous-consent request refers only to the length of time a Senator may speak.

The PRESIDING OFFICER. The Senator from Indiana submits a unanimous-consent request that the order by which we were to vote to-day at 3 o'clock be vacated and that there be substituted therefor the agreement that debate shall continue until not later than 4.30 o'clock this afternoon, no Senator to speak more than once nor longer than 10 minutes.

Mr. WATSON. And at 4.30 o'clock a vote shall be taken.

Mr. BLAINE. A vote on the resolution and all pending amendments and motions in relation thereto?

Mr. WATSON. Yes.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Indiana whether the senior Senator from Maine [Mr. HALE] has been consulted concerning the arrangement?

Mr. WATSON. He has not.

Mr. LA FOLLETTE. The senior Senator from Maine, if the Senator will pardon me, is very anxious to leave the city to-night at 6 o'clock because of illness in his family. This morning he was very anxious to call up one of the appropriation bills after 3 o'clock. May I suggest to the Senator from Indiana that before the agreement is entered into he be given an opportunity to consult with the senior Senator from Maine?

Mr. ROBINSON of Arkansas. Mr. President, may I suggest to the Senator from Indiana that he limit his request at this time to the suggestion that debate be limited so that no Senator shall be permitted to speak more than once or longer than 10 minutes.

Mr. WATSON. I am entirely agreeable to do that.

Mr. ROBINSON of Arkansas. It is true, as stated by the Senator from Wisconsin, that the senior Senator from Maine [Mr. HALE] finds it necessary to leave the city on account of severe illness in his family—the very severe illness of a brother. He would like to obtain consideration of one of the appropriation bills before leaving, if it is possible to do so.

Mr. WATSON. I am in full sympathy with that suggestion, and I thank the Senator from Arkansas for making it.

The PRESIDING OFFICER. The Senator from Indiana asks unanimous consent to limit speeches from now until 3 o'clock to 10 minutes, no Senator to speak more than once.

Mr. WATSON. I am not willing to say that debate shall close at 3 o'clock.

Mr. ROBINSON of Arkansas. The debate has been closed at 3 o'clock by an agreement under which we are now proceeding.

Mr. WATSON. I understand that.

Mr. ROBINSON of Arkansas. I think if the Senator will modify his request so that speeches will be limited to 10 minutes, he will conserve the convenience of the Senate and the convenience of the Senator from Maine; and if that Senator, upon appearing in the Chamber, has no objection to the extension of time, I myself will not object; but this arrangement was made yesterday, and I do not feel that it ought to be changed now in the absence of the Senator from Maine.

Mr. WATSON. I would agree with the Senator, except for the fact that this is a most important question and we are all entitled to discuss it; every Senator wants to explain his views and his vote and his attitude toward his national platform and toward the situation generally.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator persists in the request that he has made, I shall object to it——

Mr. WATSON. I shall not persist.

Mr. ROBINSON of Arkansas. For the reason that I have stated; but, if he will submit a request to limit debate to 10 minutes, so that no Senator may speak more than once or longer than 10 minutes, I will not object to that.

Mr. WATSON. I have submitted that request.

Mr. WHITE. Mr. President, I was going to say that unless my colleague is consulted I shall object to any modification of the unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana?

Mr. BRATTON. Mr. President, I ask that the request may be stated.

Mr. HALE. Mr. President, I have not heard the request; I have just come into the Chamber.

The PRESIDING OFFICER. The request is that until 3 o'clock debate be limited to 10 minutes on the part of each Senator and that no Senator shall speak more than once. Is there objection? The Chair hears none, and it is so ordered.

Mr. DILL. Mr. President, during all my service in Congress I have always voted for prohibition and all measures in support of prohibition. To-day I shall vote for this resolution to submit the repeal of the eighteenth amendment to the States. In casting this vote I shall be entirely consistent. I have never changed my position as to voting on prohibition since I first came to Congress in 1914, nor shall I do so to-day.

At the election in 1914 the people of the State of Washington voted in their first referendum on prohibition, and in my campaign that year for election to the National House of Representatives I stated that, while I personally favored prohibition, if elected I would be the representative of the people in Congress; that, as such representative, I considered they were greater than I possibly could be; that when they went to the polls and legislated on any public question their will would be supreme, and that I would consider the vote of the majority at the polls to be a mandate which I would obey in Congress by voting on prohibition as they directed.

They voted dry. I kept my pledge with them by voting dry here in Congress.

In 1916 the people of the State of Washington voted again on prohibition on two referendum bills designed to weaken the prohibition laws of the State. They voted overwhelmingly dry, and in every campaign in which I have been a candidate since 1916 I have made the same pledge; namely, that, if reelected, I would vote in Congress on prohibition as the majority of the people of my State voted in a referendum.

In my last campaign, in 1928, when the wet issue was prominent, I stated that I considered the referendum votes of the people as an instruction to me to vote "dry," and that I would continue to vote "dry" unless and until the people by referendum vote changed their instructions.

During all these years I have kept that pledge by voting "dry" on every measure in behalf of prohibition that has come before Congress previous to this session.

But in 1932 we had in the State of Washington another referendum on the repeal of the prohibition laws. In that election the people in the referendum voted overwhelmingly "wet." That is a mandate for me to vote to submit the eighteenth amendment for repeal and to vote for such liberalization of the Volstead Act as is permissible under the Constitution. I shall so vote whenever these measures come before the Senate.

The people do not vote on the tariff, on taxes, on farm bills, or on the money question. They elect men to the House and Senate to pass on such legislation. On such questions I have always taken the responsibility of deciding how I should vote in conformity with the principles I have advocated and the pledges I have made in the past and for what I believed to be for the best interest of the people as a whole. This I shall continue to do.

If I were unwilling to keep my pledge to the men and women who elected me to carry out their will, as registered in the prohibition referendums of my State, I would consider myself faithless to my trust and unworthy of a seat in this body. To break faith with those whose votes I secured by such pledges would, in my estimation, be an embezzlement of

power given me by the people, and I would consider such action little less than treason.

Mr. REED. Mr. President, I think I can state my views in less than half the time that is permitted to me. I am one of those who have reluctantly become convinced that the prohibition experiment is a failure. I do not like to see us revert to the days which we knew before prohibition, the days of the saloon on every street corner. Consequently, Mr. President, feeling that way, and being a firm advocate of the principle of local option, I am glad to support sections 1 and 2 of the resolution as reported from the Judiciary Committee. I do not like section 3 because I do not want to see a concurrent power on this subject reserved in the Congress. Nevertheless, I do like the effort that section makes to prevent the return of the saloon.

The Senator from Virginia [Mr. GLASS] agreed to strike out that grant of concurrent power which appears on page 2, line 7, of his proposed substitute, and when that shall be stricken out I will be glad to vote for the substitute of the Senator from Virginia. If that amendment shall fail, I will then propose the amendment which I now send to the desk and ask to have read.

Mr. BULKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Ohio?

Mr. REED. Yes.

Mr. BULKLEY. Is it the Senator's view that striking out the provision in the Glass amendment concerning concurrent power will deprive the Congress of any power to enforce the proposal?

Mr. REED. Excepting in the District of Columbia and in the Territories the Congress will have no power to provide prohibition enforcement in the separate States, further than the power that it now has to regulate interstate commerce. It can prevent shipments into dry States; it can do that at present; it does not need any further grant of constitutional power for that, but I believe that striking out the concluding sentence in the first section of the Glass amendment will deprive the Congress of the concurrent power to conduct prohibition enforcement as it is now doing.

Mr. BULKLEY. To me it is an astonishing proposition that the Constitution should prohibit the saloon and still not have power to enforce its prohibition.

Mr. REED. Not at all. We prohibit a hundred different things in the Constitution. We say, for example, that the States may not coin money; we do not pass any laws about it; the Constitution by itself makes invalid every effort by the States to create their own currency. Now I ask that the amendment be read.

The VICE PRESIDENT. Let the amendment offered by the Senator from Pennsylvania be read.

The CHIEF CLERK. At the end of the joint resolution it is proposed to add a new section as follows:

SEC. 3. The sale of distilled spirits for consumption at the place of sale shall not be permitted within the United States or any Territory subject to the jurisdiction thereof.

Mr. ROBINSON of Arkansas. Mr. President, the statement just made by the Senator from Pennsylvania [Mr. REED] is to me astonishing. He proposes to place in the Constitution an inhibition against the establishment of saloons by the States and to justify that action on the ground that the Federal Government shall have no power whatever to enforce the inhibition.

Mr. REED. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. Certainly. I yield for a question.

Mr. REED. I did not say that the Federal Government would not have power. Of course the Federal courts would strike down any State law that established saloons.

Mr. ROBINSON of Arkansas. Well, Mr. President, if the Federal Government is to take away from the States the power to regulate the liquor traffic, in the event it should be legalized under any amendment that may be submitted, it is surprising to me that the Senator should desire to amend the Constitution so as to prohibit the establishment of saloons and also deny to the Federal Government the power to enforce that prohibition.

I maintain in all sincerity—and I believe the Senator from Pennsylvania will agree with me—that if the Constitution prohibits the establishment of saloons that is an implied grant of power to enforce the prohibition, and, if it is not, such a provision is worth less than nothing and ought not to be incorporated in any proposed amendment.

Mr. President, the debate has proceeded to-day on the theory that the States of this Union have few powers and that what powers they have ought to be subtracted from them. It is an astonishing proposition.

Mr. SWANSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Virginia?

Mr. ROBINSON of Arkansas. I yield to the Senator from Virginia.

Mr. SWANSON. Of course, my vote on the various amendments and substitutes will be dependent upon the issues involved. I have a great regard, as have the people of Virginia, for the judgment of my colleague, the junior Senator from Virginia [Mr. GLASS], but as I understand section 2 as adopted last night, it prohibits the transportation and use of any intoxicating liquors in a State, Territory, or possession of the United States that prohibits such transportation and use by its own laws. Is that true?

Mr. ROBINSON of Arkansas. That is entirely true.

Mr. SWANSON. As I understand, if the sale of liquor and saloons were to be prohibited by the State of Virginia or the State of Pennsylvania or any other State in the Union, section 2, as adopted, would allow the Federal Government to prevent the transportation and use of intoxicating liquors within that State. Is that true?

Mr. ROBINSON of Arkansas. That is true.

Mr. SWANSON. Consequently, it is left entirely to the States to determine in what manner intoxicating liquors shall be sold or used and to what places such liquors may be transported. Is that established definitely under section 2 of the proposed amendment?

Mr. ROBINSON of Arkansas. I think that is true.

Mr. SWANSON. I should like to ask the Senator——

The VICE PRESIDENT. The Senator from Arkansas has the floor.

Mr. ROBINSON of Arkansas. Mr. President, I can not yield for other Senators to express their opinions in my time.

Mr. SWANSON. I merely asked the Senator if the premises stated by me are correct.

Mr. ROBINSON of Arkansas. The language of section 2 is perfectly plain.

The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

That leaves to the States the power of regulation; it places the moral force of the Government of the United States behind the States in the enforcement of their laws; and that is exactly what we on this side of the Chamber are committed to, in so far as we can be committed by a platform declaration. Our platform states that we will—

Effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. Yes.

Mr. WATSON. The platform of the Senator's party says that " we urge the enactment " by the several States of such laws as will do that.

Mr. ROBINSON of Arkansas. The platform reads:

As will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

That is what I read.

Mr. WATSON. Mr. President——

Mr. ROBINSON of Arkansas. I can not yield; the Senator understands that I have only a few minutes left. I should like to use a part of my own time.

The issue here is whether the Federal Government is going to take away from the States all power after repealing the eighteenth amendment, in the event the repeal shall be ratified. The question is whether we will say, "You must find some other way of disposing of liquor in the event your people are authorized to dispose of it."

Now let us look at this question from a practical standpoint.

Everybody condemns the saloon. I am no champion of the saloon, and never have been. I have submerged my personal views, in so far as I am able to do so, and have conformed them to the platform declarations of my party, believing that it is my duty to take that course. But suppose we say there never shall be a saloon, but there shall be the sale of liquor. How is it to be accomplished? Is that an implied declaration in favor of the State's going into the liquor business, in favor of the State's engaging in the sale of liquor? If we deny to the States all power in the determination of any question as to how liquor shall be disposed of, what are we going to see done about it? What is the practical effect of it?

Granting that the saloon is very unpopular, if liquor is to be sold at all it must be sold either in saloons or by State agencies, and I do not think that the Congress ought to be committed to the policy that we are choosing permanently between those agencies.

The States of the Union have some measure of responsibility. They have just as much ability to handle this question as the Congress has, and, from the way we are dealing with it, I am inclined to think just a little more ability than we are displaying. The character of the men who serve the States in public office is comparable in integrity and in capacity to that of those who serve the Federal Government. This is another illustration of the disposition of some in public life to take away all powers from the States; and I am not willing to do that, particularly in view of the declaration I have read.

The statement has been made by the Senator from Indiana [Mr. ROBINSON] that one who votes for the joint resolution as it has been amended votes for the return of saloons. That declaration is not sustained by the facts. We simply vote, in the event the amendment to the Constitution is ratified, that the States shall possess some power in determining how this liquor problem shall be handled.

I agree with the Senator from Kansas [Mr. CAPPER] that there is no ideal way of dealing with the liquor problem. We have been looking for such a way for almost a century, and it has not been found. Troubles and difficulties inhere in the problem, and they will not be solved by a declaration in the Constitution of the United States—which, as insisted by the Senator from Pennsylvania, there will be no power to enforce or carry out—that the States shall not deal with this subject in accordance with their best judgment. We say that we are opposed to the saloon, and yet in a time when saloons are unlawful we see them established and maintained in many communities where the law forbids them; and the question arises, or may arise, in the minds of many Senators, as to whether an unlawful speakeasy is a preferable institution to a licensed saloon.

I do not justify the saloon, and I hope that it may never return; and I have grave doubt, in whatever form this amendment is submitted, whether 36 States of the Union will ratify the amendment. I believe, however, that there is sufficient sentiment in the country favoring a change of present conditions, as they relate to the control of the alcoholic-beverage traffic, to justify this Congress in submitting the question to the people of the United States for their decision.

The VICE PRESIDENT. The time of the Senator from Arkansas has expired.

Mr. TYDINGS. Mr. President, it seems to me that to a great extent we have lost sight here of the real substance of this proposition. One Senator after another has risen on this floor and assumed a fact which does not exist—namely, that if we repeal the eighteenth amendment liquor is going to come back. I should like to ask when it ever went away.

Every man in this Chamber knows that the police records of the Capital of the United States—Washington, D. C.—show that in the 10 years following prohibition, as compared with the 10 years preceding prohibition, five times as many persons under 21 years of age were arrested for intoxication. Therefore, if five times as many persons under 21 years of age have been arrested in the 10 years following prohibition as were arrested in the 10 years preceding it, in the Capital of the United States, right here under the nose of Congress, what is the use of talking about liquor "coming back"?

Every man here knows that he can go to the telephone and have a bootlegger come up to his office and deliver liquor within a half hour. Every man here knows that New York and Chicago and every other large city are filled with speakeasies. We know that crime has grown on a scale never before seen in the history of any country. We know that gunmen have ruled our cities. Yet men have the effrontery, it seems to me, to stand here and say that we are "going back" to this wicked thing called liquor, when under the present condition it has corrupted more public officials and Government officers than ever before, increased drinking among the young, built speakeasies all over the land, and made hijacking and bootlegging and distilling in an illegal way the words of mouth of every citizen in this country.

I say that we never should have taken this question from the States. It is not a national question. It is a local question, and it can be solved best in the communities that have to deal with it. This Government never was conceived with the idea that we would reach out into every community and govern the habits and the morals and the religion of people in those communities. We were to deal with national questions only—the Army and the Navy, interstate and foreign commerce, post offices and post roads, and the rest of the 18 powers given to us by the Constitution. We had no right at all, except by turning our backs upon the philosophy of the Constitution, to go out in the States and assume this power and this control. The sooner we give it back to the States the sooner we shall establish law and order and decency and some respect for government.

When my friend the Senator from Indiana [Mr. ROBINSON] gets up and tells about the good women of this land who are going to be debauched with liquor he loses sight of the fact that the good women of this land are drinking more under prohibition than they ever drank under the old régime, and every man in this Chamber knows it. The Senator also knows that more youths are drinking to-day than ever drank before in the history of this Republic. He knows that there is more graft and corruption and hypocrisy in both high and low places than ever before happened in this country. He knows that out of 3,000 prohibition agents over 25 per cent of them were discharged for discovered corruption in the first eight years of the existence of so-called prohibition. He knows that there have been more murders in the city of Chicago in a single year than happened throughout Great Britain in 10 years of its history. He knows that a criminal ring has dominated that city. He knows that at this moment there are 5,000 speakeasies in New York City, and he knows that bootlegging and illicit distilling go on from one end of this Republic to the other.

Why do we not tell the truth about this subject and face the facts?

Mr. BROOKHART. Mr. President——

Mr. TYDINGS. We have made a dismal failure of the whole fabric of temperance. We have dragged this country down to a degraded point in its morals, in its temperance, in its public behavior, that never existed before in all its annals. Yet we stand here hoping to keep a part of this power which has not helped America toward temperance, in my judgment, but has only destroyed the temperance that we

have built up through decades of teaching and example and precept.

Mr. BROOKHART. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Iowa?

Mr. TYDINGS. I yield for a question, if it is a brief question.

Mr. BROOKHART. Does not the Senator know that when Chicago had 7,000 legally licensed saloons it had 12,000 "blind pigs"?

Mr. TYDINGS. I do not yield further. Does not the Senator from Iowa know that right here in the Capital of the Nation, over which Congress has complete jurisdiction, five times as many persons under 21 years of age were arrested during the 10 years following the adoption of national prohibition as were arrested during the 10 years preceding it?

Mr. BROOKHART. Mr. President——

Mr. TYDINGS. Yes; but that does not count—of course not. The Senator does not want facts. He wants to chase a will-o'-the-wisp, the imaginative prohibition and temperance, instead of the actual thing itself.

Mr. BROOKHART. The Senator has asked me a question, and I should like to answer it.

Mr. TYDINGS. I have only four minutes left, and I refuse to yield.

Mr. President, in my humble judgment, trying to be as fair with all the circumstances as a human being can, I say that I believe that the open saloon was no worse, to say the very least, than the hidden, insidious speakeasy—not a bit in the world—except that we could see the saloon and see its evils; but because we sweep our dirt back of the door, that does not mean that the dirt has been swept out of the chamber.

Prohibition enforcement! Temperance! Morality! Where is it under the ægis of the eighteenth amendment? What are the gains? Where are they—with the young? With the women? Elimination of the saloon and substitution of the speakeasy? The crime, the murder, the graft, the corruption, the hypocrisy of men who occupy the highest legislative positions in the gift of this Republic? Are there any Senators in this Chamber who have violated the eighteenth amendment or the Volstead Act? Are there any Representatives in the other Chamber who have violated the eighteenth amendment? I do not say there are. Senators themselves know the answer to my question; and if this law can not be observed in those places, in God's name, where can it be observed?

Shall we be a bunch of hyprocrites, lashed by the lash of the Anti-Saloon League, in the face of 13 years of dismal failure; or shall we honestly face these facts as they are now presented, and as every one of us knows them?

We have made a failure of this thing. It was doomed to failure from its inception. We ought to be men enough to turn it back to the people of each community, who can settle it better than can we, having in view the conditions in their communities. New York can handle its problems better than the people of Oregon can handle the problems of New York for New Yorkers. Therefore, when we have made the experiment, when we have given it money, governmental support, new courts, new district attorneys, and hordes of agents, and we have failed, in God's name, in the interest of temperance, let us give it back to the States from whence it ought never to have been taken in the first place.

Mr. BINGHAM. Mr. President, the remarks made by the senior Senator from Arkansas [Mr. ROBINSON] a few minutes ago show a height of courage seldom seen on the floors of the Houses of Congress. Everyone knows his record. Everyone knows how consistent it has been in this regard. It is very difficult for a public man, it is very difficult for the Congress of the United States to admit that it has ever made a mistake. But we have been trying an experiment for the past few years. Every student of history knew that it would probably fail, because every time in the history of civilized nations a powerful central government has attempted to direct the morals and habits and beliefs of its people, it has failed.

When our Government was organized, when the Constitutional Convention was sitting in Philadelphia, the question was brought up as to whether the Congress of the United States should have the right to pass sumptuary legislation, legislation which would deal with the habits of the people, with what they ate, drank, and wore. But these celebrated fathers of the Constitution were keen students of history. They realized that in every great nation in the world when the central government had attempted to control the habits of its people, to make that wrong which custom made right, they failed; that a law could only be enforced when it was actually the crystallization of public opinion. They believed, and correctly, that sumptuary legislation could only be enforced when it was passed by the States or the communities therein, and, therefore, the Congress was not given that power.

Beginning about 1812, communities in the United States became alarmed at the growth of drunkenness, at the increase of intoxication, and steps were taken to meet that condition by prohibitory laws in various communities. About the middle of the nineteenth century a wave of prohibition resulted in some 18 States adopting prohibitory laws, but it was found that those laws could not be enforced. When communities containing people whose habits led them to enjoy and not to abuse intoxicating beverages wished to have their manners and customs continue as they had under their fathers and grandfathers for countless generations, they would find some means of accomplishing that result. Therefore, after a few years, nearly all the States, I think with the exception of Kansas and Maine, abandoned the position which they had taken theretofore.

Then came another wave of prohibition among the States, and it was tried for a while and abandoned. But in communities which had adopted a "no license" plan by the vote of the people in the community it was difficult, if not impossible, for a socalled blind tiger or speakeasy to exist.

Mr. President, in our country, where so many million people are descended from the inhabitants of European nations where for countless generations wine, beer, and other alcoholic beverages have been on the tables every day of the year, it is impossible by any law to make those people believe that their ancestors did wrong. It is impossible to make the people of Germany believe that beer is poison when they have seen generations of Germans using it as a daily beverage. It is impossible to make the inhabitants or the descendants of people of Spain, of Italy, Greece, or France believe that wine is a poisonous beverage. When it is abused, it is, indeed, harmful.

In adopting the eighteenth amendment, we interfered with the growth of temperance. I know that that statement is directly contraverted by ardent enthusiasts like my friend the junior Senator from Indiana [Mr. ROBINSON], who to-day maintained that a vote in favor of repeal, as we propose to vote to-day, is a vote for the return of the saloon in every State and in every community. That, of course, is a statement not actually founded on what will happen, for there is nothing in what we propose to do that will prevent any State or any community from deciding that it does not want to have alcoholic beverages sold in the community.

Where communities consist of people whose ancestors for generations have believed in the temperate use of wine and beer, it is utterly futile for the Federal Government to insist that it knows better, and to undertake to prevent alcoholic beverages from being sold where they are to be consumed.

In the News of to-day there is an editorial, very brief, which deserves reading for the benefit of the RECORD. It is entitled "The Senate's Opportunity" and reads:

THE SENATE'S OPPORTUNITY

The decision of the voters on November 8 has been put squarely up to the Senate.

The Democratic Senate leadership has met the prohibition issue squarely by rewording the Blaine amendment to make it a straight repeal measure, to be passed upon by the voters of the States through conventions.

The only proviso is a restatement of the Webb-Kenyon law, already on the law books, which would write into the Constitution the right of the dry States to have Federal protection against importation of liquor.

A vote at 3 o'clock has been ordered.

The amendment is the pledge of the victorious party—a party which obtained the largest popular vote in the history of the country, elected a President and Vice President and an unprecedented majority of the Members of Congress.

The amendment is an answer to 13 years of foolish attempt to legislate morality by Federal decree.

The Senate to-day, by passing this amendment, can put an end to this costly and absurd mistake.

We know of nothing that would do more to clear the deck for an intelligent attack upon the desperate economic problem confronting the country.

Mr. President, I know that those in favor of repeal are charged by the ardent advocates of prohibition with many crimes, with being interested in promoting the liquor business, with being interested in promoting the return of the saloon, and so forth, ad libitum, ad nauseam. But a study of the figures in regard to intoxication, referred to in part by the Senator from Maryland in his speech a few moments ago, gives clear evidence of the fact that under prohibition temperance has decreased and not increased. Two years ago, from figures which were before the committee, it was shown that there were more people arrested for intoxication in the United States than in the year before prohibition was adopted. Worse than that, far more young people were arrested. Prohibition was adopted to keep the young people from ever knowing the taste of alcoholic beverages. Yet in the city of Cleveland year before last 30,000 persons were arrested for intoxication. The courts in that city keep a record of the ages of persons arrested for intoxication, and we were told by a judge of one of the courts that the average age of those 30,000 persons was only 25 years. In other words, 15,000 of those persons were under 25 years of age, and when prohibition was adopted were not more than 11 or 12 years of age, although it was to keep young people from ever knowing the taste of intoxicating beverages.

The story is the same all over the country. High-school children who never thought of partaking of alcoholic beverages or spirituous liquors in the days before prohibition now think it is the smart thing to do. There are communities where no high-school society or sorority or other organization can even secure a club or a hotel in which to hold an annual dance because of what goes on.

It is because those of us who have studied this question free from bias, and interested only in promoting temperance, have come to the conclusion——

The VICE PRESIDENT. The time of the Senator has expired.

Mr. BORAH. Mr. President, after listening to the debate to-day, particularly on the subject of the saloon, I have become convinced that there will be no way to prevent the return of the saloon if the eighteenth amendment shall be repealed. I agree with everything the able Senator from Virginia [Mr. GLASS] has said with reference to the saloon, and I am just as much opposed to its return as anyone could possibly be. No power on earth could keep that institution clean, or make it respectable, and I do not want to see it returned. For that reason I am going to vote against the repeal of the eighteenth amendment.

Mr. President, what is the situation now? We have in the Constitution the eighteenth amendment, which prohibits the sale of intoxicating liquors, and prohibits their being sold and drunk upon the premises where sold. Gentlemen come to us now and say that we must repeal that amendment because we can not enforce it. Yet they say to us in the next breath, "If you legalize the sale of intoxicating liquors, the National Government can effectively prevent their being drunk on the premises where sold." In other words, we are asked to turn back to the States the power to do everything except control the places where liquor may be consumed. In my opinion, under any possible amendment which can be drawn, that would be a practical impossibility. If we can not prevent liquor being drunk on the premises of 5,000 saloons in New York to-night, when it is illegal to sell it, could we prevent it being drunk upon those premises after it was made legal to sell it?

The only way to fight the American saloon is to fight it as it was fought when we adopted the eighteenth amendment, that is, to outlaw the liquor traffic and make it an outlaw under the laws of the United States. If we have not the courage to enforce the law against sale, shall we have the courage to enforce the infinitely more difficult task of preventing the place of drinking legally sold liquor?

Suppose, as an illustration, there were in the State of New York a system which permitted the sale of nonintoxicating liquors in a saloon, but the Government said that intoxicating liquors should not be sold. Then suppose intoxicating liquors were sold in some saloon. It is proposed to take away the power of the National Government to enter that saloon to see whether or not those in charge were selling intoxicating liquors; to rob the National Government of any power to supervise the selling of intoxicating liquors.

I say that where nonintoxicating liquors are sold—as is now proposed in the beer bill, providing for beer which it is said will be fifteen one-hundreds of 1 per cent of being intoxicating—unless there is a supervising power with full control and authority to prevent the sale of intoxicating liquors, intoxicating liquors will be sold. And even if the power were given, it would be impossible to execute it. Let us not mislead or deceive the men and women who are making the fight against the saloon. If we can not give them real and effective protection, we should not give them a false and ineffective protection.

If there is stricken out of this measure the provision for concurrent power, and if there is taken from the National Government any authority or any power to supervise, there will be turned over to the lawless elements of the States the power to do precisely what it is said they are doing now, running saloons in violation of the fundamental laws of the States.

Can we expect the States of the Union which have now repealed all enforcement laws, which have repealed all laws by which to enforce the Constitution, to give us aid in controlling the places where liquor shall be drunk, after we have given authority to sell it and dispose of it? Certainly not. It would be practically an impossible proposition.

Mr. President, I venture to say here upon the floor of the Senate to-day that, just so surely as the eighteenth amendment shall be repealed and the liquor traffic turned back to the States, the saloon as it was known in the old days will return, and that brutal institution, where criminals consort and crime is bred will be running in full blast in less than 60 days after the eighteenth amendment shall have been repealed. Yea, more than that, it will be running within 30 days after the beer bill, which is now upon the calendar for action, shall have been passed.

Governments have tried to deal with the liquor question for a hundred years—yes; for 200 years—yet they have never been able to devise any scheme by which they could control the lawlessness of the liquor traffic. The liquor traffic itself is lawless, and to say that we can control it by permitting liquor to be sold, but providing that it shall not be drunk at this or that particular place, is imposing an impossibility which no governmental agency could execute. Make the sale legal and give the States power and right to set up a system for sale and distribution; make the drinking where sold illegal but give the Government which makes it illegal no power to execute its will or enforce its laws; that is the most consummate legal riddle yet devised by the genius of man.

Mr. REED. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. REED. What is the pending question?

The VICE PRESIDENT. The pending question is the amendment in the nature of a substitute offered by the Senator from Virginia [Mr. GLASS].

Mr. REED. Mr. President, I move to amend the substitute of the Senator from Virginia, on page 2, line 7, by striking out the word "The" and lines 8, 9, and 10, as follows: "The Congress and the several States, Territories, and

possessions shall have concurrent power to enforce this article by appropriate legislation." I understand that the Senator from Virginia is not disposed to resist this suggestion.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Pennsylvania [Mr. REED] to the amendment of the Senator from Virginia [Mr. GLASS].

Mr. ROBINSON of Arkansas. Mr. President, I shall object to denying the Federal Government the power to execute the mandate of the Constitution, and that is exactly what the amendment of the Senator from Pennsylvania proposes. The substitute of the Senator from Virginia, as now submitted, contemplates that there shall exist in the Federal Government the power to carry out the Constitution. The amendment of the Senator from Pennsylvania denies jurisdiction in the Federal Government to execute the provisions of the Constitution.

The VICE PRESIDENT. The hour of 3 o'clock having arrived, the question is on the amendment of the Senator from Pennsylvania to the substitute of the Senator from Virginia.

Mr. REED. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Transferring my pair with the junior Senator from Nebraska [Mr. HOWELL] to the senior Senator from Louisiana [Mr. BROUSSARD], I am at liberty to vote. I vote "nay."

Mr. WAGNER (when Mr. COPELAND's name was called). I wish to announce that my colleague [Mr. COPELAND] is necessarily absent because of the death of his father.

Mr. FESS (when his name was called). On this question I have a pair with the senior Senator from New York [Mr. COPELAND]. I do not know how he would vote on the pending question. I therefore withhold my vote. Were I privileged to vote, I would vote "nay."

Mr. FRAZIER (when his name was called). On this question I have a pair with the junior Senator from Louisiana [Mr. LONG]. In his absence I withhold my vote. If I were permitted to vote, I would vote "nay."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. Therefore I withhold my vote. If permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. FESS. I wish to announce that the Senator from Virginia [Mr. SWANSON] has a general pair with the Senator from Illinois [Mr. GLENN].

The result was announced—yeas 14, nays 70, as follows:

YEAS—14

| | | | |
|---|---|---|---|
| Bingham | La Follette | Reed | Tydings |
| Brookhart | Metcalf | Reynolds | Walsh, Mass. |
| Fletcher | Moses | Shortridge | |
| Hebert | Norris | Trammell | |

NAYS—70

| | | | |
|---|---|---|---|
| Ashurst | Costigan | Johnson | Russell |
| Austin | Couzens | Kean | Schuyler |
| Bailey | Cutting | Kendrick | Sheppard |
| Bankhead | Dale | Keyes | Shipstead |
| Barbour | Davis | King | Smith |
| Barkley | Dickinson | Lewis | Smoot |
| Black | Dill | Logan | Steiwer |
| Blaine | George | McGill | Stephens |
| Borah | Glass | McKellar | Thomas, Okla. |
| Bratton | Goldsborough | McNary | Townsend |
| Bulkley | Gore | Neely | Vandenberg |
| Bulow | Grammer | Norbeck | Wagner |
| Byrnes | Hale | Nye | Walcott |
| Capper | Harrison | Oddie | Walsh, Mont. |
| Caraway | Hastings | Patterson | Watson |
| Clark | Hatfield | Pittman | White |
| Connally | Hayden | Robinson, Ark. | |
| Coolidge | Hull | Robinson, Ind. | |

NOT VOTING—12

| | | | |
|---|---|---|---|
| Broussard | Fess | Howell | Swanson |
| Carey | Frazier | Long | Thomas, Idaho |
| Copeland | Glenn | Schall | Wheeler |

So Mr. REED's amendment to Mr. GLASS's substitute was rejected.

Mr. TYDINGS. Mr. President, I would like to offer an amendment to the substitute of the Senator from Virginia. On page 2, line 10, add a new sentence, as follows:

No national taxes shall be laid for collection against any intoxicating liquor for beverage purposes which shall be prohibited as a commodity in interstate commerce by the laws of Congress.

I ask unanimous consent to have one minute to explain my amendment.

Mr. BORAH. I object.

The VICE PRESIDENT. Objection is made. The question is on the amendment of the Senator from Maryland to the substitute of the Senator from Virginia.

The amendment was rejected.

The VICE PRESIDENT. The question is on the substitute of the Senator from Virginia [Mr. GLASS] for the amendment of the Senator from Wisconsin [Mr. BLAINE].

Mr. WATSON. Let us have the yeas and nays.

The yeas and nays were ordered.

SEVERAL SENATORS. Let the substitute be read.

The VICE PRESIDENT. It will be read.

The CHIEF CLERK. It is proposed to substitute for Senate Joint Resolution 211 the following:

Senate Joint Resolution 202

Joint resolution proposing an amendment to the Constitution of the United States relative to the eighteenth amendment

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. Article XVIII of the amendments to this Constitution is hereby repealed. The sale of intoxicating liquors within the United States or any territory subject to the jurisdiction thereof for consumption at the place of sale (commonly known as a saloon), and the transportation of intoxicating liquors into any State, Territory, District, or possession of the United States in which the manufacture, sale, and transportation of intoxicating liquors are prohibited by law, are hereby prohibited. The Congress and the several States, Territories, and possessions shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Repeating the announcement of my pair and its transfer, I vote "nay."

Mr. WAGNER (when Mr. COPELAND's name was called). I wish to announce that my colleague the senior Senator from New York [Mr. COPELAND] is absent because of the death of his father. If he were present and not paired, he would vote "nay."

Mr. FESS (when his name was called). Announcing my pair as before with the Senator from New York [Mr. COPELAND], I wish to state that were I at liberty to vote I would vote "yea."

Mr. FRAZIER (when his name was called). On this question I have a pair with the junior Senator from Louisiana [Mr. LONG]. Not knowing how he would vote, I withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). The junior Senator from Nebraska [Mr. HOWELL] is absent on official business of the Senate. He is paired with the Senator from New Mexico [Mr. BRATTON]. If my colleague [Mr. HOWELL] were present and voting, on this question he would vote "yea."

Mr. THOMAS of Idaho (when his name was called). Making the same announcement as before, I withhold my vote. If permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. FESS. I wish to announce that the Senator from Virginia [Mr. SWANSON] has a general pair with the Senator from Illinois [Mr. GLENN].

The result was announced—yeas 38, nays 46, as follows:

YEAS—38

| | | | |
|---|---|---|---|
| Bankhead | Gore | Neely | Shortridge |
| Brookhart | Grammer | Norbeck | Smoot |
| Capper | Hale | Norris | Steiwer |
| Connally | Hastings | Nye | Stephens |
| Dale | Hatfield | Patterson | Thomas, Okla. |
| Dickinson | Hayden | Reed | Townsend |
| Dill | Keyes | Robinson, Ind. | Watson |
| George | Logan | Russell | White |
| Glass | McGill | Schuyler | |
| Goldsborough | McNary | Sheppard | |

NAYS—46

| | | | |
|---|---|---|---|
| Ashurst | Byrnes | Johnson | Robinson, Ark. |
| Austin | Caraway | Kean | Shipstead |
| Bailey | Clark | Kendrick | Smith |
| Barbour | Coolidge | King | Trammell |
| Barkley | Costigan | La Follette | Tydings |
| Bingham | Couzens | Lewis | Vandenberg |
| Black | Cutting | McKellar | Wagner |
| Blaine | Davis | Metcalf | Walcott |
| Borah | Fletcher | Moses | Walsh, Mass. |
| Bratton | Harrison | Oddie | Walsh, Mont. |
| Bulkley | Hebert | Pittman | |
| Bulow | Hull | Reynolds | |

NOT VOTING—12

| | | | |
|---|---|---|---|
| Broussard | Fess | Howell | Swanson |
| Carey | Frazier | Long | Thomas, Idaho. |
| Copeland | Glenn | Schall | Wheeler |

So Mr. GLASS's motion to substitute Senate Joint Resolution 202 for Senate Joint Resolution 211 was rejected.

Mr. REED. Mr. President, I now offer the amendment which I have heretofore sent to the desk and ask that it may be read.

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. At the end of the joint resolution it is proposed to add a new section, as follows:

SEC. 3. The sale of distilled spirits for consumption at the place of sale shall not be permitted within the United States or any territory subject to the jurisdiction thereof.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment reported by the committee, as amended.

Mr. REED. I ask for the yeas and nays.

Mr. WALSH of Montana. Mr. President, I should like to inquire what is the status of the motion which the Senator from Pennsylvania entered to reconsider the action taken yesterday by which section 3 was stricken out?

Mr. REED. If I may answer the Senator's inquiry, I will say that I entered the motion, but it has not yet been called up. However, if my amendment shall not be adopted, I will then make the motion to reconsider the action whereby the section referred to was stricken out.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. REED] to the amendment reported by the committee, as amended, on which the yeas and nays are demanded.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Repeating my announcement respecting my pair with the Senator from Nebraska [Mr. HOWELL] and its transfer to the Senator from Louisiana [Mr. BROUSSARD], I am at liberty to vote. I vote "nay."

Mr. FESS (when his name was called). Repeating my announcement of my pair with the senior Senator from New York [Mr. COPELAND], I withhold my vote. If I were permitted to vote, I should vote "yea."

Mr. FRAZIER (when his name was called). On this amendment I have a pair with the junior Senator from Louisiana [Mr. LONG]. Not knowing how he would vote, I withhold my vote.

Mr. LOGAN (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who has not voted. I do not know how he would vote if present, and, therefore, I withhold my vote. If I were permitted to vote, I should vote "yea."

Mr. THOMAS of Idaho. On this vote I have a pair with the junior Senator from Montana [Mr. WHEELER] and, therefore, withhold my vote. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. NORRIS. I desire to announce that if my colleague the junior Senator from Nebraska [Mr. HOWELL] were present, on this question he would vote "yea." He is paired as has already been announced by the Senator from New Mexico [Mr. BRATTON].

The result was announced—yeas 37, nays 47, as follows:

YEAS—37

| | | | |
|---|---|---|---|
| Bankhead | Goldsborough | Norbeck | Smoot |
| Brookhart | Gore | Norris | Steiwer |
| Capper | Hale | Nye | Stephens |
| Caraway | Hastings | Patterson | Thomas, Okla. |
| Connally | Hayden | Reed | Townsend |
| Costigan | Keyes | Robinson, Ind. | Watson |
| Dale | McGill | Russell | White |
| Dill | McNary | Schuyler | |
| George | Moses | Sheppard | |
| Glass | Neely | Shipstead | |

NAYS—47

| | | | |
|---|---|---|---|
| Ashurst | Byrnes | Hull | Robinson, Ark. |
| Austin | Clark | Johnson | Shortridge |
| Bailey | Coolidge | Kean | Smith |
| Barbour | Couzens | Kendrick | Swanson |
| Barkley | Cutting | King | Trammell |
| Bingham | Dickinson | La Follette | Tydings |
| Black | Fletcher | Lewis | Vandenberg |
| Blaine | Glenn | McKellar | Wagner |
| Borah | Grammer | Metcalf | Walcott |
| Bratton | Harrison | Oddie | Walsh, Mass. |
| Bulkley | Hatfield | Pittman | Walsh, Mont. |
| Bulow | Hebert | Reynolds | |

NOT VOTING—12

| | | | |
|---|---|---|---|
| Broussard | Davis | Howell | Schall |
| Carey | Fess | Logan | Thomas, Idaho |
| Copeland | Frazier | Long | Wheeler |

So Mr. REED's amendment to the amendment reported by the committee, as amended, was rejected.

Mr. GORE. Mr. President, I desire to submit an amendment to come in page 3, line 6, after the word "repealed." I hope that Senators will make reference to the joint resolution at that point.

The VICE PRESIDENT. The amendment offered by the Senator from Oklahoma to the amendment reported by the committee, as amended, will be stated.

The CHIEF CLERK. On page 3, at the end of line 6, after the word "repealed," it is proposed to strike out the period and insert a comma and the following:

Except that no State shall authorize or permit the retail sale of distilled spirits for private profit, or by any private agency, corporation, or person.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. GORE] to the amendment reported by the committee, as amended.

Mr. GORE. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. REED. Mr. President, the sentiment of the Senate has been sufficiently shown, I think, to make it clear that there would be nothing gained by taking the time to vote on the motion to reconsider the action of the Senate in striking out section 3. Therefore, I will not make the motion.

The VICE PRESIDENT. The motion entered by the Senator from Pennsylvania is withdrawn.

Mr. WATSON. Mr. President, may I renew the motion?

Mr. ROBINSON of Arkansas. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. ROBINSON of Arkansas. Under the unanimous-consent agreement under which the Senate is proceeding, a vote on a motion to reconsider is not in order.

The VICE PRESIDENT. The unanimous-consent agreement limits the voting to amendments.

If there be no further amendments, the question is, Shall the joint resolution, as amended, be ordered to be engrossed for a third reading and read the third time?

The joint resolution, as amended, was ordered to be engrossed for a third reading and read the third time.

The VICE PRESIDENT. The question is, Shall the joint resolution pass?

Mr. BARKLEY and other Senators demanded the yeas and nays, and they were ordered.

The Chief Clerk proceeded to call the roll, and Mr. ASHURST voted in the affirmative.

Mr. MOSES. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MOSES. May we not have the joint resolution read in the form in which it is now to be finally voted upon?

The VICE PRESIDENT. Let it be read.

Mr. ROBINSON of Arkansas. Mr. President, that can be done only by unanimous consent. I do not object if the Senator wishes to make the request but the rule provides that the roll call may not be interrupted.

The VICE PRESIDENT. Is there objection to the reading of the joint resolution?

Mr. ROBINSON of Arkansas. I do not object.

Mr. COUZENS. I object.

The VICE PRESIDENT. Objection being made, the clerk will continue the calling of the roll.

The Chief Clerk resumed the calling of the roll.

Mr. WAGNER (when Mr. COPELAND's name was called). I desire to announce that my colleague [Mr. COPELAND] is absent because of the death of his father. If he were present, he would vote "yea."

Mr. FESS (when his name was called). On this final vote I am paired with the Senator from New York [Mr. COPELAND] and the Senator from Louisiana [Mr. BROUSSARD]. Were these two Senators present, I understand that they would vote "yea." Were I at liberty to vote, I should vote "nay."

Mr. GEORGE (when his name was called). On this final vote the junior Senator from Montana [Mr. WHEELER] and I are paired with the junior Senator from Idaho [Mr. THOMAS]. If the Senator from Montana were present, he would vote "yea." If I were permitted to vote, I would vote "yea," and if the junior Senator from Idaho were at liberty to vote he would vote "nay."

Mr. NORRIS (when Mr. HOWELL's name was called). As previously stated, my colleague [Mr. HOWELL] is absent on official business of the Senate. He is paired on this question with the Senator from Wyoming [Mr. CAREY] and the Senator from Louisiana [Mr. LONG]. If my colleague were present and at liberty to vote on this question, he would vote "nay," and I understand that the Senator from Wyoming and the Senator from Louisiana would vote "yea."

Mr. THOMAS of Idaho (when his name was called). On this question I have a pair with the junior Senator from Montana [Mr. WHEELER] and the Senator from Georgia [Mr. GEORGE]. I am informed that if they were at liberty to vote they would vote "yea," and if I were at liberty to vote I should vote "nay."

Mr. WALSH of Montana (when Mr. WHEELER's name was called). My colleague [Mr. WHEELER] is detained on account of illness. His pair on this question has already been announced.

The roll call was concluded.

Mr. SHIPSTEAD. My colleague [Mr. SCHALL] is unavoidably absent from the Senate. If present, he would vote "nay."

Mr. FESS. I desire to announce that the Senator from Wyoming [Mr. CAREY] is absent on the business of the Senate.

Mr. SHEPPARD. The Senators from Louisiana [Mr. BROUSSARD and Mr. LONG] are detained on official business.

The roll call resulted—yeas 63, nays 23, as follows:

YEAS—63

| | | | |
|---|---|---|---|
| Ashurst | Bulow | Glenn | Keyes |
| Austin | Byrnes | Grammer | King |
| Bailey | Clark | Hale | La Follette |
| Bankhead | Connally | Harrison | Lewis |
| Barbour | Coolidge | Hastings | McKellar |
| Barkley | Couzens | Hayden | McNary |
| Bingham | Cutting | Hebert | Metcalf |
| Black | Davis | Hull | Moses |
| Blaine | Dill | Johnson | Neely |
| Bratton | Fletcher | Kean | Nye |
| Bulkley | Frazier | Kendrick | Oddie |
| Patterson | Russell | Trammell | Walsh, Mass. |
| Pittman | Shipstead | Tydings | Walsh, Mont. |
| Reed | Shortridge | Vandenberg | Watson |
| Reynolds | Smith | Wagner | White |
| Robinson, Ark. | Swanson | Walcott | |

NAYS—23

| | | | |
|---|---|---|---|
| Borah | Dickinson | McGill | Smoot |
| Brookhart | Glass | Norbeck | Steiwer |
| Capper | Goldsborough | Norris | Stephens |
| Caraway | Gore | Robinson, Ind. | Thomas, Okla. |
| Costigan | Hatfield | Schuyler | Townsend |
| Dale | Logan | Sheppard | |

NOT VOTING—10

| | | | |
|---|---|---|---|
| Broussard | Fess | Long | Thomas, Idaho |
| Carey | George | Schall | Wheeler |
| Copeland | Howell | | |

The VICE PRESIDENT. On this question the yeas are 63, the nays are 23. More than two-thirds having voted in the affirmative, the joint resolution is passed.

Senate Joint Resolution 211, as passed, is as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Mr. SHIPSTEAD. Mr. President, I ask to have printed in the RECORD a telegram from my colleague [Mr. SCHALL] to his secretary relative to his position on this question.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *February 16, 1933.*

ORELL LEEN,
*112 Senate Office Building:*
Am opposed if section 3 is stricken. Pair me accordingly.
Senator THOMAS D. SCHALL.

Mr. WALSH of Massachusetts subsequently said: Mr. President, in connection with the vote taken on the joint resolution proposing to repeal the eighteenth amendment I desire now to make a brief statement, as I did not have the opportunity to get the floor before the vote was taken.

I wanted to make the same appeal made by the Senator from Texas [Mr. SHEPPARD] at the close of the debate some years ago, when the question of submitting the eighteenth amendment was under consideration. I think the history of the struggle for the adoption and repeal of national prohibition would not be complete without the brief statement of the Senator from Texas being in the RECORD. It seemed to me Senators could well take the position so well expressed by the Senator from Texas, the author of the eighteenth amendment. Practically all Senators can vote for the submission of this amendment for the reasons that were presented when those in favor of national prohibition were asking Congress to allow the people to vote their will.

I am not, of course, by inviting attention to the remarks made by the Senator from Texas, intending in any way any criticism of him; in fact, it is complimentary, for it shows what a proper concept he had of the duty of Senators in voting to submit to the people highly controversial constitutional questions. As both political parties favor submission, so should all Senators. In a speech in the Senate on July 30, 1917, the Senator from Texas said:

> The Members of Congress who will not vote for the submission of a constitutional amendment to the decision of the States, where it belongs, unless he personally believes it should become a part of the Constitution, usurps the function of the States, arrogates to himself and the Federal Government a prerogative that belongs to the States, and violates the very essence of their sovereignty. * * *
>
> Were I opposed on principle to nation-wide prohibition, I would vote to submit the amendment to the States in order that they

might exercise one of their fundamental rights. An issue is thus presented by the nation-wide amendment entirely independent of prohibition.

Mr. SHEPPARD entered the Chamber.

Mr. WALSH of Massachusetts. I note, Mr. President, that the Senator from Texas has come into the Chamber; he was not present when I began my remarks. I will say to him that I have read into the RECORD the statement which he made during the debate some years ago on the question of submitting the eighteenth amendment to the States, and I have done so not at all by way of criticism of him but because I think the statement he then made enunciated a sound principle.

Mr. SHEPPARD. Mr. President, I thank the Senator for advising me as to what he is doing, and I recognize that he is acting entirely within his rights. I referred to the statement to which he alluded in my speech on January 16 last, the thirteenth anniversary of prohibition, and said that I did not believe that statement a precedent for action under the present circumstances. I do not believe that prohibition has had a fair trial and I do not think it should be submitted at this time. It would be unfair both to prohibition and to the people to do so.

RELIEF OF DESTITUTION

Mr. LA FOLLETTE. Mr. President, I move that the Senate proceed to the consideration of Senate bill 5125, to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. On yesterday I introduced Senate Resolution 360, seeking to limit debate on all measures for the remainder of this session, and it went over until to-day. The inquiry is whether the adoption of the motion of the Senator from Wisconsin would in any way prejudice my rights under the resolution now on the Vice President's desk.

The VICE PRESIDENT. It would not.

Mr. LA FOLLETTE. Mr. President, if I understand the parliamentary situation of the resolution introduced by the Senator from Kentucky, it is that it went over under the rule, and it would not, therefore, be handed down in the regular procedure until an adjournment of the Senate had intervened. It would then be handed down at the conclusion of the routine morning business with other resolutions coming over similarly under the rule.

Mr. BARKLEY. I do not understand that to be the parliamentary situation. Under that state of affairs it never would be possible to bring up this resolution as long as the Senate recessed from day to day.

Mr. LA FOLLETTE. That is correct.

Mr. BARKLEY. Under the practice that has obtained here, the same rule applies to a resolution of this sort that applies to a motion to suspend the rules; and we have been taking up these motions under the recesses of the Senate rather than under adjournments.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator will yield, the parliamentary situation is perfectly clear to me, if I may say so to the Senator from Kentucky. He is at liberty, when it in order to do so, to move to proceed to the consideration of his resolution. It has no preferential status at this time.

The Senator from Wisconsin [Mr. LA FOLLETTE] has made a motion to proceed to the consideration of the so-called destitution relief bill. That is the pending question. It would not be in order now to move to take up the resolution of the Senator from Kentucky. I am in sympathy with the purpose of the resolution, however.

Mr. BARKLEY. I have no desire to interfere with the motion of the Senator from Wisconsin; but if a resolution of this sort goes over for a day, I do not understand that that necessarily means a legislative day.

Mr. MOSES. Oh, yes, Mr. President.

Mr. BARKLEY. It has not been so held.

Mr. ROBINSON of Arkansas. Oh, yes. That is the object in having legislative days.

Mr. MOSES. Mr. President, I have dealt with that subject probably as often as any person on the floor here; and I assert without qualification that the Senator's resolution would be a resolution coming over from the preceding day, and it would be in order only at the end of the routine morning business.

Mr. BARKLEY. I will say to the Chair that there are numerous decisions to the contrary. They may not have been rendered while the Senator from New Hampshire was presiding, but there are numerous decisions to the contrary; and I think a motion of this sort stands on the same footing as a motion to suspend the rules, which goes over for a day under the rule. No longer ago than last week, however, we took up on the following calendar day, without an adjournment, the motion of the Senator from California [Mr. JOHNSON] to suspend the rules.

I am not making any point of it now. I am not going to press my motion at this time; but I desire a ruling of the Chair as to whether I would be prejudiced in any way by the adoption of the motion of the Senator from Wisconsin.

The VICE PRESIDENT. The Senator's resolution would not be prejudiced by adopting the motion.

Mr. LA FOLLETTE. Mr. President, I merely wish to make a brief statement to the Senators who are present.

If this motion prevails, I shall then be glad to yield for the purpose of temporarily, by unanimous consent, laying aside this measure in order to accommodate the personal situation of the senior Senator from Maine [Mr. HALE]. He has a very serious illness in his family. He is responsible for one of the appropriation bills now on the calendar. The Senator desires to leave the city at 6 o'clock. Therefore I wanted to make that statement, and wanted to indicate that I shall cooperate with him in every way to meet the distressing personal situation which confronts him.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wisconsin.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which had been reported from the Committee on Manufactures with amendments.

STATE, JUSTICE, ETC., APPROPRIATIONS

Mr. HALE. Mr. President, with the consent of the Senator from Wisconsin, I ask unanimous consent that the unfinished business be temporarily laid aside for the purpose of taking up the State, Justice, and so forth, appropriation bill.

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Is there objection?

Mr. BORAH. Mr. President, I understand the situation with reference to the Senator from Maine. The Senator desires to leave the city at 6 o'clock. That means that he wants to dispose of this appropriation bill by 6 o'clock; does it?

Mr. HALE. Mr. President, I can take a train that leaves at 7.30, if necessary.

Mr. BORAH. Mr. President, is it proposed to bring up all the questions with reference to appropriations on enforcement matters?

Mr. HALE. I do not know, Mr. President. There has been a day's talk on that subject, and I do not know whether there will be a debate on these matters or not.

Mr. KING. Mr. President, in which particular part of the bill is the Senator from Maine interested?

Mr. HALE. I am in charge of the bill, and would like to get it out of the way, if I can, because I shall have to be away, probably, for several days.

Mr. KING. I understood from the Senator from Wisconsin that there was one branch in which the Senator from Maine was particularly interested.

Mr. HALE. No; I am not interested especially in any part of the bill.

Mr. McKELLAR. Mr. President, to what provision did the Senator from Idaho refer?

Mr. BORAH. I had understood that there were several provisions of the bill over which there would be controversy.

I do not want to interfere with the Senator from Maine going away, under the circumstances, but if these questions are raised it will be impossible to get the bill through by 6 o'clock.

Mr. HALE. Mr. President, I would like to have the Senate go ahead and see how far we can go with the bill.

Mr. NORRIS. Mr. President, I have no objection to going ahead; but it seems to me that, while we all sympathize with the Senator from Maine, and would like to excuse him as soon as possible, it should not be expected that we can complete the consideration of this bill, which covers four important departments of the Government, in such a short time. I do not think we ought to be expected to pass the appropriations for these four departments in two hours. I have no objection to going on with the bill if the Senator from Maine desires that. Some other member of the committee could probably take charge of it after he left. But four departments of the Government are involved in the bill, and really quite a number of Senators, situated as I am, having followed the discussion which has just ended, ought to have a little time, which we could get this evening or to-morrow forenoon, to look up a large number of matters which are involved in these appropriations. I do not want to consent to the request with the understanding that this appropriation bill is to be passed in two hours' time.

Mr. McKELLAR. Mr. President, I will say to the Senator from Nebraska that I think there will be less controversy over the provisions of this particular bill than has occurred over any bill we have had before us for some time. But we can never tell, of course, what the Senate may do.

Mr. NORRIS. Heretofore the appropriation bills for these departments have contained items which should have been considered fully. I have not had time to look into the provisions of this particular bill, and probably will not participate to a great extent in the debate, but I did not want the impression to go abroad that we are to pass an appropriation bill providing the appropriations for four great departments of the Government in two hours' time. We ought to have two days instead of two hours.

Mr. SMITH. Mr. President, I would like to ask the Senator from Tennessee [Mr. McKELLAR], who is familiar with the appropriation bills, whether in the bill just called to our attention, including the appropriations for four of the departments, he has discovered points as to which there is likely to be controversy.

Mr. McKELLAR. I will say to the Senator that it is likely that there will be fewer provisions in the pending bill controverted than have been found in any of the bills we have heretofore considered. The House cut down the appropriations very considerably; and, as I see it, there are not many controversial questions left in the bill, and I think we could get through with it in a very short time. Of course, we can never tell what the Senate will debate.

Mr. HALE. Mr. President, as far as I am concerned I do not want the Senate to take any action on account of personal reasons of my own. I had hoped there would be very little debate on the bill and that it might be possible to get it through to-day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill (H. R. 14363) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1934, and for other purposes.

Mr. HALE. I ask that the formal reading of the bill be dispensed with, and that the Senate proceed to the consideration of amendments to the bill, committee amendments to be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WAGNER. Mr. President, I send to the desk two amendments which I intend to propose to the bill, which I ask to have printed.

The PRESIDING OFFICER. The amendments will be printed and lie on the table.

The clerk will state the first amendment of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of State, office of the Secretary of State," on page 2, line 4, after the name "Under Secretary of State," to insert "$10,000," so as to read:

Salaries: For Secretary of State, Under Secretary of State, $10,000; and other personal services in the District of Columbia, including temporary employees, and not to exceed $6,500 for employees engaged on piecework at rates to be fixed by the Secretary of State, $1,683,449.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, Department of State," on page 3, line 25, after the word "department)," to insert "automobile mail wagons, including storage, repair, and exchange of same," so as to read:

For contingent and miscellaneous expenses, including stationery, furniture, fixtures; typewriters, adding machines, and other labor-saving devices, including their exchange, not exceeding $10,000; repairs and material for repairs; purchase and exchange of books, maps, and periodicals, domestic and foreign, and when authorized by the Secretary of State for dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, not exceeding $15,880; newspapers not exceeding $1,500; maintenance, repair, and storage of motor-propelled vehicles, to be used only for official purposes (one for the Secretary of State and two for dispatching mail, and one motor cycle for the general use of the department); automobile mail wagons, including storage, repair, and exchange of same; street-car fare not exceeding $150; traveling expenses; refund of fees erroneously charged and paid for the issue of passports to persons who are exempted from the payment of such fee by section 1 of the act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921; approved June 4, 1920 (U. S. C., Supp. V, title 22, sec. 214a); the examination of estimates of appropriations in the field; and other miscellaneous items not included in the foregoing; $77,000.

The amendment was agreed to.

The next amendment was, under the subhead "Collecting and editing official papers of Territories of the United States," on page 5, line 5, after the figures "$9,158," to insert a comma and "together with the unexpended balances of the appropriations made available for this purpose in the State Department appropriation act for the fiscal year 1933," so as to read:

For the expenses of collecting, editing, copying, and arranging for publication the official papers of the Territories of the United States, including personal services in the District of Columbia and elsewhere, printing and binding, and contingent and traveling expenses, as provided by the act approved February 28, 1929 (45 Stat., p. 1412), $9,158, together with the unexpended balances of the appropriations made available for this purpose in the State Department appropriation act for the fiscal year 1933.

The amendment was agreed to.

The next amendment was, under the subhead "Contributions, quotas, etc." on page 13, line 16, before the word "International" to strike out "and," and in line 17, after the figures "$250," to strike out "in all, $575,431" and insert:

International Prison Commission, quota, $4,043; expenses, $957; in all, $5,000; International Commission on Annual Tables of Constants, $500; International Council of Scientific Unions (International Council of Scientific Unions, $46.32; International Astronomical Union, $781.65; International Union of Chemistry, $675; International Union of Geodesy and Geophysics, $3,088; International Union of Mathematics, $38.60; International Scientific Radio Union, $154.40; International Union of Physics, $64; International Geographical Union, $194.80), $5,042.77; International Road Congress, $600; and Convention Relating to Liquor Traffic in Africa, $55; in all, $586,628.77.

So as to read:

For payment of the annual contributions, quotas, and/or expenses, including loss by exchange, in discharge of the obligations of the United States in connection with international commissions, congresses, bureaus, and other objects, as follows: Cape Spartel and Tangier Light, Coast of Morocco, $825; International Bureau of Weights and Measures, $4,342.50; International Bureau for Publication of Customs Tariffs, $1,400; Pan American Union, quota, $167,576.40, printing and binding, $20,000; in all $187,576.40; International Bureau of Permanent Court of Arbitration, $2,000; Bureau of Interparliamentary Union for Promotion of International Arbitration, $7,500; International Institute of Agriculture at Rome, Italy, $5,400; Pan American Sanitary Bureau, $30,024.11; International Office of Public Health, $3,015.79; International

Radiotelegraphic Convention, $7,527; Government of Panama, $250,000; International Hydrographic Bureau, $5,790; Foreign Hospital at Capetown, $50; International Trade-Mark Registration Bureau, $14,330.20; International Bureau for Protection of Industrial Property, $1,350; Gorgas Memorial Laboratory, $50,000, of which $5,000 shall be immediately available; American International Institute for the Protection of Childhood, $2,000; International Statistical Bureau at The Hague, $2,000; International Map of the World on the Millionth Scale, $50; International Technical Committee of Aerial Legal Experts, $250; International Prison Commission, quota, $4,043; expenses, $957; in all, $5,000; International Commission on Annual Tables of Constants, $500; International Council of Scientific Unions (International Council of Scientific Unions, $46.32; International Astronomical Union, $781.65; International Union of Chemistry, $675; International Union of Geodesy and Geophysics, $3,088; International Union of Mathematics, $38.60; International Scientific Radio Union, $154.40; International Union of Physics, $64; International Geographical Union, $194.80), $5,042.77; International Road Congress, $600; and Convention Relating to Liquor Traffic in Africa, $55; in all, $586,628.77.

The amendment was agreed to.

The next amendment was, under the subhead "International Boundary Commission, United States and Mexico," on page 14, line 25, after the figures "$120,000," to insert a colon and the following proviso:

*Provided*, That the unexpended balance in the appropriation for the International Boundary Commission, United States and Mexico, American section, contained in the act making appropriations for the Department of State for the fiscal year 1933 is continued available until June 30, 1934.

Mr. KING. Mr. President, on a number of occasions I have challenged attention to continual appropriations, or another large appropriation, for the settlement of the international boundary between the United States and Mexico. I want to ask the Senator whether any funds heretofore appropriated have not been expended, and whether or not in this bill there is any additional appropriation for the next fiscal year?

Mr. HALE. Mr. President, these appropriations are for the next fiscal year. They are for certain congresses and unions for which estimates came in. The House cut out five which are mentioned. Some of them have been authorized by act of Congress, and one by treaty. The appropriations are simply for our quota, under the agreements, to these congresses and unions. They are appropriations such as we have made in the past right along.

Mr. KING. Mr. President, I did not make myself clear. I am not inquiring concerning the appropriation for the Pan American Union, or for the expenses of that organization.

Mr. HALE. The Senator is referring to the amendment, is he not?

Mr. KING. I am referring to the amendment dealing exclusively with the International Boundary Commission.

Mr. HALE. That comes later on.

Mr. KING. It is on pages 14 and 15.

Mr. HALE. The Senator is referring to the amendment on page 15?

Mr. KING. Beginning at the bottom of page 14, and extending over on page 15.

Mr. HALE. I will say that until last July there were two commissions, the International Boundary Commission and the International Water Commission. At that time the two were combined into one, and the appropriations to take care of that one commission were very materially cut down. When the two were combined there was an unexpended balance of about $158,000 from the appropriations for the International Water Commission, and out of that $158,000, $70,000 were reappropriated for the International Boundary Commission. Then a further appropriation of $70,000 was made for the International Boundary Commission itself, making in all $140,000. About $88,000 were put back into the Treasury from the appropriation for the International Water Commission. But the expense of running the Boundary Commission is now very much less than the expense of running the two commissions separately.

Mr. KING. The Senator knows the bill has just been laid on our desks within the past five minutes, and very few have had a chance to see it.

Mr. HALE. The bill has been before the Senate for over a week.

Mr. KING. I merely state that only within the past five minutes have copies of the bill been laid upon our desks. If it has been before the Senate, the attention of Senators has not been called to it.

Mr. HALE. That may well be, but the bill was reported some time ago.

Mr. KING. I repeat the question, Is there any appropriation in this bill for the International Boundary Commission, other than a reappropriation?

Mr. HALE. There is an appropriation of $120,000, plus the reappropriation of the unexpended balances, amounting now to about $10,000, making a total of $130,000 for the commission, which is $10,000 less than was appropriated for the current year, and very much less than the appropriation in the past for that and the other commission, the International Water Commission.

Mr. KING. Mr. President, I know it would be of no avail to protest against this appropriation, or any part of it, but I do protest, because in my judgment, from the information which has been brought to our attention from time to time, the appropriation of $120,000 would be excessive. Of course, I can not object to reappropriations, although that money ought to have been covered into the Treasury, and should not be added to the Budget for expenditure in the coming year.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the subhead "Waterways treaty, United States and Great Britain: International Joint Commission, United States and Great Britain," on page 17, line 13, after the word "vehicles," to strike out "$58,000" and insert "$77,000," so as to read:

For an additional amount for necessary special or technical investigations in connection with matters which fall within the scope of the jurisdiction of the International Joint Commission, including personal services in the District of Columbia or elsewhere, traveling expenses, procurement of technical and scientific equipment, and the purchase, exchange, hire, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles, $77,000, to be disbursed under the direction of the Secretary of State, who is authorized to transfer to any department or independent establishment of the Government, with the consent of the head thereof, any part of this amount for direct expenditure by such department or establishment for the purposes of this appropriation.

Mr. KING. Mr. President, what is the reason for an increase over the House provision?

Mr. HALE. Mr. President, the increase on page 17 has to do with the Trail smelter fumes investigation in the State of Washington.

Mr. DILL. Mr. President, will the Senator yield?

Mr. HALE. I will yield, but I will be very glad to explain the amendment briefly.

Mr. DILL. Very well.

Mr. HALE. The situation in Washington is as follows: There is a very large smelter just across the line from the State of Washington, and the fumes from that smelter come across into the State of Washington, and do a great deal of damage to the property of people who live in that vicinity.

Two years ago the International Joint Commission went into this question and made a decision on it, which was submitted to our State Department and to Canada. There was objection to their decision, which provided for a certain amount of damages, and provided for the elimination of the fumes. Each year these fumes, which are still coming down, cause additional damage. So every year we have had to appropriate a certain amount of money for investigating the cause of the fumes and the damage done thereby.

I took the matter up with the State Department recently, and they tell me they have now decided to go ahead under the decision of the International Joint Commission and make the agreement suggested by that commission between the United States and Canada. It will take several years to take care of this continuing fumes situation.

Mr. DILL. Mr. President, I want to say, in addition to what the Senator from Maine has said, that unless this appropriation is continued that we have been having for several years we will have no method of securing the proof that is necessary to present in order to secure the damages to which we feel we are entitled through the International Joint Commission. We are only getting one-half of what we have been previously having for this purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 18, after line 6, to insert:

INTERNATIONAL RADIOTELEGRAPH CONFERENCE, MADRID, SPAIN

The unexpended balance of the appropriation "International Radiotelegraph Conference, Madrid, Spain, 1933," shall be available for any North American radio conference or conferences, growing out of the Madrid conference, to be held in Mexico City or elsewhere, including personal services without reference to the classification act of 1923, as amended, in the District of Columbia and elsewhere; stenographic reporting and translating services by contract, if deemed necessary, without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses; purchase of necessary books and documents; official cards; newspapers and periodicals; printing and binding; entertainment; and such other expenses as may be authorized by the Secretary of State, to be immediately available and to remain available until June 30, 1934.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Prohibition," on page 27, line 4, after the word "liquors," to insert "which are consumed by the investigator or anyone with him," so as to make the additional proviso, in part, read:

*Provided further*, That no funds hereby appropriated shall be used for the purchase of intoxicating liquors which are consumed by the investigator or anyone with him.

Mr. ASHURST. Mr. President, it would be unpardonable for me to consume any considerable time now. I shall be brief if not interrupted. The provision I shall discuss is, however, of such transcendent importance that I would be justified, nevertheless, in consuming more time than I intend to take.

We have just submitted, so far as this body may, a proposal to the States to repeal the eighteenth amendment. I doubt not, although I can not look into the hearts of men, that some of the votes in favor of the submission of that amendment were motivated by the fact that minions of the Federal Government, in pursuance of what they may have thought was the enforcement of law, have invaded the constitutional rights and immunities of citizens. The House of Representatives incorporated in this bill a provision that no moneys appropriated herein should be used for wire-tapping devices or for the purchase of evidence or to entrap citizens or to induce citizens to commit crime.

Mr. President, I am supposed to have familiarity with the vast resources of the English language, but it would be impossible for me, or for any other Senator, to use more vigorous or more appropriate language in denouncing entrapment and the purchase of evidence than was used by the Supreme Court of the United States in a decision which it rendered on December 19, 1932, in the case of Sorrells, petitioner, against the United States.

The defendant—petitioner before the Supreme Court—was indicted on two counts, one for possessing and one for selling half a gallon of whisky. The substance of the testimony at the trial of the defendant was that the defendant, an ex-service man, who had lived a good life, and who never used liquor, was visited by another man who pretended that he had belonged to the defendant's regiment and appealing to comradeship induced the defendant to procure for him—the stranger—some liquor. Whereupon the defendant, yielding to such blandishment, procured some liquor for the imposter who was thus endeavoring to entrap the defendant. The ex-soldier was tried and convicted. The Supreme Court of the United States set aside that conviction. The court swept away the cobwebs and technicalities and said such a cruel, inhuman, unconstitutional entrapment should not stand.

So, Mr. President, the provisions of this bill inserted by the House, and which have been weakened, I regret to say, by the Senate Committee on Appropriations, denounced wire tapping, denounced the use of funds which would authorize a Government officer to commit a crime or to use any of the Government's funds to induce another person to commit a crime or to purchase evidence.

In the interest of time I ask to include in the RECORD at this juncture a copy of the decision of the Supreme Court of the United States which, as I said, was rendered December 19, 1932.

The PRESIDING OFFICER. Without objection, it is so ordered.

The decision is as follows:

SUPREME COURT OF THE UNITED STATES

No. 177—October term, 1932

C. V. SORRELLS, PETITIONER, *v.* THE UNITED STATES OF AMERICA, ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FOURTH CIRCUIT

(December 19, 1932)

Mr. Chief Justice Hughes delivered the opinion of the court:

Defendant was indicted on two counts: (1) For possession and (2) for selling, on July 13, 1930, one-half gallon of whisky in violation of the national prohibition act. He pleaded not guilty. Upon the trial he relied upon the defense of entrapment. The court refused to sustain the defense, denying a motion to direct a verdict in favor of defendant, and also refusing to submit the issue of entrapment to the jury. The court ruled that "as a matter of law" there was no entrapment. Verdict of guilty followed, motions in arrest and to set aside the verdict as contrary to the law and the evidence were denied, and defendant was sentenced to imprisonment for 18 months. The Circuit Court of Appeals affirmed the judgment (57 F. (2d) 973), and this court granted a writ of certiorari limited to the question whether the evidence was sufficient to go to the jury upon the issue of entrapment.

The Government, while supporting the conclusion of the court below, also urges that the defense, if available, should have been pleaded in bar to further proceedings under the indictment and could not be raised under the plea of not guilty. This question of pleading appropriately awaits the consideration of the nature and grounds of the defense.

The substance of the testimony at the trial as to entrapment was as follows: For the Government, one Martin, a prohibition agent, testified that, having resided for a time in Haywood County, N. C., where he posed as a tourist, he visited defendant's home near Canton, on Sunday, July 13, 1930, accompanied by three residents of the county who knew the defendant well. He was introduced as a resident of Charlotte who was stopping for a time at Clyde. The witness ascertained that defendant was a veteran of the World War and a former member of the Thirtieth Division, American Expeditionary Forces. Witness informed defendant that he was also an ex-service man and a former member of the same division, which was true. Witness asked defendant if he could get the witness some liquor, and defendant stated that he did not have any. Later there was a second request without result. One of those present, one Jones, was also an ex-service man and a former member of the Thirtieth Division, and the conversation turned to the war experiences of the three. After this, witness asked defendant for a third time to get him some liquor, whereupon defendant left his home and after a few minutes came back with a half gallon of liquor for which the witness paid defendant $5. Martin also testified that he was "the first and only person among those present at the time who said anything about securing some liquor," and that his purpose was to prosecute the defendant for procuring and selling it. The Government rested its case on Martin's testimony.

Defendant called as witnesses the three persons who had accompanied the prohibition agent. In substance, they corroborated the latter's story but with some additions. Jones, a railroad employee, testified that he had introduced the agent to the defendant "as a furniture dealer of Charlotte," because the agent had so represented himself; that witness told defendant that the agent was "an old Thirtieth Division man," and the agent thereupon said to defendant that he "would like to get a half gallon of whisky to take back to Charlotte to a friend of his that was in the furniture business with him, and that defendant replied that he "did not fool with whisky"; that the agent and his companions were at defendant's home "for probably an hour or an hour and a half and that during such time the agent asked the defendant three or four or probably five times to get him, the agent, some liquor." Defendant said "he would go and see if he could get a half gallon of liquor," and he returned with it after an absence of "between 20 and 30 minutes." Jones added that at that time he had never heard of defendant being in the liquor business, that he and the defendant were "two old buddies," and that he believed "one former war buddy would get liquor for another."

Another witness, the timekeeper and assistant paymaster of the Champion Fibre Co. at Canton, testified that defendant was an employee of that company and had been "on his job continuously without missing a pay day since March, 1924." Witness identified the time sheet showing this employment. This witness and three others, who were neighbors of the defendant and had known him for many years, testified to his good character.

To rebut this testimony the Government called three witnesses who testified that the defendant had the general reputation of a rum runner. There was no evidence that the defendant had ever possessed or sold any intoxicating liquor prior to the transaction in question.

It is clear that the evidence was sufficient to warrant a finding that the act for which defendant was prosecuted was instigated by the prohibition agent; that it was the creature of his purpose; that defendant had no previous disposition to commit it, but was an industrious, law-abiding citizen; and that the agent lured defendant, otherwise innocent, to its commission by repeated and persistent solicitation in which he succeeded by taking advantage of the sentiment aroused by reminiscences of their experiences as companions in arms in the World War. Such a gross abuse of authority given for the purpose of detecting and punishing crime, and not for the making of criminals, deserves the severest condemnation, but the question whether it precludes prosecution or affords a ground of defense; and if so, upon what theory, has given rise to conflicting opinions.

It is well settled that the fact that officers or employees of the Government merely afford opportunities or facilities for the commission of the offense does not defeat the prosecution. Artifice and strategem may be employed to catch those engaged in criminal enterprises. (Grimm *v.* United States, 156 U. S. 604, 610; Goode *v.* United States, 159 U. S. 663, 669; Rosen *v.* United States, 161 U. S. 29, 42; Andrews *v.* United States, 162 U. S. 420, 423; Price *v.* United States, 165 U. S. 311, 315; Bates *v.* United States, 10 Fed. 92, 94, note, p. 97; United States *v.* Reisenweber, 288 Fed. 520, 526; Aultman *v.* United States, 289 Fed. 251.[1]) The appropriate object of this permitted activity, frequently essential to the enforcement of the law, is to reveal the criminal design; to expose the illicit traffic, the prohibited publication, the fraudulent use of the mails, the illegal conspiracy, or other offenses, and thus to disclose the would-be violators of the law. A different question is presented when the criminal design originates with the officials of the Government, and they implant in the mind of an innocent person the disposition to commit the alleged offense and induce its commission in order that they may prosecute.

The circuit court of appeals reached the conclusion that the defense of entrapment can be maintained only where, as a result of inducement, the accused is placed in the attitude of having committed a crime which he did not intend to commit or where by reason of the consent implied in the inducement no crime has in fact been committed. (57 F. (2d), p. 974.) As illustrating the first class, reference is made to the case of a sale of liquor to an Indian who was disguised so as to mislead the accused as to his identity. (United States *v.* Healy, 202 Fed. 349; Voves *v.* United States, 249 Fed. 191.) In the second class are found cases such as those of larceny or rape, where want of consent is an element of the crime. (Regina *v.* Fletcher, 8 Cox C. C. 131; Rex *v.* McDaniel, Fost. 121, 127, 128; Connor *v.* People, 18 Colo. 373; Williams *v.* Georgia, 55 Ga. 391; United States *v.* Whittier, 5 Dill. 35; State *v.* Adams, 115 N. C. 775.) There may also be physical conditions which are essential to the offense and which do not exist in the case of a trap, as, for example, in the case of a prosecution for burglary, where it appears that by reason of the trap there is no breaking.[2] (Rex. *v.* Egginton, 2 Leach, C. C. 913; Regina *v.* Johnson, Car. and Mar. 218; Saunders *v.* People, 38 Mich. 218; People *v.* McCord, 76 Mich. 200; Allen *v.* State, 40 Ala. 334; Love *v.* People, 160 Ill. 501.) But these decisions applying accepted principles to particular offenses, do not reach, much less determine, the present question. Neither in reasoning nor in effect do they prescribe limits for the doctrine of entrapment.

While this court has not spoken on the precise question (see Casey *v.* United States, 276 U. S. 413, 419, 423[3]), the weight of authority in the lower Federal courts is decidedly in favor of the view that in such case as the one before us the defense of entrapment is available. The Government concedes that its contention, in supporting the ruling of the circuit court of appeals, is opposed by decisions in all the other circuits except the tenth circuit, and no decision in that circuit suggesting a different view has been brought to our attention. (See Capuano *v.* United States (C. C. A. 1st, 9 F. (2d) 41, 42; United States *v.* Lynch (S. D. N. Y., Hough, J.), 256 Fed. 983, 984; Lucadamo *v.* United States (C. C. A. 2d), 280 Fed. 653, 657, 658; Zucker *v.* United States (C. C. A. 3d), 288 Fed. 12, 15; Gargano *v.* United States (C. C. A. 5th), 24 F. (2d) 625, 626; Cermak *v.* United States (C. C. A. 6th), 4 F. (2d) 99; O'Brien *v.* United States (C. C. A. 7th), 51 Fed. 674, 679, 680; Butts *v.* United States (C. C. A. 8th), 273 Fed. 35, 38; Woo Wai *v.* United States (C. C. A. 9th), 223 Fed. 412.) And the Circuit Court of Appeals of the Fourth Circuit, in the instant case, was able to reach its conclusion only by declining to follow the rule which it had laid down in its earlier decision in Newman *v.* United States (299 Fed. 128, 131[4]). It should be added that in many cases in which the evidence has been found insufficient to support the defense of entrapment the availability of that defense on a showing of such facts as are present here, has been recognized.[5]

The Federal courts have generally approved the statement of Circuit Judge Sanborn in the leading case of Butts *v.* United States, supra, as follows: "The first duties of the officers of the law are to prevent, not to punish crime. It is not their duty to incite to and create crime for the sole purpose of prosecuting and punishing it. Here the evidence strongly tends to prove, if it does not conclusively do so, that their first and chief endeavor was to cause, to create, crime in order to punish it, and it is unconscionable, contrary to public policy, and to the established law of the land to punish a man for the commission of an offense of the like of which he had never been guilty, either in thought or in deed, and evidently never would have been guilty of if the officers of the law had not inspired, incited, persuaded, and lured him to attempt to commit it." The judgment in that case was reversed because of the "fatal error" of the trial court in refusing to instruct the jury to that effect. In Newman *v.* United States, supra, the applicable principle was thus stated by Circuit Judge Woods: "It is well settled that decoys may be used to entrap criminals, and to present opportunity to one intending or willing to commit crime. But decoys are not permissible to ensnare the innocent and law-abiding into the commission of crime. When the criminal design originates, not with the accused, but is conceived in the mind of the Government officers, and the accused is by persuasion, deceitful representation, or inducement lured into the commission of a criminal act, the Government is estopped by sound public policy from prosecution therefor." These quotations sufficiently indicate the grounds of the decisions above cited.

The validity of the principle as thus stated and applied is challenged both upon theoretical and practical grounds. The argument, from the standpoint of principle, is that the court is called upon to try the accused for a particular offense which is defined by statute and that, if the evidence shows that this offense has knowingly been committed, it matters not that its commission was induced by officers of the Government in the manner and circumstances assumed. It is said that where one intentionally does an act in circumstances known to him, and the particular conduct is forbidden by the law in those circumstances, he intentionally breaks the law in the only sense in which the law considers intent. (Ellis *v.* United States, 206 U. S. 246, 257.) Moreover, that as the statute is designed to redress a public wrong, and not a private injury, there is no ground for holding the Government estopped by the conduct of its officers from prosecuting the offender. To the suggestion of public policy the objectors answer that the legislature, acting within its constitutional authority, is the arbiter of public policy[6] and that, where conduct is expressly forbidden and penalized by a valid statute, the courts are not at liberty to disregard the law and to bar a prosecution for its violation because they are of the opinion that the crime has been instigated by Government officials.

It is manifest that these arguments rest entirely upon the letter of the statute. They take no account of the fact that its application in the circumstances under consideration is foreign to its purpose; that such an application is so shocking to the sense of justice that it has been urged that it is the duty of the court to stop the prosecution in the interest of the Government itself, to protect it from the illegal conduct of its officers and to preserve the purity of its courts. (Casey *v.* United States, supra.) But can an application of the statute having such an effect—creating a situation so contrary to the purpose of the law and so inconsistent with its proper enforcement as to invoke such a challenge—fairly be deemed to be within its intendment?

Literal interpretation of statutes at the expense of the reason of the law and producing absurd consequences or flagrant injustice has frequently been condemned. In United States *v.* Palmer (3 Wheat. 610, 631), Chief Justice Marshall, in construing the act of Congress of April 30, 1790, section 8 (1 Stat. 113), relating to robbery on the high seas, found that the words "any person or persons" were "broad enough to comprehend every human be-

[1] See also Regina *v.* Williams, 1 Car. & K., 195; People *v.* Mills, 178 N. Y. 274; People *v.* Ficke, 343 Ill. 367.

[2] See note of Francis Wharton to Bates *v.* United States (10 Fed. 97–99).

[3] Compare Olmstead *v.* United States (277 U. S. 438).

[4] See also, United States *v.* Adams, 59 Fed. 674; Sam Yick *v.* United States, 240 Fed. 60, 65; United States *v.* Echols, 253 Fed. 862; Peterson *v.* United States, 255 Fed. 433; Billingsley *v.* United States, 274 Fed. 86, 89; Luterman *v.* United States, 281 Fed. 374, 377; United States *v.* Pappagoda, 288 Fed. 214; Ritter *v.* United States, 293 Fed. 187; Di Salvo *v.* United States, 2 F. (2d) 222; Silk *v.* United States, 16 F. (2d) 568; Jarl *v.* United States, 19 F. (2d) 891; Corcoran *v.* United States, 19 F. (2d) 901; United States *v.* Washington, 20 F. (2d) 160; Cline *v.* United States, 20 F. (2d) 494; United States *v.* Mathues, 22 F. (2d) 979; Driskill *v.* United States, 24 F. (2d) 525; Ybor *v.* United States, 31 F. (2d) 42; Robinson *v.* United States, 32 F. (2d) 505; Vaccaro *v.* Collier, 38 F. (2d) 862; Patton *v.* United States, 42 F. (2d) 68; and cases collected in note in O'Brien *v.* United States, 51 F. (2d) 674, 678, including decisions of State courts. Compare Rex *v.* Titley, 14 Cox, C. C. 502; Blaikie *v.* Linton, 18 Scottish Law Rep. 583; London Law Times, July 30, 1881, p. 223; People *v.* Mills, 178 N. Y. 274; State *v.* Smith, 152 N. C. 798; Bauer *v.* Commonwealth, 135 Va. 463; State *v.* Gibbs, 109 Minn. 247; State *v.* Rippey, 127 S. C. 550. See also, 18 A. L. R. Ann. 146; 28 Columbia Law Rev. 1067; 44 Harv. Law Rev. 109; 2 So. Cal. Law Rev. 283; 41 Yale Law J. 1249; 10 Va. Law Rev. 316; 9 Tex. Law Rev. 276.

[5] See cases cited in note 4

[6] See C. B. & Q. R. R. Co. *v.* McGuire, 219 U. S. 549, 565; Green *v.* Frazier, 253 U. S. 233, 240.

ing"; but he concluded that "general words must not only be limited to cases within the jurisdiction of the State but also to those objects to which the legislature intended to apply them." In United States *v.* Kirby (7 Wall. 482) the case arose under the act of Congress of March 3, 1825 (4 Stat. 104), providing for the conviction of any person who "shall knowingly and willfully obstruct or retard the passage of the mail, or of any driver or carrier * * * carrying the same." Considering the purpose of the statute, the court held that it had no application to the obstruction or retarding of the passage of the mail or of its carrier by reason of the arrest of the carrier upon a warrant issued by a State court. The court said: "All laws should receive a sensible construction. General terms should be so limited in their application as not to lead to injustice, oppression, or an absurd consequence. It will always, therefore, be presumed that the legislature intended exceptions to its language which would avoid results of this character. The reason of the law in such cases should prevail over its letter." And the court supported this conclusion by reference to the classical illustrations found in Puffendorf and Plowden. (Id., pp. 486–487.)

Applying this principle in Lau Ow Bew *v.* United States (144 U. S. 47), the court decided that a statute requiring the permission of the Chinese Government, and identification by certificate, of "every Chinese person other than a laborer," entitled by treaty or the act of Congress to come within the United States, did not apply to Chinese merchants already domiciled in the United States, who had left the country for temporary purposes, animo revertendi, and sought to reenter it on their return to their business and their homes. And in United States *v.* Katz (271 U. S. 354, 362), construing section 10 of the national prohibition act so as to avoid an unreasonable application of its words, if taken literally, the court again declared that "general terms descriptive of a class of persons made subject to a criminal statute may and should be limited where the literal application of the statute would lead to extreme or absurd results, and where the legislative purpose gathered from the whole act would be satisfied by a more limited interpretation."[1] See, to the same effect, Heydenfeldt *v.* Daney Gold Company (93 U. S. 634, 638); Carlisle *v.* United States (16 Wall. 147, 153); Oates *v.* National Bank (100 U. S. 239); Chew Heong *v.* United States (112 U. S. 536, 555); Holy Trinity Church *v.* United States (143 U. S. 457, 459–462); Hawaii *v.* Mankichi (190 U. S. 197, 212–214); Jacobson *v.* Massachusetts (197 U. S. 11, 39); United States *v.* Jin Fuey Moy (241 U. S. 394, 402); Baender *v.* Barnett (255 U. S. 224, 226); United States *v.* Chemical Foundation (272 U. S. 1, 18).

We think that this established principle of construction is applicable here. We are unable to conclude that it was the intention of the Congress in enacting this statute that its processes of detection and enforcement should be abused by the instigation by Government officials of an act on the part of persons otherwise innocent in order to lure them to its commission and to punish them. We are not forced by the letter to do violence to the spirit and purpose of the statute. This, we think, has been the underlying and controlling thought in the suggestions in judicial opinions that the Government in such a case is estopped to prosecute or that the courts should bar the prosecution. If the requirements of the highest public policy in the maintenance of the integrity of administration would preclude the enforcement of the statute in such circumstances as are present here, the same considerations justify the conclusion that the case lies outside the purview of the act and that its general words should not be construed to demand a proceeding at once inconsistent with that policy and abhorrent to the sense of justice. This view does not derogate from the authority of the court to deal appropriately with abuses of its process and it obviates the objection to the exercise by the court of a dispensing power in forbidding the prosecution of one who is charged with conduct assumed to fall within the statute.

We are unable to approve the view that the court, although treating the statute as applicable despite the entrapment, and the defendant as guilty, has authority to grant immunity or to adopt a procedure to that end. It is the function of the court to construe the statute, not to defeat it as construed. Clemency is the function of the Executive. (Ex parte United States, 242 U. S. 27, 42.) In that case this court decisively denied such authority to free guilty defendants in holding that the court had no power to suspend sentences indefinitely. The court, speaking by Chief Justice White, said: "If it be that the plain legislative command fixing a specific punishment for crime is subject to be permanently set aside by an implied judicial power upon considerations extraneous to the legality of the conviction, it would seem necessarily to follow that there could be likewise implied a discretionary authority to permanently refuse to try a criminal charge because of the conclusion that a particular act made criminal by law ought not to be treated as criminal. And thus it would come to pass that the possession by the judicial department of power to permanently refuse to enforce a law would result in the destruction of the conceded powers of the other departments and hence leave no law to be enforced." And while recognizing the humane considerations which had led judges to adopt the practice of suspending sentences indefinitely in certain cases, the court found no ground for approving the practice, "since its exercise in the very nature of things amounts to a refusal by the judicial power to perform a duty resting upon it and, as a consequence thereof, to an interference with both the legislative and executive authority as fixed by the Constitution." (Id., pp. 51, 52.) Where defendant has been duly indicted for an offense found to be within the statute and the proper authorities seek to proceed with the prosecution, the court can not refuse to try the case in the constitutional method because it desires to let the defendant go free.

Suggested analogies from procedure in civil cases are not helpful. When courts of law refuse to sustain alleged causes of action which grow out of illegal schemes, the applicable law itself denies the right to recover. Where courts of equity refuse equitable relief, because complainants come with unclean hands, they are administering the principles of equitable jurisprudence governing equitable rights. But in a criminal prosecution the statute defining the offense is necessarily the law of the case.

To construe statutes so as to avoid absurd or glaringly unjust results foreign to the legislative purpose is, as we have seen, a traditional and appropriate function of the courts. Judicial nullification of statutes, admittedly valid and applicable, has, happily, no place in our system. The Congress by legislation can always, if it desires, alter the effect of judicial construction of statutes. We conceive it to be our duty to construe the statute here in question reasonably, and we hold that it is beyond our prerogative to give the statute an unreasonable construction, confessedly contrary to public policy, and then to decline to enforce it.

The conclusion we have reached upon these grounds carries its own limitation. We are dealing with a statutory prohibition and we are simply concerned to ascertain whether in the light of a plain public policy and of the proper administration of justice, conduct induced as stated should be deemed to be within that prohibition. We have no occasion to consider hypothetical cases of crimes so heinous or revolting that the applicable law would admit of no exceptions. No such situation is presented here. The question in each case must be determined by the scope of the law considered in the light of what may fairly be deemed to be its object.

Objections to the defense of entrapment are also urged upon practical grounds. But consideration of mere convenience must yield to the essential demands of justice. The argument is pressed that if the defense is available it will lead to the introduction of issues of a collateral character relating to the activities of the officials of the Government and to the conduct and purposes of the defendant previous to the alleged offense. For the defense of entrapment is not simply that the particular act was committed at the instance of Government officials. That is often the case where the proper action of these officials leads to the revelation of criminal enterprises. (Grimm *v.* United States, supra.) The predisposition and criminal design of the defendant are relevant. But the issues raised and the evidence adduced must be pertinent to the controlling question whether the defendant is a person otherwise innocent whom the Government is seeking to punish for an alleged offense which is the product of the creative activity of its own officials. If that is the fact, common justice requires that the accused be permitted to prove it. The Government in such a case is in no position to object to evidence of the activities of its representatives in relation to the accused, and if the defendant seeks acquittal by reason of entrapment he can not complain of an appropriate and searching inquiry into his own conduct and predisposition as bearing upon that issue. If in consequence he suffers a disadvantage, he has brought it upon himself by reason of the nature of the defense.

What has been said indicates the answer to the contention of the Government that the defense of entrapment must be pleaded in bar to further proceedings under the indictment and can not be raised under the plea of not guilty. This contention presupposes that the defense is available to the accused and relates only to the manner in which it shall be presented. The Government considers the defense as analogous to a plea of pardon or of autrefois convict or autrefois acquit. It is assumed that the accused is not denying his guilt but is setting up special facts in bar upon which he relies regardless of his guilt or innocence of the crime charged. This, as we have seen, is a misconception. The defense is available, not in the view that the accused though guilty may go free but that the Government can not be permitted to contend that he is guilty of a crime where the Government officials are the instigators of his conduct. The Federal courts in sustaining the defense in such circumstances have proceeded in the view that the defendant is not guilty. The practice of requiring a plea in bar has not obtained. Fundamentally the question is whether the defense, if the facts bear it out, takes the case out of the purview of the statute because it can not be supposed that the Congress intended that the letter of its enactment should be used to support such a gross perversion of its purpose.

We are of the opinion that upon the evidence produced in the instant case the defense of entrapment was available and that the trial court was in error in holding that as a matter of law there was no entrapment and in refusing to submit the issue to the jury.

[1] In Hawaii *v.* Mankichi (190 U. S. 197, 214), the court referred with approval to the following language of the master of the rolls (afterwards Lord Esher) in Plumstead Board of Works *v.* Spackman (L. R. 13 Q. B. D. 878, 887): "If there are no means of avoiding such an interpretation of the statute" (as will amount to a great hardship), "a judge must come to the conclusion that the legislature by inadvertence has committed an act of legislative injustice; but to my mind a judge ought to struggle with all the intellect that he has, and with all the vigor of mind that he has, against such an interpretation of an act of Parliament; and, unless he is forced to come to a contrary conclusion, he ought to assume that it is impossible that the legislature could have so intended."

The judgment is reversed and the cause is remanded for further proceedings in conformity with this opinion.

Judgment reversed.

Mr. Justice McReynolds is of the opinion that the judgment below should be affirmed.

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SUPREME COURT OF THE UNITED STATES
No. 177—October term, 1932

C. V. SORRELLS, PETITIONER, *v.* THE UNITED STATES OF AMERICA—ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FOURTH CIRCUIT

(December 19, 1932)

Mr. Justice Roberts:

The facts set forth in the court's opinion establish that a prohibition enforcement officer instigated the commission of the crime charged. The courts below held that the showing was insufficient, as matter of law, to sustain the claim of entrapment, and that the jury were properly instructed to ignore that defense in their consideration of the case. A conviction resulted. The Government maintains that the issue of entrapment is not triable under the plea of not guilty, but should be raised by plea in bar or be adjudicated in some manner by the court rather than by the jury; and as the trial court properly decided the question, the record presents no reversible error. I think, however, the judgment should be reversed, but for reasons and upon grounds other than those stated in the opinion of the court.

Of late the term "entrapment" has been adopted by the courts to signify instigation of crime by officers of government. The cases in which such incitement has been recognized as a defense have grown to an amazing total.[1] The increasing frequency of the assertion that the defendant was entrapped is doubtless due to the creation by statute of many new crimes (e. g., sale and transportation of liquor and narcotics) and the correlative establishment of special enforcement bodies for the detection and punishment of offenders. The efforts of members of these forces to obtain arrests and convictions have too often been marked by reprehensible methods.

Society is at war with the criminal classes, and courts have uniformly held that in waging this warfare the forces of prevention and detection may use traps, decoys, and deception to obtain evidence of the commission of crime. Resort to such means does not render an indictment thereafter found a nullity nor call for the exclusion of evidence so procured. (Compare Olmstead *v.* United States, 277 U. S. 438.) But the defense here asserted involves more than obtaining evidence by artifice or deception. Entrapment is the conception and planning of an offense by an officer, and his procurement of its commission by one who would not have perpetrated it except for the trickery, persuasion, or fraud of the officer. Federal and State courts have held that substantial proof of entrapment as thus defined calls for the submission of the issue to the jury and warrants an acquittal. The reasons assigned in support of this procedure have not been uniform. Thus it has been held that the acts of its officers estop the Government to prove the offense. The result has also been justified by the mere statement of the rule that where entrapment is proved the defendant is not guilty of the crime charged. Often the defense has been permitted upon grounds of public policy, which the courts formulate by saying they will not permit their process to be used in aid of a scheme for the actual creation of a crime by those whose duty is to deter its commission.

This court has adverted to the doctrine (Casey *v.* United States, 276 U. S. 413), but has not heretofore had occasion to determine its validity, the basis on which it should rest, or the procedure to be followed when it is involved. The present case affords the opportunity to settle these matters as respects the administration of the Federal criminal law.

There is common agreement that where a law officer envisages a crime, plans it, and activates its commission by one not theretofore intending its perpetration, for the sole purpose of obtaining a victim through indictment, conviction, and sentence, the consummation of so revolting a plan ought not to be permitted by any self-respecting tribunal. Equally true is this whether the offense is one at common law or merely a creature of statute. Public policy forbids such sacrifice of decency. The enforcement of this policy calls upon the court, in every instance where alleged entrapment of a defendant is brought to its notice, to ascertain the facts, to appraise their effect upon the administration of justice, and to make such order with respect to the further prosecution of the cause as the circumstances require.

This view calls for no distinction between crimes mala in se and statutory offenses of lesser gravity, requires no statutory construction, and attributes no merit to a guilty defendant, but frankly recognizes the true foundation of the doctrine in the public policy which protects the purity of government and its processes. Always the courts refuse their aid in civil cases to the perpetration and consummation of an illegal scheme. Invariably they hold a civil action must be abated if its basis is violation of the decencies of life, disregard of the rules, statutory or common law, which formulate the ethics of men's relations to each other. Neither courts of equity nor those administering legal remedies tolerate the use of their process to consummate a wrong.[4] The doctrine of entrapment in criminal law is the analogue of the same rule applied in civil proceedings. And this is the real basis of the decisions approving the defense of entrapment, though in statement the rule is cloaked under a declaration that the Government is estopped or the defendant has not been proved guilty.

A new method of rationalizing the defense is now asserted. This is to construe the act creating the offense by reading in a condition or proviso that if the offender shall have been entrapped into crime the law shall not apply to him. So, it is said, the true intent of the legislature will be effectuated. This seems a strained and unwarranted construction of the statute, and amounts in fact to judicial amendment. It is not merely broad construction but addition of an element not contained in the legislation. The constituents of the offense are enumerated by the statute. If we assume the defendant to have been a person of upright purposes, law abiding, and not prone to crime—induced against his own will and better judgment to become the instrument of the criminal purpose of another—his action, so induced, none the less falls within the letter of the law and renders him amenable to its penalties. Viewed in its true light entrapment is not a defense to him; his act, coupled with his intent to do the act, brings him within the definition of the law; he has no rights or equities by reason of his entrapment. It can not truly be said that entrapment excuses him or contradicts the obvious fact of his commission of the offense. We can not escape this conclusion by saying that where need arises the statute will be read as containing an implicit condition that it shall not apply in the case of entrapment. The effect of such construction is to add to the words of the statute a proviso which gives to the defendant a double defense under his plea of not guilty, namely, (a) that what he did does not fall within the definition of the statute, and (b) entrapment. This amounts to saying that one who with full intent commits the act defined by law as an offense is nevertheless by virtue of the unspoken and implied mandate of the statute to be adjudged not guilty by reason of someone else's improper conduct. It is merely to adopt a form of words to justify action which ought to be based on the inherent right of the court not to be made the instrument of wrong.

It is said that this case warrants such a construction of the applicable act, but that the question whether a similar construction will be required in the case of other or more serious crimes is not before the court. Thus no guide or rule is announced as to when a statute shall be read as excluding a case of entrapment; and no principle of statutory construction is suggested which would enable us to say that it is excluded by some statutes and not by others.

The doctrine rests, rather, on a fundamental rule of public policy. The protection of its own functions and the preservation of the purity of its own temple belong only to the court. It is the province of the court and of the court alone to protect itself and the Government from such prostitution of the criminal law. The violation of the principles of justice by the entrapment of the unwary into crime should be dealt with by the court no matter by whom or at what stage of the proceedings the facts are brought to its attention.[5] Quite properly it may discharge the prisoner upon a writ of habeas corpus.[6] Equally well may it quash the indictment or entertain and try a plea in bar.[7] But its powers do not end there. Proof of entrapment, at any stage of the case, requires the court to stop the prosecution, direct that the indictment be quashed, and the defendant set at liberty.[8] If in doubt as to the facts it may submit the issue of entrapment to a jury for advice. But whatever may be the finding upon such submission the power and the duty to act remain with the court and not with the jury.

Such action does not grant immunity to a guilty defendant. But to afford him as his right a defense founded not on the statute, but on the court's view of what the legislature is assumed to have meant, is to grant him unwarranted immunity. If the court may construe an act of Congress so as to create a defense for one whose guilt the act pronounces, no reason is apparent why the same statute may not be modified by a similar process of construction as to the penalty prescribed. But it is settled that this may not be done. Ex parte United States (242 U. S. 27). The broad distinction between the refusal to lend the aid of the court's own processes to the consummation of a wrong and the attempt to modify by judicial legislation the mandate of the statute as to the punishment to be imposed after trial and conviction is so obvious as not to need discussion.

Recognition of the defense of entrapment as belonging to the defendant and as raising an issue for decision by the jury called to try him upon plea of the general issue, results in the trial of a false issue wholly outside the true rule which should be applied by the courts. It has been generally held, where the defendant has proved an entrapment, it is permissible for the Government to show in rebuttal that the officer guilty of incitement of the

[1] See O'Brien *v.* United States, 51 F. (2d) 674, footnote 1, p. 678.

[4] See Hannay *v.* Eve (3 Cr. 242, 247); Bank of United States *v.* Owens (2 Pet. 527, 538); Bartle *v.* Coleman (4 Pet. 184, 188); Hanauer *v.* Doane (12 Wall. 342, 349); Trist *v.* Child (21 Wall. 441, 448); Hazelton *v.* Sheckels (202 U. S. 71); Crocker *v.* United States (240 U. S. 74, 78).

[5] Compare Gambino *v.* United States (275 U. S. 310, 319).

[6] See United States ex rel. Hassell *v.* Mathues (22 F. (2d) 979).

[7] Compare United States *v.* Pappagoda (288 Fed. 214); Spring Drug Co. *v.* United States (12 F. (2d) 852).

[8] In United States *v.* Echols (253 Fed. 862), upon the tender of a plea of guilty, the court of its own motion examined the prisoner and the officers concerned in his arrest; and being satisfied that these officers had instigated the crime, declared that public policy required that the plea be refused and the case dismissed. In United States *v.* Healy (202 Fed. 349), a judgment and sentence were set aside and the defendant discharged upon the court's ascertaining that the conviction was procured by entrapment.

crime had reasonable cause to believe the defendant was a person disposed to commit the offense. This procedure is approved by the opinion of the court. The proof received in rebuttal usually amounts to no more than that the defendant had a bad reputation, or that he had been previously convicted. Is the statute upon which the indictment is based to be further construed as removing the defense of entrapment from such a defendant?

Whatever may be the demerits of the defendant or his previous infractions of law these will not justify the instigation and creation of a new crime as a means to reach him and punish him for his past misdemeanors. He has committed the crime in question, but by supposition only, because of instigation and inducement by a Government officer. To say that such conduct by an official of Government is condoned and rendered innocuous by the fact that the defendant had a bad reputation or had previously transgressed is wholly to disregard the reason for refusing the processes of the court to consummate an abhorrent transaction. It is to discard the basis of the doctrine and in effect to weigh the equities as between the Government and the defendant when there are in truth no equities belonging to the latter, and when the rule of action can not rest on any estimate of the good which may come of the conviction of the offender by foul means. The accepted procedure in effect pivots conviction in such cases not on the commission of the crime charged but on the prior reputation or some former act or acts of the defendant not mentioned in the indictment.

The applicable principle is that courts must be closed to the trial of a crime instigated by the Government's own agents. No other issue, no comparison of equities as between the guilty official and the guilty defendant, has any place in the enforcement of this overruling principle of public policy.

The judgment should be reversed and the cause remanded to the district court with instructions to quash the indictment and discharge the defendant.

Mr. Justice Brandeis and Mr. Justice Stone concur in this opinion.

Mr. ASHURST. Mr. President, as to wire tapping I am not unaware of the fact that the Supreme Court some years ago sustained the conviction of a defendant where there was wire tapping, although the laws of the State in which the defendant lived denounced wire tapping. I realize that seldom do lawyers quote dissenting opinions, but lawyers also have frequently found that the reasoning in some instances in the dissenting opinion may be as sound as that of the prevailing opinion. I read what none other than former Associate Justice Holmes said in a dissenting opinion in the wire-tapping case:

It is desirable that criminals should be detected, and to that end that all available evidence should be used. It also is desirable that the Government should not itself foster and pay for other crimes, when they are the means by which the evidence is to be obtained. * * * We have to choose, and for my part I think it a less evil that some criminals should escape than that the Government should play an ignoble part.

For those who agree with me, no distinction can be taken between the Government as prosecutor and the Government as judge. If the existing code does not permit district attorneys to have a hand in such dirty business it does not permit the judge to allow such iniquities to succeed. * * * It is true that a State can not make rules of evidence for courts of the United States, but the State has authority over the conduct in question, and I hardly think that the United States would appear to greater advantage when paying for an odious crime against State law than when inciting to the disregard of its own.

Mr. President, this language is not the "shouting of some demagogue appealing to prejudice." This comes from a former Associate Justice of the Supreme Court of the United States, than whom for learning, for humanity, for a true understanding of the genius of the American Government, no greater judge was ever on the bench.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Idaho?

Mr. ASHURST. With pleasure.

Mr. BORAH. I have not had time to read the bill. May I ask the Senator if there is a provision in the bill which permits wire tapping?

Mr. ASHURST. The House inserted language which would not permit any of the funds herein appropriated to pay for informers or to pay for wire tapping or for purchased evidence. The Senate Committee on Appropriations, on page 27 of the bill, have, in my judgment, appreciably weakened the force and intent of the House provision. I want to make it clear to the Senate that I favor the language of the bill as it passed the House. I prefer infinitely the House provision which denounced the use of Government funds in committing crimes or in purchasing evidence.

I read now from Mr. Justice Brandeis in the same case in which Mr. Justice Holmes spoke, reported in 277 U. S. 436. He said:

The evil incident to invasion of the privacy of the telephone is far greater than that involved in tampering with the mails. Whenever a telephone line is tapped, the privacy of the persons at both ends of the line is invaded and all conversations between them upon any subject, and although proper, confidential, and privileged, may be overheard. Moreover, the tapping of one man's telephone line involves the tapping of the telephone of every other person whom he may call or who may call him. As a means of espionage, writs of assistance and general warrants are but puny instruments of tyranny and oppression when compared with wire tapping.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. Certainly.

Mr. COSTIGAN. Will the Senator from Arizona be good enough to place in the RECORD the language of the provision as it passed the House and the language of the provision as reported by the Senate Committee on Appropriations?

Mr. ASHURST. I ask the clerk first to read the text of the provision as the bill passed the House.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

*Provided further*, That no funds hereby appropriated shall be used for the purchase of intoxicating liquors nor to pay informers nor for the purchase of evidence.

Mr. ASHURST. I now ask the clerk to read it as the Senate Committee on Appropriations reported the proviso.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

*Provided further*, That no funds hereby appropriated shall be used for the purchase of intoxicating liquors which are consumed by the investigator or anyone with him, nor to pay informers, except that the Director of Prohibition may authorize the payments of rewards for information of major violations of the law.

Mr. ASHURST. Thus it will be observed that the proviso denouncing the purchase of evidence was stricken out by the Senate committee.

Mr. HALE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Maine?

Mr. ASHURST. I yield with pleasure.

Mr. HALE. The Senator realizes that the exact words of the House text are in the bill as reported by the Senate Committee on Appropriations so far as wire tapping is concerned. We made certain slight changes as regards the purchase of liquor for evidence.

Mr. ASHURST. Yes, but those slight changes are the foxes that gnaw the vines.

Mr. HALE. The Senator from Arizona wants to stop altogether the carrying out of the prohibitory law and its enforcement. If we enforce it at all we have to have some money for these purposes.

Mr. ASHURST. I am sure the learned Senator from Maine would not impute to me any desire to weaken the enforcement provisions of any law. I am simply inveighing against the unconstitutionality and the inhumanity of the system which takes and uses Government money to entrap men and to purchase evidence. In other words, in my judgment, one of the reasons why some of the votes cast here this afternoon for the repeal resolution were so cast was because of the unconstitutional manner in which the freedom of citizens has been imperiled by Federal minions in some cases.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Massachusetts?

Mr. ASHURST. Certainly.

Mr. WALSH of Massachusetts. I want to say in reply to the question of the Senator from Maine that I doubt if there is any Senator who has more zealously advocated large appropriations for the enforcement of the prohibition law than the Senator from Arizona.

Mr. ASHURST. I thank the Senator. Simply because I want proper appropriations to enforce the prohibition law does not mean that I want appropriations to violate the law.

Mr. President, each and every part of the Constitution to me stands the same. All of its provisions are of equal force, dignity, and effect. Some persons have been inclined at times to overlook the fourth and fifth amendments to the Constitution.

In our Constitution there is probably no feature around which clusters more radiant romance or the memorials of which give us more fascinating glimpses of bygone days than the fourth and fifth amendments. In all our jurisprudence there is no other principle that has been more definitely put into position or more joyously accepted by Americans than the principle of the fourth and fifth amendments. They are intimately related; each lends strength to the other and, notwithstanding their apparent nonchalance, they sustain and protect the very essence of constitutional liberty and security. They guarantee repose and the privacies of life.

These noble amendments are as follows:

ARTICLE IV

The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

ARTICLE V

No person shall be held to answer for a capital or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself; nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

A gentleman calling upon me once asked, "Did you ever read Lord Coke's famous maxim in Semayne's case?" to wit, "The house of everyone is to him as his castle and fortress, as well for his defense against injury and violence as for his repose." I said, "I am familiar with Coke, but that was the law of England 1,000 years before my Lord Coke adorned the bench." This is law in every State and was brought to the Colonies when our ancestors migrated hither. I have, as the Senator from Massachusetts says, voted for millions of dollars to enforce prohibition; and as long as the law remains in force, I shall continue to vote for millions of dollars to enforce prohibition; but I shall not wittingly vote for any appropriation which authorizes any agency of the Federal Government to induce citizens to commit crime, cruelly entrap citizens, and I am opposed to the purchase of evidence. I say further that those who love liberty should take for their motto "Principiis obsta"—resist from the first; in other words, do not permit the tyranny of government, do not permit the tyranny of the state, ever to get a start.

It is refreshing, it is like a breath of pure air in a fetid atmosphere, to find that another body of Congress, the body which holds the purse strings and sends to us the appropriation bills, has set its seal of condemnation upon the use of Federal funds to induce men to violate the law, has condemned "wire tapping" and purchase of evidence.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield.

Mr. KING. Does the Senator believe that the words "nor for the purchase of evidence" would comprehend evidence secured by the tapping of wires by employees of the Prohibition Department? I am in entire sympathy with the position of the Senator.

Mr. ASHURST. In my judgment, the words "nor for the purchase of evidence" should be restored, because if they be stricken from the bill we, by inference at least, say that such evidence may be purchased.

Mr. KING. Mr. President, will the Senator yield further?

Mr. ASHURST. Certainly.

Mr. KING. I am not so sure, Mr. President, that the words to which I referred a moment ago and which have just been quoted by the Senator would interdict the course heretofore pursued of tapping wires and using the evidence secured by wire tapping in the prosecution of cases. Personally I should like to see the language of the House bill restored; and, in addition to the words "nor for the purchase of evidence," I should like to see added the words "by the tapping of wires or by wire tapping."

Mr. ASHURST. I was quite content with the language used by the House; but I agree with the Senator's suggestion as to language that would preclude the use of wire tapping. We are asking that the Federal Government itself shall set an example of obedience to law and shall be a model of propriety in law observance.

Mr. HALE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Maine?

Mr. ASHURST. I gladly yield to the chairman of the committee.

Mr. HALE. I should like to say to the Senator that I probably "got my wires crossed" when I said a while ago that he was one of those who did not want to enforce the prohibitory law. I assumed from his opposition to this provision that he might be one of those—and, of course, there are some in the Senate—who do not want much, if any, enforcement of the prohibition law. However, I recall the Senator's record in the past, and I realize that I was entirely wrong.

Mr. ASHURST. Mr. President, if I said anything in reply that savored of discourtesy or acidulated speech, I cheerfully withdraw it, because the Senator knows that I have been in favor of the enforcement, not only of the prohibition laws, but of all other laws, and have made amends.

Mr. KING and Mr. HALE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arizona yield further; and if so, to whom?

Mr. ASHURST. I yield first to the Senator from Utah, and then I will yield to the Senator from Maine.

Mr. KING. I hope the Senator from Maine will modify his statement made a moment ago when he said, in substance, that there are Members in the United States Senate who do not want to see the prohibition laws enforced. There are Senators who believe that the eighteenth amendment should be repealed, and that the Volstead Act should be repealed, but I do not think there is a single Senator who, so long as the Volstead Act is in force and the eighteenth amendment is in effect, does not believe that the prohibition law, as all other laws, should be enforced. I think the Senator's statement is an unwarranted indictment of Members of this body.

Mr. HALE. Mr. President, I hope the Senator is right. I do not think my statement is really an indictment of anyone; it was not intended as such, but I was simply calling attention to the fact that there are Senators who differ from the Senator from Arizona, who are not very anxious for a strenuous enforcement of the prohibitory law. There probably are certain Senators in the United States Senate who are in that category.

Mr. KING. Mr. President, will the Senator from Arizona yield further?

Mr. ASHURST. I yield.

Mr. KING. It depends upon what the Senator means by "strenuous enforcement." I have voted for every appropriation that has been asked for the enforcement of the Volstead Act, though I voted against the passage of the Volstead Act itself. There are many Senators, I think—and I hope that includes the Senator from Maine—who have objected to the methods employed by the Department of Justice and its agents in the enforcement of the Volstead Act, in their murderous attacks upon citizens, in wire-tapping activities, and in the scandalous methods they have pursued in the attempt to enforce the act. There is a good deal of difference between proper enforcement of the law in a legal, just, and righteous way and the improper methods which have so frequently been employed by the prohibi-

tion agents in the enforcement of the prohibition laws of our country.

Mr. HALE. I will say that I did not have the Senator in mind, but I knew of certain Senators who wanted to eliminate entirely the appropriation for the enforcement of the prohibitory law, and I think I am justified in saying that they do not want to provide for any very strenuous enforcement of that law.

Mr. ASHURST. Mr. President, my reply to the kind-hearted Senator from Maine is——

Mr. HALE. Mr. President——

Mr. ASHURST. I yield to the Senator.

Mr. HALE. Will the Senator tell me what he would like to do with this particular amendment?

Mr. ASHURST. I should like to see the Senate committee amendment rejected and the language of the House text restored. I should prefer to have the language suggested by the Senator from Utah [Mr. KING], but that would probably take some time. He would be uncandid, disingenuous, who here or elsewhere would deny that not only officers enforcing prohibition but those enforcing some other laws have in the past decade in too many instances induced men to commit crimes in order that they, the officers charged with the duty of arresting, might make what they call "a record" in arresting a large number of men. The language of the House bill, to my mind, is a refreshing assurance that the unlawful tyrannies and cowardly inhumanities that have heretofore characterized some law-enforcement officials shall not be further perpetrated and paid for by the use of Government money.

Too frequently have officers of the United States, minions of power, by some strange lycanthropy, transformed themselves into werewolves that gnaw and consume the liberties and the immunities of the American citizen, who is defenseless under the circumstances. Therefore I say that the House language is a refreshing assurance that these inhumanities and unconstitutional breaches of the liberties of the citizens shall not be committed by the use of funds furnished by the Government.

I respectfully ask for the restoration of the House language.

Mr. KING and Mr. HALE addressed the Chair.

Mr. ASHURST. I yield first to the Senator from Utah.

Mr. KING. I understand that the Senator is not opposing the language that has been introduced by the Senate committee, but, in addition to that, he desires to have the words "nor for the purchase of evidence," which were stricken out, restored?

Mr. ASHURST. I do.

Mr. KING. I think I will support the Senator.

Mr. McKELLAR. Mr. President, I hope the chairman of the committee will accept that amendment and let it go to conference.

Mr. HALE. Does the Senator desire to have the words "nor the purchase of evidence" restored?

Mr. KING. Yes.

Mr. HALE. I have no objection at all to that.

Mr. McKELLAR. I suggest that the Senator from Arizona offer an amendment.

Mr. ASHURST. Mr. President, as I understand, the question is on agreeing to the amendment in lines 5 and 6. I want to disagree to that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment in lines 4 and 5, inserting the language which the clerk will report.

The CHIEF CLERK. On page 27, line 4, after the word "liquors," it is proposed to insert "which are consumed by the investigator or anyone with him."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. ASHURST. Now I want the other amendment disagreed to.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. Also, in line 5, it is proposed to strike out the words "nor for the purchase of evidence" and insert "except that the Director of Prohibition may authorize the payments of rewards for information of major violations of the law."

Mr. ASHURST. I desire that the words "nor for the purchase of evidence" be restored, so that the money appropriated may not be used for the purchase of evidence. I want that amendment rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

Mr. HALE. Mr. President, I insist upon understanding what this amendment does. Does the Senator mean to leave in the words which the committee have added?

Mr. FESS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FESS. I think we are getting in confusion here. We can divide a question striking out and inserting. The desire is to restore what is stricken out without interfering with what is inserted.

Mr. KING. That is right.

Mr. ASHURST. Mr. President, of course, I realize that no man may altogether have his own likes or views adopted by the Senate. My purpose would be to disagree to the Senate committee amendments, and therefore that would restore the language of the House.

Mr. HALE. I understood the Senator to say that he would be willing to take the Senate amendments if we put back the words that were stricken out on page 27, line 5.

Mr. McKELLAR. That was my understanding.

Mr. ASHURST. No; I do not want any language which prohibits the purchase of evidence stricken out. I want the language which denounces and refuses to use Federal moneys for the purchase of evidence to remain in the bill.

Mr. HALE. I stated that I was willing to have those words that are stricken out on lines 5 and 6 left in the bill, together with the rest of the amendment as amended.

Mr. ASHURST. I shall be content with that.

Mr. HALE. There is not any question about that.

Mr. FESS. Mr. President, in order that we may do what both Senators have requested, we shall have to be permitted to divide this amendment. I ask unanimous consent that we may so proceed to vote, first on the part stricken out, and have it rejected, and then vote on the matter inserted, and have it agreed to.

Mr. ASHURST. That is a composition of the matter to which I could agree.

The PRESIDING OFFICER. The Senator from Ohio asks unanimous consent that the committee amendment, which is to strike out and insert, may be divided and voted upon separately, contrary to the rules. Is there objection? The Chair hears none, and, without objection, the vote will come on the motion to strike out.

The question is on the committee amendment to strike out.

The amendment was rejected.

The PRESIDING OFFICER. The language proposed to be stricken out by the committee amendment remains in the bill. The vote now comes on the language inserted by the committee, which will be stated.

The Chief Clerk read as follows:

Except that the Director of Prohibition may authorize the payments of rewards for information of major violations of the law.

The PRESIDING OFFICER. The question is on the committee amendment inserting the language just read.

Mr. KING. Mr. President, I think the clerk did not read all of the amendment which we are to vote upon now, namely, the words "which are consumed by the investigator or anyone with him."

The PRESIDING OFFICER. That amendment was rejected previously.

Mr. KING. I understand that the composition—using the word of my friend—which was entered into, contemplated

the restoration of all of the amendments containing new language reported by the committee.

Mr. HALE. That is quite right.

The PRESIDING OFFICER. No; the Senate voted on the committee amendment on page 27, lines 4 and 5, and the committee amendment was rejected.

Mr. DICKINSON. Mr. President, there was a misunderstanding on this side of the Chamber with reference to it; and I ask unanimous consent that we now reconsider the vote by which the committee amendment was rejected, and that we consider all of the language inserted in the Senate committee amendment, which will be, commencing in line 4, following the word "liquors," the words "which are consumed by the investigator or anyone with him," and in line 6, beginning with the word "except" and continuing through to the period in line 8. Then we will have a full comprehension of just what we are attempting to do.

The PRESIDING OFFICER. Is there objection to a reconsideration of the vote whereby the first committee amendment was rejected? The Chair hears none; and, without objection, the vote by which the first committee amendment on page 27 was rejected is reconsidered.

The vote recurs on the adoption of the first committee amendment on page 27.

Mr. DICKINSON. Mr. President, I want to suggest here that the thing that is behind this is that the director simply wants to use this authority in what he calls the big conspiracy cases. It is not used in any other cases; and it is only when he makes a survey of the situation and finds that this is the only way that the authorities can reach the problem, that they want to use any funds for this purpose. In view of the restoration of the language that was restored in lines 5 and 6, I certainly hope that the committee language will be continued in the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. KING. As I understand the position of the Senator, then, he favors the purchase of evidence, including wire tapping, and is pleading now for the restoration of the words which permit that?

Mr. DICKINSON. Oh, no; the wire tapping is prevented down here on the bottom of page 26. It says that no part of this appropriation shall be used for or in connection with wire tapping. That is specifically provided.

Mr. KING. Then I will modify my interrogation. The Senator, then, desires that the Prohibition Unit or the Government may be permitted to purchase evidence?

Mr. DICKINSON. To purchase evidence but not by its investigators.

Mr. FESS. That is already stricken out.

Mr. HALE. The purchase of evidence is simply a reward for evidence that is given. It simply takes effect in major cases, under the Senate amendment.

Mr. ASHURST. Mr. President, if the Senator will yield, I do not object to rewards being offered. They are proper and usual. I simply ask that the language stricken out on lines 5 and 6, to wit, "nor for the purchase of evidence," shall be restored.

Mr. FESS. That has been restored.

The PRESIDING OFFICER. That has been done. May the Chair say to the Senator from Arizona that the question recurs on the first amendment in lines 4 and 5.

The question is on whether that committee amendment is to be adopted.

The question is on the committee amendment on lines 4 and 5.

The amendment was agreed to.

The PRESIDING OFFICER. The motion having been put to strike out, and that motion having been lost, the question now recurs on the motion to insert the language in lines 6, 7, and 8.

The amendment was agreed to.

Mr. ASHURST. Will the Chair pardon me and the Senate indulge me a moment while I ask the clerk now to read the provision commencing on page 26, line 23, as it will go to conference?

The PRESIDING OFFICER. The clerk will read, as requested.

The Chief Clerk read as follows:

*Provided*, That no part of this appropriation shall be used for or in connection with "wire tapping" to procure evidence of violations of the national prohibition act, as amended and supplemented: *Provided further*, That no funds hereby appropriated shall be used for the purchase of intoxicating liquors which are consumed by the investigator or anyone with him, nor to pay informers, nor for the purchase of evidence except that the Director of Prohibition may authorize the payments of rewards for information of major violations of the law.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, on page 30, after line 12, to strike out:

The Court of Claims is authorized and directed to prescribe a graduated schedule of charges to be made and collected for certified copies of its decisions and findings of fact. The minimum charge to be prescribed for any such copy shall not be less than 25 cents.

The amendment was agreed to.

The next amendment was, under the subhead "Penal and correctional institutions," on page 36, line 22, after the colon, strike out the following proviso: "*Provided*, That no part of this appropriation shall be used for the procurement and/or installation in any Federal correctional or penal institution of machinery for the manufacture of metal furniture and/or metal office equipment" and in lieu thereof to insert "*Provided*, That $400,000 of the prison industries working-capital fund shall, on or before June 30, 1933, be covered into the Treasury of the United States to the credit of 'Miscellaneous receipts.'"

Mr. BULKLEY. Mr. President, I hope this committee amendment may be rejected.

The House bill contains a proviso against the purchase of certain labor-saving machinery to manufacture metal furniture.

In the first place, it is gravely questionable whether labor-saving machinery ought to be used in the penitentiaries anyway. In the second place, this is the beginning of a new industry of manufacturing metal furniture in the penitentiaries at a time when the metal-furniture business is particularly depressed anyway. There are so few people entering into new business and opening up new offices that the trade is depressed anyway, and it is an undue hardship on this particular industry.

This industry is perhaps more dependent upon labor-saving machinery and has a larger output per man than most other industries, although there is some conflict of testimony about that. The Director of Prisons proposes to buy paint-spraying machinery in connection with the manufacture of metal furniture, which seems to me grossly improper, inasmuch as the main object of the management of the penitentiary should be to provide maximum amounts of hand labor. There is no reason why convicts sentenced to labor should be permitted to work on labor-saving machinery and throw free men out of employment in these bad times.

I hope the chairman of the committee is not going to insist upon this amendment.

Mr. BLAINE. Mr. President, will the Senator point out the language?

Mr. BULKLEY. Yes. The language is on page 36. The committee proposes to strike out the following language which was included in the House bill, commencing at line 22:

*Provided*, That no part of this appropriation shall be used for the procurement and/or installation in any Federal correctional or penal institution of machinery for the manufacture of metal furniture and/or metal office equipment.

Mr. BLAINE. Mr. President, will the Senator submit to a question? Why use the word "metal," and discriminate against the woodworking industries?

Mr. BULKLEY. I have no objection to striking out the word "metal," but the reason why the amendment was written in that form is that a specific plan was testified to by the Director of Prisons to install machinery for the manufacture of metal furniture, and I do not know of any

purpose to use machinery for the manufacture of wood furniture.

Mr. BLAINE. But may I call the Senator's attention to the fact that if the director's plan to carry out the manufacturing of metal furniture is defeated, he may very well turn to the manufacturing of wood furniture—furniture made out of forest products.

Mr. BULKLEY. I should be very well pleased to see the word "metal" struck out. I am addressing myself to opposing the adoption of the committee amendment, which would strike out the whole proviso; and I undertook to explain to the Senator why I am informed that the word "metal" was put in there. I did not mean to defend it. I should be perfectly willing to see the word struck out.

Mr. BLAINE. If that language is restored, then we might very well have the situation of having machinery installed for the manufacture of furniture from forest products.

Mr. BULKLEY. I take it that the first step would be to vote down the committee amendment; and then, if the Senator cares to offer any amendment to strike out the word "metal," I shall be glad to vote with him.

Mr. BLAINE. I am not always so certain that under those circumstances an amendment would carry. Therefore, I am opposed to making the discrimination, and I would follow any course by which I could effectuate that purpose.

Mr. BULKLEY. I do not know of any way to do it unless we vote down the committee amendment first.

Mr. HALE. Mr. President——

Mr. BULKLEY. I yield to the chairman of the committee.

Mr. HALE. I should like to say a word about this matter. This installation of machinery was to go in the new Federal prison at Lewisburg, Pa. They are to have about 1,200 convicts in that prison, and no preparation has been made in any way for putting any of those convicts to work. The practice in the prisons is to put about 10 per cent of the population of each prison to work; and they try, as far as possible, to put them on work that will not be competitive with outside interests. All of the products of the work of these men have to be sold to the Government. In this particular case the product is to be about $40,000, and that from an industry which produces about $40,000,000, or one-tenth of 1 per cent.

Mr. BULKLEY. Mr. President, there has been so much conflict in the testimony as to how much is the annual product of that industry that I doubt whether any of those figures are particularly reliable.

Mr. HALE. I have the figures that have been given me by the department.

Mr. BULKLEY. I have a number of figures that have been given to me that show a very wide discrepancy one way or the other.

Mr. HALE. That is quite true. The Senator probably has the figures that were given by the witness before the Appropriations Committee, but I found that those figures which he gave had to do with a selected number of 50 plants in the industry and not with the entire industry. They were simply the ones that had reported to the Bureau of the Census.

Mr. BULKLEY. The Director of Prisons made the mistake of referring to metal furniture generally, without discriminating between office furniture and other classes.

Mr. HALE. The reference was to the fact that $40,000,000 worth of such furniture is produced in the United States, some of which would be produced by this particular installation, and that includes furniture and fixtures for offices and stores, $27,919,000, furniture for public buildings, $8,523,000, and lockers, $3,300,000. The three together make up about $40,000,000.

Mr. BULKLEY. Does the Senator say that the $40,000,000 relates only to office furniture?

Mr. HALE. It relates to the various kinds of furniture I have read about, which could be made under this installation in the State prisons. The Government uses slightly over a million dollars' worth of this metal furniture, and this $40,000 product represents about 4 per cent of the Government's consumption. It does not seem to me that that is very great.

These prisoners have to be put to work at something. Their moral and physical welfare depends upon it, and the prison authorities have tried their best to find what the prisoners could do which would provide the least competition with outside industry. If they do not do this work, they will either have to increase the employment in some other kind of work, and thus increase already existing competition with outside industry, or they will have to establish some other new business.

Mr. BULKLEY. I submit that this provision is establishing a new outside business. This is a business the prisoners have not been in before, as I understand it.

Mr. HALE. It is.

Mr. BULKLEY. I am not prepared to question the figures given by the chairman of the committee, except to say that there has been a great deal of confusion in quoting figures, and I am not sure whether he is right or not. I can not say definitely that he is wrong.

I have some other observations to make, but for the moment I yield to my colleague.

Mr. FESS. Mr. President, I understand that my colleague is asking only the restoration of the House language, and that his objection is not to the part inserted?

Mr. BULKLEY. Oh, no; I did not intend to object to the inserted part.

Mr. FESS. I hope the chairman of the committee will agree to restore the House language. I have gone into this matter, and I know there are very few people who would be employed on this particular work. I read the testimony of the superintendent, who stated that he thought about 120 to 200 people would be employed.

Mr. BULKLEY. Even that is disputed. It is questioned whether this amount of furniture should not be made by a very much smaller number of men than that.

Mr. FESS. That is true. If we look at it from a humanitarian standpoint, the argument is not very strong, because very few would be employed. On the other hand, it is in violation of a principle which we have established, to avoid employing prison labor in competition with paid labor. I hope the chairman of the committee will accept the suggestion of my colleague without any further insistence.

Mr. KING. Mr. President, will the Senator from Ohio yield?

Mr. BULKLEY. I yield.

Mr. KING. I wanted to ask the Senator from Ohio a question for information. In view of the large number of penitentiaries and correctional institutions which this bill provides for, I was wondering what disposition is to be made of those who are incarcerated. Are we to let them remain idle?

Mr. BULKLEY. I do not want the Senator to think I am opposing the employment of prison labor for any purpose whatever. The criticism is that the proposal is to start the prisoners into a new business in competition with a business which is peculiarly subject to the effects of the depression, the office-furniture business. Think how many people are opening offices now. The Government furnishes a large proportion of the demand in that particular line of work.

I say, further, that this is a kind of business that requires an exceptionally large amount of labor-saving machinery, and it is stated that this very appropriation is to be spent for labor-saving machinery, the proposal even going so far as to include paint-spraying machinery. They will not even paint the furniture by hand. They talk about providing the maximum amount of labor for their convicts. Let me read from the testimony of the Director of Prisons and see whether he is trying to find the maximum amount of labor.

Mr. KING. Mr. President, will the Senator yield a moment?

Mr. BULKLEY. I yield.

Mr. KING. I am making no comment upon the particular amendment to which the Senator refers, but, hastily looking into the bill, I find perhaps a dozen or more penitentiaries and correctional institutions mentioned, places for the in-

carceration of those who have violated the law, many of them young persons, whom we seek to reform, and I was wondering whether we are doing right in incarcerating thousands of young men and young women, and thousands of persons of mature years, and leaving them in idleness, making no effort whatever for their reform.

Mr. BULKLEY. Mr. President, to vote down this amendment would not mean voting to keep them in idleness. What I wanted to call attention to was the testimony of Mr. Bates, the Director of the Bureau of Prisons. He says that he is going to buy paint-spraying machinery in connection with the manufacture of this metal furniture, and I quote now from what he says:

> Now, you might think that we could paint by hand, but it costs us so much more for paint that we have been obliged to adopt the spray process of painting and use the machinery that every modern plant and industry uses.

Is that an effort to employ the maximum labor to keep convicts busy? According to the statement of the director, that is directly an effort to compete in the modern style with modern industry. There is no other interpretation of that language possible.

Mr. HALE. Does not the Senator think that in some way the convicts ought to be employed?

Mr. BULKLEY. I have repeatedly said that I think so, and that the objection I am making is to the selection of this furniture industry, which is peculiarly subject to the exigencies of the depression.

Mr. HALE. Can the Senator suggest any activity in which they might engage that would not compete in some way with outside industry?

Mr. BULKLEY. I think the Senator's point is well taken there, that this is a very bad time to introduce any new industry into the prisons, but especially this industry about which we are talking.

Mr. HALE. The Senator does not think we ought to double up on their work in other industries in which they are already competing, does he? What we want to do is to diversify as much as possible.

Mr. BULKLEY. Whatever these prisoners have done before they can continue to do for another year. The suggestion is for the establishment of a new industry in the prisons.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. BULKLEY. I yield.

Mr. WALSH of Massachusetts. May I say to the Senator, on the principle that the Federal Government should not employ its prisoners to destroy or injure the business of private manufacturers, that there are provisions in the law limiting the volume and amount of certain products which can be produced. That is true in regard to shoes, so as not to interfere with shoe manufacturers.

May I say, while I am on my feet, that I have received protests similar to those received by the Senator from Ohio, and they seem to me to have merit.

Mr. HALE. I will say this, Mr. President: That this installation of machinery would allow them to put out more than $40,000 worth a year. But that is not what they are asking for.

Mr. BULKLEY. That intensifies my objection. If the appropriation is big enough to allow a still larger output, and we are relying only on a general promise that it will be confined to a certain particular output for this year, it will only make the objection so much the stronger for the future.

Mr. HALE. The answer to that is that they do not want to use more than 10 per cent of the convicts for this purpose. That is the policy all over the country.

Mr. BULKLEY. It is rather a small output with the use of machinery, if that is what they get out of it.

I am ready for a vote, and I hope the committee amendment will be rejected.

Mr. COSTIGAN. Mr. President, it is my profound conviction that the Senate committee acted with wisdom when it adopted this amendment. A similar question was before the Senate a year ago and was decided in favor of a provision permitting labor of a not substantially competitive sort among prison inmates. As the senior Senator from Utah [Mr. SMOOT] has just suggested, the vote in the Senate on that question, after consideration, was virtually unanimous.

In support of what I am endeavoring to say, I ask the attention of Senators for a moment to a letter which I have received from the National Society of Penal Information and the Welfare League Association, both founded by Thomas Mott Osborne, combined in the Osborne Association. The letter is from Mr. William B. Cox, executive secretary.

Writing on February 10, 1933, Mr. Cox said:

> THE OSBORNE ASSOCIATION,
> *New York, N. Y., February 10, 1933.*
>
> Hon. EDWARD P. COSTIGAN,
> *United States Senate, Washington, D. C.*
>
> MY DEAR SENATOR COSTIGAN: May I take this opportunity of urging you to protest against the action taken by the House of Representatives in so restricting the appropriation for prison industries, Department of Justice (H. R. 14363, p. 34, line 9, CONGRESSIONAL RECORD, January 28, 1933, p. 2768), that it will be impossible to provide any means for employing the inmates of the new Federal prison in Pennsylvania.
>
> The years 1929 and 1930 were marked by an unparalleled number of prison outbreaks. Although these outbreaks were disastrous in themselves, they serve to call attention to the futility of administering prisons on a purely custodial and punitive level. Since these outbreaks there has been a changed attitude on the part of most prison administrators, who have become aware of the necessity for adopting rehabilitative measures.
>
> These new and constructive administrative practices are now faced with a serious threat. At the very time that those responsible for the conduct of penal institutions have become convinced of the practical value of constructive rehabilitative measures, legislators and the public at large are showing a strong tendency to revert to a purely custodial level.
>
> While it is unquestionably true that the times demand governmental retrenchment, it would be most unfortunate if the ground recently gained is lost because of a failure to recognize that purely custodial care is the most expensive service which can be bestowed upon our wards. Prison labor has been particularly affected by this tendency. The end result of cutting appropriations for prison industries in order to decrease the competition of prison labor with free labor, is likely to result in a situation of far-reaching serious consequences. Depriving prisoners of an opportunity to work not only adds greatly to the cost of maintaining penal institutions but it also destroys one of the most effective agencies of rehabilitation. By creating idleness in our prisons, we increase the likelihood of riots or other disturbances with their attendant destruction of property and loss of life. In the long run such a policy is penny wise and pound foolish.
>
> I am thoroughly familiar with the occupational program of the Department of Justice as well as that of most of the States. The Federal prison labor policy is a very conservative one, giving every consideration to the rights of free labor and private industry, as is evidenced by the fact that it has been indorsed by the American Federation of Labor and organized industry. It would be a calamity to change the fundamental principles of this program by yielding to the wishes of a single group of manufacturers.
>
> Faithfully yours,
>
> WM. B. COX, *Executive Secretary.*

Mr. President, the letter is sufficiently convincing for reasons of compelling public importance, and I trust that the amendment of the Senate committee will be sustained.

Mr. BULKLEY. Mr. President, I hope that Senators will not be misled into thinking there is any great national issue or any pending national calamity involved in voting down this amendment. It is a relatively small amendment, but in principle it is important, because it affects an industry that is peculiarly distressed, and this particular year is a bad time to start labor-saving machinery in penal institutions. There is involved no question whatever of the employment of convicts generally. It simply averts a particular kind of competition for the one year.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 36, line 22, the committee proposes to strike out the proviso down to and including the word "equipment," in line 1, on page 37, as follows:

> *Provided*, That no part of this appropriation shall be used for the procurement and/or installation in any Federal correctional or penal institution of machinery for the manufacture of metal furniture and/or metal office equipment.

Mr. KING. Mr. President, a responsibility which may not be ignored rests upon both the Federal and State Governments to adopt and carry into execution humane and just

policies in dealing with delinquents. Too little attention was given for centuries to the subject, penology; indeed, until very recently the question of prison reform was given but scant attention. For centuries persons convicted of offenses were treated in the most cruel and inhuman manner. We read with amazement, if not with horror, the reports which have come to us concerning the treatment of prisoners in European countries as well as in our own land. Prisons were in too many cases dark dungeons which bred disease and hastened the death of those imprisoned. The idea seemed to prevail that a person branded as a felon was to be regarded as permanently incorrigible; indeed, as a leper for whom there was no future. But in recent years courageous men and women have given serious study to the question of prison reform and to the policies which should be adopted in dealing with persons convicted of offenses.

There has come a change in the views of the people as to the method to be employed in dealing with persons who violate the law. Cruel and inhuman punishment has been found does not meet the situation. It has been discovered that it seldom reforms the person punished, and too often sends him forth from behind prison walls with anger in his heart and enmity toward government and individuals. With a study of psychology, of the causes of behavior, of the complex social, economic, and industrial conditions, there has developed the conviction that past methods of dealing with violators of law have failed in part, at least, in their purpose. During the past few years there has been a great increase in law infractions among young boys and girls. Juvenile delinquency has greatly increased.

In view of this situation it is apparent that there is a heavy responsibility resting upon governments, and those charged with law enforcement and with caring for delinquents. More and more it is becoming apparent that our penal institutions must be conducted with a view to reformation of character.

While there must be punishment for offenses, there must be wisdom and mercy and sanity, not only in the administration of criminal laws but in dealing with offenders after they have been brought within the cognizance of the laws. Our penal institutions must be constructed and operated having in view the reformation of those charged with law violation. They must be corrective and reformatory. Regard must be had for the age of the offender and the causes which led to the commission of the offense. Persons of immature years must not be placed in the same category with old offenders or those who have been repeated violators of law. Our penal institutions should have in view, as I have indicated, the rehabilitation of the moral qualities and character of those charged with crime. In some of the modern penal institutions it has been demonstrated that permanent reforms in the lives and characters of individuals have been effected. It has been shown that perhaps a majority of those convicted of offenses were not criminals at heart. In many cases the offenses were accidental or the result of temporary emotional outbreaks. They did not come from a malignant heart or from a disposition or desire to violate the law or injure society. In my opinion, some persons who have been imprisoned for law violations should have been treated for mental disorders and placed in institutions devoted to such purposes.

Mr. President, it has become a serious question, in view of the large number of persons who are now confined in prisons and correctional institutions, as to what disposition should be made of them during the period of their confinement. It has been proven that to treat them harshly or to keep them in solitary confinement or to give them no duties or employment whatever produces most unsatisfactory results. Idleness in confinement perhaps more seriously injures character than when freedom is enjoyed. Our penal institutions must, if reforms are to be effected, adopt policies that will not only permit but bring about character building and moral reformation. In my opinion, the overwhelming majority of those who are sent to our penal institutions would, if wise and humane methods were adopted in dealing with offenders, emerge from their confinement imbued with the desire to engage in useful and honorable employment and assume a proper place in the social organization.

I appreciate the fact that laws have been enacted which prevent contract labor from entering into competition with free labor. I am not criticizing those enactments. I do insist, however, that in the penal and correctional institutions which are being erected and which the Federal and State Governments now operate, there must be plans devised and carried into execution which will save the characters of those confined and afford them full opportunity of casting off improper desires or habits and equipping them, when they shall be free from confinement, to occupy useful positions in the economic and industrial life of the people.

I am not offering these observations as relevant to the question raised by the Senator from Ohio [Mr. BULKLEY], although in view of the nature of the institution which the Federal Government has established in Pennsylvania it would seem that some provision should be made to furnish employment to those confined therein.

Mr. DAVIS. Mr. President, it is highly important that we find work for those who are confined in our penal institutions, but it seems to me more humane to find work for our own unemployed or to keep at work those who are now employed. To spend $40,000 for installing machinery to give work to from 150 to 200 of the 1,200 incarcerated in Lewisburg, and drive out practically a like number of workers from a competitive industry, is to my mind wrong.

Mr. President, how would you like to be employed, working part time, and have your employer say to you, in the morning, "Your service will be no longer needed because the Government is giving your work to those who are in prison," and further to find out that our penal institutions are going to be mechanized to continue to compete with private business?

As I understand the plan of the Department of Justice it is that the steel-file industry has no competition and that the Government therefore is justified in becoming a competitor. The manufacture of metal files here in this country is a new industry. The Government of the United States for 100 years has been more or less jealous of the rights of a new industry. We have protected new industries by tariff rates from competition abroad. Now is the time in this day, with nearly 12,000,000 men and women walking the streets out of employment, to deny this appropriation and thus protect this young industry from prison labor.

Mr. President, I have high regard for Mr. Bates, who is one of the world's foremost penologists. However, in these days, when millions are unemployed, I am not in accord with him when he wants to close down a part of private business and add to the millions of unemployed. Putting the free man out of work would probably mean the loss of his home, if he has one, or necessitate his seeking public relief for himself and family, while those who are incarcerated at Lewisburg are receiving three meals a day and a bed from the richest government in the world.

I am in favor of the language in the bill as it passed the House, and I hope the Senate will vote down the Senate committee amendment.

Mr. FESS. Mr. President, I feel like apologizing to the Presiding Officer and to Members of the Senate for detaining them longer on this item, but I think there ought to be some emphasis placed upon the suggestion made by the junior Senator from Utah [Mr. KING]. Therefore, I am going to utilize my right to occupy a little time.

The whole course of legislation on this subject for the last 10 years has been to relieve free labor or paid labor from competitition with prison labor. Last year a climax was reached, after years of consideration, where we regulated through the interstate commerce power the sale of goods that are made by prison labor in competition with free labor. When it came to the vote it was pretty nearly unanimous. As Senators will recall, we even denied the right of the State to employ its own prison labor in public-road build-

ing where it was a Federal-aid road. I doubted the wisdom of that provision. I thought a State ought to be permitted to employ its prison labor out in the open air where the work was road building. But the conviction here was so strong that we ought not to put those two forces in competition that we went even to that extent.

In my own State we responded to the efforts to employ prison labor; in fact, we have a State farm where a certain grade of prisoners are kept out on the farm in the open air to do several things that do not come in competition with free or paid labor in the open market. But here is a case where a new industry is involved. The Senator from Utah [Mr. KING] suggests that the new reformatory at Lewisburg is one of the finest that can be found, and that is true. Because it is a fine place, we propose apparently to introduce new prison labor, new employment in competition with free or paid labor. I am just as responsive to the humanitarian call of employing labor in prison as anyone in this Chamber, but I do not want to do that at the cost of humanity outside of the prison that ought to be employed. It seems to me, in the light of what we have done in the past, that we ought not to take advanage of this new movement to begin the manufacture of an article of furniture, whether it be of wood or metal, when it does come in competition with the products of free labor or labor that is employed in the various States. It seems to me that the chairman of the committee ought to agree to restore the House language in this particular item.

Mr. SMOOT. Mr. President, Mr. Bates has taken into consideration the conditions existing in the country to-day. Congress authorized the making of shoes for governmental requirements; and this item means that only 4 per cent of the shoes required by the Government will be produced by this institution.

In the case of metal furniture it is proposed to manufacture just about 4 per cent of the million dollars' worth required by the Government.

It seems to me that Congress never ought to have passed the legislation authorizing these activities at these institutions unless they intended that the machinery, which is there already, should be used, or additional machinery should not be procured. The committee took that position, and I think the committee is perfectly right about it.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. GEORGE. Mr. President, I ask that the amendment may be stated.

The VICE PRESIDENT. There are two amendments. The Secretary will state the first amendment.

The LEGISLATIVE CLERK. On page 36, line 22, it is proposed to strike out the proviso down to and including the word "equipment" in line 1, on page 37, as follows:

*Provided*, That no part of this appropriation shall be used for the procurement and/or installation in any Federal correctional or penal institution of machinery for the manufacture of metal furniture and/or metal office equipment.

Mr. GEORGE. I desire to offer an amendment, but I do not think it would be appropriate to that particular amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee. [Putting the question.] By the sound the "noes" seem to have it.

Mr. SMOOT and Mr. DICKINSON asked for a division.

On a division, the amendment of the committee was rejected.

The VICE PRESIDENT. The question recurs on the second amendment, which will be stated.

The LEGISLATIVE CLERK. On page 37, line 1, at the end of the paragraph, the committee proposes to insert the following proviso:

*Provided*, That $400,000 of the prison industries working capital fund shall, on or before June 30, 1933, be covered into the Treasury of the United States to the credit of "Miscellaneous receipts."

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. GEORGE. Mr. President, I desire to offer an amendment to the amendment. At the end of the amendment just stated I move to strike out the period and insert a colon and the following words:

*Provided*, That no part of the prison industries working capital fund during the fiscal year ending June 30, 1934, shall be used for the purchase of yarn from private industry for the manufacture of cotton duck.

Mr. President, I want to explain just what the amendment means. In the Atlanta Penitentiary, as a part of the program to provide employment for the prisoners, there has been established a duck mill. Duck manufacture is peculiar in that the machinery used in the making of wide duck is not adaptable for the manufacture of other textiles. Consequently the competition of the wide-duck mill at the Atlanta Penitentiary is most disastrous. Moreover, a negligible man power is used in the manufacture of wide duck.

Mr. SMOOT. Mr. President, will the Senator read the amendment again.

Mr. GEORGE. I was proceeding to explain why I offered the amendment. It reads as follows:

*Provided*, That no part of the prison industries working capital fund during the fiscal year ending June 30, 1934, shall be used for the purchase of yarn from private industry for the manufacture of cotton duck.

The words "Atlanta Penitentiary" may be added if desired.

Mr. SMOOT. In other words, the amendment would prohibit the purchase from private concerns of certain kinds of yarn made into duck?

Mr. GEORGE. It would prohibit the duck mill in the Atlanta Penitentiary from buying yarns from the outside and converting them into duck at that mill.

Let me explain. In the Atlanta Penitentiary they have spindles to make yarn; but they do not confine themselves to manufacturing the yarn they thus produce; they have extended their operations, and go on the outside and buy yarn, bring it into the penitentiary, and manufacture it into duck. So that wide duck made by the Atlanta Penitentiary has perhaps reached from 21 to 25 per cent of the Government's entire production of wide duck. It is a fearful competition, and the business is so limited and restricted that the competition is disastrous to the private duck manufacturers.

In the penitentiary they have the machinery for making yarn; every bit of the yarn they make there may be used for wide duck; we are not complaining about that, and my amendment does not restrict them in that respect; but it does provide that during the next fiscal year they shall not buy yarn on the outside and convert it into duck. They can, however, convert into duck all the yarn they may manufacture.

Mr. SMOOT. How will they keep their looms going if they can not make a sufficient quantity of yarn themselves and can not go outside and buy yarn?

Mr. GEORGE. Let me tell the Senator that they can manufacture in the penitentiary one-fifth of all the yarns that they use on their own looms. They buy about four-fifths, but the yarns bought are not by any means all used in the manufacture of wide duck; they are used for all the other products manufactured in the mill at the Atlanta Penitentiary.

Mr. SMOOT. The yarn purchased on the outside has been used in the past in making duck, has it not?

Mr. GEORGE. Not exclusively by any means.

Mr. SMOOT. Not exclusively; but they use in the prison industries more yarn than they can make; and by whatever amount they are prevented from securing on the outside, their activities will be curtailed to that extent.

Mr. GEORGE. The Senator does not quite understand me. They make one-fifth of the yarn which they now use in the penitentiary.

Mr. SMOOT. They make that much themselves and purchase additional quantities on the outside.

Mr. GEORGE. They make a great many other things, and the amendment does not provide any restriction on the purchase of yarn for the manufacture of anything else they may want to manufacture in that mill; but it is not fair

to bring the sharp competition against the manufacturers of wide duck for the reason that the actual investment per man, so I am advised, of the private mills engaged in the manufacture of wide duck runs from $4,000 to $5,000. The machinery used for wide duck can not be converted and used for the manufacture of other textiles, and therefore the competition is peculiarly sharp and peculiarly unfair.

The amendment will not prevent the use of all the machinery in the Atlanta mill which it may be desired to use, but they must not buy any yarn on the outside for the manufacture of duck. In other words, the duck they make in the Atlanta mill must be made of yarn which they, themselves, produce; but they may buy yarns on the outside and use them for the manufacture of other materials in the penitentiary mill.

Mr. SMOOT. Evidently they have not made sufficient yarn in the mill to manufacture wide duck.

Mr. GEORGE. I am not quite sure of that.

Mr. SMOOT. If they have, I do not see any necessity of the amendment.

Mr. GEORGE. That is true; I want to say to the Senator that if the amendment shall be accepted, and go to conference, I want it to work this one purpose, namely, that the Atlanta penitentiary mill shall not manufacture wide duck in excess of the yarn they themselves produce.

Mr. SMOOT. I understand that, and that is exactly what I say, that in the past I think the mill has been buying yarn on the outside to be manufactured into duck and the looms which they have can not be kept running merely with the yarn produced in the penitentiary itself.

Mr. GEORGE. They may buy all the yarn they please with which to make any other material in the mill.

Mr. SMOOT. But not wide duck.

Mr. GEORGE. Not wide duck. It does seem entirely fair, just, and reasonable that the wide duck manufacture in the mill at the penitentiary be restricted to the yarn output of the mill itself because of some of the facts which I have brought to the attention of the Senate. In 1932, according to the report submitted to Mr. Staub, secretary of the Cotton Duck Association, by Mr. Bennett, Assistant Director of the Bureau of Prisons of the Department of Justice, the production of the cotton-duck mill in the Atlanta Penitentiary was 3,947,513 pounds.

But it is to be noted that this total poundage includes light and heavyweight canvas duck, both in the numbered and ounce goods. It also includes other products such as nainsook, sheeting, and drills, also ticking and light prison-uniform material. In other words, the wide duck is by no means the entire production of the Atlanta mill and the restriction is against the purchase of yarn on the outside to be made into this one product.

Mr. SMOOT. It might, of course, prevent them from buying any yarn on the outside and using it in manufacture, but if the Senator from Maine wishes to accept the amendment I shall not object.

Mr. GEORGE. I think the Senator from Utah is wrong.

Mr. SMOOT. It can not be otherwise.

Mr. GEORGE. It can be otherwise. I have stated to the Senate that if the amendment is accepted I am perfectly willing that the conferees may so arrange it as to prevent the expansion of the manufacture of wide duck in the Atlanta penitentiary; in other words, to limit it to its present production—and I think that is entirely fair. Otherwise, they probably may simply absorb the entire wide duck market.

Mr. SMOOT. I understand the situation, and if the Senator having the bill in charge desires to let the amendment go to conference, I shall offer no objection at all.

Mr. HALE. Mr. President, I am entirely willing to let the amendment go to conference and be considered by the conferees.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Georgia to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. COSTIGAN. Mr. President, I desire to enter a motion to reconsider the action of the Senate in reference to lines 22 to 25 on page 36, and a portion of line 1 on page 37.

The VICE PRESIDENT. That motion will be entered.

The reading of the bill was resumed.

The next amendment was, on page 83, after line 19, to insert:

Regulation of interstate transportation of black bass: To enable the Secretary of Commerce to carry into effect the act entitled "An act to amend the act entitled 'An act to regulate interstate transportation of black bass, and for other purposes,' approved May 20, 1926" (U. S. C., Supp. V, title 16, secs. 851–856), approved July 2, 1930 (46 Stat. pp. 845–847), $13,950, of which not to exceed $1,800 may be expended for personal services in the District of Columbia.

Mr. KING. Mr. President, I inquire of the Senator whether all of the amendments on the intervening pages have been disposed of.

Mr. McKELLAR. There are no amendments on those pages.

The VICE PRESIDENT. This is the next amendment.

Mr. KING. I should like to make an inquiry as to the reason for this appropriation.

Mr. McKELLAR. Unfortunately, the Congress has authorized the expenditure; and, in the usual way, the persons concerned have appeared before the Appropriations Committee and made a demand that the committee carry out the direction of the Congress.

Mr KING. Does the Senator mean that if Congress has made an improvident recommendation in the form of a statute, we are bound to make an appropriation?

Mr. McKELLAR. That is the usual course. Whenever the Congress passes a bill and authorizes an appropriation, we are expected to carry it out in the Appropriations Committee. That is why I have fought these authorization bills to the extent that I have.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

Mr. KING. Mr. President, the next subdivision deals with the Patent Office. I appreciate that any efforts to reduce the inordinately high appropriations carried for that organization will at this late hour and with the haste which is demanded in the consideration of this bill not be possible. I feel certain, however, that if proper consideration were given to this provision of the bill, and all relevant facts presented, the appropriation would be materially reduced. I have no doubt that if the Patent Office were properly operated and a satisfactory and efficient administration prevailed, the appropriation provided in this subdivision could be reduced at least 50 per cent. The bill carries $3,176,250 for salaries and some incidental expenses of the Patent Office. There is a further item of $30,000 for the purchase of books, $250,000 for the production of copies of weekly issue of drawings, and so forth, and other appropriations aggregating $900,000 for printing the weekly issue of patents.

Mr. President, for many years prior to 1922 the fees received by the Patent Office from the public exceeded the expenses of the bureau. My recollection is, that during the period of more than 50 years prior to 1932, this excess or surplus was more than $8,000,000. I should add, however, that during the fiscal year 1918 when the World War was in progress, there was a deficit of less than $80,000. However, since 1922 the Patent Office has expended more money than the fees or receipts paid to it. During this period, the Government fees charged incident to the filing and issuance of patents, have been increased. Perhaps this increase was necessary to meet the growth and increased expenditures of the Patent Office. There should, however, be no deficit. The Patent Office, if economically and efficiently administered, should have been self-sustaining, if it did not yield a surplus to be covered into the Treasury. The aggregate deficit, however, since 1922 has been several million dollars. I do not have the figures before me, as I did not know this bill was to be before the Senate to-day. It is evident that these deficits are continuing, as is shown by

the appropriation of several million dollars provided in the bill before us, to meet the operating expenses of the Patent Office during the next fiscal year.

Many complaints have come to me, Mr. President, concerning the delays in the Patent Office concerning applications for patents, and in dealing with preliminary and intermediate questions involved in patent proceedings. I recall that in 1929 the Commissioner of Patents reported that applications awaiting action amounted to more than 103,000. It was claimed that the Patent Office was clogged in part due to unsatisfactory methods and procedure. My recollection is that in the fiscal year 1929 there were approximately 87,000 applications for patent filed and 43,600 patents issued. In 1930, as I recall, the applications awaiting examination were over 118,000, or approximately 7,000 more than in 1929. I have examined graphs which indicate the mounting costs in the Patent Office, the condition of work in the office, the applications filed during various years, the applications considered for each examiner per year, the applications awaiting action covering a number of years, figures showing surpluses and deficits for a number of years, and which also present data bearing upon the activities of the Patent Office.

Mr. President, I sincerely hope that the next administration will deal with this agency of the Government, and that it will result in reforms imperatively needed. I hope that the next President of the United States, under the authority which I hope will be given him, will make important changes in some branches of the personnel and material modifications in the working and procedure of the Patent Office. In my opinion, Mr. President, Congress has neglected to effectively, not to say drastically, deal with this organization during the past 10 or 12 years. But I believe the day is near at hand when the work of reorganization will be undertaken and consummated.

The VICE PRESIDENT. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, on page 98, line 13, to change the total appropriation for the Bureau of Mines from $1,464,300 to $1,514,300.

The amendment was agreed to.

The next amendment was, under the subhead "Children's Bureau," on page 104, line 25 after the word "expenses," to strike out "$344,000" and insert "$308,550," and on page 105, line 1, after the word "exceed," to strike out "$285,450" and insert "$250,000," so as to read:

Salaries and expenses: For expenses of investigating and reporting upon matters pertaining to the welfare of children and child life, and especially to investigate the questions of infant mortality; personal services, including experts and temporary assistants; traveling expenses, including expenses of attendance at meetings for the promotion of child welfare when incurred on the written authority of the Secretary of Labor; purchase of reports and material for the publications of the Children's Bureau and for reprints from State, city, and private publications for distribution when said reprints can be procured more cheaply than they can be printed by the Government, and other necessary expenses; $308,550, of which amount not to exceed $250,000 may be expended for personal services in the District of Columbia.

Mr. NYE. Mr. President, I desire to urge that the House figures be retained in preference to the figures which have been proposed by the Senate committee. I therefore ask that the Senate committee amendment be rejected.

Mr. KING. Mr. President, I hope the Senator will not urge that, for this reason: The Senator from Maryland [Mr. TYDINGS] is not in the Chamber to-night. He is interested in that matter. I do not want to call for a quorum; but if the Senator insists upon the retention of the House figures—which, of course, he has a perfect right to do, and I have no criticism of his action—I shall feel constrained to call for a quorum.

Mr. NYE. I know of many Senators who are interested in the proposal I am making who are not here to-night. I am sorry they are not, but I am going to be compelled——

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. NYE. I am glad to yield.

Mr. McKELLAR. I wonder if the Senator would not be willing to let the amendment go to conference as it is. I believe, looking at it as I see it, that that probably would be the best way to handle the matter.

Mr. NYE. Mr. President, if I would be free to assume that those who are offering this suggestion are not overly insistent on the Senate committee amendment, I should feel constrained to do that.

Mr. McKELLAR. Of course, it would not be a free conference if anybody made a promise about it ahead of time, and I know that no member of the conference committee would under any circumstances do a thing like that; but, looking at the matter as I see it, I think it would be a wiser course to let the amendment go to conference.

Mr. NYE. Very well, Mr. President. I shall withdraw my proposal, then, and let the matter go to conference; but I hope it will not go with the RECORD indicating that the Senate is insistent upon the amendment which the committee has proposed.

Mr. KING. I hope it will not go with any implied promise that the Senate conferees are not going to insist upon the committee amendment.

Mr. McKELLAR. I assure the Senators that there will be no implied promise about it.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. DAVIS. Mr. President, I should like to have my amendment stated. It is at the desk.

The VICE PRESIDENT. The Senator from Pennsylvania offers an amendment, which will be stated.

The CHIEF CLERK. On page 88, line 16, strike out "$614,000" and insert "$741,000."

Mr. KING. I offer an amendment to the amendment, to strike out the figures submitted, as well as the House figures, and insert in lieu thereof "$550,000."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Utah to the amendment of the Senator from Pennsylvania.

The amendment to the amendment was rejected.

Mr. SMOOT. I hope the amendment of the Senator from Pennsylvania will be rejected also.

Mr. DAVIS. Mr. President, I am satisfied that Senators are not familiar with this particular appropriation.

Mr. President, the appropriations for safety work in the Bureau of Mines have undergone extensive reductions—so extensive, in fact, as to lay the Congress open to the charge of negligence of a contributory nature.

In 1931 Congress appropriated $769,170; in 1932, $793,180; in 1933 the appropriation dropped to $741,325; and it is now proposed to reduce that sum for safety work in 1934 $127,000.

I am informed by the safety division of the Bureau of Mines that by reason of the curtailed appropriation last year six mine rescue cars were withdrawn from the service; and if the $614,000 appropriation stands for the next fiscal year, the remaining four will be withdrawn. Mr. President, that means that there will be no mine-rescue cars in the largest coal-producing State in the Union—Pennsylvania.

It is thoroughly understood, of course, that this appropriation is for the operating of mine rescue cars and stations and investigation of mine accidents; for the investigation and improvement of mine rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods; investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvements of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other inquiries and technologic investigations pertinent to the mining industry; the exchange in part payment for operation, maintenance, and repair of

mine rescue trucks; the construction of temporary structures and the repair, maintenance, and operation of rescue cars and Government-owned mine rescue stations and appurtenances thereto.

I assume my colleagues are interested to know specifically just how the appropriation for mine safety and rescue work was spent in the foregoing years. I shall cite but one example, which is typical. In 1931 the Division of Safety trained 112,230 miners in first-aid and mine rescue work; in 1932, 99,163 miners were trained, and it is estimated that by the end of the current fiscal year 65,000 miners will have been so instructed. It will be observed that there has been a steady decrease in this all-important instruction, and the Director of the Bureau of Mines forecasts that not in excess of 33,000 miners can be given this training in the fiscal year 1934 if the proposed appropriation is written into the act.

We are interested in safety in mines. Thirty-two States and the Territory of Alaska produce coal. Those of us who live in the coal-mining sections know what it means to make the mines safe for workers and employers.

We do not know what day a major accident will occur. I recall in my youth one of the worst accidents that ever occurred in a mining area where I resided. Hundreds of men were trapped in a mine when an explosion occurred. It affected nearly every home in the community. There were no mine rescue crews, no relief of any kind other than what the mine itself could give, no modern service as we know it now. In my memory, I not only see the victims being carried from the shaft on improvised stretchers, but I can see a common funeral. It was a tragic day in the community, a holiday of broken hearts and spirits. Such an accident is liable to again occur, and for us to be short of mine rescue crews, or to have them tied up as some of them are at present, is not practical economy, but almost criminal negligence.

The Secretary of Commerce informed me that four of the mine rescue cars under the jurisdiction of the Bureau of Mines have been tied up, and at present there is not a mine rescue car in operation west of the Mississippi River. We know that the distance between the various mining fields in the West is so great that the cost of transporting the cars would make a prohibitive drain on the depleted funds now available for travel. When there is even a minor accident, and the Government is unable to send relief, the people will not listen to the cry of economy. Let us not reduce the field forces of the safety division of the Bureau of Mines.

Reducing these appropriations would materially cripple their usefulness and hamper their accident-prevention work. The Bureau of Mines now contacts approximately 300,000 persons in mining and allied industries annually. I will not take the time right now to read a letter which I received from the Director of Mines, but believe it would be a good idea to have it printed as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF COMMERCE,
BUREAU OF MINES,
*Washington, December 6, 1932.*

Hon. JAMES J. DAVIS,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR: Your letter dated Washington, D. C., November 30, 1932, regarding the effect of decreases in the allotments for the health and safety work of the United States Bureau of Mines has been received.

Since the decreased appropriations have been in effect but five months, their full effect in the curtailment of these types of work is not yet evident or available. However, a few of the effects are readily given:

Four of the mine rescue cars have been tied up and at present there isn't a mine rescue car in operation west of the Mississippi River, as the distances between the various mining fields in the West are so great that the railroad fares in moving the cars would have made a prohibitive drain on the depleted funds now available for travel.

The greatly reduced allotments for travel and supplies have forced numerous restrictions on the field forces of the safety division and this materially cripples their utility. One of the most effective means of putting up-to-date safety data and safety and accident-prevention work before the mine operators and mine workers has been that field men of the safety division, when supplied with ample travel funds, came into personal contact with approximately 300,000 persons in the mining and allied industries annually, and this has been found to be by far the most effective method of actually "putting over" up-to-date ideas on mine safety. This widespread personal contact is not possible under the decreased allotments, and one of the immediate effects will probably be that instead of training about 100,000 mine workers in first aid and mine rescue as has been done annually for the past several years, the number so trained for the present fiscal year will probably be but slightly over 50,000, certainly not as high as 75,000.

In many places the field work of the forces of the safety division requires considerable travel by automobile, as much of the work is done in small out-of-the-way places and at night. With the heavily depleted allotments for supplies and equipment it is not possible to provide automobiles for many of those who need them in their work; in some cases this prevents the first-aid and accident-prevention work from being done and in several cases the field men, some of them receiving but $1,740 per year, have purchased their own machines and use them in doing this life-saving work.

In one case when the decreased allotments made it desirable (almost necessary) to discontinue the payment of rent for one of the Bureau of Mines safety stations, and it was decided to move the station to another place where Federal space was available, the movement of the station was resisted by various interests, and in connection with the final decision to remain half of the rent for the safety station was assumed by two employees of the Bureau of Mines.

In the past, the policy of the bureau has been to maintain its various belongings in excellent physical condition, and this, of course, was particularly true of the structures and equipment of the safety division. The fact that everything was in most excellent condition at the beginning of the present fiscal year, with its curtailment of funds, will allow of operating this year without much necessity for repairs, replacements, or new purchases of supplies or equipment, but the continuance of the lowered allotments or the greater lowering of them can not fail to entail serious consequences in trying to maintain the health and safety work of this organization.

Cordially yours,

SCOTT TURNER, *Director.*

Mr. DAVIS. Mr. President, I am in receipt of a telegram from Mr. Thomas Kennedy, secretary of the United Mine Workers of Hazleton, Pa., in the heart of the anthracite-coal region, which reads as follows:

HAZLETON, PA., *February 6, 1933.*

Hon. JAMES J. DAVIS,
*Senate Office Building:*

In appropriation bill now pending in Congress it is contemplated to reduce appropriation for Bureau of Mines to extent of $127,000. In the allocation of this reduced appropriation it is believed that the safety work of the bureau will be seriously impaired. Express hope that contemplated reduction can be eliminated or modified so that Bureau of Mines will secure sufficient appropriation with which to carry on its work—include its very important safety work. Would urge your cooperation to the end desired.

THOMAS KENNEDY.

How will the employer and worker feel when they find the appropriation for safety cut? Every worker will know of it, and what will he say? How would you feel, as a miner going down into the earth to mine coal when you knew the Government had failed to appropriate money to have a car come to your rescue if an explosion or accident would take place? These men think about that. We can talk economy all we want to, but economy ought not to be achieved at the expense of humanity. At this time there is no sound reason for us to deny the Bureau of Mines sufficient funds to carry on its safety work.

The VICE PRESIDENT. The motion is on agreeing to the amendment offered by the junior Senator from Pennsylvania [Mr. DAVIS].

The amendment was rejected.

Mr. KING. Mr. President, the bill under consideration was only brought to the attention of Senators within the past hour, and I doubt whether half a dozen Senators have read it or are familiar with its provisions. In hastily running through the bill during the reading of its provisions by the clerk, I misapprehended the nature of the item to which the Senator from Pennsylvania has just been speaking. The amendment which I offered, reducing the appropriation of the item in question, was submitted under a misapprehension as to the purpose and scope of the item in question. I would not have offered the amendment if I had known the purpose for which the appropriation was sought.

With reference to the bill as a whole, Mr. President, as I have hastily examined its provisions, I do not hesitate to say

that it contains many items of appropriation that in my opinion may not, in view of the condition of the Treasury, be justified. Nearly every subdivision of the bill contains excessive appropriations aggregating several millions of dollars. If the Senate lived up to the statements not infrequently heard in this Chamber that we must balance the Budget, that economies must be introduced into the departments of the Government, and that cuts must be made in appropriations, this bill, instead of carrying items aggregating more than $103,000,000, would have carried appropriations not exceeding $75,000,000. In other words, Mr. President, the total appropriations provided in the bill under consideration should not have exceeded the amount just stated. I protest against what I conceive to be the improvident, not to say extravagant, appropriations which are found in the measure before us.

I regret that the Senator from Maine is compelled to leave the Senate within the next hour or so, owing to the serious illness of his brother. His anxiety to complete consideration of the bill is therefore justified. The Senate also is desirous of speeding the passage of the appropriation bills before adjournment; and this attitude of mind prevents proper consideration of the appropriation bills brought to our attention carrying, as they do, billions of dollars.

It is true that the President, through the Bureau of the Budget, has recommended appropriations in excess of those that have been reported by the appropriations committees of the House and Senate; but notwithstanding the reported reductions submitted by the appropriations committees, I can not help but believe that they have not sufficiently reduced appropriations, and that the aggregate appropriations recommended will exceed by several hundred million dollars the total amount which should be appropriated.

Mr. President, it is my belief that we are not carrying out our platform pledges, and are failing to introduce those economies, and effect those administrative reforms, which are so imperatively needed in the Federal Government. Senators have been eloquent in denouncing Federal extravagance and waste, in condemning useless bureaus and duplication in Federal activities; they have earnestly protested their determination to support measures that would reduce the expenses of the Government and bring about reorganizations and reforms in substantially all of the executive departments; but as the appropriation bills and other measures are brought before us for consideration it is becoming manifest that the promised reforms are not being effected, and that the demanded economies are not being realized.

The Federal Government is still operating in the track which it followed in 1926, 1927, 1928, and 1929. Indeed, I believe the appropriations which we will make for the next fiscal year will exceed those carried in the appropriation bill for the fiscal year ending June 30, 1928. It seems impossible when Federal organizations are created and official machinery is set in motion to bring about changes, to reduce the established mechanism and abolish Federal administrative and executive instrumentalities. The pressure from many quarters is so great that successful resistance to the same seems impossible.

Frequently attention has been challenged to the enormous increase in appropriations for the Department of Commerce, and from the declared opposition to these enormous increases one would have supposed that the appropriation for this department for the next fiscal year would have been reduced 40 or 50 per cent; but the bill before us carries an appropriation for the Department of Commerce amounting to more than thirty-six and one-half million dollars. Only a few years ago this organization consisted of but a corporation bureau, with an appropriation of only a few hundred thousand dollars; but it has, almost overnight, assumed gigantic proportions and calls for an appropriation greatly in excess of what is required.

The policy of the party in power during the past few years has resulted in a serious decline in our foreign trade and commerce. Our exports have shrunk billions of dollars annually. Imports have likewise been materially reduced. Policies are being urged by Republican leaders, as well as by many Democrats, which, if carried into effect, will practically destroy our foreign markets and cut us off commercially from the rest of the world. Notwithstanding the enormous heights of existing tariffs, demands are made for still higher duties; and not satisfied with present tariff walls, Congress is urged to create embargoes against all imports.

As I have stated, though our foreign commerce is rapidly approaching the vanishing point, millions of dollars are carried by this bill to furnish positions for hundreds of Federal employees, ostensibly to promote foreign trade. In one moment we urge tariffs and embargoes and the next moment appropriate millions to promote foreign trade. If it were not for the insistence of Senators that this bill be passed within the next hour, I should submit a number of motions with respect to specific items in this bill not only carrying appropriations for the Department of Commerce but for the Department of Labor and the Department of Justice.

I repeat, Mr. President, that this bill should be carefully examined by Senators before it is finally passed, and that many reductions should be made in items of appropriations, the total of which should be not less than $25,000,000.

Mr. President, in my opinion, the Department of Labor is subject to criticism for the unnecessary demands which it has made for appropriations in the past and for the next fiscal year. The bill before us carries, as I have stated, more than $12,646,000 for this department. One would suppose that the Department of Labor would earnestly seek economies, and the elimination of unnecessary bureaus and agencies; but I submit that a critical examination of this bill reveals that it has not pursued the course indicated. The amount carried in the bill for the Bureau of Immigration is, I submit, in excess of all legitimate demands. A few years ago hundreds of thousands of immigrants landed upon our shores annually and the duties of the department was thereby increased. My recollection is that for a number of years the number of immigrants annually coming to the United States exceeded 1,000,000. Recent legislation has restricted immigration so that less than 150,000 may legally enter the United States. There is too much machinery in the Department of Labor—too many organizations. The personnel is too large, and the cost of the department is entirely too great.

If time permitted I should refer to some of what I conceive to be unwarranted and arbitrary proceedings of some branches of the Labor Department. I sincerely hope that under the new administration there will be a thorough reorganization of the Labor Department, a consolidation of the activities of groups and agencies and bureaus therein, and important economies brought about.

Mr. President, many complaints have been brought to me with respect to the agency set up in the Department of Labor known as the Employment Service. I supported the plan which called for cooperation between the States and the Federal Government in finding employment in this period of depression. A large appropriation was made at the last session of Congress, and it was hoped that the Federal agencies that would be established by reason of the appropriation would properly function and cooperate in every way with State agencies. Information which I have indicates that this agency has taken on a partisan and political complexion; that persons have been employed who were not efficient, and some of whom were concerned in political activities. The able Senator from New York [Mr. WAGNER], as I am advised, intended to have something to say upon this item when this bill was under consideration, but he is absent from the Chamber at this time. I have examined some of the salaries paid to employees in this service and learned of some of the persons who have been, and still are, upon the pay roll. I wish that a better record might have been made than that which I think has been written. I can only express the hope that in the near future this organization will be made effective and that it will be purged of any partisan or political complexion.

I move to strike out of the bill lines 22 to 25, inclusive, on page 106, all of page 107, and lines 1, 2, and 3 on page 108,

being the appropriation carried for the United States Housing Corporation.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from Utah proposes to strike out, beginning with line 23, on page 106, down to and including line 3, page 108, as follows:

UNITED STATES HOUSING CORPORATION

Salaries and expenses: For officers, clerks, and other employees, and for contingent and miscellaneous expenses, in the District of Columbia and elsewhere, including blank books, maps, stationery, file cases, towels, ice, brooms, soap, freight and express charges, communication service, travel expense, printing and binding not to exceed $150, and all other miscellaneous items and expenses not included in the foregoing and necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Secretary of Labor, and to collect the amounts advanced to transportation facilities and others; for payment of special assessments and other utility, municipal, State, and county charges or assessments unpaid by purchasers, and which have been assessed against property in which the United States Housing Corporation has an interest, and to defray expenses incident to foreclosing mortgages, conducting sales under deeds of trusts, or reacquiring title or possession of real property under default proceeding, including attorney fees, witness fees, court costs, charges, and other miscellaneous expenses; for the maintenance and repair of houses, buildings, and improvements which are unsold; in all, $13,195: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $4,000 per annum, and only one person may be employed at that rate: *Provided further*, That no part of the appropriations heretofore made and available for expenditure by the United States Housing Corporation shall be expended for the purposes for which appropriations are made herein.

The amendment was agreed to.

Mr. KING. Mr. President, I now move to recommit the bill, with instructions to reduce the aggregate appropriations therein 10 per cent.

The motion was rejected.

Mr. KING. Mr. President, I do not want to call for a division. I merely want to say that, in view of our loud protestations in favor of economy, I believed that the motion which I just made would be carried, but it is evident that we talk a great deal about economy, but do not get results.

Mr. GEORGE. Mr. President, in view of the notice of intention to make a motion to reconsider the vote by which the committee amendment on page 36, line 22, was rejected, I desire to state that in voting upon that amendment I intended to vote to sustain the action taken by the committee, but due to my misunderstanding, from the form in which the question was stated, I am advised that I voted against the amendment recommended by the committee. I merely wished to make this statement at this time, in view of the pending motion to reconsider the vote.

Mr. COSTIGAN. Mr. President, I desire at this time to move to reconsider the action taken by the Senate in failing to sustain the committee amendment on page 36, lines 22 to 25, and a portion of line 1, on page 37.

May I merely say to the Senate that, if the action of the committee is sustained, this particular feature of the bill will go to conference. The statement by the able Senator from Georgia [Mr. GEORGE] ought to give pause to anyone here who is in doubt on the subject. The previous vote on division was apparently carried by a majority of only one, and it is my hope that without further argument the Senate will now reconsider its action and sustain the committee amendment.

Mr. BULKLEY. Mr. President, there is no principle involved as to the employment of prison labor. The only question involved in the amendment is whether, in this time of supreme depression, a new prison industry is to be started with labor-saving machinery so that convicts may work on labor-saving machines instead of by hand, going so far even as to provide paint-spraying machinery and singling out the industry of metal office furniture, which is a small industry, in the nature of an infant industry almost, subject to the most exceptional difficulties under the present depression, because practically nobody is opening up new offices and acquiring new furniture equipment.

I hope the Senate will understand that this is only to defer to another time an investment in labor-saving machinery. The convicts will not be any worse off than they have been hitherto, because this is an entirely new proposition.

Mr. MOSES. Mr. President, will the Senator permit an interruption?

Mr. BULKLEY. Certainly.

Mr. MOSES. We are just opening the new penitentiary at Lewisburg, where no provision whatever has been made for the useful occupation of the convicts. Does the Senator wish those men to remain in idleness?

Mr. BULKLEY. The Director of Prisons claims he is going to employ about 10 per cent of those convicts, and that is all. That is all that is involved here. Whatever he is going to do with the other 90 per cent he can do with this 10 per cent. In order to employ those he proposes an attack on an industry that is already subject to the greatest difficulty.

Mr. MOSES. His attack goes to the point, as I remember, of one-tenth of 1 per cent of the total production of the country.

Mr. BULKLEY. I do not think that is right. There have been some figures submitted to that effect, and there are other figures submitted to the contrary. I think it is much higher than the Senator has indicated.

The VICE PRESIDENT. The question is on the motion of the Senator from Colorado [Mr. COSTIGAN] to reconsider the vote by which the amendment of the committee was rejected.

On a division, the motion was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, in view of the fact that the chairman of the committee is very anxious to get away I am reluctant to detain the Senate even for a moment. I shall therefore be very brief.

There is an appropriation on page 26 of $8,440,000 for prohibition enforcement. I would like to take some time to discuss it, but not wishing to hold the Senator from Maine here, I am going to move that the figures "$8,440,000" be stricken out and "$4,220,000" be inserted in lieu thereof.

The VICE PRESIDENT. The question is on the amendment of the Senator from Maryland.

The amendment was rejected.

Mr. TYDINGS. Mr. President, in the subcommittee which took up the bill we did cut off 10 per cent. We had a very good cause for cutting off 10 per cent. Subsequent to that the full committee restored the full amount by a very close vote. Therefore I move that the numerals "$8,440,000" be stricken out and the numerals "$7,700,000" in lieu thereof. This is a little less than a 10 per cent reduction. I hope the Senate will save at least that much in this appropriation at a time when the Budget is unbalanced, when we are going behind about $2,000,000,000 this year. I hope that at least we can cut down this appropriation a bare 10 per cent.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Maryland.

On a division, the amendment was rejected.

Mr. TYDINGS. Mr. President, I think we ought to cut this amount down somewhat. Therefore, in order to save even a small sum, I move that the numerals "$8,440,000" be stricken out and the numerals "$8,000,000" be inserted in lieu thereof.

The VICE PRESIDENT. The question is on the amendment of the Senator from Maryland.

On a division, the amendment was rejected.

Mr. TYDINGS. Mr. President, I have one more amendment. I move that the numerals "$8,440,000" be stricken out and "$8,400,000" be inserted in lieu thereof. This would constitute a saving of $40,000.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Maryland.

On a division, the amendment was rejected.

The VICE PRESIDENT. The question is, Shall the amendments be engrossed and the bill be read a third time?

Mr. KING. Mr. President, I submitted a motion a few moments ago to recommit the bill with instructions to reduce the aggregate amount appropriated by 10 per cent. That motion was defeated. I now move to recommit the bill with instructions to the committee to report back the bill carrying 5 per cent less than the aggregate amount now carried in the bill.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah.

The motion was rejected.

Mr. HALE. Mr. President, I ask that the clerks be authorized to correct the totals in the bill.

The VICE PRESIDENT. Without objection, that order will be made. The question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

APPROPRIATIONS FOR EXECUTIVE OFFICE, ETC.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 14458) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposse.

Mr. LA FOLLETTE. Mr. President, the Senator from Utah apparently does not realize that there is already unfinished business before the Senate. I yielded to the Senator from Maine [Mr. HALE] in order that he might leave tonight, as it is necessary for him to go away. I think I shall have to ask that the Senate proceed with the unfinished business to-morrow and let us see how we can get along with it.

Mr. SMOOT. There are only a few amendments to this appropriation bill. To-morrow I shall ask the Senator to lay aside temporarily the unfinished business that we may consider the appropriation bill to which I have referred.

Mr. LA FOLLETTE. Mr. President, I now ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. The Chair lays the unfinished business, Senate bill 5125, before the Senate.

RELIEF OF DESTITUTION

The Senate resumed the consideration of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

REPORT OF THE COMMITTEE ON APPROPRIATIONS—LEGISLATIVE APPROPRIATION BILL

Mr. HALE, from the Committee on Appropriations, to which was referred the bill (H. R. 14562) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1934, and for other purposes, reported it with amendments and submitted a report (No. 1242) thereon.

AMENDMENT TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. ROBINSON of Arkansas submitted an amendment intended to be proposed by him to House bill 14458, the independent offices appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 22, line 8 (in the items for the Federal Trade Commission), to strike out "$780,000" and insert "$1,081,500"; in line 13, to strike out "$10,000" and insert "$20,000"; and in line 14, to strike out "$790,000" and insert "$1,101,500."

(Statement: This gives the Federal Trade Commission a total of about $8,000 less than the amount recommended by the Bureau of the Budget and makes the appropriation for printing $20,000, as recommended by the Bureau of the Budget.)

DEATH OF REPRESENTATIVE GOODWIN, OF MINNESOTA

A message from the House of Representatives by Mr. Haltigan, one of its clerks, communicated to the Senate the intelligence of the death of Hon. GODFREY G. GOODWIN, late a Representative from the State of Minnesota, and transmitted the resolutions of the House thereon.

The VICE PRESIDENT. The Chair lays before the Senate the resolutions of the House of Representatives, which will be read.

The Chief Clerk read the resolutions as follows:

IN THE HOUSE OF REPRESENTATIVES,
*February 16, 1933.*

*Resolved*, That the House has heard with profound sorrow of the death of Hon. GODFREY G. GOODWIN, a Representative from the State of Minnesota.

*Resolved*, That a committee of two Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect this House do now stand in recess until 8 o'clock p. m.

Mr. SHIPSTEAD. Mr. President, I submit the resolutions which I send to the desk and ask for their adoption.

The resolutions (S. Res. 362) were read, considered by unanimous consent, and unanimously agreed to, as follows:

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. GODFREY G. GOODWIN, late a Representative from the State of Minnesota.

*Resolved*, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT appointed Mr. SHIPSTEAD and Mr. SCHALL as the committee on the part of the Senate under the second resolution.

RECESS

Mr. SHIPSTEAD. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was unanimously agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate took a recess until to-morrow, Friday, February 17, 1933, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 16, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In the beginning God—back of the heroisms, of the loves, of the tragedies, of the emotions with their weepings and their laughters—behold, Thou art there. O Thou who art the judge of all the earth, because Thou art, there must be wisdom and love dominant over all. In the twilight of our imperfect knowledge help us to climb the altar stairs toward Thee. In the great realm of our Christian faith, may we find that which shall enable us to set in motion the great forces which are fundamental to our institutions and to our individual lives. Over the tumult and over the restless sea of our national life may we hear Thee calling and see Thy right hand. We wait in sorrow, we wait in our humiliation, and we wait in our self-reproach. Almighty God, we are most grateful for the preservation of the life of our President elect, and we rejoice to-day that there are no tears to dry, no wounds to bind, and no sufferer to tend and bless. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE TO FILE REPORT ON BILLS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Indian Affairs may have the privilege until midnight to file reports on three or four bills.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRESCRIBING OF MEDICINAL LIQUOR

Mr. O'CONNOR. Mr. Speaker, I offer the following privileged report from the Committee on Rules for printing in the RECORD.

The report is as follows:

House Resolution 382

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 14395, an act relating to the prescribing of medicinal liquor; that after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SWEDISH SYSTEM OF LIQUOR CONTROL

Mr. WILLIAM E. HULL. Mr. Speaker, I ask unanimous consent to speak out of order for five minutes.

The SPEAKER. Has the gentleman consulted with the gentleman from Missouri [Mr. CANNON]?

Mr. WILLIAM E. HULL. I have.

The SPEAKER. Is there objection?

Mr. BLACK. Reserving the right to object, will the gentleman conclude in five minutes?

Mr. WILLIAM E. HULL. I will.

There was no objection.

Mr. WILLIAM E. HULL. Mr. Speaker, I ask unanimous consent to extend and revise my remarks.

The SPEAKER. Without objection, it is so ordered.

Mr. WILLIAM E. HULL. Mr. Speaker, the subject I am going to take up is a system I have conceived in my own mind in reference to the liquor question. It is simply a matter for Congressmen to study and see if they can work something out of it. It is to keep the saloon out of business.

The Constitution should be amended so that there could be put into operation a system of liquor control by the Federal Government acting in cooperation with the individual States which would allow each State to permit, by laws or regulations, its citizens to purchase liquor lawfully, a system similar to the liquor-control system of Sweden. This change in the Constitution would embody such proper adjustments of Federal and State power as would allow the United States to collect revenue from the sale of liquor and to permit the States and the political subdivisions of the States to collect a part of the total revenue which would be derived from this source. No State would be permitted to operate a liquor-control system which would authorize or sanction the return of the saloon, and States which desired to remain dry would have the protection of the Constitution not to allow shipment from a wet to a dry State. Such a constitutional amendment would authorize an amendment of the Volstead Act and the internal revenue laws by Congress so that the policy of regulated liquor control and revenue raising could be put into effect.

I would make this in two proposals: First, that the United States Government, under the Internal Revenue Department, should assume charge of the manufacture of distilled spirits and all classes of hard liquor, namely, whisky, brandy, rum, gin, alcohol, cologne spirits, under the law, a regulation providing for a tax of $1.10 a gallon on distilled spirits and $5 a barrel of 31 gallons on beer, ale, porter, and so forth, and the regular collection of tax on wines as of 1915, and also the import tax on all imported liquors as of 1915.

The operating distilleries would be subject to the laws of the United States and the eighteenth amendment as amended. Wines would be manufactured in the same manner as are prescribed under the internal revenue laws of the United States as of 1915.

Beer brewed by breweries, licensed by the United States Government, should be sold in both barrels and bottles and should be assessed at the rate of $5 per barrel, capacity 31 gallons.

All internal-revenue taxes should be collected by the collectors of internal revenue in their respective districts. These collections should be covered into the Treasury of the United States.

The Treasury of the United States would assume the same jurisdiction over the manufacture and collection of tax as it did assume prior to the passage of the eighteenth amendment, including all regulations.

The United States Government should adopt its own system similar to the Bratt liquor-control system of Sweden. The way it should operate in the United States would be by States and their political subdivisions. Using the State of Pennsylvania for an example, if under this amendment, when passed, the State of Pennsylvania should desire to enter into and control the manufacture, importation, and sale of liquors, wines, and beer, the State would make application through its proper department to the Internal Revenue Bureau of the United States for a permit to allow one or more distillery, winery, or brewery to be built within the State. When this permission is granted, then the Government will assume the regulations as of 1915 to allow distilleries to be built in the State of Pennsylvania, assuming full charge as of the law of that date authorizing the manufacture of distilled spirits.

Presuming that two distilleries were allowed to be built in Pennsylvania, one at Pittsburgh and one at Philadelphia, these distilleries would, under the United States law, manufacture certain quantities of liquor in accordance with their permit, the Government assuming full supervision of the operating of the distillery from the standpoint of internal-revenue collections. Wineries and breweries would receive exactly the same permit by the United States Government as the distilleries, and would be operated under the law existing in 1915.

The Government of the United States would make all collection on tax payments of spirits, wines, and fermented liquors. Such collections would go into the Treasury of the United States.

Taking Pennsylvania as an example, in 1915 the total amount collected by the United States Government from distilled spirits, beer, wine, and imports was $20,000,000. Assuming that the same amount of business would exist at the present time under a new law, the Government then would collect through the sale of liquors in the State of Pennsylvania a total sum of $20,000,000 on a basis of $1.10 a proof-gallon tax on spirits, an average of from 6 to 20 cents on wines, and $5 per barrel of 31 gallons on beer. Predicating the sales in Pennsylvania on the basis of the tax collections of the United States Government, and allowing Pennsylvania practically the same profit on their sales as the Government collects on internal revenue, this would give the State of Pennsylvania a net profit of $20,000,000 per year. That profit should be divided equally between the treasury of the State of Pennsylvania and the political subdivision where the liquor was sold in the State of Pennsylvania.

In doing this you would put into the treasury of Pennsylvania $10,000,000 and $10,000,000 would go to the treasury of the political subdivisions, and the Government would deposit into its Treasury $20,000,000, making a total of $40,000,000 into the treasuries of these different subdivisions.

The sale and distribution of the liquors in the State of Pennsylvania would be done under a law that would be passed by the United States Government similar to the Bratt liquor-control system in Sweden, and I herewith make this proposal to the Congress of the United States in order to present a plan whereby liquors, wines, and fermented liquors can be manufactured, imported, and sold legally in the United States Government free from the return of the

saloon and under a system that will insure temperance and sobriety. The Government of the United States will have full charge of interstate shipments under the Webb-Kenyon law and will continue to enforce the Webb-Kenyon law in all the States that prefer to remain dry.

I went to Sweden last summer and made an exhaustive study of the Bratt system of liquor control. My observation of this law convinces me that the Bratt system works well in Sweden and could work as well in the United States of America.

In my investigation I made inquiries of more than 20 hotel managers and have been informed by them there is no such thing as drunkenness in Sweden, and that the practice of renting rooms in their hotels for drinking purposes is quite unknown. However, they do drink wine and beer with their meals in the dining rooms and are always free from intoxication.

I interviewed many individuals in Sweden who are legally entitled to 4 liters of spirit for each month and all the wine and beer they may require. They universally praise the Bratt system of liquor control and inform me that they have no difficulty in controlling the habits of their children. They say there is no such thing as hip-pocket flasks being used by their sons in Sweden; in fact, by careful observation you can scarcely find flasks displayed for sale in Swedish shops.

As a visitor of Sweden I applied for a mot book—a spirit pass book—which entitled me for the month of July to 4 liters of spirit, equal to five bottles of liquor known in the United States as fifths or short quarts. Therefore, I took my place in line No. 75 and for 20 minutes stayed in this line to procure my allowance. It totaled up to $7.93. I came to the cashier, where I presented my list and the money, and was given a receipt. Then I advanced to a counter and a lady who was behind the counter wrapped up in a neat package the five bottles, and I returned with them to my hotel.

I went through this procedure for the purpose of finding out exactly what was necessary to secure for personal use the liquor that I was entitled to under the Bratt system.

Those in line were orderly and bought only what they needed and had it charged against their allowance on their mot book.

Some laboring men left with only half a liter, or what would be known in the United States as a pint, costing them not to exceed 50 cents; and as I watched these men and thought of the bootlegging system in America and the law-abiding system in Sweden I felt humiliated to think that such a wonderful country as the United States, with all its wealth and intelligence, would tolerate such conditions as we have in America when a country like Sweden can control the liquor traffic and abide by the law.

THE ORGANIZATION OF THE BRATT SYSTEM

The present organization of the Vin & Spriteentralen is as follows: The relatively very inconsiderable capital invested in the company, 15,000,000 Swedish crowns, consists of ordinary shares 400,000 crowns, and preferred shares 14,600,000 crowns. The holders of the preferred shares have only a limited influence, so that the holders of the ordinary shares always have a majority of votes at the meetings of the shareholders, and they receive a maximum dividend of 7 per cent. The dividend on the ordinary shares, which are owned by a syndicate consisting of 10 persons approved by the Government, is limited in a somewhat different manner. In reality it has hitherto amounted to between 6 and 7 per cent. The holders of the ordinary shares are bound to permit the State to redeem at par all the shares on demand.

The board of directors of the company consists of eight persons, half of whom, and among these the chairman, are appointed by the Government, while the other half are elected at a meeting of the shareholders; that is, by holders of the ordinary shares, who have a majority of votes. Two of the four auditors of the company are appointed by the Government, two are elected by the shareholders. There is a controlling director, appointed by the Government, who has to watch the current business.

The retail sale of spirits and wines is conducted by the system companies, at present numbering about 120. The number is limited by the law in such a way that it can very slightly exceed the above-mentioned figure. The number of shops, however, is not subject to any provision in the law.

THE MODE OF DISTRIBUTION OF LIQUOR IN SWEDEN BY OFF-LICENSE SALES

At the present time there are in Sweden 119 companies licensed to sell liquor by the bottle. To each of those companies is assigned a fixed district in which it exercises control.

Everybody wanting to buy liquor by the bottle must possess a pass book ("mot book"), issued by one of these companies. Nobody is allowed to have a pass book entitling to purchases at more than one company. If a person is traveling, he may exceptionally be enabled to make purchases from one company on a pass book issued by another, but he must obtain permission from the latter company.

In order to obtain a pass book a person must apply to the system company in question. In his application he must give his complete name, date, and place of birth, address, domicile; that is, all the information necessary for his identification. He has also to give such further information as will enable the system company to gain an idea of his conditions of life and the social sphere in which he lives. Thus the application form contains questions dealing with the number of members of his household, residence, income, and so on.

The information given by an application may, if necessary, be supplemented by the system company by means of inquiries from different authorities with which the companies are in close contact, as, for instance, the police, the guardians of the poor, the child-welfare board, the temperance boards, and so on. Some of these corporations are bound to send information to the system companies automatically without special inquiry. Thus it must be reported to the system companies if anybody is convicted for drunkenness or has committed some crime under the influence of intoxication. If a person is convicted, he is put into an infirmary for the treatment of alcoholics, and so forth. From other institutions, such as the guardians of the poor, the system companies obtain the information required by special arrangement.

After having received the application and the necessary information the system company must decide whether the applicant shall be allowed a pass book or not, and further, if a pass book is issued, how large a quantity he shall be permitted to buy.

The liquor act prescribes that no person under 21 years of age may receive a pass book. A considerable number of communities have, however, in virtue of their above-mentioned right of imposing further restrictions with respect to the sales of liquor, raised the legal limit of age to 25 years. Certain system companies which have not been compelled to do so by the local authorities have raised the limit of age to 25 years on their own authority. There are only a few companies that issue pass books to persons under 25 years of age; for instance, the Stockholm Systemet, which prescribes a minimum age of 23 years. In the act there are, further, certain fixed cases when a pass book must be refused. Thus, for instance, anyone is debarred from receiving a pass book who has been convicted of drunkenness more than once during the preceding two years or anyone who has committed a crime under the common law during the preceding three years, provided it is proved that the crime was committed under the influence of drink. Still the intention is by no means that what is prescribed by the law should be a complete enumeration of those cases in which a pass book should not be issued. On the contrary, it is the right and even the duty of the system companies to examine in every special case whether it is prudent to intrust a person with a pass book or not. In reality those who are debarred from receiving a pass book independently of some paragraph in

the law are far more numerous than those whose applications are refused under specific legal provisions.

When a person has obtained a pass book the system company has the right and the duty to keep the holder under observation and to withdraw the pass book if it is found necessary.

As to the maximum quantity per month, this is fixed by the law at 4 liters. By the decision of the local authorities this limit has by some system companies been reduced to 3 or 2 liters, or even 1 liter. Then the system companies have to decide the quantity in each special case, within the limit prescribed by the law, or within the narrower limit fixed by the local authorities. The consideration to which it is necessary to attach most importance—apart from whether the applicant leads a sober and regular life—is the actual reasonable requirements of liquor, in view of the applicant's social standing and his personal circumstances on the whole. The application of this principle involves that the quantity shall be less when a pass book is issued to a person who has recently reached the minimum pass-book age than for an older person. This policy also renders it possible to influence young people in the direction of more moderate and sober habits. Two liters a quarter or 1 liter a month is the quantity usually allotted to a person who has not previously possessed a pass book. When the pass-book holder grows older his ration may, on special application, be increased. Men who have a household of their own—and consequently generally entertain more—are usually entitled to a larger quantity than those who have no household of their own. As a rule, only a householder who has reached 30 years of age is entitled to 4 liters a month. Women applying for pass books are generally granted considerably smaller rations than men. The normal quantity allowed to women pass-book holders is 1 or 2 liters a quarter. In some cases women are allowed to buy 1 liter a month. Larger quantities are the exception. As a rule, only one pass book is issued for each household. Either a married woman or her husband may have a pass book, but not both of them at the same time. Sometimes two pass books or more are granted to the same household if, for instance, the household numbers several grown-up men among its members.

As has been already indicated, abusers of alcohol are not generally permitted to have pass books. Yet in some cases it is considered to be more advisable—so that such persons may not try to get liquor by the illicit means—to grant pass books for small quantities, for instance one-third liter a week or one-half liter every second week, but this is only on the condition that they submit to the company's making inquiries at suitable intervals, in order to gain necessary information as to their use of the stipulated quantity, and that they promise to have nothing whatever to do with the illicit liquor traffic.

To meet a person's temporary requirements of a larger liquor quantity than his fixed maximum, which may occur on special occasions, in the case of persons who have to entertain a great deal at home, and also on exceptional occasions in the case of others, the liquor act contains a provision which entitles a system company to grant, for special occasions, an extra allowance over and above the 4 liters a month to a pass-book holder who has presented a written request and adduced adequate reasons.

While the maximum purchase of a pass-book holder's strong liquors is thus fixed in advance, there is no such limitation as regards wine. Only if some subsequent scrutiny of the purchases on a pass book—which it is the duty of the system company to make—shows that anybody is abusing his right of buying wine is a special limitation imposed in his case with regard to wine, and then in the first place with regard to strong wines.

Each system company keeps a card index in which is registered every holder of a pass book, everybody with whom the company on some occasion or other has come into contact, and everybody about whom the company has obtained information which may be of importance if they should desire a pass book later on. Moreover, there are, in every system-company shop, special card indexes of those who make their purchases at the shop in question. The cards are provided with the pass-book holder's own signature. When a person wishes to make a purchase he must use and personally sign an order form from his own pass book. The signature of the order form is, on the occasion of each purchase, compared with that on the card at the shop. Besides the order forms, a pass book contains special pages on which all purchases are stamped.

THE MODE OF DISTRIBUTION OF ON-LICENSE SALES, WHICH IS THE RETAIL OF WINES AND LIQUORS

The on-sales of wine are allowed to begin at 9 o'clock a. m., and the sale of spirits at 12 o'clock at the earliest. All on-sales have to stop at 10 o'clock at night. Yet the county governments, on the proposal of the local authorities, are entitled to permit an extension of the closing time to some later hour than 10 o'clock, which has been practiced to a very great extent. Furthermore, the law prescribes that on workdays before 3 o'clock p. m. and on Sundays and holidays before 7 o'clock p. m. on-sales may take place only in connection with meals. For the on-sale of intoxicants cooked food has to be procurable, with the exception that wine may be served in such confectioners' shops as do not sell cooked food. At the theaters, at circuses, variety shows, and other similar places, or at public dances, no on-sales are allowed to take place.

The county governments, however, have to some extent the right of granting exceptions from this prohibition. In a restaurant where the on-sales are limited to wine only, the proprietor is forbidden to allow spirits to be consumed by his guests. Moreover, a fine may be imposed upon any guest who has consumed spirits in a place of this kind. In a restaurant, liquors must not be served to a person who is visibly under the influence of intoxicants. Neither must liquors be served to anybody known as an abuser of alcohol nor to anybody whose age may be reasonably estimated at less than 18 years.

Apart from the sale by the glass of liquor and wines which may take place by special license on board passenger ships regularly traveling to foreign ports, and apart, further, from the sale by the glass of wine which, likewise by special license, may take place in the dining cars of trains or on board inland passenger ships, and finally, apart from those merely occasional licenses for selling wine by the glass which may be granted by the county governments in extraordinary cases where there may be need of it, all sales by the glass of spirits and wines are monopolized and are in the hands of the system companies. As has already been mentioned, they may manage the on-sales in the number of restaurants fixed by the authorities either directly or, in the case of one or more of those restaurants, by intrusting the license for selling liquors by the glass to private restaurant keepers. The actual conditions are, as has been mentioned above, that the system companies manage the on-sales directly or through subsidiary companies in a more popular type of restaurant, while the licenses for selling liquors in the higher-class restaurants are as a rule intrusted to private-restaurant keepers.

In all cases where a license is transferred, a special agreement has to be made between the system company and the restaurant keeper embodying conditions for the financial engagements between both parties, as well as for the arrangement of the sales from a social point of view.

The most important of the financial conditions of the agreement are the clauses which have been introduced according to the directions given by the royal board of control for the purpose of realizing that point of the liquor act already alluded to, which aims at disinterested management as far as possible, even on the part of the private-restaurant keepers. According to these clauses, the restaurant proprietor is allowed to sell at a profit only a certain fixed quantity of spirits and a certain quantity of strong wines. These quantities are called "profit quantities." For each restaurant the royal board of control has fixed a maximum profit quantity. Thus a system company can not increase the profit quantities without special permission from the

royal board of control. On the other hand, when renewing the agreement with a restaurant the company may reduce them if circumstances should be deemed to justify such action. In so far as the restaurant keeper—who is bound to make all the purchases of spirits and of wines required for his business from the system company from which he has received his license—keeps his purchases of spirits and strong wines within the limits of the profit quantities, he is allowed to make his purchases at the cost price of the system company and has to pay the system company only a certain part—at present 25 per cent—of the difference between the cost price and the price he charges in the restaurant. If, on the other hand, he sells beyond the profit quantities, he must pay for the excess of spirits and strong wines at the same price as he has himself the right of charging to his customers. Moreover, the agreements contain clauses obliging the restaurant keepers to observe the price regulations that may be issued by the royal board of control. There exist at present price regulations of that kind as regards spirits, whereas the restaurant keepers themselves are allowed to fix the prices of wines, but have to report them to the system company.

The royal board of control has also, however, the authority to issue prescriptions as to conditions of a social nature, which have to be embodied in the agreements. In pursuance of this authority the royal board of control has issued prescriptions of such far-reaching effect that without exaggeration it may be said that these prescriptions, and not the provisions of the law, have given the Swedish on-license trade of to-day its essential characteristics. As has been already mentioned, the law provides that during a certain part of the day liquors may only be served with meals. The royal board of control has extended the scope of this regulation so as to prevent any consumption of spirits and strong wines in restaurants except in connection with a genuine meal; and, what is of very great consequence, a minimum price has been fixed for the meal that entitles a customer to liquor. The minimum price now is 1½ Swedish crowns. Thus, nobody can visit a Swedish restaurant merely to obtain spirits or strong wines. On the other hand, if he takes a meal in a restaurant he may consume such drinks with his meal. The quantities which may be served to a customer at a restaurant are also limited by the prescriptions of the royal board of control. As to spirits, the customer is allowed only a small quantity (7½ centiliters, or three small glasses) before 3 o'clock p. m., while he may have a larger quantity (15 centiliters; that is, three big glasses) after 3 o'clock. The greatest quantity of strong wines which may be served is one-fourth bottle. Besides, anybody desiring to be served with only one glass of strong wine may obtain it if he orders pastry or confectionery.

Just as hitherto it has been considered unnecessary to make special provisions aiming at disinterested management as regards light wines, it has also been thought unnecessary to make special provisions for the serving of light wines only in connection with meals or only in certain fixed quantities. Light wines have been deemed harmless from the point of view of sobriety, at any rate in a country where stronger intoxicants are obtainable.

The limit of alcoholic strength allowed for beer was raised to 3.2 per cent by weight and the wurt strength was raised to 10.5 per cent.

The above résumé will give you an idea of the Bratt liquor-control system in Sweden.

Now the proposition that confronts this country is whether this system could be adopted and successfully carried out in these United States of America. My judgment is that a modification of the Bratt system, adopted to meet the peculiar conditions existing in this country, would work out as successfully here as the Bratt system has in Sweden.

### THE DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 14643, the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. PRALL in the chair.

The Clerk read the title to the bill.

Mr. CANNON. Mr. Chairman, a parliamentary inquiry. As I understand it, debate had been closed on the motion of the gentleman from Illinois to increase the amount of the appropriation in an item of the bill. The vote on that will come at this time.

The CHAIRMAN. The gentleman is correct, and the Clerk will again read the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Page 10, line 16, strike out "$60,000" and insert in lieu thereof "$68,490."

Mr. GRIFFIN. Mr. Chairman, the reading of the amendment does not indicate what bureau or department it refers to. I suggest that it is an appropriation for the register of wills.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. GRIFFIN) there were 64 ayes and 65 noes.

Mr. GRIFFIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. HOLADAY and Mr. CANNON.

The committee again divided; and the tellers reported—ayes 86, noes 89.

So the amendment was rejected.

The Clerk read as follows:

For miscellaneous and contingent expenses, including telephone service, printing, binding, rebinding, repairing, and preservation of records; typewriters, towels, towel service, furniture and equipment and repairs thereto, books of reference, law books and periodicals, street-car tokens, postage, not exceeding $100 for rest room for sick and injured employees and the equipment of and medical supplies for said rest room, and all other necessary incidental expenses, $10,000.

Mr. SMITH of Virginia. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. SMITH of Virginia: Page 10, line 25, strike out "$48,585" and insert in lieu thereof, "$97,170."

The CHAIRMAN. The Chair calls the attention of the gentleman from Virginia to the fact that the paragraph to which the gentleman's amendment is offered has been passed. The amendment comes too late.

Mr. SMITH of Virginia. Mr. Chairman, I call the attention of the Chair to the fact that my amendment was lying on the Clerk's desk. I was unable to hear what the Clerk was reading, and as soon as I got the attention of the Chair I offered my amendment.

The CHAIRMAN. Another paragraph had been read, and the Chair thinks the amendment clearly comes too late. The Clerk will read.

The Clerk read as follows:

CONTINGENT AND MISCELLANEOUS EXPENSES

For checks, books, law books, books of reference, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; repairs to pound and vehicles, not to exceed $500; traveling expenses not to exceed $2,000, including payment of dues and traveling expenses in attending conventions when authorized by the Commissioners of the District of Columbia; expenses authorized by law in connection with the removal of dangerous or unsafe and insanitary buildings, including payment of a fee of $6 per diem to each member of board of survey, other than the inspector of buildings, while actually employed on surveys of dangerous or unsafe buildings; and other general necessary expenses of District offices, $27,000: *Provided*, That no part of this or any other appropriation contained in this act or of any appropriation which may now be available shall be expended for printing or binding a schedule or list of supplies and materials for the furnishing of which contracts have been or may be awarded.

Mr. CANNON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CANNON: Page 12, line 2, after the word "act," strike the words "or of any appropriation which may now be available."

Mr. CANNON. Mr. Chairman, this is merely to correct a typographical error.

The amendment was agreed to.

The Clerk read as follows:

For allowances for furnishing privately owned motor vehicles in the performance of official duties at the rate of not to exceed $264 per year for each automobile, $7,380: *Provided*, That allowances under this appropriation shall be made only to persons whose duties require full-time field service or whose duties require frequent travel outside of the District of Columbia.

Mr. GOSS. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from Missouri why he allows $264 per year in this paragraph for each automobile, and in the case of the dairy inspectors he allows $311 per year?

Mr. CANNON. For the reason that the automobiles referred to in this paragraph are used exclusively on city pavements, while the dairy inspectors are required to use farm and country roads, which necessarily involves additional consumption of gas, oil, and tires and other relatively greater expense.

Mr. GOSS. Mr. Chairman, I call the gentleman's attention to the language—

or whose duties require frequent travel outside of the District of Columbia.

Those are the concluding words in the paragraph.

Mr. CANNON. That is the distinction between the two scales of allowance.

Mr. GOSS. Does the gentleman think that is a fair arrangement?

Mr. CANNON. We studied the matter extensively and reduced all of these automobile allowances, but the evidence adduced before the committee indicated that the dairy inspectors incurred a greater expense and were entitled to a larger allowance.

Mr. GOSS. I withdraw the pro forma amendment.

The Clerk read as follows:

For advertising notice of taxes in arrears July 1, 1933, as required to be given by the act of February 28, 1898, as amended, to be reimbursed by a charge of 50 cents for each lot or piece of property advertised, $8,000.

Mr. LANKFORD of Georgia. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the subcommittee whether or not this amount of $8,000 is fully reimbursed by the payment of the 50 cents each for the advertisement for sale of properties in arrears for taxes?

Mr. CANNON. Yes; that is completely covered.

Mr. LANKFORD of Georgia. This item of 50 cents is the amount charged for each property advertised for taxes in the District of Columbia?

Mr. CANNON. That is the information given the committee.

Mr. LANKFORD of Georgia. Mr. Chairman, I call attention to the fact that this is a very reasonable charge for this purpose and much less than the charge made in the States for similar purposes.

So much has been said lately about mortgage foreclosures, advertisements of property for sale by foreclosure, and for taxes until I feel that it may not be amiss for some observations to be made touching these subjects at this time. I regret that during this awful depression any person should be forced to pay out money for the advertisement of their property for sale for taxes or for sale under a foreclosure.

If a debtor can not pay the principal amount of his loan or can not pay his taxes, how is he to be able to pay these and pay, in addition, advertising fees, court cost, and attorneys' fees? I am a lawyer and understand the matter of attorneys' fees from the lawyers' standpoint. But let me say that during this emergency I feel that all lawyers should use every honorable means to adjust claims against those who are not able to pay, before the cost of foreclosure is placed on top of the already unbearable burden of debt which is now crushing the very lives out of our people. I fear that too often foreclosures are filed, for purposes other than the real and bona fide purpose of making the principal and interest only out of the debtor. I assert that no suit should be filed now unless necessary to protect the claim of the creditors. If the debtor is doing all he can to pay his debt, and the effect of the judgment is to simply pile up additional charges against him without making the creditor safer, the filing of a suit is unnecessary, should not be authorized, and should never occur. I also declare that any loan concern which advertises and sells property simply for the purpose of adding on unnecessary attorneys' fees, or for the purpose of buying in the property at a sacrifice and then reselling it at a sacrifice and for less than the debtor is willing to pay and for less than he would pay if given a chance, should receive the condemnation of all honest men.

What I have said is especially true of the Federal land banks of the country, which were set up for the protection of the farmers and are now being operated for the selfish interest of the officials of these concerns, without regard to the welfare of the farmers of the Nation and to the everlasting shame of all men who now are helping to further the outrageous designs of these banks or who may help them in the future to get more of the taxpayers' money and thus more power. These banks should be put into the hands of receivers at the earliest possible moment and the few farmers of the country who owe them and have escaped their clutches so far, saved from utter annihilation.

Mr. Chairman, I do not blame any man for taking such steps as may be necessary to protect his interest under the law. I am criticizing, though, those who take steps to destroy the farmers and the ordinary debtors when nothing is to be gained by the process except an added unnecessary expense, with a probable loss of much that could have been saved by a more helpful, saner course.

Of course, I do not criticize any attorney for filing suit for foreclosure, if his client insist on this being done, or if the attorney bona fide believes that such course is necessary. I only believe that the attorney should, during these awful times, adjust as much of these matters as possible by a settlement, saving and protecting both the creditor and the debtor.

To my mind, it is unthinkable that any attorney would purposely advise foreclosures—when he believes such unnecessary—for the sole and only purpose of making attorneys' fees. If perchance there should be such, let me say they are unworthy of the proud title of an attorney at law.

Surely no one who has been trusted by the people as an official to handle their affairs would stoop so low as to advise, seek, or in any way endeavor to secure loan foreclosures or the advertisement and sale of property for taxes in order that he—an officer—should make unnecessary and improper profits as the result of such procedure. And it is entirely beyond my conception of fair dealing and honesty of men dealing with men that the owner or editor of a newspaper or anyone interested in such a paper should procure or endeavor to procure or bring about the advertising of property for sale for taxes or in any way, when the people are unable to pay their debts or taxes, and when it is known that the people are honest and can not pay even their own taxes—much less their taxes and additional advertising fees and other costs.

Again let me say that I make no objections to any attorney, or county officer, or editor of a paper, or any other person who does these or any of these in the discharge of his duty. I am saying, though, that no man who is patriotic and wants to see his fellow man relieved from the awful effects of this depression and who unselfishly is doing all he can to serve his fellow man, will at this awful moment stir up and bring about unnecessary litigation, foreclosures, and tax advertisement simply and solely for the purpose of robbing those who have already been robbed and robbed and now left to die.

Mr. Chairman, let me say that this Nation and its people need, as never before, a new baptism of patriotism and brotherly love. If it was only possible for all selfishness to be eliminated and only such laws enacted as are for the

interest of the whole people, the depression would be forever eliminated and we would soon have the most happy and prosperous people since the beginning of time.

The Clerk read as follows:

Salaries, Highways Department: For personal services, $176,990.

Mr. HOLADAY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HOLADAY: Page 17, line 3, strike out "176,990" and insert in lieu thereof "186,480."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto be limited to 20 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOLADAY. Mr. Chairman, I want members to consider this amendment in connection with another amendment that will be offered on page 22. On page 22 there is a provision which prohibits the use of the testing laboratory in the highway department, and if that prohibition goes out of the bill the amount here should be increased. I am inclined to think that when the report was prepared they did not exactly understand the situation. We have had in the District of Columbia a testing laboratory for 40 years. During the last few years it has been on the fifth floor of the District Building. About two years ago a new building was constructed and equipped, and the value of that building, together with the new machinery and the old machinery, is something like $100,000.

In that laboratory tests of all materials used not only in the highway department but in all branches of District construction are performed. Now it is proposed to close that laboratory in order to save the salaries of nine men, and have the work done at the Bureau of Standards. There will be only eight men next year. Three of those men work on the outside. Three work in the laboratory. Three divide their time between the laboratory and the outside. Next year there will be only two working the laboratory, and the other three will divide their time between the outside and the laboratory. The proposition in the report is to transfer this work to the Bureau of Standards and have it done free of charge. There is no question but what the Bureau of Standards can do this work. It is largely mechanical, but they are not organized to do that work. We are not only failing to save money by making this reduction that has been made but we are actually losing money. Last year and during the present year the Federal Government has been having its testing done at this laboratory. Last year the Federal Government paid to the District government $10,122 for testing. So far the current year, up to last Saturday, the Federal Government had paid $9,632 actual cash to the District government. It will cost during the coming year $9,490 to operate the testing laboratory. So that if this provision against the laboratory is taken out and we put in this $9,490, we will not only get all of the testing done for all of the District but on the basis of seven months there will be a net profit paid by the Government to the District.

The Bureau of Standards does not want to do this work. They are not organized to do it. In spite of the fact that the Bureau of Standards is purely a Government institution, the Government, through the Treasury Department, made a contract with the District, and is having its testing done there. If this laboratory is closed, the three inspectors who work in the field will still be employed. That leaves 5 men, and only 2 of the 5 can be saved.

Mr. MAY. Will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. MAY. Is this laboratory available to the Federal Roads Department that is under the Department of Agriculture for giving information and making tests of materials and supplies to aid the various States of the Union?

Mr. HOLADAY. Not unless this laboratory would do it as a matter of courtesy, which I understand they sometimes do. Sometimes the laboratories exchange work as a matter of courtesy.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. HOLADAY] has expired.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I can not understand what has come over our friends on the other side of the aisle. When the distinguished gentleman from Nebraska [Mr. SIMMONS], aided by his colleague from Illinois [Mr. HOLADAY], than whom I do not believe there have been in the past two Members who have been more zealous or more faithful or more valuable in trying to cut down expenses, were in charge of this bill we Democrats backed them up 100 per cent in trying to cut down expenses. We gave them our help and support, both in the committee and on the floor. Now, when there has been a change politically, fortunately for the country and unfortunately for themselves, when they are going out of office on March 4, they are now leading the entire Republican Party across the aisle in voting en masse, with one exception, for all increases and proposals of spending more public money. We have one good, old reliable Republican here who still votes with us, but with that single exception we see the entire Republican force marching through tellers trying to raise the appropriations.

I am getting the same kind of letters that you are getting. My mail is cluttered with them every morning. Here is a letter that just came this morning from the Logan Iron & Steel Co., of Philadelphia, Pa., and its president, Mr. Kennedy, says:

Day by day business is growing worse. I am responsible for a business that used to employ 450 people and now it is down to 150.

Then he demands of Congress that we cut down this eternal spending and that we stop appropriating more money than the Government has with which to pay bills. I have a whole bunch of such letters here from people in the East as well as from other parts of the country, demanding economy and retrenchment. Every time we try to save money in any of these bills some man who is a friend of this employee or a friend of that bureau, just because of personal friendship, offers an amendment to increase the appropriations.

Now, there is not a bit of necessity for this extra money that my friend from Illinois is asking to have put into this bill. It would be wasted.

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. I have only five minutes. The gentleman from Nebraska will have his time and he can answer me then. I call on the committee now and the chairman, if I am incorrect, to correct me when I say that my friend from Illinois [Mr. HOLADAY] never raised one question on this item to increase it in the hearings of the committee.

Mr. HOLADAY. Just a minute. I never knew it was proposed to decrease it. I was never consulted about it. I never knew the committee intended to decrease it.

Mr. BLANTON. If my friend was not there when we marked up the bill in committee, it is the first Congress he was not present doing his duty, because heretofore he has been one of the most zealous men in the performance of duties I have known here for the past few years. [Applause.]

Mr. CANNON. If the gentleman will permit, there is no question that it was discussed in the committee. You will find it fully reported in the hearings.

Mr. BLANTON. But the chairman knows we discussed this very item for at least two hours and a half in the committee.

Mr. HOLADAY. What day was that?

Mr. BLANTON. It was the day the gentleman was not there. [Laughter.]

Mr. HOLADAY. Does the gentleman from Texas know anything about this amendment? If so, I would like to hear him discuss it.

Mr. BLANTON. Mr. Chairman, since the gentleman from Illinois [Mr. HOLADAY] has taken his five minutes and since

his collaborator from Nebraska [Mr. SIMMONS], who tried to put on the agricultural bill last year $785,000, was it, for grasshopper extermination—how much was it?

Mr. GOSS. A million.

Mr. BLANTON. A million dollars for the extermination of grasshoppers—since he is going to follow me, the other side of the argument will be ably presented, hence I must use my own time. The testimony before this committee brought out the fact that right now without one dollar of expense the District government could have these tests made in the Bureau of Standards. They would not be charged a nickel for it. Is not this so, Mr. Chairman?

Mr. CANNON. That is true. It is so provided by law.

[Here the gavel fell.]

Mr. SIMMONS. Mr. Chairman, I desire to repeat to the House that which I said yesterday, that I think no one knows more than I do of the tremendous amount of work involved in the handling of an appropriation bill, and in particular this bill. No one knows more than I do just how thankless a task it is, and no one knows more than I do the volume of work the chairman of this subcommittee the gentleman from Missouri [Mr. CANNON] has done.

I regret very much that there should be any dispute about certain items in this bill. It is true that in the years when I handled the bill the Members on both sides of the aisle supported the committee. I think in all fairness, however, it ought to be said that we never came in with a bill that did not have the unanimous support of the subcommittee. For this reason we were able to appeal alike to Members on both sides of the aisle to support the committee.

I was absent from the city on official business of the House when the hearings on this bill were held. I was not present at the time the bill was marked up. Notice did not get to me. The gentleman from Illinois [Mr. HOLADAY] on this floor has said that he was present at every meeting in which the bill was considered, and the bill was not marked up; that he did not approve the report. The statement was made to the full Committee on Appropriations with the request that the subcommittee further act on this bill before reporting it on the floor of the House. Now, I say this in justice to the gentleman from Illinois [Mr. HOLADAY]: At all times he has indicated he was not satisfied with this bill; and at all times when I was chairman of these bills we came out with a unanimous report of the subcommittee in charge of the bill and received almost unanimous support of the House.

My friend from Texas [Mr. BLANTON] criticizes me erroneously, as he did on yesterday and at other times, for what he claims is a desire to spend money. His desire is to save money for the Federal Treasury. The amendment of the gentleman from Illinois [Mr. HOLADAY] will save money to the Federal Treasury. The gentleman from Texas [Mr. BLANTON] is confusing the matter, because this proposal advanced by the gentleman from Illinois will cause the District government to pay the cost of testing paving for the District government. The bill as proposed by the committee places this burden upon the United States Treasury and the Bureau of Standards and relieves the District government of the expense. Now, if the gentleman wants to save the Federal Treasury, as he so strenuously advocated, let him support the amendment of the gentleman from Illinois [Mr. HOLADAY].

Mr. BLANTON. At the Bureau of Standards we now have experts, equipment, machinery, and everything necessary to do the testing, and we are assured that it can and will be done without extra expense.

Mr. SIMMONS. No; we do not have the experts. The Bureau of Standards do not want to do this work. They are a scientific organization. This is a matter of practical work that is done by every city in the United States. Why should the Federal Treasury pay for the United States Bureau of Standards testing the paving in the city of Washington when it does not do it for any other city in the United States? That is the issue. To be consistent, this is one amendment upon which we should have the support of the gentleman from Texas [Mr. BLANTON].

Mr. CANNON. Mr. Chairman, I note that my good friend the gentleman from Nebraska [Mr. SIMMONS] says he was not present when the bill was marked up. I must agree with that statement. He is completely absolved from any responsibility for any provision in this bill. This committee met every day, week after week, month after month, and, while the gentleman is a member of the committee, he never on any day, at any time, attended any meeting of this committee. He probably knows more about District affairs than any other Member of the House, and we were anxious to have the advantage of his counsel and advice, and I frequently telephoned his office personally urging that he meet with the committee, but he never came. Now he comes in here and filibusters against every economy in the bill. As he has not at any time attended a single meeting of the committee during the entire session of Congress, it is not surprising that he is not informed on the matter to which he refers. If he will consult the hearings he will find a citation there of the statute under which the Bureau of Standards supplies this service without charge to the District.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. SIMMONS. If the work is done at the Bureau of Standards, does not the United States Government pay the cost of doing the work?

Mr. CANNON. The bureau has the equipment and the personnel. It is there, and the United States Government pays for its maintenance whether it is used or not. And when the District does avail itself of the service the same equipment is used without additional cost to the Government.

Mr. SIMMONS. But who will pay the bill?

Mr. BLANTON. There will not be any bill.

Mr. SIMMONS. That is absurd.

Mr. CANNON. Who is paying the bill? Who has been paying the bill for the Bureau of Standards all these years? It will continue to operate just as it has been operating. The only difference will be that there will be but one bill instead of two bills. Under the present system the Federal Government is paying the bill at the Bureau of Standards and the District of Columbia is paying the bill at the District laboratory. Two establishments duplicating facilities and presenting two bills where there should be but one.

And under the law the Bureau of Standards is required to supply this service to the District without charge. I have been on this floor for many years, and it is the first time I have ever known the District to refuse to take something for nothing from the Federal Government.

Mr. Chairman, we have been building this city for over 150 years. We managed to build it up to the last year or two without this laboratory which the gentleman seems to consider so indispensable. And we can continue to build the city just as efficiently and test such materials as require it either at the plant at which produced or at the Bureau of Standards.

It is the finest laboratory of its kind, not only on this continent but in the world. I am at a loss to understand why the gentleman objects to using a magnificent institution of this kind and insists on putting up a little laboratory down town at a heavy cost to the taxpayers of Washington to do the work that can be done at this great institution justly famed throughout the world. It is one of the many instances of duplication to make jobs for deserving friends down town to propose to put up such a laboratory within a half mile of the United States Bureau of Standards and compel the District to pay high prices to have this work done when it can be done at the Bureau of Standards without any cost to the District whatever.

Mr. HOLADAY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. HOLADAY. I think the gentleman is a little mistaken there. Of course, the Bureau of Standards can do this work, but they are not organized.

Mr. CANNON. There is no institution of its kind better organized anywhere on the globe; and none better equipped

or better manned. Its scientists are men of international reputation; and it is so efficiently managed that I heard the chairman of another Subcommittee on Appropriations say that it is one of the few enterprises in which the Government is getting value received for every dollar invested.

I talked with the Director of the Bureau of Standards, Dr. Lyman J. Briggs, over the telephone yesterday just before the House met and he assured me that, while they did not solicit the work, they were equipped to handle it and would be glad to take care of it if it were delegated to them, and that under the law such service was supplied the District of Columbia free of charge.

Mr. HOLADAY. Will the gentleman answer one more question?

Mr. CANNON. Certainly.

Mr. HOLADAY. If that is the case, why did the Federal Government last year pay to the highway laboratory $10,122 to do their testing, and why have they up until last Saturday paid $9,622?

Mr. CANNON. To which laboratory does the gentleman refer?

Mr. HOLADAY. They have paid that to the District. There is something the gentleman did not know anything about.

Mr. CANNON. Certainly; but how much did it cost the District to do that work? The committee went into this matter very thoroughly, and we found it was costing the District annually out of all proportion to its advantages when the same work could be done free at the Bureau of Standards.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. HOLADAY].

The question was taken; and on a division (demanded by Mr. HOLADAY) there were—ayes 40, noes 51.

So the amendment was rejected.

The Clerk read as follows:

Northwest: For the widening to 70 feet and repaving the roadway of Thirteenth Street, Massachusetts Avenue to Logan Circle, including the necessary replacement and relocation of sewers, water mains, fire alarm and police patrol boxes, $75,000: *Provided*, That in widening and repaving this roadway, 40 per cent of the entire cost thereof shall be levied against and collected from the owners of the abutting property in the manner provided in the act approved February 20, 1931 (46 Stat., pp. 1197–1199). The owners of abutting property also shall be required to modify, at their own expense, the roofs of any vaults that may be under the sidewalks or parking on said street if it be found necessary to change such vaults to permit of the roadway being widened.

Mr. GOSS. Mr. Chairman, I reserve a point of order. Under present law is 40 per cent paid by the abutting property?

Mr. CANNON. This is an exception to the rule. This is a widening item and it merely applies the usual law to this case.

Mr. GOSS. Without this language would it be 40 per cent? I have no objection to that part of it, but I think we are soaking them pretty hard if we also require that they must repair all roofs to vaults, and that sort of thing. The language beyond the 40 per cent would suggest that the 40 per cent is an increase, because I do not think there is any such amount required at the present time.

Mr. CANNON. I may say that we are making a concession here to the property. Ordinarily, in matters of this kind, the charge to the property owner is 50 per cent, and here we are providing for 40 per cent.

Mr. GOSS. That is fair to all the property owners; but, on the other hand, on this particular street it occurs to me that many of these stores, and so forth, would be soaked when it comes to paying for changing vaults in addition to paying the 40 per cent.

Mr. CANNON. I think they are entirely satisfied. This is a specific item widening this specific street, and the property owners were taken into conference.

Mr. GOSS. And they had no objection?

Mr. CANNON. I think they had no objection. The committee received no complaint of any kind.

Mr. GOSS. On the statement of the gentleman, I withdraw the point of order.

The Clerk read as follows:

For the surfacing and resurfacing or replacement of asphalt, granite block, or concrete pavements with the same or other approved material, $450,000.

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: On page 19, line 16, strike out "$200,000"——

Mr. BLANTON (interrupting the reading of the amendment). Mr. Chairman, I make the point of order that this paragraph has been read and the subsequent paragraph has been read.

Mr. HOLADAY. No, Mr. Chairman; I had difficulty in following the Clerk, and I did not catch the point until he started on the next line.

Mr. BLANTON. Mr. Chairman, I make the point of order that the Clerk had finished the paragraph ending in line 19, with the sum of $450,000, and the Clerk will so inform the Chair.

Mr. HOLADAY. No; I think he has not completed it.

Mr. BLANTON. Yes; he has completed it.

The CHAIRMAN. The Clerk has completed the reading of the paragraph, and the point of order of the gentleman from Texas [Mr. BLANTON] is sustained.

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: On page 19, line 19, strike out "$450,000" and insert "$550,000."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 12 minutes.

Mr. HOLADAY. Mr. Chairman, reserving the right to object, may I say that I have some five or six amendments involving the same proposition, and it may be that this amendment will practically dispose of the others. Will the gentleman let the debate run on this amendment for a few minutes longer?

Mr. CANNON. No; I am certain the gentleman wants to see us make some progress on the bill.

Mr. HOLADAY. I do.

Mr. CANNON. We have to rise at 4 o'clock; and if it is agreeable to the gentleman, we would like to limit debate to 12 minutes, and I may say that this does not leave any time for myself at all. I am giving up all my time.

Mr. HOLADAY. It may be that if we could have more time on this amendment we could save considerable time later on.

Mr. CANNON. If it is agreeable to the gentleman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HOLADAY. Mr. Chairman, this is one of a series of amendments and goes really to a question of policy. Under the law the money gathered from the gasoline tax may not be expended for any other purpose except streets. The Budget estimates, I think, total about $1,000,000. The committee cut this to about $500,000.

Under the bill as written we will have something like $1,250,000 in the gas fund, which may not be expended for any purpose except the improvement of streets. The streets affected by this amendment and the other amendments I may offer are not matters of emergency. It does not make any particular difference whether they are improved this year or the next, they must be paid for out of this money; but here is a question I would like to bring to the attention of all the members of the committee, and it is a question of policy.

Later on we will be confronted in the consideration of this bill with a proposition of expending $625,000 for relief. I believe it is better public policy to take this money which is on hand, and which may not be expended for any other

purpose, and expend it for legitimate and needed improvements and give the men work rather than to close down the work, keeping the money in the fund, and appropriating money out of the general tax fund for the relief of unemployment.

As I have said, the other amendments I have in mind are not matters of emergency. They can wait. Every street item in here can wait, so far as that is concerned; but it is a question of policy as to whether you want to accumulate this $1,250,000 in the gas fund that may not be expended for anything else, and then out of the general fund appropriate money for the relief of the poor.

I think it is better to appropriate $1,000,000 out of the gas fund and furnish employment than it is to appropriate $500,000 to feed the men who will not have an opportunity to work.

I have no more interest in this question than any other Member on the floor. It is simply a question of policy whether or not it would not be better to take the money we have, furnish work for 2,000 men throughout the District than to take a half a million dollars or more out of the public funds for the relief of the poor.

If the committee favors a general policy that it is better to hoard the money and appropriate for general relief, I do not know that I will introduce the rest of the amendments. I have amendments prepared which would provide a million dollars for this work, an increase of half a million dollars. But I expect that this may be a fair test of what the House desires to do.

Mr. COCHRAN of Missouri. Will this half a million dollars come out of the Treasury of the United States or the surplus of the District of Columbia? My vote depends upon the answer.

Mr. HOLADAY. It will come out of the surplus in the gas fund.

Mr. COCHRAN of Missouri. Then we are not taking the taxpayers' money back home to improve the streets of Washington and give work to the unemployed, as the gentleman from Missouri [Mr. CANNON] and the gentleman from Texas [Mr. BLANTON] indicate?

Mr. HOLADAY. No. I think it is better to spend half a million dollars to give employment than it is to take the money out of the General Treasury.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, our friend speaks of a policy being involved. If you adopt his amendment, you raise the item $100,000. That will be $100,000 wasted. What is a hundred thousand dollars to Brother HOLADAY, of Illinois? He seems to have forgotten what such sums of money mean to the people. It is the aggregate of all these items, the hundred thousand dollars here and a hundred thousand dollars there that is causing the present deficit in the Public Treasury.

Now, the policy I am thinking about is a sound, sane business policy that this Government must adopt of curtailing its expenses. You have got to curtail the expenses of the Government, you have got to cut them down and reduce the taxes of the people.

Now, my friend from Illinois, instead of trying to raise this item in this bill an additional hundred thousand dollars, ought to be on the floor right now trying to take off the extra 1-cent letter postage that his Postmaster General put on the backs of the people of the United States. He ought to reduce the postage back to 2 cents on letters. He ought to be here trying to take off from the electric power the amount of the tax put on last year. That is a terrible burden on the people. He ought to be here putting his shoulder to ours to help take off these inexcusable taxes that were laid on the backs of the people. He ought to be here trying to help take off this infamous, ridiculous, unreasonable, baseless 2-cent tax on bank checks that is making the people all over the United States draw their money out of their banks.

I wish all of these fellows that are writing various Members of Congress that they must cut down expenses, telling us that we do not know what the people are thinking about—I wish they would concentrate on the gentleman from Illinois [Mr. HOLADAY], and the gentleman from Nebraska [Mr. SIMMONS] and say, "You boys stop offering these amendments to increase appropriations and back up the committee."

Mr. SIMMONS. Will the gentleman yield?

Mr. BLANTON. Not just now.

Mr. SIMMONS. As long as the gentleman named me, will he yield?

Mr. BLANTON. Yes; I will always yield to a man if I name him.

Mr. SIMMONS. I opposed these special taxes that the gentleman mentions, and the record of the House will show it.

Mr. BLANTON. The gentleman opposed them then, but he must keep on opposing them until we repeal these taxes and they are taken off of the backs of the people.

Mr. SIMMONS. This amendment here will not affect those taxes one penny.

Mr. BLANTON. Mr. Chairman, I do not yield further.

Mr. SIMMONS. My attention is called to the fact that the Democrats put those taxes on the people.

Mr. BLANTON. No; we did not. I fought against all of them. The gentleman knows who put the extra cent on postage. It was his high-hatted Postmaster General—who had to build a special Government limousine high enough to carry his silk hat. I want to tell my friend from Missouri [Mr. COCHRAN] that the six and a half million dollars in this bill comes out of the pockets of the taxpayers of Missouri and the other States in the Union, to help carry on the business of Washington.

Mr. COCHRAN of Missouri rose.

Mr. BLANTON. Oh, just a minute. This bill is going to the other end of the Capitol, and there are some gentlemen somewhere else—I will not say where they are—who get full-page pictures of themselves in the Washington newspapers for raising this amount that is taken out of the Federal Treasury, and when the bill gets back here it will have a million or a million and a half dollars added to it, that your taxpayers, already overburdened in Missouri, have to raise and pay toward the civic expenses of the city of Washington. So, after all, it comes out of the pockets of the people, and that is why I am up here trying to back up this committee, which the gentleman from Nebraska [Mr. SIMMONS] and the gentleman from Missouri [Mr. COCHRAN] have always backed up heretofore, in trying to cut down expenses.

Mr. COCHRAN of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. GREEN. Mr. Chairman, is the gentleman from Missouri recognized? It was my understanding that the time was to be divided.

The CHAIRMAN. The gentleman from Missouri will proceed for three minutes.

Mr. COCHRAN of Missouri. Mr. Chairman, the question is not whether we are going to reduce the postage rate from 3 cents to 2 cents—I voted against that increase—or reduce any other tax, nor is the question how the gentleman from Illinois [Mr. HOLADAY] or the gentleman from Nebraska [Mr. SIMMONS] voted in the past or how they are going to vote in the future. I asked the gentleman from Illinois whether, if this amendment was adopted, the money would come out of the surplus belonging to the people of the District of Columbia and not out of the United States Treasury, and he replied that it would. Then it does not mean any tax upon the people throughout the country. According to the gentleman from Illinois, it will come out of the surplus funds belonging to the people of the District of Columbia. Now that is plain and should be understood.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. CANNON. Does not the gentleman know that out of every dollar spent in the District, the people of the United States contribute over 20 cents, and the people of the District contribute less than 80 cents?

Mr. COCHRAN of Missouri. If that be the case, and we appropriate six or seven hundred thousand dollars or a million dollars for relief, and if out of every dollar we appropriate for relief in the District of Columbia the people back home are paying 20 cents, would it not be better to put the unemployed people in the District of Columbia to work and quit appropriating this money for relief? As to this money, however, it is not in the class the gentleman refers to.

Mr. CANNON. What is the Federal Government doing for the unemployed in the city of St. Louis? Why does not the gentleman take a little interest in the unemployed there? Why should the taxpayers of St. Louis pay to support the unemployed of Washington when St. Louis has unemployed of its own?

Mr. COCHRAN of Missouri. That is not the question here, but I do take an interest in the people in St. Louis, they know I do, and I want the legislative body in the city of St. Louis to put the people to work on public work just as much as possible. My duties require me to legislate for the District and I will do for the District what I want the legislative body of St. Louis to do for the unemployed there.

Mr. HOLADAY. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. HOLADAY. Under my amendment the money would come out of the gas fund, and the States would not contribute one cent.

Mr. CANNON rose.

Mr. COCHRAN of Missouri. Mr. Chairman, I do not yield to the gentleman from Missouri, as I already recognized the gentleman from Illinois.

Mr. CANNON. Mr. Chairman, the gentleman from Illinois [Mr. HOLADAY] insists on monopolizing the time. He has been recognized and has spoken and now he proceeds to make another speech in the time of the gentleman from Missouri.

Mr. COCHRAN of Missouri. How can the gentleman say that? I have but three minutes. Mr. Chairman, I yield to the gentleman from Illinois. Let us get the facts from the author of the amendment.

Mr. HOLADAY. The money to pay the amount provided for in my amendment comes out of the gas fund.

Mr. CANNON. Mr. Chairman, a parliamentary inquiry.

Mr. COCHRAN of Missouri. Mr. Chairman, I refuse to yield for that purpose.

Mr. HOLADAY. Mr. Chairman, the gentleman from Missouri has yielded to me.

Mr. CANNON. The gentleman's three minutes have expired.

Mr. STAFFORD. Mr. Chairman, a point of order. Is the gentleman from Missouri [Mr. CANNON] keeping track of the time, or is the chairman of the committee doing it?

The CHAIRMAN. The gentleman from Missouri [Mr. COCHRAN] has the floor and he refuses to yield.

Mr. COCHRAN of Missouri. I do yield to the gentleman from Illinois.

Mr. CANNON. Will the gentleman from Illinois yield to me? There ought to be at least one word in behalf of Federal economy?

Mr. COCHRAN of Missouri. Mr. Chairman, I refuse to yield to the gentleman from Missouri. I control the three minutes, not the gentleman from Illinois [Mr. HOLADAY], and the gentleman knows that.

Mr. HOLADAY. Mr. Chairman, if the gentleman from Missouri [Mr. CANNON] will listen to me, not one cent of this money provided for in my amendment will be paid out of the taxes contributed by the United States. It all comes from the District of Columbia.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. COCHRAN of Missouri. Mr. Chairman, under leave to extend I desire to say it is evident the gentleman from Missouri wants to divert me from the question before the committee by speaking of conditions in St. Louis. We are now legislating for the District of Columbia for citizens who have no voice in this Chamber, and I am going to vote on questions before us the same as I would if legislating for my own city. There is no legislation that you can present that will give work to the unemployed in St. Louis or any other place that I will not support. I have stated this many times since the depression started and I will continue to say so. How are you ever going to get back to normal if you will not put the people back to work? I know the farmers are in distress. I generally follow the gentleman from Missouri [Mr. CANNON] on farm legislation. I voted for millions a few days ago to enable the farmers to purchase seed so they could plant a crop. The question here is, Will you vote to appropriate money, not a dollar of which comes out of the pockets of the people of the country but comes out of a special gas-tax fund, to improve streets so that you can give work to the unemployed—the unemployed who are being fed from appropriations which we all voted for a few days ago? If we can give these men work, then we will not have to be voting the money of our people to feed them. That is the question here; but there are Members who would cloud the issue, who insist upon saying that this money will come out of the pockets of the people of the country. It has been made perfectly clear that it comes out of the gas-tax fund, which is collected solely in the District of Columbia and is to be used for this very purpose. I repeat, it is better to give men work when there is money available, as is the case here, rather than appropriate money, part of which is contributed by the States, to feed the unemployed in the District. A vote for this amendment will save the people back home money rather than add to their burdens.

The CHAIRMAN. The gentleman from Florida is recognized for one minute.

Mr. GREEN. My colleagues, I have just returned from a few days' absence, having been called home on account of my mother's serious illness. In the States which I passed through I found thousands of our people in destitute circumstances. I found them closing their doors in failure and bankruptcy. I found the unemployed sitting by the roadside. I found in the mouth of practically every responsible citizen a word about the cost of government and the burden of government and the imperativeness of reducing the cost of government.

The American people are groaning under the cost of government and high taxes. They can not endure further tax burdens; in fact, homes are now being sold to meet taxes.

As I return to this Chamber I find a group here undertaking to lay greater burdens upon the backs of those destitute people. I want to ask my colleagues who are sponsoring these amendments how you expect the American people to continue to bear the increases in taxation that the Congress is imposing upon them?

Mr. HOLADAY. Will the gentleman yield? Does the gentleman want an answer?

Mr. GREEN. Not in my time, because no one can answer the reasons for higher taxes, when our people are now burdened to almost financial destruction. A $5,000,000,000 tax burden has been placed on our people during two of the years of the Hoover administration, and, try as hard as we may to reduce these appropriations, we find some gentlemen offering amendments to raise them. It seems to me it is time in conscience that you join with us in uniting to lower the cost of our Federal Government instead of increasing it. Our Government can again be operated upon an annual Budget of two and one-half or three billion dollars, and the sooner we so reduce it the sooner will return prosperity. City and State governments and business establishments are reducing their costs of operation. The Federal Government must further reduce its. This is no time for increasing appropriations and expenditures, and I hope the House will not agree to amendments for further increases.

The CHAIRMAN. The time of the gentleman from Florida has expired. All time has expired.

The question is on the adoption of the amendment offered by the gentleman from Illinois [Mr. HOLADAY].

The amendment was rejected.

The Clerk read as follows:

For construction, maintenance, operation, and repair of bridges, including $45,000, or so much thereof as may be necessary, for replacement of the fender pile system of the Highway Bridge, and including maintenance of nonpassenger-carrying motor vehicles, $87,500;

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: On page 19, line 24, strike out "$87,500" and insert "$122,500."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto be limited to 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. HOLADAY. Mr. Chairman, this amendment is of a different nature than the one just discussed. In the bill $87,500 is provided for this item, of which $45,000 is to be used in the replacement of the fender-pile system on the Highway Bridge. When funds are limited under a restriction of that kind, they can not be expended for any other purpose. That leaves $42,500 for the repair and maintenance of all bridges in the District, which number 189. Of that $42,500, $25,000 must be expended to operate drawbridges under Government regulations. That is the requirement of the Government and is a fixed charge. So that it only leaves $17,500 for the repair and maintenance of the 189 bridges in the District.

Usually we have expended from $75,000 to $100,000 for that purpose. I do not believe that the 189 bridges can be maintained and kept in repair for $17,500. It is possible that when this cut was made they did not have in mind the fact that $25,000 of the $42,000 must be expended for operating the drawbridges.

The amendment I have offered adds $35,000, which will provide fifty or fifty-five thousand dollars for the maintenance and repair of bridges, which is a little over half of what has been expended annually in the years gone by.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the last amendment offered by the gentleman from Illinois [Mr. HOLADAY] would have increased one item $100,000. We defeated that. This amendment of his, if adopted, would increase this item $35,000. We must defeat it.

I am one of those who have been hopeful that after normalcy has returned, possibly in the next election, our friend from Illinois [Mr. HOLADAY] might be returned here in some way, because he is a valuable man, or has been. He has fixed it so that there is no chance on God's earth for him to ever come back, because if some fellow down in Illinois should get hold of to-day's RECORD and show these various amendments of his to increase items in this bill, the Illinois people would never vote to return the gentleman here.

The gentleman from Illinois [Mr. HOLADAY] speaks of bridges, and I want the gentleman from Missouri [Mr. COCHRAN] to hear this. The gentleman from Illinois [Mr. HOLADAY] speaks about money coming out of the Federal Treasury. I want the gentleman from Wisconsin [Mr. STAFFORD] to hear me. I want the gentleman from Missouri [Mr. COCHRAN] and the gentleman from Illinois [Mr. HOLADAY] and the gentlemen from Nebraska [Mr. SIMMONS] to tell their constituents when they go home just how much of their money has been spent for the handsome bridges in Washington.

The Million Dollar Bridge over on Connecticut Avenue cost $1,000,000, and half of every dollar of it came out of the Federal Treasury. The other bridge that leads across and enters into Connecticut Avenue, carrying the street cars, cost a fabulous sum, and half of the expense of that bridge came out of the Public Treasury of the United States.

The Tiger Bridge, over on Sixteenth Street, one-half of every dollar that went into that bridge came out of the peoples' Treasury. The Francis Scott Key Bridge, which cost nearly $3,000,000, which the people in Washington use nearly every day, and which the constituents from Virginia of our new Walton Moore use every day, every dollar of that money came out of the Public Treasury of the United States. The big Arlington Bridge, which the gentleman from Massachusetts had much to do with building—$15,000,000 have been spent on that bridge, and every dollar of it came out of the Public Treasury of the United States, for which the taxpayers back home had to dig up and furnish the money. That is why the people back home are sending us letters and telling us they are tired of the way Congress has been transacting business, General MARTIN, and they want you to help us stop it. [Laughter.]

Mr. SIMMONS and Mr. MARTIN of Oregon rose.

Mr. BLANTON. I was talking the language of the gentleman from Oregon. I wish to yield to him first.

Mr. MARTIN of Oregon. If you want to cripple our Republican friends, that is all right; but do not cripple us Democrats; leave us alone. [Laughter.]

Mr. BLANTON. I am trying to cripple waste and extravagance and unnecessary appropriations.

Mr. SIMMONS. Now will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Nebraska.

Mr. SIMMONS. I ask the gentleman to yield just to let the RECORD show that the bridges to which he refers were built before I was ever a Member of the House.

Mr. BLANTON. Two of them were not; the Francis Scott Key $3,000,000 bridge was not. It is a new bridge.

Mr. SIMMONS. Not in my time.

Mr. BLANTON. And the $15,000,000 bridge was not. The gentleman helped build these bridges.

Mr. SIMMONS. No. Let me say to the gentleman I voted against and was one of those who spoke against the bridge bills on the floor of the House. Let us keep the RECORD straight in view of the gentleman's knowledge of the facts.

Mr. BLANTON. I imagine from his performances here on these items that if we were voting for them now——

Mr. SIMMONS. I would do exactly the same thing.

Mr. BLANTON. That if the question were now up for consideration he would vote for every one of them, for to-day and recently he has completely turned turtle. He used to be an economist. I used to follow him; but I am not going to follow him any longer, for he has ceased to be an economist and has joined the spenders here, and I will not follow a spender.

Mr. CANNON. Mr. Chairman, to the thoughtful members of the committee let me say these reductions were not made by chance or caprice. There was a logical reason for every reduction; and if you will permit me, I shall be glad to give you some of the reasons for this reduction. Practically every item of cost that enters into these projects has decreased in price in the last year from 25 per cent to 45 per cent. The materials required in construction work of this character can be bought in the open market anywhere at much below last year's quotations, and, unfortunate though it is, labor is also much lower than a year ago. And yet, notwithstanding the great decline in the price of everything which goes into such items, we gave them the same amount this year they received last year. We were more than generous.

I do not believe there is a man here who, were he going to build a house or contract for any other construction work, would expect to pay the prices he would have had to pay a year or two years ago. And when the contractor submitted his bid and you found it below what it would have cost you a year ago, I certainly do not believe you would have refused to accept the reduction and have insisted on paying last year's prices in order to keep labor employed.

Now, we ought to manage the Government's business as we manage our own business. We should accept the advantages of lower prices for the Government just as we would accept them for ourselves.

Mr. COCHRAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to my colleague from Missouri.

Mr. COCHRAN of Missouri. Of course, I realize the situation confronting the gentleman in reference to reduction in the cost of materials, but I know the gentleman from Missouri and the people of the District of Columbia do not want contractors to pay laborers working on the streets of the District of Columbia 15 cents or 20 cents an hour.

Mr. CANNON. No; I object to it absolutely. I have fought ever since I have been a Member of the House for high wages, and if there were any way to make the amendment effective I would be glad to help to do it.

Mr. COCHRAN of Missouri. I am going to offer an amendment in a few minutes in the interest of labor and I hope the gentleman will support it.

Mr. CANNON. And I hope the gentleman from Missouri will couple with his amendment a provision that no farmer out in Missouri be allowed to hire a man for less than $3 a day. [Applause.]

Mr. BLANTON. Good!

Mr. CANNON. Men are working out there on the farms to-day for their board, working from before sunrise until after sunset. They would be glad to get 15 cents an hour. I have had men come to my farm and offer to work for me through the winter months for their board alone. I hope the gentleman will also take care of these when he drafts his amendment.

There is less unemployment in the District of Columbia than in any other city in the United States to-day. No factories are being shut down in the District of Columbia. No industrial plants have been closed. More buildings are going up and more construction is under way here in Washington than in any State in the Union. The Government service here has not discharged a single man. It is still paying salaries every month and those salaries will buy more than they ever bought before. And naturally there is less distress here and less occasion for distress than there is anywhere else that can be named.

And yet they come in here and ask the taxpayers of St. Louis and of every other city—cities every one of which have far worse problems of unemployment and distress than Washington ever dreamed of having—to help take care of the unemployed of Washington. What is it that sets the unemployed of Washington apart that the citizens of my city and your city should neglect its own unemployed to take care of Washington's unemployed? I have every sympathy for Washington's unemployed. I want to do everything I can to alleviate their situation, but we should give some consideration to the taxpayers of other cities whose unemployment problems are vastly worse than Washington's.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. BLANTON. Is not this the trouble, that anyone who will speak for the increase of an appropriation affecting the District can get his picture on the front page of the Washington papers and favorable editorial mention, but anyone who speaks of votes against it is regularly cursed in the Washington papers?

Mr. CANNON. Oh, I have no objection to Members getting invitations to dinners and smokers and oyster roasts and being entertained as guests of honor at local meetings and featured in the press, but we owe it to the taxpayers, both of the District and of the country at large, to carefully scrutinize these expenditures and reduce them whenever it can be done without impairing the service.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The Clerk read as follows:

For current work of repairs to streets, avenues, roads, and alleys, including the reconditioning of existing gravel streets and roads, and including the purchase, exchange, maintenance, and operation of nonpassenger-carrying motor vehicles used in this work, $750,000: *Provided*, That the Commissioners of the District of Columbia, should they deem such action to be to the advantage of the District of Columbia, are hereby authorized to purchase a municipal asphalt plant at a cost not to exceed $30,000.

Mr. GOSS. Mr. Chairman, I make the point of order on the proviso. I will reserve it for a minute. I want to call the gentleman's attention to the fact that on page 22, in lines 7 to 15, he is inserting in this bill an extra four years' guaranty by the builders of roads beyond the one year in the existing law; and, in my judgment, that extra period of guaranty may increase the cost of road building.

I assume that is why the gentleman has put in this proviso over here, to use as a threat to the road contractors that the District commissioners may be authorized to build an asphalt plant. It seems to me that combining the two is quite unfair to the contractor.

Mr. CANNON. I will say to the gentleman that this was put in for the purpose of securing economy in street contracts. It was found that when these contracts were advertised, the contractors sometimes got together at a dinner the night before. The next morning when bids were opened it was discovered that, by a remarkable coincidence, everybody bid the same price except one man, who bid a little bit more and got the contract. The next contract went to another man. And the next to another. And so on around. Always at high prices and the city holding the sack.

So in order to protect the city against these benevolent gentlemen, this item was put in the bill permitting the Government to make its own asphalt. There is no likelihood that it will ever take advantage of the option and this is merely a precaution against collusive bidding.

Mr. GOSS. Will the gentleman tell us why he increased the existing law and guaranteed these contracts over a period of four years?

Mr. CANNON. We found you may secure asphalt of several grades. One grade will last a year. Another grade will wear five years. We prefer to have the latter.

Mr. GOSS. Can the gentleman assure the House that the city will always get it?

Mr. CANNON. That is the purpose of this provision.

Mr. GOSS. But you also say in the same breath that you intend to and you are not going to.

Mr. CANNON. It is merely the shotgun behind the door. The fact that the gun is known to be there obviates the necessity of using it. As long as they know we are prepared to make asphalt they provide it at a reasonable cost.

Mr. GOSS. I have talked to the gentleman about it; and if he will assure us that he will go into this fully next year, I will withdraw my reservation.

Mr. CANNON. I see the gentleman's point of view. If he will take it up next year, I am certain the committee will be delighted to go over it with him at length.

Mr. GOSS. Mr. Chairman, in view of the gentleman's statement, I withdraw the reservation.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

I wish to congratulate the gentleman from Connecticut [Mr. Goss] on withdrawing the point of order. Nearly every municipality has had experience with the so-called Asphalt Trust referred to by the gentleman from Missouri.

Many municipalities, including my home city, have been forced, in order to meet the conditions brought about by this Asphalt Trust, to establish a minor municipal asphalt factory, largely to take care of repairs.

I also approve of the item in the bill which extends the guaranty from one year to five years, because the life of a good asphalt pavement is usually five years. There are various kinds of asphalt pavements, as the gentleman knows, and the asphalt that is laid here in the District of Columbia is in accordance with specifications made out by the District of Columbia Commissioners and also in conformance to the standard laid down by the Bureau of Standards. From my personal observation, I know very few cities where as superior an asphalt is laid as in the District of Columbia, but I think the District Commissioners should have some leeway by having authority to establish, perhaps, a municipal repair plant to keep the pavements in repair.

Mr. Chairman, I withdraw the pro forma amendment.

Mr. FISH. Mr. Chairman, I ask unanimous consent to speak out of order for five minutes.

Mr. CANNON. Mr. Chairman, reserving the right to object, does the gentleman feel he can conclude in five minutes?

Mr. FISH. Easily, yes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Chairman, yesterday a cowardly and dastardly attack was made upon the President elect, and the people of this country are greatly shocked but at the same time they rejoice that the protecting hand of Providence stood between the life of the President elect and the bullet of the would-be assassin.

I rise at the present time to call the attention of the Congress to the fact that there is certain legislation pending before the Congress that might have prevented this near tragedy. At the present time the Government of the United States is powerless. No department of the Government has had any authority since 1925 to even keep in contact with the anarchists and with the revolutionists and with those who would overthrow our Government by force and violence.

Mrs. ESLICK. Will the gentleman yield for a question?

Mr. FISH. Gladly.

Mrs. ESLICK. Would the Eslick bill that was reported out of the Judiciary Committee this morning be of help at this time?

Mr. FISH. I will say to the lady that there is no other legislation before this body that would be so helpful in this particular instance. [Applause.] This is the kind of legislation that should be promptly enacted. That bill was introduced as a result of careful study by the distinguished Representative from Tennessee, after serving on a committee of investigation of this House for six months, investigating this very situation, and in good faith and sincerity and knowing the facts he introduced that piece of legislation that hitherto has been lying dormant in a committee of this House.

So far as the authority or powers of the Department of Justice are concerned, there is nothing at the present moment to prevent any assassin from shooting down the President or the President elect; and I appeal for the immediate consideration of the Eslick bill, which includes an investigation of both aliens and native born who advocate assassination of public officials.

Mr. MANLOVE. Will the gentleman yield?

Mr. FISH. I have only five minutes.

Mr. MANLOVE. I just want to call attention to the fact that in the new House Office Building two workingmen were employed there yesterday who could not even speak the English language.

Mr. FISH. I also want to call the attention of the House to the fact that we passed the Dies bill on June 6, 1932, by an overwhelming vote, and sent it over to the other body, where it was unanimously reported by the Senate Immigration Committee, providing for the deportation of aliens who advocate the overthrow of the Government of the United States by force and violence. Up to now no action has been taken upon that bill, because one Member will not give unanimous consent to the consideration of this important legislation which has been pending in the Senate of the United States and if permitted to be voted on would unquestionably pass by a tremendous majority.

I hope this near tragedy will call the attention of the Members of both Houses to the condition of utter impotence and powerlessness of the different departments of the Government even to investigate or keep in contact with the revolutionary activities of those who would destroy our republican form of government by force and violence.

There is only one group that is responsible for the fact that the Congress has not given this power to the various departments of the Government and that group is the Congress of the United States because of its failure to enact adequate legislation.

There are two measures pending, one affecting American citizens who advocate assassination and the overthrow of the Government, which is the Eslick bill reported by the Judiciary Committee to-day, and the other the Dies bill that applies to alien communists who urge the overthrow of the Government by force and violence, and both should be enacted into law without further delay. I say to you that the only thing that these alien communists fear is deportation. They do not fear the police, and they do not fear our courts or our jails. The only thing they fear is deportation back home. [Applause.]

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

Mr. CANNON. Mr. Chairman, reserving the right to object, the gentleman can conclude in three minutes?

Mr. SEGER. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SEGER. Mr. Chairman, I am not very familiar with the bill that was referred to by the gentleman from New York [Mr. FISH]. I hope it goes further than providing for the deportation of undesirable aliens and anarchists. It is a disgrace the assassin who made an attempt on the life of the President elect last night is a citizen.

Wire stories have carried the report that the fiend was a member of an anarchist ring at Paterson, N. J., one of the cities in my district. I have checked with Chief Moran of the Secret Service, who says he has no information to substantiate such a report.

While it appears this man once lived in the vicinity of Paterson, it has been established he has not been there for many months, and I know I speak for the 140,000 loyal men and women living in that community when I say they are outraged by the deed and resentful of the fact that this man ever had any connection there.

The city of Paterson has given to the State and Nation some of its most illustrious characters. Its history closely follows that of our Nation. Its men and women have responded gloriously in every emergency. The city and its people should not be maligned because of the actions of such a fiend. With me and with you the people of Paterson and my district are prayerful to-day Mr. Roosevelt's life was spared, they are sorrowed over the toll that was taken, and they demand speedy justice. [Applause.]

The Clerk read as follows:

No part of the appropriations contained in this act shall be used for the operation of a testing laboratory of the highway department for making tests of materials in connection with any activity of the District government.

Mr. HOLADAY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 22, line 16, strike out all of lines 16, 17, 18, and 19.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment may be closed in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOLADAY. Mr. Chairman, the lines stricken out are lines which provide for the closing of the laboratory of the highway department. During the last year the highway department, outside of its own work, made 543 tests for the bridge department, 388 for the building inspector, 782 for the municipal architect, and inspections for the city refuse, the purchasing office, the repair shop, the sanitary engineer, the water department, and thousands of tests for the highway department. The tests for the fiscal year 1932 were 112,000 yards of concrete, 510,000 barrels of cement, 197,000 tons of sand, 329,000 tons of gravel, nad 88,000 tons of bituminous mixture.

We have a plant and apparatus costing $100,000. In addition to that, the Treasury Department has had tests

conducted and have paid from Government funds $10,122 in 1932, and up to date they have paid $9,632 in 1933.

It is proposed this year to conduct the tests with three men out in the field, and have the tests made by the Bureau of Standards.

We will save by the closing of this laboratory the salaries of the three men—one drawing $1,260, another $1,500 or $1,600, and one $2,000.

I believe it is a serious mistake to do away or in any way to hinder the testing of materials that are going into the streets and public buildings of the District. If this is done the Bureau of Standards will conduct all the Government tests, and it will be increasing the burden—as the gentleman from Texas refers to it—it will be a burden taken from the people of the District and placed upon the people throughout the United States.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. HOLADAY. Yes.

Mr. FULBRIGHT. If the Bureau of Standards has the personnel and the equipment and they do the work of this laboratory there would be no additional cost to the Federal Government.

Mr. HOLADAY. Yes; because the District is paying for the District of Columbia laboratory. It would shift the cost from the District onto the Federal Government.

Mr. FULBRIGHT. I do not understand how it would shift the cost if the Bureau of Standards already has the personnel to do the work, if it is paying their salaries now, and if they have the equipment to do the work, which is all paid for.

Mr. HOLADAY. The District laboratory is paid for by the District of Columbia. The Bureau of Standards is paid for by the Government. If we take the testing of these materials out of this laboratory and close it, and shift the testing of it over to the Bureau of Standards, we shift the burden from the District to the general expenses of the Government. The bureau is equipped to do this work, but they will need additional personnel.

Mr. FULBRIGHT. But they claim they will not.

Mr. HOLADAY. They do not say that.

Mr. FULBRIGHT. My understanding is, from the hearings and from what the chairman says, that they will not.

Mr. HOLADAY. They say they can do the work, but that they will need additional personnel.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. For over 15 years the Government of the United States and the government of the District of Columbia, working separately and together, have been testing materials and formulas for road construction and street paving to find the best method and the best materials to be used. They have finally found them. Practically all of that expense is behind us. Practically the only testing that is going on now and for the future is on the material that goes into the construction, to determine whether it comes up to standard. As my friend from Missouri [Mr. CANNON] has told you, the Bureau of Standards has the equipment and the men to do that work, and they have told him they could do it without any expense.

Mr. HOLADAY. They have not made that statement.

Mr. BLANTON. Just a minute. The gentleman does not know. He is too impulsive. The chairman of the subcommittee [Mr. CANNON] will back me up, that they have told him that.

Mr. CANNON. The head of the Bureau of Standards told me that he would be glad to do it without any expense to the District.

Mr. BLANTON. Mr. Chairman, I refuse to yield, and I shall not put any unauthorized interruptions of the gentleman from Illinois [Mr. HOLADAY] in my remarks. I shall cut it out. Mr. Chairman, I want to tell you a secret. During all of the hearings on this bill, during all of the consideration, you will not find one word from my friend from Illinois [Mr. HOLADAY] against this item. Not once in the committee did he ever rise and move to change one word of this item. Why did he not do it then and save you gentlemen all this time on this floor? Why did he not get up and propose his amendment in the committee and see if he could not put it across? What has come over him since the committee has reported the bill to the full committee? What has come over him all of a sudden that he changes his modus operandi on these bills, because he has been trying to save in the past? Why should he all of a sudden jump the other way? He has a stack of amendments there almost a foot high to offer to this bill, to add various increases, and you Republicans ought to stop it. You ought to let him stand up and vote by himself every time he offers an amendment to increase items $100,000 at a time. It is ridiculous for him to propose these amendments, for he can not put them across. He is not going to get the membership to back him up here in adding these large amounts of money to this bill, when the people of the United States are against it, and want economy. If he were to get an amendment approved here, it would embarrass you Republicans, and I will tell you why: The chairman of the subcommittee has told you that if you add a single amendment to this bill increasing the appropriations he is going to ask for a separate vote upon it in the House, and he is going to put you on record on your yea-and-nay vote as to whether or not you are in favor of increasing the expenses in this time of depression, and I imagine that some of you boys who have been going through the tellers in favor of these ridiculous amendments will either be at home or in your offices, or you will change front and vote the other way when it comes to increasing appropriations on a record vote.

Mr. MAY. Did the gentleman say there was going to be a surplus in the District treasury after this bill passes?

Mr. BLANTON. Oh, let us not get away from what we are trying to do, and that is to keep the gentleman from Illinois [Mr. HOLADAY] from doing something that he never has done before during his long tenure of office here—that is, trying to increase appropriations. We are trying to stop him from injuring himself and to preserve his hitherto good record. We are trying to keep him from ruining himself and his whole future politically.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The question is on the adoption of the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. BACHMANN. Mr. Chairman, I ask unanimous consent to address the committee for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BACHMANN. Mr. Chairman, I want to add to the remarks made by our colleague [Mr. FISH] a few moments ago, a prediction which I believe the Members of the House will have an opportunity to see come true. I was a member of the committee appointed to investigate the communists' activities in this country, of which the gentleman from New York was chairman, and I predict that there will be two organizations in this country rally to the defense of the man who committed the distressing crime in attempting to take the life of President-elect Roosevelt last evening in Miami. One is the International Labor Defense, which is a communist organization; and, if the American Civil Liberties Union plays true to form, it will also come to the defense of this man.

I hope the Members of this House will get together now before it is too late and get behind the Eslick bill making it a crime for anyone to advocate the overthrow of the Government by force or violence, which was reported out of the Committee on the Judiciary this morning, and enact it into law before this session of Congress comes to a close. The country needs the protection provided in that bill. [Applause.]

Mr. COCHRAN of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN of Missouri: Page 22, after line 19, insert a new paragraph as follows:

"No appropriation contained in this act shall be available for the payment for personal services, either by direct employment or under contract, at a rate of compensation which is less than 35 cents per hour."

Mr. BLANTON. Mr. Chairman, I reserve a point of order against the amendment.

Mr. COCHRAN of Missouri. Mr. Chairman, one of the unhappy duties that come to a Member of Congress is to legislate for a great city when that city has no representation in the Congress. In legislating for the District of Columbia I am going to proceed exactly as I would if I were a member of a legislative body in my own city.

I know the people of my city do not want anyone to work at hard labor on the streets, repairing or making new streets in any city, for less than 35 cents an hour. A practice has grown up in the District of Columbia whereby outside contractors have been underbidding responsible local contractors, and they bring in by truckload their own labor, which they pay 15 or 20 cents an hour, thereby depriving citizens of the District of Columbia of work and making them objects of charity and requiring this body to appropriate large sums of money for relief. I think if my amendment were adopted, so that they would be required to pay the laboring man a reasonable wage—35 cents an hour—there would be work here for a great many men who to-day find themselves in the position of asking help from the charitable organizations of the District.

Mr. BLANTON. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. BLANTON. Does the gentleman approve of the decision of the Treasury Department requiring this Government, out of the people's Treasury, to pay carpenters $11 a day and to pay plasterers $14 a day and to pay bricklayers $14 a day, when back in Missouri they are glad to get three or four or five dollars a day?

Mr. COCHRAN of Missouri. The gentleman does not know what he is talking about. Laboring men in Missouri get as high wages as they do any place in the country, and before the depression carpenters got $15 a day; plasterers got $16 a day; plumbers got $16 a day; painters got $12 a day.

Mr. BLANTON. They tell me thousands of artisans in St. Louis and Kansas City are without jobs to-day.

Mr. COCHRAN of Missouri. I know they are without jobs, and I will vote for any legislation to provide jobs for them. Put men back to work—that will end the depression. I would give everyone of them a job if I could; but I am speaking for the poor man in the District of Columbia now who is willing to work, and whose work is taken away from him by men living outside the District, because the man living outside the District is willing to work for 20 cents an hour, and in some instances for 15 cents an hour. Would you deny a man 35 cents an hour for hard labor? I hope we have not reached that stage.

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill. I am thinking of the people in the 48 States and not merely in the District of Columbia.

Mr. COCHRAN of Missouri. Mr. Chairman, I concede the point of order.

The CHAIRMAN (Mr. PRALL). The gentleman from Missouri concedes the point of order. The Chair sustains the point of order.

Mr. HOLADAY. Mr. Chairman, may I be recognized to propound a unanimous-consent request?

The CHAIRMAN. The gentleman will state the request.

Mr. HOLADAY. I ask unanimous consent that the gentleman from Missouri [Mr. CANNON] may have the privilege of inserting in the RECORD the letter he received from the Bureau of Standards with reference to the question of the District testing laboratory, if the gentleman desires to do so.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. CANNON. Mr. Chairman, the gentleman evidently has not been listening. At least he does not seem to have heard the statement I have already made during this debate relative to my conversation with the office of the Bureau of Standards. I have already explained that Doctor Briggs, Director of the Bureau of Standards, told me over the telephone, and I repeat it again, that, while not soliciting the work, the bureau would do it if requested, and that it would be done necessarily without cost to the District. I have never at any time mentioned any letter, either written or received. My conversation was direct with Doctor Briggs himself.

The Clerk read as follows:

For widening to 73 feet and repaving the roadway of Constitution Avenue NW., North Capitol Street to First Street, and for widening to 80 feet and repaving the roadway of Constitution Avenue NW., First Street to Second Street, and for widening to 80 feet and repaving the roadway of Constitution Avenue NW., Pennsylvania Avenue to Sixth Street in accordance with plans therefor to be jointly approved by the National Capital Park and Planning Commission and the Commissioners of the District of Columbia, including the necessary reconstruction, relocation, changes, and adjustments of all water mains, sewers, and for storm water sewer in Constitution Avenue, Sixth Street to Tenth Street (at a cost not to exceed $30,000), in advance of paving, trees, sidewalks, lamp-posts, fire hydrants or other structures affected, and including personal services and all necessary incidental expenses, at a total cost not to exceed $138,000, of which sum $94,800 is hereby appropriated out of the revenues of the District of Columbia, to be immediately available, and not to exceed $43,200 shall be transferred from and in accordance with the appropriation in the independent offices appropriation act, 1934, for the construction of the Arlington Memorial Bridge.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

At the last session, when the independent offices appropriation act was under consideration, I endeavored to gain information from the gentleman from Virginia [Mr. WOODRUM], having charge of the bill, as to the allocation of expense for the paving of Constitution Avenue through the Mall. When the bill was under consideration at this session of the Congress I inquired whether the gentleman had any idea whether it was the purpose of the District commissioners or any other activity of the Government to complete and improve the highway—Constitution Avenue from Fourth Street west. The gentleman from Virginia was unable to give me that information. We have the item here providing for the resurfacing and improvement of Constitution Avenue in certain parts. Will the gentleman acquaint the House as to whether this completes the improvement from Fourth Street down to the Memorial Bridge, or what is the plan as to the extent of the improvement?

Mr. CANNON. There are two classifications of paving areas on the avenue. First, that bounded exclusively by abutting Government property. In such instances the Government pays 70 per cent and the District pays 30 per cent. Where District property abuts on the avenue, the Government pays 40 per cent and the District 60 per cent.

Mr. STAFFORD. Does this proposed appropriation complete the work of widening and paving Constitution Avenue from where it has now been improved at Fourth Street west to the approach of the Memorial Bridge?

Mr. CANNON. It is the understanding of the committee that it will require two more years to complete the avenue. It will be one of the great avenues, not only of the city, but of the world.

Mr. STAFFORD. As all of us know, during the recess they widened Constitution Avenue from Fourth Street east. At present, for a square or two squares, there is no thoroughfare at all, and farther west the roadway is in a very bad condition.

What is proposed? Is it proposed now to complete the new pavement from where it has been completed at Fourth Street to the Memorial Bridge, or how far? For my part, I think we should appropriate the money to improve this highway now that we have launched upon it.

Mr. CANNON. The appropriation provided in this bill carries out the program for the current year. It will be two years more, however, before the work is completed, and appropriations for that purpose will be carried in the supply bills reported in 1934 and 1935. That will complete construction in the fiscal year of 1936.

Mr. STAFFORD. To what extent does the appropriation here carried complete the work? I am interested in this because nearly every evening I walk down Constitution Avenue on my way to the hotel. What section of the highway will be completed out of this appropriation? What is the program?

Mr. CANNON. The work authorized in this bill is in two sections—one section from Second Street to Pennsylvania Avenue and the second section from Third Street to Sixth Street. When these two sections are in, the avenue will have been completed from North Capitol to Sixth Street. The remaining portion of the Avenue from Sixth Street to Memorial Bridge will be constructed in 1935 and 1936.

Mr. STAFFORD. We all know that during the past summer recess the portion from First Street to Fourth Street has been completed.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Calvert Street Bridge over Rock Creek: For construction of a bridge to replace the Calvert Street Bridge over Rock Creek, including necessary changes in water and sewer mains, and including the employment of engineering or other professional services, by contract or otherwise, without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), or the classification act of 1923, as amended, and engineering and incidental expenses, $500,000, and the commissioners are authorized to enter into contract or contracts for construction of said bridge at a cost not to exceed $750,000: *Provided*, That any street railway company using said bridge shall install thereon at its own expense an approved underground system of street-car propulsion and at its own expense shall thereafter maintain such underground construction, and bear the cost of surfacing and resurfacing and maintaining in good condition the space between the railway tracks and 2 feet exterior thereto as provided by law, and shall defray the cost of excess construction occasioned by such use including the relocation and construction of closed plow pits at the west approach to the bridge in accordance with plans to be approved by the Commissioners of the District of Columbia.

Mr. GOSS. Mr. Chairman, I reserve a point of order on the paragraph.

Mr. Chairman, I refer particularly to the statement in lines 5 and 6 of page 24, "by contract or otherwise, without reference to section 3709 of the Revised Statutes, or the classification act of 1923, as amended."

Why is it necessary to make this exemption, and what are these sections? Would this give the commissioners the right to contract without advertising for bids, for instance?

Mr. CANNON. That is correct.

Mr. GOSS. In other words, the commissioners can enter into a contract with anyone they wish without advertising for bids.

Mr. CANNON. Exactly.

Mr. GOSS. So the contract would not go to the lowest bidder in that instance.

Mr. CANNON. It is resorted to, as the gentleman doubtless knows, only in exceptional cases where it is necessary to secure men specializing in branches of engineering not ordinarily handled by the District staff.

Mr. GOSS. They are also exempted from the classification act which pertains to wages paid.

Mr. CANNON. Yes; such men can not be provided for under the civil service.

Mr. GOSS. I understand that. What are the extenuating circumstances in this instance that would warrant waiving the provisions of the classification act, and the awarding of a contract after advertising for bids to the lowest bidder?

Mr. HOLADAY. If the gentleman from Missouri will yield to me, I will answer the question of the gentleman from Connecticut.

Mr. CANNON. I yield to the gentleman from Illinois.

Mr. HOLADAY. It is the purpose, under this provision, to permit the employment of expert bridge engineers. They have been employed and the work is practically completed.

Mr. GOSS. Now, already?

Mr. HOLADAY. Already.

Mr. GOSS. So that we have given a contract without advertising for bids?

Mr. HOLADAY. Oh, no, no; not on the bridge; simply for employing the engineers to draw the plans. The plans have been drawn and I am informed that within 30 days they will be ready to submit for bids. This language does not apply to the construction of the bridge.

Mr. GOSS. That is my point. The paragraph starts off: "For the construction of a bridge to replace the Calvert Street Bridge," and then makes these exemptions with reference to the classification act and advertising for bids.

Mr. HOLADAY. The intention is that it shall apply only to engineers to draw plans. This is a bridge almost 800 feet long and the District does not have in its employ an engineer capable of drawing, or qualified to draw, plans for a bridge of this size.

Mr. GOSS. And the gentleman can assure the committee the bridge will not be built without advertising for bids and outside the provisions of the classification act?

Mr. HOLADAY. Oh, absolutely; there is no question about that.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I yield.

Mr. STAFFORD. The gentleman will notice there is express authorization carried in lines 9, 10, and 11 to have this bridge constructed by contract.

Mr. GOSS. That is true.

Mr. STAFFORD. I agree with the gentleman that the forepart of the paragraph is rather awkwardly drawn. It might convey the impression that it was the purpose to construct this bridge without bids.

Mr. GOSS. Absolutely.

Mr. STAFFORD. But the reference to section 3709 is the customary reference to exempt skilled employees from civil-service requirements. It is merely awkwardly expressed.

Mr. GOSS. I have no objection to the engineers being without the act, but I do not want the bridge to be built without advertising for bids.

Mr. STAFFORD. The sole purpose of the paragraph is to permit the employment of skilled engineers without reference to the provisions referred to.

Mr. CANNON. I may say to the gentleman from Connecticut that this language is similar to that which has been carried for many years. The District has on its engineering staff men capable of handling all ordinary architectural problems, but the building of bridges of this character is a highly specialized branch of engineering.

[Here the gavel fell.]

Mr. GOSS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GOSS. Mr. Chairman, I shall not make the point of order, but I think the language might be cleared up. It is awkwardly drawn. The intent of Congress is to have the exemption apply only so far as the engineering talent is concerned in the designing of the bridge.

Mr. CANNON. Yes; because the regular staff is under civil service. It is necessary to go outside of the civil service to secure specialists. It is a provision which has been carried for many years.

Mr. GOSS. I do not want it to apply in such a way as to obviate advertising for bids for the construction of the bridge provided for in lines 9, 10, and 11, on page 24.

Mr. CANNON. It does not apply to that portion.

Mr. GOSS. Mr. Chairman, I withdraw the reservation of a point of order.

The Clerk read as follows:

To enable the commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia, including inspection; fencing of public and private property designated by the commissioners as public dumps; and incidental expenses, $840,000, including not to exceed $14,000 for repair and improvement of the garbage-reduction plant: *Provided*, That any proceeds received from the disposal of city refuse or garbage shall be paid into the Treasury of the United States to the credit of the United States and the District of Columbia in the manner provided by law: *Provided further*, That this appropriation shall not be available for collecting ashes or miscel-

laneous refuse from hotels and places of business or from apartment houses of four or more apartments in which the landlord furnishes heat to tenants.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

A comparison of the figures stated in the report shows the committee has made a rather drastic cut of $185,000 in the estimate made by the Budget for the disposal of refuse. Also, in the prior item for removal of snow the Budget estimate is cut $85,000.

It is generally conceded that the removal of snow such as we have had recently means the giving of employment, instead of passing out a dole, to a large number of the destitute.

May I inquire of the gentleman the justification of the committee in making such radical cuts? For instance, with reference to the removal of snow, more snow has fallen this past season than I have known for many years during my service here. The gentleman has cut that $85,000 and has cut the item for the disposal of refuse $185,000. What is the justification for these decisive cuts?

Mr. CANNON. I may say to the gentleman we considered this ample provision. To illustrate, in the year 1923——

Mr. STAFFORD. 1923?

Mr. CANNON. Yes. I am going back to show how this item has been increased. In 1923, we did this work for $385,000. There has been no change in the climate, and our equipment to-day is much more effective, and yet we are this year appropriating for the same work $400,000.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BLANTON. The gentleman realizes that we now have better facilities and machinery for removing snow than we have ever had before. It has revolutionized that work. These snow plows can go down a street and in a few minutes clear the street. We did not have them when the Knickerbocker Theater caved in. We had more snow in the year when the Knickerbocker Theater caved in than we have had since.

Mr. STAFFORD. I shall have to dissent from the statement of the illuminating gentleman from Texas. I have observed when I have traveled around the country that certain municipalities really have improved machinery, but we do not have it here. However, that does not account for what I am seeking to ascertain; why the Budget estimate for the removal of snow has been cut $85,000 and the item for the disposal of refuse has been cut $185,000? Rather drastic cuts.

Mr. CANNON. The gentleman understands that everything that goes into this item in the way of machinery, automobiles, and other equipment has been materially cut.

Mr. STAFFORD. What has been cut?

Mr. CANNON. And the gentleman should also take into consideration the fact that we have taken out the furlough.

Mr. STAFFORD. But even if the furlough is taken out, that does not dispose of the question that the snow and the refuse has to be hauled out. What is the logic of the gentleman's mathematics?

Mr. CANNON. We are appropriating $400,000 here, which is in addition to the furlough, to do precisely the same work we formerly did with less efficient equipment for $385,000.

Mr. STAFFORD. Last year you appropriated $550,000. The Budget recommended $485,000 and you are cutting the Budget estimate $85,000. Last year for the removal of refuse you appropriated $1,000,000, and the Budget recommended $1,125,000. You recommend this year $840,000, or $180,000 less. I think your cuts are drastic, and you have only the rapid ground of new scientific machinery and the furlough, when there has been no scientific machinery in either case installed here in the last four or five years.

Mr. CANNON. The furlough alone amounts to $40,000.

Mr. BLANTON. Everything is cheaper now, including his famous beer by Christmas.

Mr. STAFFORD. We will have cheap beer, but not with the gentleman's support, but with the support of the liberals of this House.

The pro forma amendment was withdrawn.

The Clerk read as follows:

No part of the funds appropriated in this act shall be available for the operation of high-temperature incinerators for the disposal of combustible refuse.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 27, line 16, strike out the paragraph.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, this amendment is merely what it purports to be, an amendment striking out the prohibition in the bill against using the incinerators which have recently been erected in the city of Washington.

As I understand the facts about this matter, they are that through appropriations made by Congress and under a policy adopted by Congress in making such appropriations, these incinerators for burning trash in the District were constructed at a cost of approximately $800,000. They were completed just last year.

Mr. CANNON. If the gentleman will permit, the total cost was $674,122.84.

Mr. SMITH of Virginia. I thank the gentleman for the correction. It is very near $700,000.

The object of the amendment is that this $700,000 worth of equipment, which has been constructed under a policy of this Congress in order to dispose of the refuse of this city in a modern and proper way, may be continued. The bill, as it is now, provides that these incinerators may not be used.

The hearings disclose that it would cost somewhat more to operate these incinerators than to merely throw the trash out in a swamp. However, I imagine that when Congress appropriated for these incinerators and at the time they were erected, Congress, as well as everybody else, knew that it would cost more to haul this material to the incinerators and burn it up and haul the ashes away than it would to haul the refuse and dump it in a swamp. The Congress conceived that this was a good thing to do.

It is true we might be able to economize to-day by saying we will do away with all the sewers in the District of Columbia and we would perhaps save in dollars and cents; but the point I make is that Congress having established this policy and having erected these incinerators within the past year at this great expense, I think you will agree with me that at least the District Commissioners should have the right and the discretion to continue the use of the incinerators which they have erected at such great expense.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. SMITH of Virginia. Yes.

Mr. BANKHEAD. Could the gentleman give us an approximate idea of the cost of the use of the incinerators as compared with the other system of disposal?

Mr. SMITH of Virginia. My recollection of the hearings is that those figures are not given, but it is said there that it will cost more. How much more the chairman of the committee may be able to tell the gentleman.

Mr. STAFFORD. It costs more for the operation of the incinerators or for the disposal of the refuse on the lands?

Mr. SMITH of Virginia. It will cost more to use the incinerators and burn the trash up and haul the ashes away than it would to merely haul it and dump it in a swamp.

Mr. BLANTON. Does the gentleman know how much it costs now per year to run these incinerators?

Mr. SMITH of Virginia. I do not know how much it costs, but I know that the Congress appropriated over $700,000 to build these incinerators.

Mr. BLANTON. It now costs $200,000 per year to run them. Does the gentleman know how this refuse is going

to be disposed of under this bill and how much we will save annually under this bill?

Mr. SMITH of Virginia. Yes; you are going to take it over to Anacostia and throw it in a swamp over there, so the hearings show.

Mr. BLANTON. We will save all together about $225,000 per year. Does the gentleman know the necessity for this dumping on the Anacostia Flats?

Mr. SMITH of Virginia. No.

Mr. BLANTON. It will save much expensive dredging. Does the gentleman know the interest of the Government that will be served by doing this?

Mr. SMITH of Virginia. I suppose you will reclaim some land by doing this.

Mr. BLANTON. Certainly; and of great value to the Government. Inasmuch as the gentleman does not know how much it is going to cost to run these incinerators, does he know how much it is going to cost to do this work under the proposed plan?

Mr. SMITH of Virginia. The hearings do not disclose that.

Mr. BLANTON. The gentleman should find out about all these things before he begins to speak against such a provision in a bill.

Mr. SMITH of Virginia. The gentleman has been here a long time, and perhaps can give me some information that will be very useful in the future, and that is, How can I find it out if it is not in the hearings?

[Here the gavel fell.]

Mr. HOLADAY. Mr. Chairman, I rise in support of the amendment.

It is estimated it will cost $200,000 a year to operate these incinerators. I believe this figure might be reduced to some extent, but there is no question but what it will cost more to use the incinerators than it will to haul the refuse out to the new arboretum and dump it there. It is estimated the saving will be from $75,000 to $125,000. As near as I can estimate it, I am of the opinion it will be a saving of about $85,000.

Here is the whole picture. For a good many years the city was using an incinerator for part of the refuse and was burning the balance out on the Anacostia flats, within a few hundred yards of where it is proposed to burn it now. The Government served notice on the District that they wanted to improve this land under the Anacostia park system.

A year ago it was necessary for the District to leave that dump ground. They went to the airport and were dumping there. The old incinerator which they had been using burned down, and after very mature deliberation and examination, extending over two or three years, the Government erected two incinerators, one south of the Capitol and one over in Georgetown.

It is proposed to close these incinerators which were put in operation just a few months ago and haul all of the refuse from all over the District and dump it on what are known as the arboretum grounds.

I think when we come to the final showdown it will be found that the arboretum people and the War Department will not give their consent to that, although I understand they have written a letter to the chairman which may fairly be interpreted as saying that they have no objection.

The amount that we may save may run to $100,000. The main question here is whether or not we want to close up the incinerators and haul the refuse out to the arboretum and make that place a dumping ground for refuse.

Mr. BLANTON. The gentleman knows that it will cost $200,000 a year to run those incinerators. The alternative proposal in the bill will cost $14,000, a saving of $180,000 or more, on that one item.

Mr. HOLADAY. The gentleman is not going to get away with any such wild statement. The $14,000 that he speaks of is what it will cost for the men at the dump ground to burn it, and does not include the hauling. The net saving will not be over $100,000.

Mr. BLANTON. No; all together the change will save about $200,000 annually. This is also for the purpose of reclaiming the Anacostia Flats and obviating the spending of a lot of money to dredge Anacostia River, so that it is really for a double purpose.

Mr. HOLADAY. If you want to turn the arboretum into a dump ground for refuse, the amendment should not prevail.

Mr. CANNON. Mr. Chairman, I rise to oppose the amendment.

Mr. BANKHEAD. Will the gentleman yield?

Mr. CANNON. I yield.

Mr. BANKHEAD. I would like to submit a unanimous-consent request. I do not know what the gentleman from Massachusetts may have to say, but I ask unanimous consent that the gentleman from Massachusetts [Mr. LUCE] may proceed for five minutes, to be followed by the gentleman from Missouri.

Mr. BLANTON. Reserving the right to object, that should be done after the chairman of the subcommittee gets through. I have no objection to the gentleman from Massachusetts proceeding for five minutes if I can have five minutes to follow him. I ask unanimous consent that the gentleman from Massachusetts may have five minutes and I have five minutes in reply.

Mr. BANKHEAD. The Chair can only put one unanimous-consent request at a time.

The CHAIRMAN. The Chair will put the request of the gentleman from Alabama.

Mr. BLANTON. I shall object until the gentleman from Missouri gets through.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. LUCE] have 5 minutes, and the gentleman from Texas have 5 minutes to follow him, and that I be permitted 5 minutes to close.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LUCE. Mr. Chairman, by chance more than through any other cause, the introduction of the bill for the arboretum was intrusted to my hands some years ago, and I have taken a warm interest in the matter ever since. It has been rough sledding. Through difficulties brought about by our restrictions in the matter of assessments as a measure of price, we have as yet been unable to acquire the land necessary for the full development of this project.

One of the considerations successfully advanced for the purchase of what is known as the Mount Hamilton tract was the fact that adjacent to it were the Anacostia Flats. It was the resulting possibility of studying and cultivating both trees that require dry soil, and trees and shrubs that may grow in a damp soil, which made this site peculiarly attractive. I gather that now it is contemplated to proceed with the filling of the Anacostia Flats by the use of refuse. That would be all right if the refuse were wholly capable of destruction by burning, but anyone familiar with the ordinary city dump knows that nowadays large quantities of metal are thrown into those dumps. I know one that, when at home, I pass practically every day, which is a graveyard for automobiles, as well as for the other ordinary refuse of a city. Manifestly trees and shrubs will not grow to advantage in a soil largely composed of material of that sort. I have been informed that the original expectation was that rubbish of this kind would be dumped at a level so far below what is to be the level of the parkway that there would be plenty of soil above; but now it is apprehended that this may not be the case, and that the soil itself may be ruined for scientific purposes.

It is true indeed that there may be savings of the type that have been suggested, but I know from the experience of my own city that it is also necessary to take into account the expenses entailed on the fire department by this method of burning. I should say that on an average of once a week throughout the year the fire department is called out in my own city to extinguish a fire in the dump. At the same time the smoke from the dump is exceedingly disturbing to and damages the value of adjacent property. So against the savings there are offsets that ought to be taken into account.

For this reason, if for no other, I should hope the amendment would prevail.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. LAGUARDIA. Have there been any experiments as to the utility of the heat generated by these incinerators? When I was in the city government of New York they had just commenced to experiment with that.

Mr. LUCE. There have been experiments in Boston of the same sort.

Mr. LAGUARDIA. Is it feasible?

Mr. LUCE. I have gained the impression that they have not been as successful as was expected.

Mr. LAGUARDIA. Through lack of uniformity in the fuel?

Mr. LUCE. Very likely that is the cause. However, the incinerator method is certainly the most cleanly, and I think in the long run it is advantageous to the welfare of cities that have their refuse destroyed in that way. For these reasons I trust the amendment may prevail.

Mr. CANNON. Mr. Chairman, I join with the gentleman from Massachusetts in desiring to take every precaution to insure proper soil and proper setting for the trees of the arboretum. The arboretum is destined to become one of the notable institutions of the city. No pains should be spared to protect and encourage it, and I am glad to be able to allay any apprehensions the gentleman may entertain as to the effect of this legislation on its development.

I quote from a letter from Dr. William A. Taylor, one of the eminent scientists of the country, Chief of the Bureau of Plant Industry in the Department of Agriculture, which is charged with the administration of the arboretum:

> If a permanently compacted dump is afterwards covered with good soil, such as the fine silt of the Anacostia River and marshes, to the depth of at least 3 feet, after it is settled and compacted, the land will be suitable for the growing of such trees as are expected to be planted in this area.

Mr. LUCE. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes; with pleasure.

Mr. LUCE. I understood that to be the fact, but I understand that now the apprehension is that it will not be covered to a depth of 3 feet.

Mr. CANNON. Oh, it will be so covered. There need be no anxiety about that. If we save $225,000 in one year by using this area we can certainly afford to cover it properly. We would follow implicitly the directions of the Department of Agriculture in applying the soil. As a matter of fact, we will be killing two birds with one stone. We will be saving the $215,000 on the incinerators and at the same time be reclaiming land which otherwise would have to be reclaimed by the Department of Agriculture at great expense. It is interesting to note in this connection that marshland which has had a subsoil application of this character of material properly compacted in the fill before the top soil is applied, is in much better condition for park or arboretum purposes than marshland in which the entire fill has been made from dredged river silt. We have a perfect example of this at Hoover Field. On one side of the Military Road is land reclaimed by the Government; and, now, under the jurisdiction of the Department of Agriculture, which was filled from the bottom with material dredged from the Potomac River. Although the fill was made some 17 years ago and has been cultivated annually, it still settles in pockets from time to time. But over on the other side of the road, in what is now Hoover Airport, the same character of marshland that was first filled with refuse which was burned—just as we propose to burn the same refuse at the Arboretum—and compacted with tractors. Then, the top soil was added, as directed in Doctor Taylor's letter, and Mr. Walter of the airport tells me that after three months all settling has ceased.

Mr. LUCE. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. LUCE. Can the gentleman inform us about the possible assurance that it will not be filled above those 3 feet?

Mr. CANNON. Of course that will be attended to like any other duty devolving upon the city.

Now, let us turn to the matter in hand. If ever there was an example of bureaucracy gone mad, we have it here. They want $200,000 to run these incinerators and they want $32,500 to build roads around them. They want a total of $232,500 when they did the same work last year at Hoover Field for about $14,500. By the adoption of this amendment, if those figures are to be depended on, we are saving the Government this year alone, approximately $215,000, or certainly in the neighborhood of $200,000.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. CANNON. I much regret that my time is limited. In addition to that, the incinerators are not a success. They are defective. Let me read from a report that we have on them.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BLANTON. Will the Chair yield the gentleman from Missouri two minutes of the time I was to take?

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. This is the report on these incinerators. After we had spent, as the gentleman says, nearly $700,000, they will not do what they were supposed to, as the gentleman from Massachusetts has just indicated. Here is the report:

> Faulty construction and design make it necessary to frequently let the fire go out in order to clean out the pit. The men in charge report them as insufficient to handle the amount of refuse in the District of Columbia. Now necessary to dump in open dumps. Fire must be maintained at a low level, as when draft is open paper is blown through the stacks out over the city.

But it is not necessary to secure a special report on them. If anyone will take the trouble to examine the ash from the incinerators as it is hauled to the dump at Anacostia and compare it with the ashes on the dumps at Hoover Airport, he will find that the material is burned no better in these so-called high-temperature incinerators than it is on the open dumps—and it will cost us something like $200,000 to run the refuse through the incinerators over what it will cost to burn in the open.

Mr. HOLADAY. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. HOLADAY. Who submitted that report?

Mr. CANNON. The gentleman knows quite well that we are frequently not at liberty to give the source of information communicated to the committee. But I will say that the report is from a man of standing and entitled to credence.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. BLANTON. Mr. Chairman, I rise, in accordance with the unanimous-consent agreement, to answer the gentleman from Massachusetts.

The CHAIRMAN. The gentleman is recognized for three minutes.

Mr. BLANTON. As a connoisseur of fine arts, our friend from Massachusetts [Mr. LUCE] has not a peer in the Nation. On library matters the gentleman is an expert. In mapping out beautiful zones and Constitution Avenues we could not get along without him, and on all other matters theoretical he is a past grand master, but he does not have time to look into the practical side of things. This Holaday-Smith-Walton Moore-Illinois-Virginia amendment that would take this paragraph out of the bill will cost $225,000 if such amendment passes. The chairman of the subcommittee just said that a moment ago. In other words, if this amendment is passed, you will add a cost to the government of the District of Columbia and the Government of the United States of $225,000; but if you vote against the amendment and leave the bill as the gentleman from Missouri [Mr. CANNON] has properly framed it, you will save $225,000. In addition to saving this almost $200,000 on closing up the incinerators, because it cost $200,000 to run them, and then the refuse is not burned any better than we

are going to burn it—in addition to that, we will save a lot of dredging on the Anacostia. We will do the main primary filling of Anacostia Flats with this dumping and refuse burning, and then afterwards we will put this 3 feet of proper soil on top of that by dredging the Anacostia. Now, that meets the theoretical argument of the gentleman from Massachusetts. Everything will be esthetic there. Everything will be beautiful and lovely in the future. We will not hurt his keen sense of preserving the beautiful that he and all of us here in this city want, but we are going to save money also to the amount of $225,000. Now, the gentleman is a practical business man of Massachusetts. He has filled important positions in his State, and it ought to appeal to the gentleman when the bill is framed so that it will do everything he wants to do and still will save $225,000.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. SMITH].

The amendment was rejected.

The Clerk read as follows:

The Board of Education is authorized to designate the months in which the 10 salary payments now required by law shall be made to teachers assigned to the work of instruction in nature study and school gardens.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. What does this sentence mean?—

The Board of Education is authorized to designate the months in which the 10 salary payments now required by law shall be made.

Mr. CANNON. While principals and supervising officials are paid for 12 months, the teachers are paid only 10 months in the year. They are not paid for vacations. This provision gives the Board of Education authority to pay them and therefore to employ them at staggered periods in the year, so that all vacation periods will not occur simultaneously.

For example, a number of the teachers of elementary science in the elementary schools are required to take their vacations in the winter in order that they may be on duty and supervise garden activities during the summer months.

Mr. GOSS. Could that be construed so that they might be held up and then make it up a little later, or something of that sort. It does not read "consecutively."

Mr. CANNON. No. This merely designates the time they are to be paid.

Mr. GOSS. What is really intended is to have their checks mailed every month except two.

Mr. CANNON. Yes; the months to be designated by the Board of Education.

Mr. GOSS. That leaves it in their discretion as to which two they will leave out.

Mr. CANNON. Precisely. It in no way affects the amount of their compensation.

Mr. GOSS. I understand that, but the teachers may want to go on vacation; could not the mailing of the checks be arranged in such a way as to make it convenient for them? Have the desires of the teachers been recognized in this instance?

Mr. CANNON. The gentleman knows that in the average business office all employees do not take vacations the same month, but at different times so as not to interrupt office work.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I yield.

Mr. BLANTON. Had the gentleman watched here for many years, he would know that the desires of the teachers of Washington are never overlooked. That is one of the most powerful organizations here in Washington.

Mr. GOSS. I may say to the gentleman from Texas if that is the attitude of the committee, why not split it up into weekly payments?

Mr. BLANTON. The gentleman need not be uneasy that it is not according to the wishes of the teachers.

Mr. GOSS. I may say to the gentleman that many teachers in various places are uneasy as to where their pay is coming from.

Mr. BLANTON. There are no better-paid teachers anywhere in the United States than we have here in Washington; and the teachers of Washington are one set of teachers who have not had their pay stopped and who have not had their pay reduced during this depression.

The pro forma amendment was withdrawn.

The Clerk read as follows:

No part of the appropriations herein made for the public schools of the District of Columbia shall be used for the free instruction of pupils who dwell outside the District of Columbia: *Provided*, That this limitation shall not apply to pupils who are enrolled in the schools of the District of Columbia on the date of the approval of this act.

Mr. GAMBRILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GAMBRILL: Strike out the whole paragraph beginning with line 21, page 36, and ending with line 2 on page 37.

Mr. GAMBRILL. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

Mr. CANNON. Mr. Chairman, reserving the right to object, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 10 minutes, 5 minutes of the time to be consumed by the gentleman from Maryland.

Mr. SMITH of Virginia. Mr. Chairman, reserving the right to object, in case the amendment of the gentleman from Maryland fails I wish to offer an amendment. I would like to be heard on my amendment.

Mr. BLANTON. Mr. Chairman, we want some time to answer.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to modify my original request by making the time 15 minutes.

Mr. GAMBRILL. May I say to the gentleman from Missouri that I have taken no part in the debate on this bill although two days were consumed in general debate, much of which did not touch the subject matter of the bill. I do not think my request unreasonable and I hope the gentleman will not object.

Mr. COLE of Maryland. Mr. Chairman, I make the point of order there is not a quorum present.

Mr. BLANTON. Mr. Chairman, this House is not going to be held up in any such way.

I object to the request of the gentleman from Maryland.

Mr. COLE of Maryland. Mr. Chairman, I make the point of order there is not a quorum present.

The CHAIRMAN. The Chair will count.

Mr. CANNON. Mr. Chairman, will the gentleman reserve the point of no quorum?

Mr. COLE of Maryland. Yes. I reserve it.

Mr. BLANTON. We will move a call of the House and get a quorum here.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto be limited to 15 minutes, the gentleman from Maryland to be recognized for 10 minutes and the gentleman from Texas for five minutes.

Mr. O'CONNOR. Mr. Chairman, a point of order. The gentleman from Missouri can not parcel out time. The procedure is for the Chairman to recognize Members who stand in their places.

The CHAIRMAN. The ruling of the Chair is that the gentleman from Missouri may submit a unanimous-consent request to have debate limited to 15 minutes, the time to be allocated to the gentlemen as indicated.

Mr. CANNON. Mr. Chairman, the gentleman from Virginia [Mr. SMITH] desires five minutes. I wish to modify my request by making the time 20 minutes.

The CHAIRMAN. Does the gentleman from Maryland withdraw his point of no quorum?

Mr. COLE of Maryland. Mr. Chairman, I insist upon the point of order there is not a quorum present.

Mr. CANNON. Mr. Chairman, I do not believe the gentleman from Maryland desires to insist on his point of order.

Mr. COLE of Maryland. Mr. Chairman, I withdraw the point of no quorum.

The CHAIRMAN. The point of order is withdrawn by the gentleman from Maryland.

The gentleman from Missouri asks unanimous consent that debate on this paragraph and all amendments thereto close in 20 minutes, that of this time 10 minutes be allotted to the gentleman from Maryland, 5 minutes to the gentleman from Virginia [Mr. SMITH], and 5 minutes to the gentleman from Texas [Mr. BLANTON]. Is there objection?

There was no objection.

Mr. GAMBRILL. Mr. Chairman, I hope I may be allowed to proceed without interruption. This paragraph involves the welfare and education of 2,500 students from Maryland and Virginia, and it is a very important subject to the people of these States.

This paragraph in the District of Columbia appropriation bill, under the guise of a limitation, nullifies several acts of Congress, passed, it is to be assumed, after careful and mature consideration.

Let me disabuse the minds of the Members of this House of the idea that Maryland and Virginia are forcing pupils from those States into the schools of the District of Columbia to the exclusion of pupils residing in the District. You must bear in mind that the District of Columbia was originally a section 10 miles square, ceded to the Federal Government by Maryland and Virginia. The District of Columbia is surrounded on three sides by Maryland.

As the suburban developments within the District spread towards Maryland, they meet similar developments within that State, and these communities become one, although located in different political units.

The District of Columbia occupies a rather unique position in its relation to the contiguous territory of Maryland and Virginia, and that position can hardly be duplicated in any other section of the country. Maryland and Virginia have recognized this unique situation by extending the facilities of their schools to pupils from the District, who find it inconvenient to go to the District schools, or where these schools are inconveniently located in relation to their homes.

We in Maryland—and I shall let the Representatives from Virginia speak for that State—have sought, by the most liberal acts of cooperation, to meet the situation caused by our towns and communities overlapping towns and communities in the District, and vice versa. If this whole subject and all its interrelating phases could be taken up in a calm and deliberate way by the legislative committee of the District of Columbia, when consideration could be given to both sides of the problem as it affects the District and Maryland, we in Maryland would welcome such an investigation and inquiry. But a wrong will be done to the pupils from the District, Maryland, and Virginia if you attempt to meet the problem by the ipse dixit of a limitation in an appropriation bill, and that limitation inserted after ex parte hearings, confined to the public-school authorities of the District of Columbia, who give only one side of the case and by their ex parte statements create the impression the District schools are being overcrowded by Maryland and Virginia children, whereas not a scintilla of evidence is ever presented of the other side of the picture.

Let me say here—and without fear of successful contradiction—that we in Maryland are doing our share in the education of our youth. Let me also say—without fear of successful contradiction—that no State in the Union excels Maryland in its public schools, a fact which is recognized by educators generally.

Disabuse your minds, if you please, of the idea that all children residing in Maryland and Virginia are privileged to attend the schools of the District of Columbia free of tuition charges. Such is not the case. Let us see what the laws are; there are several which are pertinent. There is an act of Congress approved July 21, 1914, which provides that—

> Hereafter the taxes levied by the government of the District of Columbia and paid for the year next preceding the time of levying tutelage charges by nonresident pupils or the parents of nonresident pupils shall be accepted as a credit or part credit, as the case may be, on said tutelage.

Some pupils are admitted under this law, but of an inconsequential number.

Then there is the act of Congress approved March 3, 1915, that—

> Hereafter all pupils whose parents are employed officially or otherwise in the District of Columbia shall be admitted and taught free of charge in the schools of said District.

Most of the pupils from Maryland and Virginia are admitted under this act of Congress.

There are three other acts of Congress, which I will quote, but which are not very pertinent, in that the number of children admitted under these acts is small. The acts are as follows:

> The acts of Congress approved March 3, 1917, August 31, 1918, and July 11, 1919, provide that "the children of officers and men of the United States Army and Navy stationed outside of the District of Columbia shall be admitted to the public schools without payment of tuition."
>
> The act of Congress approved March 28, 1918, provides that "soldiers and sailors of the United States not residents of the District of Columbia who are on duty at stations adjacent to the District of Columbia shall be admitted for special instruction to the day schools and night schools of the District of Columbia without payment of tuition."
>
> The acts of Congress approved June 5, 1920, February 22, 1921, and June 29, 1922, provide that "the children of officers and men of the United States Army and Navy and children of other employees of the United States stationed outside of the District of Columbia shall be admitted to the public schools without payment of tuition."

Let us address ourselves to the act of March 3, 1915, under which 90 per cent or more of the Maryland and Virginia pupils attending the public schools of the District of Columbia are permitted to have tuition free of charge. Why did Congress say, in the act of March 3, 1915, that—

> Hereafter all pupils whose parents are employed officially, or otherwise, in the District of Columbia shall be admitted and taught free of charge in the schools of said District.

It was a recognition of the fact that a large number of Government employees whose salaries, if in the lower grades, are far from generous or bountiful, had taken up their residences in Maryland and Virginia to escape the higher cost of living in the District; and, as such employees of the Government, they are as much entitled to send their children to the public schools of the District of Columbia as are the Members of Congress, who draw $10,000 a year in salary, $5,000 for clerk hire, and $250 for postage. Members of Congress may send their children to the public schools of the District of Columbia free of tuition charges, and the proponents of this restriction in this legislation, which would change existing law, are willing to retain this right for themselves and their colleagues while denying the right to Government employees, many of whom receive small salaries.

It has been my observation in the past that the most vociferous proponents of this unfair and indefensible discrimination against Maryland and Virginia pupils have been those Congressmen who have educated and are educating their children in the public schools of the District of Columbia, and, in many instances, are without homes or property here and do not contribute one penny toward the taxes of the District.

The question may be asked, Why extend this privilege to the children of those employed "otherwise" in the District, as distinguished from those employed "officially"? The reason is obvious, as such persons, by their business connections and work, are contributing to the wealth of the District of Columbia and its assessable basis. But I shall want to approach this problem from the broadest and most comprehensible standpoint. I shall want to deal with the question in its relation to the unique problem of the territory of Maryland, thickly settled, which surrounds the District of Columbia on three sides; to speak of the system of cooperation and understanding which have existed on both

sides, and which will continue unless ill-advised, improvident, and thoughtless legislation such as this becomes a law. Again I say Maryland is doing its part.

The hearings on the District of Columbia appropriation bill for the fiscal year 1934, pages 301–303, inclusive, give a recapitulation of the nonresident pupils attending the public schools of the District. I shall speak for the Maryland side of the question.

It shows that there are 1,720 pupils from Maryland attending the day schools of the District of Columbia, 175 in the vacation schools, and 55 in the night schools, or a total of 1,950.

From Virginia there are 613 pupils, and a few pupils from other States. The grand total of nonresident pupils attending the District of Columbia schools is 2,587, of which 66 pay tuition.

For the purpose of my discussion, I am going to take the 1,950 pupils from Maryland attending the schools of the District of Columbia.

Now let us see the other side of the picture: What is Maryland doing to accommodate nonresident pupils who are allowed to attend its schools free of charge, a large number being from the District of Columbia? I am going to take for my illustration three counties, adjacent to the District of Columbia—Prince Georges, Montgomery, and Anne Arundel—in the latter county being the Naval Academy and Fort George G. Meade.

I have a statement from the county superintendent of the schools of Prince Georges County to the effect there are attending the schools in that county 204 pupils, residents of the District, 40 pupils from the United States Government reservations or farms, and 52 from sundry States. The superintendent of the schools of Prince Georges County writes me as follows:

> Of the District of Columbia residents attending our schools, 73 are boarded in some Prince Georges family by some District of Columbia charitable organization, 31 are boarded in the county by their parents, 63 attend our schools because there is no District of Columbia school near their residence, and of the remainder a majority are living with some relative in the county.
>
> At our Bradbury Heights School we had to erect an additional classroom and employ an extra teacher for the 33 District of Columbia children attending. You may know that the part of Bradbury Heights in the District of Columbia has no school.
>
> No tuition is charged to any of these pupils, nor is any attempt made to bar them from our schools, although the cost of educating them, in proportion to our wealth, is not an inconsiderable item.

That county alone has expended in the past 10 years for the erection and enlargement of school buildings, all within a few miles of Washington, over $1,000,000.

In Montgomery County, adjacent to the District of Columbia, the number of pupils from the District attending the schools in that county is 47.

The superintendent of education for Anne Arundel County wrote me there were 360 pupils in the schools of that county who are the children of Navy and Army people living on Army and Navy reservations, and these pupils are furnished free tuition. Because of the crowded condition at Odenton, in Anne Arundel County, where 107 children living on the Fort George G. Meade reservation are educated free of tuition charges, the pupils of both the first and second grades have been put on half time. Yet with these conditions confronting us, we, in Maryland, are not complaining, as we are firm believers in the education of the young men and women of the country—it is their right to be educated and we have no desire to split hairs over who should pay for that education.

I am going to give you a more striking illustration of what we are doing, freely, willingly, and uncomplainingly. Seven miles out from Washington, on the Baltimore-Washington Boulevard, there is located at College Park the academic department of the University of Maryland. To this fine university and its law and medical schools, located in Baltimore, the State of Maryland annually appropriates over $2,000,000; about $284,000 comes from the Federal Government and about $1,183,000 from fees of students and miscellaneous sources. There is no duty on the part of the State of Maryland to receive students from the District of Columbia on the same basis as those from Maryland, but a recognition of the fact that the District of Columbia has no Federal or State-aided university induced the Maryland State authorities to throw the doors of the University of Maryland open to students from the District of Columbia.

In January, 1933, there were 628 students attending the university at College Park whose parents are residents of the District of Columbia. I might say, parenthetically, that not a few Members of Congress have sent their sons and daughters to this institution.

If we are to consider the financial aspect of this problem, which should be settled by legislation considered by a legislative committee, we find this striking situation so far as the University of Maryland is concerned: The average per capita cost per student at the University of Maryland is $497, the average tuition charge per student is approximately $157, or a difference in the red of $340, which, multiplied by 628 (the number of students from the District of Columbia attending the University of Maryland) means Maryland is contributing toward the education of these students $213,520 a year, to say nothing of any capital charges and construction expenditures for buildings to take care of these additional pupils.

In this connection it is to be borne in mind that Maryland receives no contribution from the Federal Government for the education of these students aside from the Federal grants which go to all agricultural colleges, whereas the Federal Government contributes many millions to the District of Columbia for its general expenses.

I have attempted no calculation of the cost to the counties of Prince Georges, Montgomery, and Anne Arundel to educate the pupils in their public schools who reside outside the counties, their number being about 651; but the cost must be considerable. And, taking all these pupils, I doubt if the parents of anyone are engaged in business in the State of Maryland. Of course, the State of Maryland could close its schools to the students whose parents reside in the District of Columbia or on Government reservations, if it were so minded, and this Congress could bar pupils from Maryland "whose parents are employed officially or otherwise in the District of Columbia." This would be an unsympathetic, harsh, and arbitrary way of settling a problem which requires tact, conciliation, and cooperation for its solution. For unless these traits are exhibited in its solution, the young men and women will be the ones to suffer.

I make one other assertion, which can not be successfully contradicted: No parent residing in Maryland would select a school in the District in preference to Maryland, other considerations being equal. I make this bold statement for the reason no State in the Union excels Maryland in its system of public schools, and I doubt if she has an equal.

The phenomenal progress of the Maryland public-school system during the past 10 years has been acknowledged throughout the entire country. The keynote of this progress has been equalization of educational opportunities and educational burdens throughout the State.

To summarize, you have 1,950 pupils in the public schools of the District of Columbia whose parents reside in Maryland. You have 1,279 pupils attending the public schools of Maryland whose parents reside here in the District of Columbia or on Government reservations or posts, and in this computation I have only taken into consideration the three counties of Maryland adjacent to the District. So you see the case is not one to be decided upon the ex parte statements of the public-school authorities of the District of Columbia. It is one for extensive and comprehensive study by a legislative committee when all the facts may be ascertained and proper legislation formulated. A limitation on an appropriation bill is no way to deal with such a complicated and interrelated problem; hence, I hope the limitation will be defeated.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is an old fight that has been going on here in Washington since Maryland and Virginia ceded the

10 miles square for the District of Columbia. The Government has paid for every foot of this land many times.

My friend admits there are 2,500 children from Maryland and Virginia attending the schools of Washington free, and they have been attending them for many years without paying anything. They have been going to the graded schools, they have been going to the high schools, they have been going to the night schools, and they have been going to the business schools without paying for it, back to time to which the memory of man runneth not to the contrary. Their families do not pay one single dollar of taxes in the District of Columbia, either on their homes or their personal property. They do not pay any automobile tax, license tax, or anything else to the District of Columbia. They get their automobiles licensed over in Virginia or Maryland. They pay Virginia and Maryland the property tax on their automobiles. They pay a property tax on their homes and personal property to Virginia or Maryland and they get the schooling of their children in Washington free, and this limitation will not stop a single child who is now getting such tuition in Washington, because we can not legislate here. As far as we can go in this bill is to put on a limitation and provide that in the future no new ones shall come in free. This is all the limitation does.

I ask unanimous consent, Mr. Chairman, to extend my remarks and put in a list of all the school children from Maryland and Virginia attending the schools here in order to show exactly how they fill up our Washington schools.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GAMBRILL. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. GAMBRILL. Is not the gentleman mistaken in his statement that this will not bar any children who are at the present time enrolled in the public schools? It will do that, will it not?

Mr. BLANTON. No; read the amendment. It does not bother them. We can not do that because we can not change the law in an appropriation bill. Any such provision would be subject to a point of order.

We are only trying to stop the very unjust situation here where people can live in two States—Virginia and Maryland—pay their taxes there in Virginia and Maryland, and get the schooling of their children free in the District of Columbia.

If you will turn over to the next two pages of this bill, you will see where we are spending for the next fiscal year $1,375,000 for new buildings here in Washington. Why? To help house free the school children coming here daily from Maryland and Virginia. If it were not for the 2,500 school children from the States of Maryland and Virginia, who come over here and get their schooling free every year, we would not have to spend this money and we would not have spent a tremendous sum of money for new buildings this year or during the last fiscal year.

I do not blame my friend from Maryland and I do not blame my friend from Virginia. They are representing their constituents. Walton Moore—and all of us loved him—and Charlie Linthicum—and we all loved him—and the other men from Maryland got more hand-outs here out of the Federal Treasury for their people in Maryland and Virginia in past years than has been spent in Texas out of Federal funds since it has been a State. They were continually getting hand-outs. You can not blame them. It is a part of the splendid service my friend from Maryland gives his people and that is what keeps him here. This is what sent my friend SMITH here, and this is what keeps PALMISANO here. They are always getting hand-outs.

Mr. PALMISANO. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. PALMISANO. The gentleman realizes that the Government allowed the children of Maryland and Virginia to attend the schools here because of the fact that the Federal Government buildings are on ground that belonged to Maryland and Virginia originally.

Mr. BLANTON. Let me get the gentleman away from that idea. This Government has paid dearly for that long ago.

Mr. PALMISANO. And let me say further that the parents of the children in Maryland that go to school here spend all their money in Washington.

Mr. BLANTON. But they live in Virginia or Maryland and pay their taxes in those States. They commute back home in the evening and come back here the next morning.

The following is a correct list of the nonresident school children attending the public schools of Washington, to wit:

*Statement showing nonresident pupils attending the public schools as of December 31, 1932*

| | |
|---|---|
| Abbot Vocational: | |
| Maryland | 19 |
| Virginia | 10 |
| Adams: | |
| Maryland | 3 |
| Virginia | 3 |
| Addison: | |
| Maryland | 2 |
| Virginia | 13 |
| Bates Road portables, Maryland | 4 |
| Benning, Maryland | 9 |
| Birney, Maryland | 2 |
| Blow, Maryland | 3 |
| Brookland, Maryland | 4 |
| E. V. Brown, Maryland | 58 |
| Browne Junior High, Maryland | 6 |
| Bunker Hill, Maryland | 5 |
| Burroughs, Maryland | 3 |
| Burrville, Maryland | 109 |
| Central High: | |
| Maryland | 185 |
| Virginia | 42 |
| California | 1 |
| Ohio | 1 |
| West Virginia | 1 |
| Congress Heights, Maryland | 34 |
| J. F. Cook: | |
| Maryland | 2 |
| Virginia | 1 |
| H. D. Cooke, Maryland | 1 |
| Corcoran, Virginia | 19 |
| Cranch, Maryland | 1 |
| Curtis-Hyde: | |
| Maryland | 2 |
| Virginia | 26 |
| Deal Junior High: | |
| Maryland | 58 |
| Virginia | 3 |
| Pennsylvania | 1 |
| Deanwood, Maryland | 3 |
| Dennison Vocational: | |
| Maryland | 6 |
| Virginia | 1 |
| Dunbar High: | |
| Maryland | 8 |
| Virginia | 2 |
| Eastern High: | |
| Maryland | 63 |
| Virginia | 6 |
| Eaton: | |
| Maryland | 2 |
| Virginia | 1 |
| Eckington, Maryland | 9 |
| Edmonds, Maryland | 1 |
| Eliot Junior High: | |
| Maryland | 16 |
| Virginia | 1 |
| Emery, Maryland | 15 |
| Fillmore, Maryland | 13 |
| Force: | |
| Maryland | 1 |
| Virginia | 1 |
| Gage, Maryland | 11 |
| Gales, Virginia | 1 |
| Garfield, Maryland | 5 |
| Garnet-Patterson Junior High, Maryland | 1 |
| Gordon Junior High: | |
| Maryland | 18 |
| Virginia | 125 |
| Grant: | |
| Maryland | 2 |
| Virginia | 2 |
| Hine Junior High: | |
| Maryland | 19 |
| Virginia | 2 |
| Jackson, Virginia | 14 |
| Janney, Maryland | 5 |
| Jefferson Junior High: | |
| Maryland | 2 |
| Virginia | 13 |
| Keene, Maryland | 19 |
| Kenilworth, Maryland | 37 |

| | |
|---|---|
| Key: | |
| Maryland | 1 |
| Virginia | 2 |
| Lafayette, Maryland | 3 |
| Langdon, Maryland | 3 |
| Langley Junior High: | |
| Maryland | 126 |
| Virginia | 17 |
| Langston, Virginia | 1 |
| Lenox Vocational School, Maryland | 5 |
| Lovejoy, Maryland | 1 |
| Ludlow, Maryland | 1 |
| Macfarland Junior High: | |
| Maryland | 7 |
| Virginia | 6 |
| Maine | 1 |
| Minnesota | 1 |
| New York | 1 |
| North Carolina | 1 |
| Ohio | 1 |
| South Carolina | 1 |
| Madison, Maryland | 1 |
| Mann, Maryland | 1 |
| McKinley High: | |
| Maryland | 196 |
| Virginia | 66 |
| Mississippi | 1 |
| Ohio | 1 |
| West Virginia | 1 |
| Military Road, Maryland | 22 |
| M Street Junior High: | |
| Maryland | 1 |
| Virginia | 1 |
| March, Maryland | 10 |
| Miner Teachers College: | |
| Maryland | 2 |
| Virginia | 3 |
| Orr, Maryland | 6 |
| Oyster, Maryland | 1 |
| Park View, Maryland | 1 |
| Paul Junior High: | |
| Maryland | 177 |
| Virginia | 1 |
| Peabody, Virginia | 1 |
| Pierce, Maryland | 1 |
| Polk, Maryland | 1 |
| Powell Junior High: | |
| Maryland | 7 |
| Virginia | 7 |
| Randle Highlands, Maryland | 6 |
| Reservoir, Virginia | 1 |
| Roosevelt High: | |
| Maryland | 51 |
| Virginia | 27 |
| Shaw Junior High, Maryland | 1 |
| Shepherd, Maryland | 7 |
| Stanton, Maryland | 15 |
| Stevens, Virginia | 5 |
| Stoddert, Virginia | 2 |
| Stuart Junior High: | |
| Maryland | 20 |
| Virginia | 2 |
| Takoma, Maryland | 149 |
| Taylor, Maryland | 1 |
| Thomson: | |
| Maryland | 7 |
| Virginia | 6 |
| Tyler, Maryland | 1 |
| Wallach, New York | 2 |
| Webb, Maryland | 2 |
| Weightman: | |
| Maryland | 1 |
| Virginia | 2 |
| West, Maryland | 1 |
| Western High: | |
| Maryland | 91 |
| Virginia | 102 |
| Whittier, Maryland | 1 |
| Wilson Teachers College: | |
| Maryland | 26 |
| Virginia | 7 |
| Vacation Schools: | |
| California | 2 |
| Maryland | 175 |
| Virginia | 39 |
| Night schools: | |
| Maryland | 55 |
| Virginia | 29 |
| Kansas | 2 |
| Kentucky | 1 |
| Wisconsin | 1 |
| Iowa | 1 |
| New York | 1 |
| Oregon | 1 |
| Total number of nonresident pupils in District of Columbia schools | 2,587 |

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The question was taken; and on a division (demanded by Mr. GAMBRILL) there were—ayes 11, noes 12.

Mr. GAMBRILL. Mr. Chairman, I object to the vote and make the point of no quorum.

I withdraw the point and ask for tellers, Mr. Chairman.

Tellers were refused.

Mr. GAMBRILL. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Maryland makes the point that there is no quorum present. The Chair will count.

Mr. GAMBRILL. Mr. Chairman, I withdraw the point of no quorum.

Mr. SMITH of Virginia. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 37, line 2, strike out the period, insert a comma and the following: "*Provided further*, That the children of officers and men of the United States Army and Navy and the Marine Corps and the children of other employees of the United States stationed outside of the District of Columbia shall be admitted to public schools without payment of tuition."

Mr. BLANTON. Mr. Chairman, I make the point of order against the amendment, that it is legislation on an appropriation bill not authorized by law. It is not germane to the paragraph or to the bill.

Mr. SMITH of Virginia. Mr. Chairman, I am amazed at the point of order raised by the gentleman from Texas. Mr. Chairman, the law on the subject is permanent legislation enacted by Congress in 1913.

The CHAIRMAN. Has the gentleman the citation?

Mr. SMITH of Virginia. I have not, but it was the act of March 3, 1913, which is the permanent law on the subject.

Mr. CANNON. If it is now permanent law, why offer this amendment?

Mr. SMITH of Virginia. Because you are proposing a limitation to change the law.

Mr. BLANTON. Mr. Chairman, I make the further point of order that the committee has already voted on this limitation, and the gentleman's amendment would change or set aside the action of the committee voting a limitation into the bill.

The CHAIRMAN. The Chair would overrule that point of order.

Mr. BLANTON. But the point of order that it is legislation and is not germane is good.

Mr. SMITH of Virginia. The permanent law is contained in the act of March, 1913. Since that time, from time to time the Appropriations Committee of the House has sought by limitation to restrict the permanent law on the subject. They call it a limitation, but when I seek to add something else it becomes legislation on an appropriation bill.

I do not think it makes much difference whether you call it a limitation or an exception under the Holman rule, or by any other name, but it smells like legislation on an appropriation bill, and it is legislation, in effect.

If there can be a limitation on an appropriation that children of such a class may come into the schools of Washington, it is going no farther to propose another limitation, providing that such and such children of another class may go into the schools of the District of Columbia.

I want to call the attention of the Chair to the fact that my amendment contains the identical language carried in the appropriation bill of 1933 and previous bills.

The CHAIRMAN. The Chair is prepared to rule. Title V, section 76, United States Code, that the gentleman refers to, provides that children of employees of the United States stationed outside of the District of Columbia shall be admitted to the public schools without payment of tuition.

The Chair is of the opinion, therefore, that the point of order made by the gentleman from Texas is not well taken, and therefore overrules the point of order.

Mr. SMITH of Virginia. Mr. Chairman, and gentlemen of the committee, as my friend from Texas [Mr. BLANTON] says, this is an ancient controversy. He "fit, bled, and died," so to speak, over it long before I was ever elected a Member of Congress, but it is not as old as the gentleman says, because in the law of 1913 it is specifically provided that these children from outside of the District may come in and attend the schools free of tuition. The Congress does not enact legislation without some reason behind it, and there is a reason behind this legislation. I have not the time to give you all of the reasons, but here is the potent reason. In Arlington County, just across the river, a census of Government employees was conducted about a year ago and it shows that there were approximately 2,000 of them living in that county. At 5 to a family that would mean 10,000 people who draw their living from the Government, out of a population of between 25,000 and 30,000 people. In other words, about one-third of the people of that county are making their living by working for the Government in the District. They come to Washington every day; and they draw their pay in Washington, and they spend their pay in Washington. Their money is all spent here in the business of this town, which builds up taxation that arises from business, and enables the people here to maintain these schools. In Arlington County, there is no business area, there is no business district, it is almost exclusively residential; and these folks who come from here come because they find cheaper living, perhaps better living, perhaps more hospitable surroundings, and they come into our State and merely rent a house or buy a small piece of property, and their taxes contribute very little to the conduct of the schools in Arlington County.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. Yes.

Mr. BLANTON. But these people who send their children to school here pay their taxes to Maryland and Virginia, and pay their automobile license and automobile property taxes to those States.

Mr. SMITH of Virginia. As to the automobile taxes, I am afraid that a great many of them do not do that who ought to do it. Some may and some may not. The man who owns an equity in a house over there probably pays $30 or $40 a year taxes, which would not pay for the tuition of one child. Arlington County, without any business to maintain its tax rate, has built the finest schools in the State of Virginia. That county has bonded itself to the point almost of breaking in order that these people who come out from Washington may have the very best educational facilities that could be afforded, and I am happy to advise you that right here at your door are these schools in Arlington County that are rated the very best in Virginia. Of all the schools in the State of Virginia, Arlington County schools rank the highest.

You have the Fort Myer Military Reservation there, and the children in that reservation, who do not live in the State of Virginia and whose parents do not pay any taxes in the State of Virginia, are privileged to attend the public and high schools of the county of Arlington, and I make this statement upon knowledge after having obtained the information from the superintendent of schools this morning. There is the Fort Myer Reservation there with a great many officers and men who have children who go to those schools. There is also Quantico down here in Prince William County, and then there is Fort Humphreys, and all of those Army posts.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. CANNON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. PRALL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 14643, the District of Columbia appropriation bill, and had come to no resolution thereon.

SPEAKER PRO TEMPORE FOR EVENING SESSION

The SPEAKER. The Chair appoints the gentleman from Illinois [Mr. RAINEY] to preside as Speaker pro tempore at the session to-night.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, what will be the program after the memorial services to-morrow?

The SPEAKER. The resolution provides for adjournment.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. J. Res. 194. Joint resolution conferring jurisdiction upon the Court of Claims to render findings of facts in the claim of the Mack Copper Co.; to the Committee on War Claims.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4368. An act for the relief of George W. McDonald;

H. R. 7518. An act to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916; and

H. R. 13710. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4368. An act for the relief of the widow of George W. McDonald;

H. R. 6456. An act to amend section 98 of the Judicial Code, as amended;

H. R. 7518. An act to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916; and

H. R. 13710. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

THE LATE REPRESENTATIVE GOODWIN

Mr. CHRISTGAU. Mr. Speaker, it becomes my sad and painful duty to announce to the House the death of our colleague, GODFREY G. GOODWIN, of Minnesota, who passed away early this morning at his home in this city.

I send to the desk the following resolutions and ask for their immediate consideration.

The Clerk read as follows:

House Resolution 385

*Resolved*, That the House has heard with profound sorrow of the death of the Hon. GODFREY G. GOODWIN, a Representative from the State of Minnesota.

*Resolved*, That a committee of two Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER appointed the following committee to attend the funeral: Mr. KNUTSON, Mr. JACOBSEN.

The SPEAKER. The Clerk will report the remaining resolution.

The Clerk read as follows:

*Resolved*, That as a further mark of respect, this House do now stand in recess until 8 o'clock p. m.

The resolution was agreed to.

RECESS

Accordingly (at 3 o'clock and 44 minutes p. m.) the House stood in recess until 8 o'clock p. m.

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EVENING SESSION

The recess having expired, the House was called to order at 8 o'clock p. m. by the Speaker pro tempore, Mr. RAINEY.

JOHN S. ABBOTT

The SPEAKER pro tempore. The House is in session this evening to consider bills on the Private Calendar, commencing where the call last left off.

The Clerk will call the first bill.

The Clerk called the first bill on the Private Calendar, H. R. 1617, for the relief of John S. Abbott.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. WOODRUFF. Will the gentleman reserve his objection?

Mr. EATON of Colorado. I will be very glad to reserve the objection.

Mr. WOODRUFF. Mr. Speaker, I have discussed this bill with the gentleman who reserves objection, and I believe the objection of the gentleman is based upon the theory that in the Spanish-American War volunteer regiments employed civilian cooks, and the gentleman is under the impression that this particular individual who is proposed to be relieved by this bill acted in that capacity in his company. I would like to review the circumstances as they were.

This man, John S. Abbott, was a member of the Muskegon Company of the Michigan National Guard at the outbreak of the Spanish-American War. He went to Island Lake with his company, along with other members of the guard. He was examined by the examining surgeon and rejected for further service because of the fact he had what is known as "hammer toes." I know something about that particular disability, because it was the thing that almost kept me out of the Spanish-American War with the Thirty-third Michigan Regiment.

He discussed the matter with the surgeon and asked if he could have an operation and by that means qualify for service during the war. The surgeon told him he could. He went to Ann Arbor, to the University of Michigan, and had that operation performed, and later joined his company. When the company left Michigan it was decided by the surgeon that he was not yet in a condition to give satisfactory service because of the condition of his feet. Notwithstanding the fact he was rejected by the surgeon, he went with his company wherever it went. He was taken to Cuba as a private, notwithstanding the fact that he was not on the pay roll and was not being paid. There is an affidavit in the report from the captain of the company, who now lives in Ohio, and probably has not seen this man for years, who stated, among other things—

That Jack S. Abbott, of Muskegon, Mich., was a member of Company C, Fifth Infantry Michigan National Guard, and on April 26, 1898, went with his company to Island Lake, Mich., and there volunteered with his company for service in Cuba.

That he took part with his company in all actions and movements before Santiago, and under fire, and made several trips to Siboney and later to Santiago for medicines and food supplies for the company.

That from the time he left the home station until the time he returned to it he performed the same kind and quantity of service as any member of the company and conducted himself in the same manner that he would have had he been mustered into the service of the United States.

Now it is disclosed by the Adjutant General's Department that this man reported at the hospital at different times with disabilities and was treated at the hospital for those disabilities. He is recorded in the medical records of the Adjutant General's Department as a private of Company C, Thirty-fourth Michigan Volunteer Infantry.

We have affidavits from members of his company. We have one from Charles E. Greene, who was a private in the company, and who testified that this man performed all the duties of a soldier while with the company all during its service in the Spanish-American War.

We have an affidavit from Edward F. Plunkett, another private of the company, and he said this man performed all the duties of a soldier, including guard duty. I want to remark, Mr. Speaker, that in a Michigan regiment no man could possibly perform guard duty if he were recognized as a civilian by the company.

We have another affidavit from John Stoppels, and still another from Clinton E. Brown, both of whom testify to the fact that this man was recognized as a private in the company and performed all the duties of a soldier while with that company.

I want to say, Mr. Speaker, that any man who, through a desire to serve his country, is willing to do what this man did, is entitled to the recognition that this bill seeks to give him, and I am sure the gentleman from Colorado [Mr. EATON] is not going to object to the bill.

Mr. EATON of Colorado. Mr. Speaker, from the record of the War Department and from the statement of Mr. Frank C. Whitney, who was captain of that Michigan company, it appears that John S. Abbott was probably one of the best camp followers that ever went along with a company. If he had just attended to the little detail of being physically fit to go with them, and had gotten himself enlisted, there would be no question. All of his service is honorable. All of his conduct is good. According to the reports, he was taken care of as if he belonged, but he knew and they knew that he did not belong, and the War Department has no record of his enlistment. As far as I can find out—and I have made rather extensive inquiries—at no time has this Congress or the War Department recognized as a person entitled to any pension benefits one who had not taken the oath to uphold the Constitution and laws of the United States and had himself sworn in as a soldier.

I do not want to be in the position of objecting in such way as to cast any discredit on this man or his service to his country. It was most creditable, but I do not find any precedent; and I am not here to establish a precedent of granting a pension or putting a man in a pensionable status who did not in fact belong to either the Army or the Navy Department of the United States.

Mr. WOODRUFF. Will the gentleman reserve further his objection?

Mr. EATON of Colorado. I will.

Mr. WOODRUFF. The gentleman has stated that this man neglected a very important detail, and that was to become regularly enrolled as a member of the company. This man neglected no detail. When he discovered that he was supposed to be physically unfit for service, he did a thing that few men did in order to serve; he went to the University Hospital at Ann Arbor, Mich., and there had an operation performed to correct the deformity on his toes.

The fact that he was in good condition notwithstanding the decision of the Surgeon General who again examined him——

Mr. EATON of Colorado. And again rejected him for bad eyesight.

Mr. WOODRUFF. But notwithstanding that rejection he demonstrated by actual service on his part that he was fit for service, as his record states, as sworn to by the captain of his company and certain of his colleagues; and I do not believe the gentleman from Colorado is going to stand

against a man who did all this man did in order to patriotically serve his country.

Mr. RAMSPECK. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is, is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

JOHN G. DWYER

The Clerk called the next bill, H. R. 2246, a bill for the relief of John G. Dwyer.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call attention to the report from the War Department on this case; and I quote from it as follows:

Lieutenant Dwyer was specifically charged with failure to examine and administer treatment to an enlisted man who was properly reported on sick report by his company commander. The Judge Advocate General, after a careful review of the case, stated that the guilt of the accused was established beyond all doubt, and that the sentence imposed was authorized by law. He recommended that the sentence of dismissal be confirmed. The Secretary of War (Mr. Baker), in forwarding the case to the President for action, recommended that the sentence imposed by the court be confirmed. The Secretary of War and the Judge Advocate General considered the sentence inadequate, in view of the grave dereliction of duty which the testimony showed the accused to be guilty of, but recommended that the sentence be confirmed so that the accused might not wholly escape punishment.

Here is what the President, Woodrow Wilson, had to say:

In the foregoing case of First. Lieut. John G. Dwyer, Medical Officers' Reserve Corps, the sentence of dismissal imposed by the general court-martial is hereby confirmed and will be carried into execution.

Signed, Woodrow Wilson.

Here is the further report of the Secretary of War:

After a careful review of the case I can find no mitigating circumstances that would warrant a reversal by special legislation of the action already taken, as a result of which the beneficiary was separated from the military service. Accordingly I recommend that H. R. 4067 be not favorably considered by your committee and be not enacted into law.

Under those conditions, Mr. Speaker, however much I regret having to do so, I must object.

Mr. HALL of Illinois. Mr. Speaker, will the gentleman reserve his objection?

Mr. BLANTON. Certainly, if the gentleman desires to make a statement.

Mr. HALL of Illinois. Mr. Speaker, I would like to make a statement in regard to this case.

In October, 191—, this man, Dr. John Dwyer, was in charge of a hospital unit at Camp Funston, Kans. There were 4,000 raw troops there with a sick call of about 1,200 a day. Dr. John Dwyer and two assistants had to examine them for what they thought was the matter with them. They would pass before Doctor Dwyer and if he thought there was anything the matter with them he would pass them on to these two assistants of his to make an examination and report.

The man in question who said he was sick was sent to these other doctors, who examined him and found there was not much the matter with him. It was at a time when the "flu" was beginning to get epidemic and they had not yet discovered the virulent form of it.

Mr. BACHMANN. Mr. Speaker, will the gentleman yield?

Mr. HALL of Illinois. I yield.

Mr. BACHMANN. Was that information before The Adjutant General, the Secretary of War, and the President of the United States?

Mr. BLANTON. Why certainly they knew all about it. They knew better about it than the gentleman from Illinois.

Mr. HALL of Illinois. No; they did not know better about it than I do. I did not know about all the facts until they were brought out before the Committee on Military Affairs.

Mr. BLANTON. May I ask the gentleman a question?

Mr. HALL of Illinois. Yes.

Mr. BLANTON. It was the duty of this doctor to treat the privates under him, was it not?

Mr. HALL of Illinois. Yes; in so far as it was humanly possible for him to treat them, and he did follow the proper method of taking care of them.

Mr. BLANTON. The officer who investigated the case backed up by The Adjutant General and the Secretary of War, and backed up by the President of the United States, Woodrow Wilson, said it was a case of gross negligence; and they would not have so held had there been no cause.

Mr. BACHMANN. Mr. Speaker, will the gentleman yield?

Mr. HALL of Illinois. I yield.

Mr. BACHMANN. I am sympathetic about this case, but I can not see the slightest loophole through which we can relieve this man.

Mr. BLANTON. I am going to object to it, in any event.

Mr. RAMSPECK. Mr. Speaker, I demand the regular order.

Mr. BLANTON. Mr. Speaker, I object.

JOHN S. STOTTS

The Clerk called the next bill, H. R. 2803, for the relief of John S. Stotts, deceased.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John S. Stotts, deceased, late of Company E, One hundred and twenty-second Regiment Ohio Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of said company and regiment on the 26th day of June, 1865: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 10, after the date "1865," insert the following: "Notwithstanding any provisions to the contrary in the act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

LEONARD THEODORE BOICE

The Clerk called the next bill, H. R. 3459, for the relief of Leonard Theodore Boice.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. COCHRAN of Missouri. Mr. Speaker, I am compelled to object to the bill.

Mr. FULMER. Mr. Speaker, will the gentleman reserve his objection?

Mr. COCHRAN of Missouri. In order for the gentleman to express his views; yes.

Mr. FULMER. This is the case of Leonard Theodore Boice. Mr. Boice was a very intelligent man, a man who held prominent positions up until he entered the service. He was appointed second lieutenant, but because of a weakness for whisky he was asked by his captain to resign for the good of the service, and his resignation was accepted.

Later he died and left a wife and a child of 10.

Up to the time of his resignation he had never committed any crime, he had never been court-martialed; he had a perfectly good record except a weakness for drink. He had about $350 adjusted-compensation money. His record now shows that the resignation was accepted and left him without an honorable or dishonorable discharge.

Mr. COCHRAN of Missouri. I know all about the case; I have read it very carefully.

This case comes within the class where a man left the service during the period of the war. He left the service in August, 1918, when his organization was leaving for France. Some other mother's boy went in his place, and we do not know whether that other mother's boy ever returned.

Here is a man that was intoxicated time after time. He was a lieutenant. If he had been a private, he would have been sent to the penitentiary.

I have objected to bills of this character. I do not think the committee should report bills where the men violated their oath during the period of the war. If this had occurred after November 11, 1918, I would shake hands with the gentleman and say, "Give him everything you can give him." But this man, on August 10, 1918, resigned when his regiment was going abroad. The resignation was sent di-

rect and not through the corps commander. He was ordered out because he was continually drunk.

I can not let bills of this character pass and retain my self-respect, and I must object, Mr. Speaker.

HARRY C. ANDERSON

The Clerk called the next bill, H. R. 4395, for the relief of Harry C. Anderson.

Mr. EATON of Colorado. Mr. Speaker, I object to the consideration of this bill.

BERYL M. M'HAM

The Clerk called the next bill, H. R. 10070, for the relief of Beryl M. McHam.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. McKEOWN. Will the gentleman withhold his objection in this case?

Mr. EATON of Colorado. I withhold the objection.

Mr. McKEOWN. Let me state to the gentleman that this is the most appealing case that has ever come before the Military Affairs Committee. It is the only case on record in this country where the American Legion has passed resolutions asking for an honorable discharge.

The testimony in this case shows that this man volunteered in March, 1917; that in June he was transported to France, and he went into action with the Twenty-sixth Division. He fought for 72 days in the front-line trenches without any relief. He then had a few days' relief. He fought with the younger Colonel Roosevelt and was one of 15 men who came back out of a company of 250 men that went into action.

Mr. FITZPATRICK. If the gentleman will permit, I may say that this man received a citation for bravery. The committee went into this case very carefully. The man to-day is a mental and physical wreck. His war record is wonderful. There is no question about that.

Mr. BLANTON. Will the gentleman yield?

Mr. EATON of Colorado. I yield.

Mr. BLANTON. The gentleman will remember that in this case this man went through every single engagement on the various fronts in France—all of them—he was kept in the army of occupation after the war closed, and, in 1919 because he had some fist fights, he was tried and given a heavy sentence. Any man who serves in the Army is liable to have a fist fight once in a while. I think it is rather to his credit that once in a while he has one. If he is the kind of man we want in the Army, he is the kind of man who will fight when he is insulted. After we entered the war a fine young railroad employee of the Texas & Pacific Railway Co. went from Big Spring, Tex., down to the training camp at San Antonio and he succeeded in getting his commission. He went across and became a captain, and one day a colonel insulted him in Paris, and just as soon as the war was over he whipped that colonel and he was tried and kicked out of the Army; and it took Senator SHEPPARD and myself months to get this man reinstated. I think one of the best things he has on his record is whipping this colonel. [Laughter.]

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SCHAFER. The gentleman will find a number of good records like that where buck privates have whipped shave-tail lieutenants after the war, and they ought to be given a medal for doing it.

Mr. BLANTON. And this was a railroad man.

Mr. SWANK. Will the gentleman yield?

Mr. EATON of Colorado. Yes.

Mr. SWANK. I happen to know this boy. He lives in the district represented by my colleague from Oklahoma [Mr. McKEOWN]. He is just a poor, old, working boy. He went over as a volunteer with the First Division. I know his reputation and I know he is a good man; and, as the gentleman from Oklahoma [Mr. McKEOWN] has said, this is a worthy bill.

Mr. EATON of Colorado. Mr. Speaker, notwithstanding this man was tried by court-martial and given a dishonorable discharge, the report of the Secretary of War includes the following distinguished-service record of Beryl M. McHam during the World War:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
*March 12, 1932.*

The records show that Beryl M. McHam enlisted March 28, 1917, at Fort Sam Houston, Tex., and was assigned to Company A, Nineteenth Infantry; was transferred to Company C, Twenty-sixth Infantry; and left the United States for foreign service June 14, 1917. He served in the Sommerville sector from October 21 to November 20, 1917; in the Ansauville sector from January 15 to April 3, 1918; in the Cantigny sector from April 25 to June 8, 1918, and from June 14 to July 7, 1918; and in the Saizerais sector from August 14 to 24, 1918. He participated in the Montdidier-Noyon defensive from June 9 to 13, 1918; in the Aisne-Marne offensive from July 18 to 21, 1918; in the St. Mihiel offensive from October 1 to 12, 1918; was gassed in action July 21, 1918, for which he was treated at base hospital No. 20 from July 21 to August 14, 1918.

I therefore withdraw the objection.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I do not wish to disparage in any particular the wonderful record of this young man, but I wish to inquire of the gentleman who reported the bill as to the reasons why, in reporting it, it did not contain the saving clause that no compensation or pension should be held to have accrued prior to the enactment of the act?

Mr. FITZPATRICK. Because this man is a physical and mental wreck, all caused by having been in the war. There is not any question about it. It is a pitiable case, and if ever a man deserved compensation, this man did.

Mr. STAFFORD. Leaving out the sob part, because I know all about that part of it, and I know he had a very creditable record, I am inquiring why in this instance the committee did not recommend the saving clause that no pension, bounty, or compensation shall be allowed prior to the passage of the act?

Mr. FITZPATRICK. Because we think this man is entitled to that.

Mr. STAFFORD. It has been the general policy to incorporate such a proviso.

Mr. McKEOWN. That is the very thing we do not want in this bill.

Mr. STAFFORD. If such a saving clause were incorporated in the bill, what privilege would be denied this man?

Mr. McKEOWN. He would be denied his little $60 bonus.

Mr. BLANTON. The saving clause in this case would not save him.

Mr. McKEOWN. No; it would ruin him; and that question was presented to the committee.

Mr. FITZPATRICK. This is a very pitiable case.

Mr. STAFFORD. That is the third time the gentleman has said that, and if the gentleman says it a half dozen times more I shall begin to doubt it.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Beryl M. McHam, who served in Company C, Twenty-sixth Regiment, and Company C, Eighth Regiment, United States Infantry, World War, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on the 7th day of July, 1920.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DAN I. SULTAN

The Clerk read the next resolution on the Private Calendar, House Joint Resolution 223, granting permission to Lieut. Col. Dan I. Sultan, Corps of Engineers, United States Army, to accept decorations and medals bestowed upon him by the Government of the Republic of Nicaragua.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, there are several bills of this character on the calendar. Personally I am not much in sympathy with the idea of having medals and decorations bestowed by foreign governments on civilians or military officers of our Government doing civilian work.

This man was engaged in work for the United States Government, making a survey of the Nicaraguan Canal. He did his duty. Why should we allow him to receive decorations from the Nicaraguan Government for services to them? I do not like the idea. I have objected to omnibus bills carrying decorations to large numbers. But I am fundamentally opposed to allowing Army officers to receive foreign decorations from other governments.

Mr. MARTIN of Oregon. This man did a great service during the earthquake, and I think we ought to be pleased and gratified that they want to confer these decorations upon him, showing the friendly relations between the Republics.

Mr. STAFFORD. The gentleman is aware that we have had some trouble by reason of Sandino objecting to the entrance by the United States into their affairs. The War Department recommends that this matter be deferred, and I object.

LESLIE R. GROVES

The Clerk read the next resolution on the Private Calendar, House Joint Resolution 244, granting permission to First Lieut. Leslie R. Groves, jr., Corps of Engineers, United States Army, to accept certain medals bestowed upon him by the Government of the Republic of Nicaragua.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, this is a similar case to the one we have just discussed, only relating to another officer. I object, for the reasons stated.

PAUL R. HAWLEY

The Clerk read the next resolution on the Private Calendar, House Joint Resolution 225, granting permission to Paul R. Hawley, major, Medical Corps, United States Army, to accept certain medals bestowed upon him by the Government of the Republic of Nicaragua.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, the War Department asks that this matter be deferred for the reasons I have already stated. I object.

Mr. HESS. Will the gentleman withhold his objection?

Mr. STAFFORD. I will.

Mr. HESS. I understand that this doctor was the sole medical man left after the earthquake of Nicaragua. He did splendid work for Nicaragua, and for that reason the Government wishes to bestow upon him this medal.

Mr. STAFFORD. I am not in sympathy with the policy of allowing American officials to receive decorations from foreign governments, therefore, I object.

TO AID THE GRAND ARMY OF THE REPUBLIC IN ITS MEMORIAL DAY SERVICES, MAY 30, 1932

The Clerk read the next bill on the Private Calendar, S. 4235, to aid the Grand Army of the Republic in its Memorial Day services, May 30, 1932.

The SPEAKER. Is there objection?

Mr. McSWAIN. Mr. Speaker, I reserve the right to object for the purpose of making a statement. I desire to say that it would be utterly futile to enact this bill, for the reason that the time fixed has long since passed. I was opposed to reporting it, but was outvoted in the committee. It is untimely, it seems to me, to grant financial assistance for a celebration observed by the Government in days past. I, therefore, move to lay this bill on the table.

The motion was agreed to.

IRVING LINDSAY LEAFE

The next business on the Private Calendar was the bill (H. R. 817) for the relief of Irving Lindsay Leafe.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. I object.

CHARLES J. EISENHAUER

The next business on the Private Calendar was the bill (H. R. 919) for the relief of Charles J. Eisenhauer.

The SPEAKER pro tempore. Is there objection?

Mr. HANCOCK of New York. Mr. Speaker, I object.

Mr. BLACK. Mr. Speaker, will the gentleman withhold his objection?

Mr. HANCOCK of New York. Yes.

Mr. BLANTON. Mr. Speaker, will the gentleman allow me to ask the gentleman from New York who reported this bill a question? In case this bill should pass, the gentleman would protect the House in the closing hours of Congress in keeping the amount down to $2,500 and not allow it to be increased to the amount claimed in the bill?

Mr. BLACK. Yes. I think, in view of the question of policy, that ought to be done anyway.

Mr. BLANTON. And the gentleman would not object to the usual clause that it is in full settlement of all claims against the United States?

Mr. BLACK. No.

Mr. BLANTON. And also the clause limiting any attorney fees to the usual 10 per cent?

Mr. BLACK. That also.

Mr. BLANTON. With such understanding I shall not object.

Mr. HANCOCK of New York. I did not hear all of the colloquy that occurred, Mr. Speaker.

Mr. BLANTON. It is only that the gentleman would protect the House in keeping this amount down to 50 per cent of the amount of the claim, and would permit the usual clause to be inserted that it is in full settlement of all claims against the United States Government, and also the usual 10 per cent attorney-fee clause.

Mr. HANCOCK of New York. Under my reservation of objection I call the attention of the chairman of the Claims Committee to the fact that although it appears from the report accompanying the bill that there has been some report from the Navy Department, it is not included in the report we have to-night.

Mr. BLACK. I have the department's letter, but it was so long that it would take too much printing. I might say, however, that the Navy Department recommends against the payment of the claim.

Mr. HANCOCK of New York. The Membership of the House has no means of knowing what questions are involved from the Government standpoint, unless the report of the department interested is made a part of the committee report. I have a further objection that I must insist upon, and unless the gentleman will agree to it I shall object. It appears from the little we have of the Navy Department report that the injuries sustained by this man were entirely superficial. The examination made by the Navy physician a few weeks after the accident occurred shows that the man had a healed lacerated wound on his arm, a healed wound on his shoulder, a healed wound on his hip, and a healed abrasion on his abdomen. Those are simple bruises and cuts and scratches. Two thousand five hundred dollars as an award for such injuries is entirely out of proportion; and unless the gentleman is willing to accept an amendment reducing the amount to $1,000, I shall be compelled to object.

Mr. BLACK. It is probably unfortunate, Mr. Speaker, from the point of view of the claimant, that the report of the Navy Department is not printed in full. The report shows that while the first medical report gave the probable duration of the disability as two months, it appears from the second medical report that there is evidence of some permanent injury, as the claimant in 1928, nine years after the first examination, did not have the full use of his right arm.

Mr. HANCOCK of New York. Of course, when a bill comes up in 1933 for an injury occurring in 1919, one wonders at the delay.

Mr. BLACK. The delay was entirely due to the fault of the objectors in Congress heretofore, and I trust it will not continue.

Mr. STAFFORD. O Mr. Speaker, I am not going to allow that omnibus slight to be cast against the men here who do their duty. With the multiplicity of claim bills that have been reported in this session and the last session, I am begin-

ning to believe that there is some method in scurrying up hoary old claims that have never before been presented. This bill has never been presented before.

Mr. BLACK. Oh, yes; it has.

Mr. STAFFORD. There are so many of these hoary stale claims, it makes one think that some ambulance chaser, especially in the city of New York, or some claim agent is going around, hunting around for these old claims that occurred 15 to 20 years ago and unearthing them for the first time.

Mr. BLACK. Oh, the gentleman from Wisconsin is entirely too excited.

Mr. BLANTON. Does not the gentleman from Wisconsin think he is unfair and unjust to our friend from New York?

Mr. STAFFORD. Oh, I am going to pay him a high compliment on some other occasion.

Mr. BLANTON. To leave that in the RECORD does not do justice to his character and the hard work that our friend does as chairman of this committee.

Mr. BLACK. The only difficulty with the statement is that those who read the RECORD do not hear the gentleman make the statement.

Mr. BLANTON. Somebody reading this cold RECORD in the morning would take it from the gentleman's remarks that my friend from New York is connected with these ambulance chasers.

Mr. STAFFORD. Oh, no; that is the farthest from my thought. The gentleman from New York knows I have great admiration for him.

Mr. BLACK. I am sure the gentleman from Wisconsin did not intend to make such a suggestion as the gentleman from Texas [Mr. BLANTON] believes somebody might think from reading the RECORD; but if there is any unusual activity concerning claims from New York it is because New York City, for the time being, happens to have the chairmanship of the Claims Committee, and he is going to look after his own when he can.

Mr. STAFFORD. That is the fundamental rule of Democracy that rules that city.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLACK. I yield.

Mr. SCHAFER. It is only fair to state why we have so many claims on the calendar at this session. It is because the members of the Claims Committee have been working day and night. They have been considering bills which have been introduced session after session and which could not be reached. There have been thousands of bills before that committee year after year that have not been considered. Because we have such a great quantity of bills reported from the committee, it is no indication that these claims are presented by ambulance chasers.

Mr. HANCOCK of New York. I shall object unless the gentleman agrees to accept an amendment reducing the amount from $2,500 to $1,000, and a further amendment reciting that this settlement shall be in full for all claims against the Government, and a further amendment which will contain the usual attorney's fee clause. If the gentleman will accept those amendments, I will have no objection. If he will not accept them, then I object.

Mr. BLACK. I think the gentleman is asking too much when he is asking to cut this to $1,000. I am willing to cut it to $2,000. I have seen this claim year in and year out since I have been a member of this committee.

Mr. HANCOCK of New York. There is no evidence in this report which justifies any substantial award. The report shows, such of it as we are permitted to read, that there were some abrasions and contusions, but no permanent or serious injuries. To my mind, a thousand dollars is an adequate award, and unless the gentleman from New York will accept that amount, I feel constrained to object.

Mr. BLACK. The gentleman realizes I am up against a pretty difficult proposition when he takes the arbitrary position that I must accept his figure or he will object.

Mr. HANCOCK of New York. Whatever we award this man is a pure gratuity, a pure gift. There is no liability whatever on the part of the Federal Government.

Mr. BLACK. I admit there is a question as to liability. I do not think there is any question of damages if we admit liability, but in view of the fact that there is a question of liability, I am willing to compromise on this if I can. The claim was originally for $5,000. I think the gentleman has accomplished a great deal if he allows this claim to be settled for $1,500.

Mr. HANCOCK of New York. I must insist on my reservation of the right to object.

Mr. BLACK. Mr. Speaker, I will accept the $1,000.

Mr. SCHAFER. Mr. Speaker, I object to the consideration of the bill by this auction-block system.

ROGER P. AMES

The Clerk called the next bill, S. 1975, to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act.

The SPEAKER pro tempore. Is there objection?

Mr. HANCOCK of New York. Mr. Speaker, I object.

Mr. BUCHANAN. Will the gentleman reserve his objection?

Mr. HANCOCK of New York. I reserve the right to object.

Mr. BUCHANAN. I am afraid the gentleman has not had access to the data that really entitles Doctor Ames to be upon the roll of honor.

Mr. HANCOCK of New York. The only information I have is what is contained in the report.

Mr. BUCHANAN. Well, that is very meager. I have unquestioned evidence before me that Doctor Ames was associated with Major Reed, in constant correspondence with him, and all the experimental cases were put under Doctor Ames's direct control. He personally attended them. He kept the entire history; he made all the notes and transmitted those notes to Doctor Reed, and Doctor Reed wrote up the notes and the experiments for the world, announcing this great experiment. As a matter of fact, Doctor Ames did more work and took more risk—and contracted yellow fever in doing so—than any other man connected with that board.

Mr. HANCOCK of New York. I have no doubt that Doctor Ames was a most capable doctor and a very heroic man and that he rendered distinguished service, but the act of February 28, 1929, was for the purpose of giving recognition to Dr. Walter Reed and his associates, who voluntarily submitted themselves to inoculation from yellow fever, so that science could test the means of infection and the means of transmission of that horrible disease. Many of those men died; all of them were made miserably sick. Doctor Ames may have been willing to assume this great risk, but he did not do it.

It further appears from the report that he was given adequate recognition—perhaps not adequate, but at least recognition—when he was commissioned a captain in the Regular Army. I think it cheapens the reward given to those who did this heroic service beyond the call of duty by including in it some one who did not perform the same service, and I must object.

Mr. BUCHANAN. My colleague certainly must misunderstand the facts. Nobody submitted themselves to the test of being infected except volunteer or private citizens, who were paid to do it. The board did not subject themselves to the test. None of the Army officers subjected themselves to the test.

Mr. HANCOCK of New York. Those mentioned in the act that is sought to be amended submitted themselves to the infection.

Mr. BUCHANAN. No; two classes submitted themselves to the test. The first class never submitted themselves to the test at all. None of the Army officers in the board submitted themselves to the test.

Mr. HANCOCK of New York. Then the information contained in the report of the War Department is not correct.

Mr. BUCHANAN. In substance, this is the information from the War Department: The War Department recognized

three classes to be enrolled on this honor roll. The scientific board which did the laboratory work and wrote the papers was the first class. None of them submitted themselves to the test. Second, those who were infected voluntarily by the yellow-fever mosquito; third, those who were infected voluntarily by blood infusion. These are the three classes. I am only seeking to put Doctor Ames among that scientific class on that medical board, where he deserves recognition.

I want my colleague to remember this: He was put in immediate charge of these yellow-fever patients. He came in daily contact with them month in and month out. He made all the observations, wrote their history, and sent it to Major Reed, who wrote up the papers for the public. As a result, he actually contracted yellow fever in those barracks and was treated for yellow fever at the same barracks where he was in charge of the yellow-fever patients.

Another thing to bear in mind is that not a single one of these infected patients lost his life. My colleague is mistaken there. Major Reed wrote Doctor Ames a letter telling him it was a feather in his cap that he never lost a single patient, whereas the average loss in other yellow-fever cases was 25 per cent.

This does not cost the Government anything except the price of a little medal; that is all; no pension is involved.

Mr. HANCOCK of New York. The War Department points out in its report that we have had many heroic doctors and many heroic nurses, and many heroic enlisted men in the Hospital Corps who have served in yellow-fever-infested camps and in yellow-fever hospitals. Many of them have contracted this horrible disease. Doctor Ames is among them. He undoubtedly rendered splendid service, but he rendered no extraordinary service such as these other men did who are recognized by the act of February 28, 1929. The last sentence of the report from The Adjutant General is:

> Nothing has been found of record in this office to show that Roger P. Ames took part in or submitted himself in any manner to the experiments conducted by the yellow-fever board.

Mr. Chairman, I object.

ABRAM L. GERSON

The Clerk called the next bill, H. R. 4109, for the relief of Abram L. Gerson (Abe A. Gerson).

Mr. EATON of Colorado. Mr. Speaker, I object to the present consideration of this bill.

Mr. BLANTON. Let the lady's bill go through.

Mr. EATON of Colorado. I can not. I object.

Mrs. KAHN. Mr. Speaker, a number of my colleagues have asked me to ask the Speaker to suspend the rules and allow the gentlemen on the floor of the House to-night to smoke. I am very glad to do this for my colleagues, particularly in view of the courteous treatment I have always received at their hands.

Mr. BLANTON. Mr. Speaker, before the gentlewoman's request is put I ask unanimous consent to proceed for five minutes out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I have been downcast and sick at heart to-day. I believe that a large majority of the mothers and fathers of America to-night are downcast and sick at heart. At a time when at least 12,000,000 men are without jobs, whose families, wives, and little children are undernourished, hungry, and some sick, without means of obtaining food and clothing and shelter, beer seems to be the uppermost topic just now in Washington. At a time when great calamities have been coming over the country, with all the banks of a great State closed up and finances trembling, when a cowardly anarchist last night murderously attempted to take the life of the President elect of this Nation, when the mayor of a great city was stricken by an assassin's bullet, when innocent women and children were ruthlessly shot down by a damnable public enemy, at a time when one of our colleagues, sick and overwhelmed by misfortune, this morning falls out of a fifth-story window and is killed, the Congress of the Nation is engaged in plans to bring back intoxicating liquor and saloons upon the people; at such a moment I am afraid my great Democratic Party is selling its birthright for a mess of pottage.

I want to hold out a word of encouragement to the fathers and mothers of the United States to-night: It is a long way from a mere Senate vote to repeal of the eighteenth amendment and to the return of the saloon; it is a long, long way. We will once more take up this fight, where we left off when the eighteenth amendment was passed. They shall not pass.

I want to say to the great majority leader who now presides over this House to-night as Speaker and to our caucus chairman that I hope they will not do as the press says they are going to do—ever call a Democratic caucus to bind Democrats to vote on a question of principle. [Applause.] For on a question of principle no Democratic caucus can bind Democrats.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. No; I am sorry. I regret my time is too limited. It is a question of principle as to whether or not the Congress of the United States will ever afflict this Nation again with the open saloon. Fortunately, thank God, in the Democratic Party there is no caucus that can bind a man to violate his conscience on a question of principle or to violate a pledge he has made to his constituents.

Mr. COLE of Iowa. How about the Democratic platform?

Mr. BLANTON. The Democratic platform was made at Chicago by delegates who did not carry out the will of the constituents who elected them and gave them power. The great State of Texas in its convention elected its delegates and instructed them to go to Chicago and vote against repeal and vote against beer and vote against saloons; yet every last one of them violated their instructions. I want to say that a platform promulgated in that kind of convention, held by traitorous delegates who violated the will and instruction of the people back home never binds any Democrat in a Congress or legislature.

I am a loyal Democrat. I believe in my party and its principles and traditions. Hitherto it has stood for the best interests of the people. It has not chased off after any unworthy phantoms. Its objects heretofore have always been worthy. Up to this time no Democrat has had to apologize for carrying its banner. No past achievement has ever brought embarrassment or the blush of shame to any Democrat. But what has happened to-day makes us pause and wonder whither are we drifting.

I know that this speech and my vote Monday will take from me my office. I know that it will bring upon me renewed attacks from a subsidized wet press. I know that to be wet just now brings great political popularity. But I will still have left my own self-respect.

I remember a great feast, the feast of Belshazzar. When there was wine flowing and mirth and laughter, not happiness but mirth and laughter was at its height, there appeared on the wall the words, "Mene, mene, tekel upharsin"—"thou hast been weighed in the balance and found wanting."

Mr. O'CONNOR. Mr. Speaker, I make the point of order that in the conduct of affairs of the House of Representatives of the United States all discussion must be conducted in the English language.

The SPEAKER pro tempore. Perhaps the gentleman will translate that.

Mr. BLANTON. I have translated it for the benefit of all wets. I hope the Chair will not take these facetious obstructive points of order out of the little time I have.

The SPEAKER pro tempore. I will not.

Mr. BLANTON. Attending a dinner engagement last night forced me to sit in my office until 1.30 o'clock this morning working on this calendar. Has anybody else done that? I do that kind of work on every calendar coming up here. Do you not think I have the right to speak in this forum without facetious interruptions of this character?

I want to say this to the serious-minded people of this Nation, who love their children better than anything else in the world. I remember that in the history of all peoples

there were two cities that became so immoral and corrupt and which so wantonly violated the laws of the country that God Almighty destroyed them—Sodom and Gomorrah. If we do not watch out, this great Government will merit a like punishment. If we do not watch out there will appear on our banquet wall, "Mene, mene tekel upharsin," which is known to all posted men to mean, "Thou art weighed in the balances and art found wanting."

Mr. SCHAFER. I ask unanimous consent to address the House for five minutes.

The SPEAKER pro tempore. Is there objection?

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, and I am not going to object, but I will object to any other discussion out of order.

There was no objection.

Mr. SCHAFER. Mr. Speaker, I agree with the gentleman that we are here to consider the Private Calendar, but I do not think it is fair to discuss one side of a great public question without discussing the other side.

I sincerely hope that the Democratic Speaker of this House will recognize a Member of this body to offer a motion to suspend the rules and pass the eighteenth amendment repeal resolution passed by the Senate and carry out the platform pledges of both great parties.

The gentleman from Texas [Mr. BLANTON] apparently believes that platforms are only made to run on and forget all about after the election. There is not much difference between the Republican eighteenth amendment repeal platform plank and the resolution in the form that it passed the Senate, except that the Republican platform plank had a great picture painted as to some of the wonderful prosperity we had in some instances under the eighteenth amendment. It wore a dress that scared a great many people away from it. It is not necessary to call a caucus of the Democratic brethren in order to pass the repeal resolution.

All you have to do is to convert six of the many live-duck Democrats who voted against repeal on the first day of this session.

I was over in another body the other day, listening to a distinguished Democratic leader from one of the Southern States, eloquently pleading for the immediate submission of a naked repeal resolution, and it was rather strange to me, because such a repeal resolution, on the first day of this session, was defeated by only six votes, and seven Democratic Members of this House from the State of this distinguished leader who are members of his own party from the State of Arkansas, lined up and voted against it. They were not lame-duck Congressmen, but reelected on a wet platform.

So you do not have to call a caucus. All you have to do is to have that great Democratic leader who made this fight yesterday and to-day in favor of submission, convert six of the seven Members of this body from his State and then we will have sufficient votes to speed this question on to the people's conventions as promised by both major parties.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SCHAFER. I yield.

Mr. O'CONNOR. For 10 years we have been trying to convert some of the Members from Wisconsin, who still remain dry in spite of that great industry in Milwaukee and throughout the gentleman's State. [Laughter.]

Mr. SCHAFER. I can not convert any of the Members from Wisconsin any more than the gentleman from New York can convert the gentleman from Texas whom he sits beside at this moment. [Laughter.]

Mr. BLACK. Will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. BLACK. I was going to ask the gentleman how he could take care of Arkansas if the gentleman can not take care of Wisconsin.

Mr. SCHAFER. I am not trying to take care of Arkansas, and I do not profess to be a great leader of a great party in a legislative body and wax eloquent about principle and then admit that I can not even convert one of my own delegation of seven to carry out this principle and carry out the platform pledges of my party.

It would be a rather strange condition if the Democratic brethren who call a caucus such as they called with reference to imports from depreciated-currency countries, and bind their members, and then when his name is called have the gentleman from Texas [Mr. BLANTON] rise and vote "aye" on submitting a naked eighteenth amendment repeal resolution.

Mr. BLANTON. But he would not do it, I will tell the gentleman that now. And our Democratic caucus will not attempt to so bind me. I am under pledge to my 350,000 constituents to fight all attempts to repeal the eighteenth amendment which would afflict them again with the open saloon.

Mr. SCHAFER. Is the gentleman from Texas running away from his party? Is he not running away from the great Speaker of his party from the State of Texas, whom he placed in nomination for the Presidency here at the last session?

Mr. BLANTON. There is no room in the real heart of the Democratic Party for the open saloon. The Democratic Party has gotten along without making intoxicating liquor its most sacred idol for over 100 years, and can do it for another 100 years. The great Democratic Party stands for principles higher and more important than liquor and saloons.

Mr. SCHAFER. I believe that after next Monday, when this House approves the Senate resolution for the naked repeal of the eighteenth amendment and submits it to the States for ratification, the gentleman's own State of Texas, led by that distinguished Democrat, Ma Ferguson, will ratify, and be one of the first to ratify, the gentleman's objections to the contrary notwithstanding.

Mr. O'CONNOR. Will the gentleman yield for a correction?

Mr. SCHAFER. Yes.

Mr. O'CONNOR. The question is not going to be submitted to State legislatures.

Mr. SCHAFER. To State conventions; yes.

I believe the gentleman's State will be one of the first to ratify, and then we will again each year get into the now-burdened Treasury of the taxpayers of the United States what we received in 1919, $483,000,000, in revenue on beverages containing more than one-half of 1 per cent alcohol, and we will not have to expend $40,000,000 each year from an overburdened Treasury for prohibition enforcement. If the gentleman from Texas is for the overburdened taxpayers, as he so loudly and often boasts, he should make a speech in favor of repealing the eighteenth amendment, and I know that we would surely get the six Democratic votes which we needed to pass it on the first day of this session. [Applause.]

Mr. BLANTON. The gentleman from Texas is not thinking of taxes or money, but has first in mind the happiness and health and welfare of the fathers, mothers, sons, daughters, and homes of America. They are of first importance.

## RELINQUISHING THE TITLE OF THE UNITED STATES TO CERTAIN LANDS IN THE COUNTY OF LOS ANGELES, CALIF.

The Clerk read the next bill on the Private Calendar, H. R. 637, to relinquish the title of the United States to certain lands in the county of Los Angeles, State of California.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, I wish to inquire whether the law of California with reference to persons owning land bordering on streams gives them title to the median line?

Mr. EVANS of California. Yes.

Mr. STAFFORD. Are there any mineral rights involved in this?

Mr. EVANS of California. No, none; no rights involved.

Mr. STAFFORD. I withdraw the reservation of the objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That all the right, title, and interest of the United States in and to any land supposed to exist between the east boundary of the Rancho San Francisquito and the west boundary of the Rancho La Puente, in township 1 south, range 11 west, San Bernardino meridian, according to the plats of survey on file in the General Land Office, be, and the same are hereby,

granted, released, and relinquished by the United States, to the equitable owners of the equitable titles thereto and to their respective heirs and assigns forever, as fully and completely, in every respect whatever, as could be done by patents issued according to law: *Provided*, That this act shall amount only to a relinquishment of any title that the United States has or is supposed to have in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to those persons, estates, firms, or corporations who would be the true owners of said lands under the laws of California, including the laws of prescription, in the absence of the said interest, title, and estate of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAMUEL C. DAVIS

The Clerk read the next bill on the Private Calendar, S. 1705, for the relief of Samuel C. Davis.

The SPEAKER pro tempore. Is there objection?

Mr. HESS. Reserving the right to object, I wonder if gentlemen will object to the usual attorney's fee amendment.

Mr. PITTENGER. The gentleman from Oregon [Mr. BUTLER] introduced this bill. I have no interest in it.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Samuel C. Davis the sum of $4,725.32 in full settlement of all claims against the Government arising out of a collision between the yacht *Whiz* and the United States Coast Guard plane *OL–5 No. 1* in the harbor of New London, Conn., on June 21, 1930.

Mr. HESS. Mr. Speaker, I offer the usual attorney-fee amendment.

The Clerk read as follows:

*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEASE OR SALE OF CERTAIN LANDS AND BUILDINGS, FORT SCHUYLER, N. Y.

The Clerk read the next bill on the Private Calendar, H. R. 11685, authorizing the Secretary of War to lease or to sell certain lands and buildings known as Fort Schuyler, N. Y., to the city of New York.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. I object.

EDWINA R. MUNCHHOF

The Clerk read the next bill on the Private Calendar, H. R. 3380, for the relief of Edwina R. Munchhof.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

WILLIAM N. FISHBURN

The Clerk read the next bill on the Private Calendar, H. R. 7986, for the relief of William N. Fishburn.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William N. Fishburn, who was a member of Company D, Fifth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 18th day of October, 1903: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 9, after the figures "1903," insert "and notwithstanding any provision to the contrary in the act relating to pension approved April 26, 1898, as amended by the act approved May 11, 1908."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZOE A. TILGHMAN

The next business on the Private Calendar was the bill (H. R. 6933) for the relief of Zoe A. Tilghman.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Zoe A. Tilghman in compensation for the death of her husband, William M. Tilghman, caused by being shot by a Federal prohibition agent.

Mr. STAFFORD. Mr. Speaker, I move to strike out the last word. I ask the House to pause for a minute that I may pay tribute to the deceased Member from Oregon, Mr. BUTLER, who reported this bill. I direct the attention of the Members of the House to the report itself, which shows that he prepared it. The late ROBERT R. BUTLER passed away a few months ago. He was a man of exceptional ability, and when he rose on the floor he commanded the attention of the House immediately. When I read the report I was impressed with the scholarly attainments which it showed the author to possess. It is worthy of permanent incorporation in the RECORD. May I read just a paragraph to show you the author's grasp of the conditions?

The name of Bill Tilghman is inseparably connected with the stirring events of the old West, and he was one of the most colorful characters of the Territory of Oklahoma, and previously had been an actor in some of the thrilling events that marked the wild days of western Kansas. He was a man of high character as a citizen and upright and honorable as an officer. For 50 years he had been a law-enforcing official and dealt with some of the most hardened criminals and desperate characters in the old Southwest country.

I might go on and read the full report. All of you will be interested, I know, in the graphic description of the conditions that prevailed in the oil country of the Indian Territory, now the State of Oklahoma.

I am taking this time because I liked BOB BUTLER, as all who knew him liked him. He came to an untimely end. He was a man of virile qualities. He was reared in the gentle fields of Tennessee, and had the mild nature that comes to men born of that soil. He went into the far west of Oregon to hew his way, and he had the sterling, rugged character that won for him distinction by election to this body. Too bad that he was defeated, too bad that BOB BUTLER is no longer with us. [Applause.]

Mr. MARTIN of Oregon. Mr. Speaker, as a colleague of the late Judge BUTLER, I want to concur in all that the gentleman from Wisconsin has said, and to thank him for saying it.

Mr. PATTERSON. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. PATTERSON: Page 1, line 5, after the figures "$5,000," insert the words "in full settlement of all claims against the Government of the United States" and at the end of the bill insert the following proviso: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was

read the third time, and passed, and a motion to reconsider laid on the table.

Mr. SWANK. Mr. Speaker, I rise to concur in what the gentleman from Wisconsin has said respecting our late colleague, Mr. BUTLER. I had the privilege of serving with him on a committee. When he died the people of Oregon and the people of the United States lost one of the best Members of Congress. I ask unanimous consent to insert at this point his report upon this bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The report referred to is as follows:

[House Report 1270, Seventy-second Congress, first session]

ZOE A. TILGHMAN

Mr. BUTLER, from the Committee on Claims, submitted the following report (to accompany H. R. 6933):

The Committee on Claims, to whom was referred the bill (H. R. 6933) for the relief of Zoe A. Tilghman, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

On the night of November 1, 1924, William Tilghman, marshal of the town of Cromwell, Okla., was shot and killed by Wiley Lynn, a Federal prohibition agent, and this bill carries an appropriation in the sum of $5,000 for the benefit of the widow of the said William Tilghman.

The writer of this report desires to avoid undue length, but in fairness to the Members of the House deems it proper to state briefly who the parties to the slaying were and the salient facts and circumstances surrounding the affair.

The name of Bill Tilghman is inseparably connected with the stirring events of the old West, and he was one of the most colorful characters of the Territory of Oklahoma and previous had been an actor in some of the thrilling and exciting events that marked the wild days of western Kansas.

He was a man of high character as a citizen and upright and honorable as an officer. For 50 years he had been a law-enforcing official and dealt with some of the most hardened criminals and desperate characters in the old Southwest country. He had the reputation of always seeking to avoid violence in running down and capturing the most desperate criminals that infested that region, but when necessity arose he was cool and fearless, an expert shot, and quick on the draw and quick on the trigger. His name and presence inspired fear among the lawless, but he never used his weapons until it became an actual necessity, and had the reputation even then of giving his adversary a fair chance.

He served as a scout for the Army stationed at Fort Dodge, Kans., in the early seventies, and in 1876 became deputy sheriff under the famous Bat Masterson and served as marshal of Dodge City in the height of the cattle days, and assisted that fearless official in the thrilling and dangerous enterprises that were necessary to suppress lawlessness and restrain outlaws. He went to Oklahoma in 1889 at the opening up of that country and soon thereafter was appointed United States deputy marshal and served in that difficult and dangerous capacity for 21 years during a period when outlaw bands were common and an official had to be quick on the draw. During that time he took an active and leading part in breaking up the outlaw bands of Dalton, Doolin, Jennings, and others, and single handed captured Doolin, the leader of the Doolin gang, and the most dangerous outlaw of the Territory, as well as many other notorious criminals. He was sent into the interior of old Mexico by the United States Government after a fugitive from justice, and was frequently called upon by various Governors of Oklahoma for the performance of special work when coolness, discretion, and courage were needed. He served as sheriff of Lincoln County, Okla., and represented his district in the State senate, and two years as chief of police at Oklahoma City, and then retired to private life. He belonged to the Bat Masterson and Wild Bill Hickok school of 2-gun peace officers. He was the last of his race.

In 1924 the boom oil town of Cromwell sprang up, and lawlessness of every kind prevailed. Vice flaunted itself, bootlegging of liquor and narcotics was engaged in on every hand, houses of prostitution were notoriously conducted, crime flourished, and criminals boldly defied the law. The only officers there were one or two deputies, under the sheriff at the county-seat town of Wewoka, and Wiley Lynn, a part-Choctaw Indian, who was Federal prohibition agent for the district. Conditions were so unsafe for decent men and women of the community that they appealed to the governor of the State, who recommended that they secure the services of Tilghman; and although he was 70 years of age, he was finally induced to become town marshal and undertake the task of again subduing outlaws, which resulted in his death. Immediately upon his appearance he commenced to vigorously perform his duties and caused fear and hate to seize the souls of the lawless, including Wiley Lynn, with whom there was no open break, but a clash occurred immediately when Tilghman arrested a bootlegger and sent him to jail and he was promptly released upon order of Lynn.

The hostility between the two men never reached an open break until the night of November 1, 1924. At the town of Wewoka lived a notorious woman by the name of Rose Lutke, who conducted a place known as Rose's Rooms. This woman was known also throughout the oil fields as the Rose of Wewoka and was commonly referred to as Lynn's woman, although he was a married man. There also lived at the same town one Eva Caton, who conducted a place known as the Cozy Rooms, and on the afternoon of the above-mentioned date Wiley Lynn and the Lutke woman, together with Eva Caton and a soldier from Fort Sill, left Wewoka in a Ford touring car and drove through Cromwell to Okemah, where they had dinner, and back to Cromwell about 10 o'clock at night.

They had taken a half gallon of liquor along and had stopped at places along the way for more and all had been drinking, and when they reached Cromwell they drove the length of the street, cursing the district judge, who had been severe in his sentences on bootleggers, and finally drew up in front of a restaurant where Tilghman was eating and near a notorious dance hall. Lynn got out of the car and walked across the street with his revolver in his hand and fired a shot, and Tilghman, upon hearing the report, went immediately with his revolver in his hand to where Lynn was standing and caught him by the wrist, while another took the gun from his hand, and then ordered Lynn to go with him and put up his own gun, and after Tilghman had put up his gun Lynn drew another revolver and shot Tilghman twice, from the effects of which he died. Tilghman had grown old and apparently was not quick enough to protect himself from the murderous attack.

The report of the Treasury Department states that Tilghman accosted Lynn and applied a foul epithet to him, which resulted in a scuffle in which Tilghman was shot and killed, but the character of the man, as well as the better class of testimony, refutes this, although it can be said that the report of the department is not adverse as a whole, and merely declines to recommend the passage of the bill. The facts and circumstances and the statements and opinions of the decent and law-abiding people all point to a deliberate and wanton murder. Lynn was indicted for murder after he had rushed before the United States commissioner and was later admitted to bail by the Federal court and an injunction was issued by the Federal judge and several months' time elapsed before the hearings on the injunction and habeas corpus proceedings were concluded and the State had gained the right to try the defendant, but time enough had passed to permit witnesses to disappear and others to become intimidated, and upon the trial the friends of lawlessness testified for Lynn and he claimed that Tilghman was trying to take his life and he, Lynn, beat him to the draw, and the jury acquitted him. All that can be said for the verdict of the jury is that it was a flagrant miscarriage of justice, a triumph of lawlessness, and a reproach to the community, and should not be considered to defeat the allowance of this claim.

A trial might be fair and a verdict of acquittal be justified under the rule of reasonable doubt and a verdict in a civil action with the same facts, where the rule of preponderance of the evidence prevailed, might be justified against the defendant, and therefore the fact that there was a verdict of acquittal in this particular case should not be considered. However, there is no necessity arising for considering the verdict when the facts exist as they do in this case. Judge Frank Mathews, who presided at the trial, in a letter to Hon. FLETCHER B. SWANK, the author of the bill, under date of March 3, 1932, says:

"After hearing the evidence in the trial there was created a lasting impression in my mind that Tilghman was murdered and it amounted to practical assassination.

"Practically all of the witnesses who saw the killing were criminals of the lowest type and their sympathy was against Bill Tilghman and in favor of Lynn. They were prejudiced not only against Tilghman but against any law-abiding and enforcing officer."

CHARLES C. BENNETT

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 1673 and consider it at this time.

Mr. HANCOCK of New York. Is that bill on the Private Calendar?

Mr. BULWINKLE. It is on the calendar, but it has been passed.

Mr. STAFFORD. Mr. Speaker, we can not adopt the practice now. We may do so at some subsequent meeting.

Mr. BULWINKLE. Will the gentleman reserve his objection so that I can make an inquiry?

Mr. STAFFORD. Yes.

Mr. BULWINKLE. Do I understand then, Mr. Speaker, that this bill, which is No. 191 on the calendar, may be taken up at some subsequent time?

Mr. STAFFORD. Oh, we can not make any special order like that.

Mr. BULWINKLE. This bill and others like it? I know that we can not make a special order for one bill, but I do know this, that I am trying to find out from the Speaker whether there will be a time when these bills can be taken up.

Mr. STAFFORD. Mr. Speaker, the bills up to the present moment have had their day in court, perhaps too brief,

but we have many bills on the calendar that may never be reached. It rests with the presiding officer as majority leader to determine the policy of the House upon the Private Calendar. We can not now go back to some bill that has been objected to. Therefore, I object.

WILLIAM MATHEW SQUIRES

The next business on the Private Calendar was the bill (H. R. 2601) for the relief of William Mathew Squires.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William Mathew Squires, late of Company C, Third Regiment Texas Volunteer Infantry, war with Spain, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 16th day of July 1898: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 2, line 2, after the figures "1898," insert "and notwithstanding any provisions to the contrary in the act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN P. LEONARD

The Clerk called the next bill, H. R. 3969, for the relief of John P. Leonard.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. GREENWOOD. Will the gentleman reserve his objection?

Mr. EATON of Colorado. I will reserve the objection.

Mr. GREENWOOD. Has the gentleman read the report?

Mr. EATON of Colorado. I have read the report. This man was a deserter, and made no attempt, under any of the intervening statutes, to have the record cleared, and comes in at this time, 30 years after his service, and seeks to become the beneficiary of the United States on its pension roll, on the statement that if the records had shown he was a deserter he would have been arrested.

Mr. GREENWOOD. I understand the gentleman's objection now, but The Adjutant General, on behalf of the Secretary of War, in the last paragraph, says:

There is no authority of law whereby the charge of desertion of December 31, 1901, standing on the records against John P. Leonard can be removed.

He had made that attempt. The gentleman will notice he enlisted and served almost three years in the Philippine Islands, engaging in every engagement his company was in. The record shows he had chronic dysentery, and his own statement shows that he was in a hospital and was recommended for discharge because of his disability and put on a vessel and sent back to Camp Douglas, Utah, where he was waiting for his discharge to come on account of the disability; that he left with another soldier, and they never have attempted to apprehend him, although they apprehended the other soldier who was with him. That was after three years of military service, in which he was recommended for discharge on account of his disability. Not only that, but in 1916 he again enlisted in border service and has an honorable discharge for that.

Mr. SCHAFER. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. SCHAFER. Will not that subsequent period of honorable service, from which he received an honorable discharge, give him title to pension for the prior service, under existing law?

Mr. GREENWOOD. Absolutely not. As long as that former record stands against him he has no hope whatever. Every comrade with him, who had no more military service than he had, has received a pension for all these years. I know the man personally. He is an honorable man. He has a little business in Martinville. All of his comrades have received all of the emoluments and pensions, and he has received nothing through all these years, although he was recommended for discharge because of disability.

Mr. EATON of Colorado. Does the gentleman say he knows this soldier participated in any engagements under fire in the Philippines?

Mr. GREENWOOD. Absolutely; for two and one-half years. Here is his sworn statement that in March, 1899, he enlisted in the Spanish War and Philippine insurrection and went with his company to the Philippine Islands, and on arrival was sent for military service to Company L, Eighteenth Infantry. This company was stationed at Panay Island. He served with Company L during the latter part of 1899 and all of 1900 and until November, 1901, and was in all the campaigns of which Company L, Eighteenth United States Infantry, was engaged in the Philippine Islands. He went through them all.

Mr. EATON of Colorado. Mr. Speaker, in recognition of this claimant's participation in active military service under fire, I withdraw the objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers John P. Leonard, late of Company L, Eighteenth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of said Company L, Eighteenth Regiment United States Infantry, on the 31st day of December, 1901: *Provided*, That no bounty, pension, back pay, or allowances shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 12, at the beginning of the line following the word "prior," insert the words "or subsequent."

Mr. GREENWOOD. Mr. Speaker, I was not aware of this committee amendment. That was not put in there with my knowledge. I would like to make parliamentary inquiry whether I may be heard in opposition to the committee amendment.

The SPEAKER pro tempore. The gentleman is recognized in opposition to the committee amendment.

Mr. GREENWOOD. As I have explained to the gentleman from Colorado [Mr. EATON], who objected to the bill, this man served almost his entire term of three years in the Philippine Islands, and engaged in every engagement, and was recommended for discharge because of disability, and was sent back on a hospital ship because of that fact. He had all the service that every comrade in that company had, and got the disabilities, as shown by the testimony here. I would like to object to that particular committee amendment, and ask a vote of the House on it.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GLENN H. CURTISS

The Clerk called the next bill, H. R. 11980, authorizing the President to make a posthumous award of a distinguished-flying cross to Glenn H. Curtiss, deceased, and to present the same to Lua Curtiss, mother of the said Glenn H. Curtiss, deceased.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I know no bill in my 20 years' service in passing upon private bills where I have been so importuned not only while the bill was under consideration in the Committee on Military Affairs, first before the subcommittee that considered it, of which I was a member, then before the full committee, but since it has been reported to the House, as by the author of this bill.

I can appreciate the springs of affection and regard the author of the bill may have to one of her constituents. The difficulty I have is that of cheapening the distinguished flying cross to those whom Congress has previously recognized. I do not place Glenn Curtiss in the same category with Orville and Wilbur Wright.

Mrs. OWEN. May I say to the gentleman that the Secretary of War does, and that the Secretary of the Navy makes a statement in the report that he considers his service exactly of the same value as that performed by the Wright brothers?

Mr. STAFFORD. Maybe the present Secretary of War, who is a young man, may so consider it, but I recall 20 years ago going out to Fort Myer to the first official flight in company with Mr. James R. Mann; and I know at that time Glenn Curtiss did not occupy in the field of aeronautics, or has not at any time since, the high position that Orville and Wilbur Wright occupied.

Mrs. OWEN. May I recall to the gentleman that in the very earliest history of aeronautics we find the name Glenn Curtiss as one of the pioneer inventors of the airplane? He not only made a record as an inventor at the very beginning of the science of aeronautics but he organized a flying school and taught, at his own expense, men who are now prominent fliers in the service of the Army and the Navy.

I do not ask this consideration because of the affection I bear to one of the noblest women it has ever been my privilege to know, the mother of Glenn Curtiss, but I ask our Government to distinguish a man who has given unselfishly of his scientific service.

Mr. STAFFORD. For pay.

Mrs. OWEN. Not for pay.

Mr. STAFFORD. Why not?

Mrs. OWEN. He gave his service in teaching these youths, as the gentleman will find from the report.

Mr. STAFFORD. Why, his whole activity was based upon the dollar mark.

Mrs. OWEN. I can not agree with the gentleman.

Mr. STAFFORD. Why not? He formed a company that is still in existence and which has made millions and millions of dollars.

Mrs. OWEN. May I remind the gentleman that it is the Curtiss-Wright Co.? He is defending the Wright brothers.

Mr. STAFFORD. But the Wright brothers were pioneers in the field.

Mrs. OWEN. The pioneer service of Glenn Curtiss in this field was rendered at the same time as that of the Wright brothers.

Mr. BLANTON. May I ask the gentleman one question?

Mr. STAFFORD. No, no; the gentleman would spoil it.

Mr. BLANTON. I just want to ask one question.

Mr. STAFFORD. The gentleman would spoil it, I say. [Laughter.]

Mr. BLANTON. Mr. Speaker, if the gentleman will not yield for me to ask a question, he is not exhibiting his usual courtesy. I am entitled to ask a question. I ask the gentleman to yield for a question.

Mr. STAFFORD. How many times have I asked the distinguished gentleman from Texas to yield and he has declined?

Mr. BLANTON. I am always glad to yield to the gentleman for a question. I ask the gentleman to yield to me for an observation.

Mr. STAFFORD. I know the gentleman from Texas has been working very hard to-day on the floor. I know he is rather petulant, perhaps, but I will yield.

Mr. BLANTON. That is right. [Laughter.] I want to ask the gentleman this——

Mr. STAFFORD. Not because of his threat.

Mr. BLANTON. No; because it is right.

Mr. STAFFORD. No; because it is TOM BLANTON.

Mr. BLANTON. The gentleman is a man of business experience. The gentleman knows that in a business firm the name of the most important member is put first. For instance, it would be Stafford & Blanton. [Laughter.]

Mr. STAFFORD. No; Blanton & Stafford. "B" comes before "S." [Laughter.]

Mr. BLANTON. The company which was organized was called the "Curtiss-Wright Co." The Wright brothers recognized his standing, for they permitted Curtiss to put his name in front of theirs.

Mr. STAFFORD. Mr. Speaker, prior to the interpolation of the gentleman from Texas, I was about to say that I did not wish to be obdurate. In view of the fact the gentlewoman is accompanying me, though on a different path, in leaving this Chamber on March 4, she very likely will be honored by high political preferment by the incoming administration, which is her due, and based upon her worth, I will not object if it is not still insisted that the ribbons be attached to this flying cross. I think we are doing enough without awarding the accompanying ribbons.

Mrs. OWEN. I am very grateful for the concession of the gentleman. I shall be pleased to accept the amendment.

Mr. SCHAFER. Mr. Speaker, I object to the consideration of the bill for the reasons given by my colleague from Wisconsin.

### THE PHILADELPHIA, BALTIMORE & WASHINGTON RAILROAD CO.

The Clerk called the next bill, S. 567, to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized, in his discretion, to sell, upon such terms and conditions as he considers advisable, to the Philadelphia, Baltimore & Washington Railroad Co., or its nominee, certain tracts of land adjacent to the right of way of said railroad company, situate in the county of Harford and State of Maryland between Aberdeen and Magnolia stations of said railroad company, such tracts containing approximately 6 acres, more or less, and now forming parts of War Department reservations at Aberdeen Proving Ground, Edgewood Arsenal, and Fort Hoyle, which said tracts are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf, with and to the said the Philadelphia, Baltimore & Washington Railroad Co., or its nominee, any and all contracts, conveyances, or other instruments necessary to effectuate such sale; the net proceeds of the sale of the property hereinbefore designated to be deposited in the Treasury to the credit of the fund known as the military post construction fund: *Provided*, That the Secretary of War shall have the tracts of land appraised at the expense of the Philadelphia, Baltimore & Washington Railroad Co.: *And provided further*, That the Secretary of War shall not sell the tracts of land for less consideration than the approved appraised value thereof and not less, in any event, than the sum of $3,759.

With the following committee amendments:

Page 2, line 16, after the word "Company," insert "and that the said railroad company shall replace any and all fences, and any other improvements on said property without expense to the Government: *And provided further.*"

Page 2, line 22, insert "and not less, in any event, than the sum of $3,759."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

### JAMES J. MEANEY

The Clerk called the next bill, H. R. 7174, for the relief of James J. Meaney.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers James J. Meaney, who was a member of Company E, Eleventh Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States, as a member of that organization on the 30th day of November, 1902: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 10, after "1902," insert "and notwithstanding any provisions to the contrary in the act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908: *Provided.*"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EASEMENT FOR RAILROAD RIGHT OF WAY IN POTTER COUNTY, TEX.

The Clerk called the next bill, H. R. 11914, to authorize the Secretary of Commerce to grant an easement for railroad right of way over and upon a portion of the helium gas-bearing lands of the United States of America, in Potter County, in the State of Texas.

Mr. HOPE. Mr. Speaker, reserving the right to object, the report on this bill is very meager, and I would like to have the author of the bill, if he will, explain a little more the nature and purpose of the measure.

Mr. JONES. Mr. Speaker, it happened this way: At the time these lands were under negotiation as helium gas-bearing lands of the United States Government this branch line of the North Plains & Santa Fe Railway Co. from Amarillo, Tex., to Liberal, Kans., was under construction, and an option was held by the Government on these lands. Therefore the owner could not grant a right of way. Under the helium act the Government can grant only a revocable license.

In view of the time necessary to get all this straightened out and the desire to go ahead with the construction of the railway, they built the railway with simply a revocable license, and the company, naturally, wants to have the regular easement that is usually given for right-of-way purposes, a right which, under the helium act, could not be granted, hence the necessity for this bill which simply gives the right of way which is ordinarily given to railroad companies for the construction and operation of their lines.

Mr. HOPE. The gentleman regards the purchase price as set out in this bill as adequate for this right of way?

Mr. JONES. Yes; in fact, this is more than the average price that was usual throughout that section for this purpose.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, we are granting a right of way to a railroad over lands which are used for Government purposes. I take it that the gentleman would have no objection to imposing upon the railroad company the obligation to assume all damages as the result of any injury that may occur to any person traveling on this right of way. I have prepared the following amendment:

SEC. 6. That the said North Plains & Santa Fe Railway Co., its successors and assigns, shall assume all obligations for any injury that any person may suffer on said right of way occasioned by the use of the adjoining lands by the Government of the United States.

Mr. JONES. I doubt if we could do that if the company were not negligent.

Mr. STAFFORD. Oh, yes.

Mr. JONES. The company would be liable if it were negligent in any way.

Mr. STAFFORD. The railroad company is seeking a favor from the United States. We have possession of these lands and we want to use them. If any injury occurs here, let the railroad company take the consequences as to the damages that may result.

Mr. JONES. We reserve the right to go on there and use these lands for every purpose, and this only involves a right of way of 200 feet on each side.

Mr. STAFFORD. When the gentleman said 200 feet on each side, I thought that was a rather large width for a right of way, 400 feet, as customarily the right of way of a railroad is only 100 feet on each side.

Mr. JONES. In this particular section and for lands on which they may drill for oil and gas they do not want to go right up to the company's right of way.

Mr. STAFFORD. There is more reason for curtailing the right of way to the usual width of 100 feet rather than granting them 400 feet.

Mr. JONES. This was submitted by the department, and the Bureau of Mines wrote these provisions.

Mr. STAFFORD. This is a protective measure.

Mr. JONES. Of course, if that amendment is put in, the bill will have to go back to the Senate.

Mr. STAFFORD. This is a House bill.

Mr. JONES. I am going to ask unanimous consent to substitute a Senate bill, which is similar.

Mr. STAFFORD. I think the railroad company should assume these obligations.

Mr. JONES. I would not have any objection to their assuming such obligations except I do not want to enact a bill that would impose an obligation on a railway company that might impair the validity of the bill. You can not impose upon a railway company an obligation to pay for damages that may occur in no way connected with the railway company.

Mr. STAFFORD. We could, if we wanted to, because they are asking our grace here. But, Mr. Speaker, in view of the fact that there is a Senate bill, I shall not press the amendment which I have prepared.

Mr. JONES. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill (S. 4576).

Mr. EATON of Colorado. Mr. Speaker, is the Senate bill identical?

Mr. JONES. Yes; it is identical.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

There being no objection, the Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That the Secretary of Commerce be, and he is hereby, authorized and directed to grant and convey to North Plains & Santa Fe Railway Co., a railroad corporation organized and existing under and by virtue of the laws of the State of Texas, its successors and assigns, an easement for railroad purposes over and upon the following-described property, being a part of certain helium gas bearing lands heretofore acquired by the United States of America, to wit: A strip of land 400 feet wide lying 200 feet each side of the center line of the main track of the North Plains & Sante Fe Railway Co. as said main track is now located and constructed over that part of survey No. 35, G. & M. survey block No. 5, conveyed to the United States of America by deed recorded on the 19th day of September, 1931, in volume 227, pages 221 and the following, of the deed records of Potter County, State of Texas, said strip of land containing an area of $13^{88}/_{100}$ acres, more or less.

SEC. 2. That the grantee shall pay the Government of the United States of America $13.87 per acre for the acreage contained in the right of way hereinbefore described.

SEC. 3. That the grantee, in further consideration for said easement, shall construct fences on each side of the right of way and maintain them in good condition.

SEC. 4. That the grant herein made shall be subject to the rights excepted and reserved to the Humble Oil & Refining Co. by the provisions of that certain warranty deed dated March 6, 1931, executed by said Humble Oil & Refining Co. to the United States of America, recorded September 19, 1931, in volume 227, pages 221 and the following, of the deed records of Potter County, Tex., and that certain working agreement between the Humble Oil & Refining Co. and the United States of America dated March 6, 1931, recorded September 19, 1931, in volume 224, pages 299 and the following, of said deed records.

SEC. 5. That the United States of America, its successors and assigns, shall have the unrestricted and unimpeded right to lay, maintain, inspect, and remove pipe lines for the transportation of oil, gas, and water, and lines for power and telephone, across said right of way at any and all times, and shall have the right to drill and operate oil and gas wells on said right of way at any location selected by the United States of America, its successors and assigns, except that while railroad tracks are actually in use thereon no well shall be drilled so close as to interfere with the operation of trains across said tracks; also that the grantee shall not unduly and unnecessarily interfere with the United States of America, its successors and assigns, in its use of said right of way.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill (H. R. 11914) was laid on the table.

WILLIAM A. REITHEL

The Clerk called the next bill, H. R. 598, for the relief of William A. Reithel.

Mr. HANCOCK of New York. Mr. Speaker, I object.

Mr. PITTENGER. Will the gentleman withhold his objection?

Mr. HANCOCK of New York. I withhold it.

Mr. BLANTON. Mr. Speaker, I am going to object unless this bill is reduced. If the amount in the bill is reduced to about $1,500 for injuring this boy's foot way back in 1921 I shall not object. But $5,000 is entirely out of all reason.

Mr. PITTENGER. Let me say to my colleague that the committee very carefully considered the matter of damage.

There is an affidavit from this boy here. The War Department report is not correct. This boy had a crushed foot, and the big toe and three other toes were taken off. He is a cripple and is unable to work.

Mr. BLANTON. He has one toe remaining and part of his foot, according to his own statement.

Mr. PITTENGER. Yes; I admit that.

Mr. BLANTON. And we have fixed $5,000 as the limit in a death case, and, in addition to all this, the Government truck was not to blame.

Mr. PITTENGER. I differ from my colleague.

Mr. BLANTON. The War Department says it was not. The truck was being driven carefully just 6 miles an hour, so the War Department certifies, after its complete investigation in 1921.

Mr. PITTENGER. Let me say to the gentleman that he does not always follow these department reports.

Mr. BLANTON. I think those of the War Department are nearly always reliable.

Mr. PITTENGER. But the report is in error here.

Mr. BLANTON. When the War Department investigates a matter its report is nearly always reliable.

Mr. PITTENGER. Sometimes they are, but not always; and let me say to my colleague that it is not negligence for an adult or a 9-year-old boy to go across an intersection behind a truck, but it is negligence to release a truck and let it roll back on a man's foot.

Mr. BLANTON. The gentleman must not change the facts, because this boy was 10 years old and not 9.

Mr. PITTENGER. That is an error. I think it was nine years.

Mr. BLANTON. And the War Department says the truck never did stop, and that it was going 6 miles an hour, being driven very carefully.

Mr. PITTENGER. They had to protect this driver of the truck, because they did not want to court-martial him.

Mr. BLANTON. The gentleman will never get this bill through at any more than $1,500 for an injured foot, because we have rules here to go by and we have certain precedents that we are not going to change.

Mr. HANCOCK of New York. I am going to object to this bill, because there is not any evidence in the report which would justify the awarding of anything whatever.

There is no evidence showing any negligence whatever.

Mr. PITTENGER. There certainly is all the evidence in the world.

Mr. BLANTON. This was a boy 10 years old. He could not under the law be guilty of contributory negligence.

Mr. HANCOCK of New York. The only substantial evidence of the claim is this person 19 years old recalling what happened when he was 10 years old to support his claim of $20,000, and it is not entitled to full belief.

Mr. BLANTON. The War Department says that the truck ran over the boy's foot, and he has had to have a part of it amputated.

Mr. HANCOCK of New York. The case is entitled to our sympathy, but I can see no evidence of negligence on the part of the driver to justify the payment of damages.

Mr. BLACK. There was negligence on the part of somebody.

Mr. HANCOCK of New York. It was the rear wheels of the truck that ran over the boy's foot, and nobody knew what had happened. The statement of the War Department says:

> The records of the War Department show that on February 9, 1921, United States Government truck E-9 while turning off of Fifty-eighth Street into Third Avenue, Brooklyn, N. Y., struck and injured William Reithel, a boy then about 10 years of age, causing serious injury to his right foot which resulted in the amputation of the first and third toes.
>
> The accident was investigated by the survey officer of the Brooklyn general intermediate depot, whose findings are in part as follows:
>
> "That on February 9, 1921, electric truck E-9 was proceeding east on Fifty-eighth Street, Brooklyn, N. Y., at a rate of speed not exceeding 6 miles an hour, on slushy streets; and that truck was on official business.
>
> "That at the same time William Reithel was walking across Third Avenue at Fifty-eighth Street in a westerly direction.
>
> "That electric truck E-9 turned south into Third Avenue and rear wheel passed over the foot of William Reithel.
>
> "That driver of the electric truck No. E-9 did not see William Reithel and was unaware that an accident had occurred.
>
> "That William Reithel suffered injury to the right foot, necessitating the amputation of the great toe and a probable further amputation of the entire right foot, resulting in a disability of 25 per cent.
>
> "That this accident was due to the probable skidding of electric truck No. E-9 on a slippery street, causing the rear wheel to pass over William Reithel's foot.
>
> "That driver of electric truck was proceeding in a careful manner and should not be held responsible for this accident.
>
> "That William Reithel, on account of his age, can not be found guilty of contributory negligence."

In other words, this boy was in the rear of the truck and no doubt slipped. If the same thing had happened where a private individual owned the truck, if the gentleman was attorney for the private individual, he would not recommend any settlement. There is no evidence of any negligence.

Mr. BLACK. The statement of the claimant is that he was crossing behind the truck and the driver released his brakes and the truck rolled backward over his foot.

Mr. HANCOCK of New York. That was the statement of the boy when he was 19 years old trying to recall what happened when he was 10 years old.

Mr. BLACK. The War Department does not find him guilty of negligence.

Mr. HANCOCK of New York. And it does not find the driver guilty of negligence.

Mr. BLACK. There is no doubt but that the boy was injured, and that he has had to have a partial amputation of the foot.

Mr. HANCOCK of New York. It was an accident, and we have, of course, sympathy for the boy, but I do not feel that we should pay money out of the Federal Treasury in the absence of any evidence of negligence on the part of the driver.

Mr. PITTENGER. There are other affidavits submitted here. We could have taken evidence, and followed another course of procedure, but in making the report the committee considered all the other affidavits and evidence. We have the report of the department here and all the facts.

Here is a man driving a truck, and he came to this intersection. Here is a boy, 10 years old, who, passing behind the truck when the driver released his brakes and the truck rolled back over his foot. I say that is negligence on the part of the driver. Of course, the War Department is trying to protect the driver. I say this claim is a meritorious claim.

This claim is a meritorious claim. It may be that my colleague from Texas [Mr. BLANTON] is right in wanting to reduce the amount. I do not agree with him. However, that is a matter of individual judgment. I do submit, however, there is evidence of negligence.

Mr. HANCOCK of New York. No evidence is referred to except the self-serving declaration of the man who makes the claim for $20,000.

Mr. SCHAFER. Oh, the War Department indicates that the injury was probably due to the skidding of the truck.

Mr. SWICK. Was the boy crossing at a street intersection?

Mr. PITTENGER. Yes.

Mr. SWICK. Then the truck must have been, of necessity, partly to blame. The boy had a right to be there.

Mr. HANCOCK of New York. I concede that the boy had a right to be there, but I can see no evidence whatever of the negligent handling of the truck, and in the absence of that I think there would be no liability upon the part of a private defendant, and there is no liability whatever upon the part of the Federal Government, and there would be none on the part of a municipality. This man was acting in a governmental function.

Mr. PITTENGER. I think there was negligence in releasing the truck and letting it go back.

Mr. HANCOCK of New York. Oh, if the witnesses were before the gentleman's committee and had been subjected to cross-examination, and if the Government witnesses were called and were subjected to cross-examination we might

get some evidence. Also I remind gentlemen that this is also another one of those claims arising in New York City about 12 years ago. Why has no action been taken upon this before?

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. Yes.

Mr. SCHAFER. Action has not been taken because in each session of Congress there are three or four or five thousand bills introduced, and in the last session of this Congress and in this session the members of this committee have worked from 14 to 15 hours a day to consider the work of the committee. There are thousands of claims in the committee now, meritorious claims, that have not been reached.

Mr. PITTENGER. And that can not be reached.

Mr. SCHAFER. And that can not be reached.

Mr. HANCOCK of New York. If it has waited 12 years it can wait another year. Before I consent to this bill I want to see some evidence of negligence upon the part of the truck.

Mr. BLACK. The gentleman realizes that as time goes on it is harder to get evidence.

Mr. HANCOCK of New York. Mr. Speaker, I object.

ST. LUDGERS CATHOLIC CHURCH OF GERMANTOWN, MO.

The next business on the Private Calendar was the bill (H. R. 2103) for the relief of St. Ludgers Catholic Church of Germantown, Henry County, Mo.

The SPEAKER pro tempore. Is there objection?

Mr. SCHAFER. Mr. Speaker, I reserve the right to object. I do not find any report from any of the departments. I think this is one of those hoary Civil War claim bills.

Mr. DICKINSON. Mr. Speaker, will the gentleman withhold his objection?

Mr. SCHAFER. Yes; to ascertain why some department of the Government has not made a report upon the bill.

Mr. DICKINSON. Mr. Speaker, I have not in my hand all the data that was before the War Claims Committee, and I do not recall any report from the Government in opposition to the bill. I introduced this bill, or a similar bill, many years ago. This is to pay damages for the occupancy of what is known as St. Ludgers Catholic Church, of Germantown, Henry County, Mo., the county in which I live. I am familiar with the facts in regard to the case. This case has been reported unanimously, after full hearing, time and again. The latest report was made by Mr. HARE, the chairman of the committee. I hold that report in my hand, and it reads as hereinafter inserted.

Mr. SCHAFER. O Mr. Speaker, the gentleman can extend his remarks in the RECORD. What I want to get is a few facts in answer to a few questions. Is this church operated at the present time in the same identity that it occupied at the time of the Civil War, when property was destroyed?

Mr. DICKINSON. No. I was coming to that.

Mr. SCHAFER. Who is going to get these funds?

Mr. DICKINSON. The same people who had to go ahead and build a new church in the same place and who now are in this community.

Mr. SCHAFER. Then the funds will go to the same congregation?

Mr. DICKINSON. Yes; the same congregation.

Mr. SCHAFER. I want to ask one more question and perhaps we can get together on this matter. The report indicates that the Union soldiers had taken possession of it, and part of the claim is by reason of the soldiers shooting through the roof of the church. Certainly the Union soldiers in a church would not be responsible for shooting through the roof of the church if they took refuge there. Any claim for that should come from the other side.

Mr. DICKINSON. The main part of the claim is for the occupation by the Iowa and Missouri Federal regiments during the years 1862, 1863, and 1864, when they took possession of the church and occupied it in that territory, and incidental to their occupancy they damaged it by shooting through it, broke the windows, and otherwise damaged the building and broke up the congregation for the period of said occupancy.

Mr. SCHAFER. The gentleman is fully convinced that the evidence before the committee indicated that there is liability upon the part of the Federal Government in the amount incorporated in the bill?

Mr. DICKINSON. Yes.

Mr. SCHAFER. If we get by the objection phase, will the gentleman accept an amendment providing that there will be no attorney fees connected with it?

Mr. DICKINSON. No attorney fees on earth. I introduced this bill each time it was introduced except when I went out in 1928, and my successor, Mr. Halsey, introduced the bill, and the report was made, and I hold it in my hand, by the gentleman from Michigan [Mr. HOOPER].

In one affidavit made by a man of the highest character, a man whom I have known for 50 years, J. B. Schmedding, this statement is made as a part of his affidavit:

> I am familiar with the affairs of the community. To their knowledge, every member of said church was a loyal supporter of the Union during the Civil War and thereafter.

Other affidavits of proof of facts I hold in my hand as made by Joe Schmedding, John J. Cook, J. B. Greube, all men of high character. No dispute as to the facts or liability of the Government.

It was a little German community. It was a little Catholic community. They had this church. An Iowa regiment and a Missouri regiment occupied it for three years. It broke up the congregation. They separated and did not come together until 1865. When I came to Congress in 1910 there were pending bills covering similar character of claims, introduced by my distinguished predecessor, David De Armond. Those claims, reintroduced by me, were in an omnibus bill, and was passed without any difficulty. The proof had not been gotten together on this bill until I came to Congress, and I introduced the bill and I have introduced it time and again, and Mr. Halsey, my Republican successor, introduced it, and Mr. HOOPER reported it. I want the privilege of reading into the RECORD both the Hare and Hooper reports. They are short, but clearly state the facts. Will you listen to me while I read them?

I do not talk often before this House. I am interested in this bill because of its great merit. There is no question about the justice of it. The Federal troops occupied this church in this village community, where the border warfare was fierce. Some of the fiercest conflicts of the Civil War were enacted there in that border warfare, and many homes and buildings were burned, and churches were used for shelter of Union troops. These Federal troops occupied this church in this little community and held it for nearly three long years. They broke up the congregation; and afterwards, when it was incidentally damaged and partially destroyed, then the same congregation went ahead and built a new church, and they came together; and that splendid community, from the day I introduced this bill 20 years ago, has been hoping that the Government, through the Congress, would pay this just bill. I have come here time and again at night. I came here six years ago and stayed until this bill was reached, when the adjournment hour came, and then it was in the closing hours of the session and could not be reached. It went over. I introduced it again. Mr. Halsey introduced it. Mr. HARE says in this report:

> Bills have been introduced time and again, commencing many years ago, asking for compensation for the use and occupation of and incidental damages to said church, but consideration was delayed by the World War and other conditions.
>
> In view of the above facts, your committee unanimously recommends that the bill do pass as amended.

[House Report No. 1295, Seventy-second Congress, first session]

ST. LUDGERS CATHOLIC CHURCH, GERMANTOWN, HENRY COUNTY, MO.

Mr. HARE, from the Committee on War Claims, submitted the following report to accompany H. R. 2103:

The Committee on War Claims, to whom was referred the bill (H. R. 2103) entitled "A bill for the relief of St. Ludgers Catholic Church, of Germantown, Henry County, Mo.," having considered the same report thereon with a recommendation that it do pass.

The facts in this case are fully set forth in Report No. 143 of the Seventy-first Congress, second session, which is appended hereto and made a part hereof.

[House Report No. 143, Seventy-first Congress, second session]

"The Committee on War Claims, to whom was referred the bill (H. R. 2695) entitled 'A bill for the relief of St. Ludgers Catholic Church, Germantown, Henry County, Mo.,' having considered the same, report thereon with a recommendation that it do pass.

"A similar bill was introduced in the Seventieth Congress, and favorably reported by your committee.

"The facts are fully set forth in House Report No. 2767, Seventieth Congress, second session, which is appended hereto and made a part of this report."

[House Report No. 2767, Seventieth Congress, second session]

ST. LUDGERS CATHOOLIC CHURCH, GERMANTOWN, HENRY COUNTY, MO.

Mr. HOOPER, from the Committee on War Claims, submitted the following report (to accompany H. R. 15766):

"The Committee on War Claims, to whom was referred the bill (H. R. 15766) entitled 'A bill for the relief of St. Ludgers Catholic Church, Germantown, Henry County, Mo.,' having considered the same, report thereon with a recommendation that it do pass with an amendment striking out in line 7 of the bill the figures '$6,000' and inserting therein the figures '$3,000.'

"The evidence in this case, given by witnesses having personal knowledge of the facts, shows that St. Ludgers Catholic Church at Germantown, Henry County, Mo., was taken possession of and occupied by Government troops of the United States Army during the Civil War during the years 1862, 1863, and part of 1864; that said troops were quartered in said church, which was by them used for cooking and sleeping and commissary purposes, and that during the time it was so occupied it was greatly damaged by said use, and by the troops shooting through the roof and into the walls of the interior of the building; that the communion rail, benches, altar, and fixtures and interior decorations of the church were ruined; and that said troops dug a well near the northwest corner of the church building, causing the walls to crack and break; that it continued to be so damaged and difficult to repair; that such occupation interrupted the holding of services therein during said period, disrupted the congregation, destroyed the organization during that time, and caused the parish school to be broken up. The troops occupying said building were the First Iowa troops, and later the Seventh Missouri, Company H, were quartered in said church, and no services were held therein while said troops occupied said church, and not until 1865 were religious services resumed.

"Bills have been introduced time and again, commencing many years ago, asking for compensation for the use and occupation of and incidental damages to said church, but consideration was delayed by the World War and other conditions.

"In view of the above facts your committee unanimously recommends that the bill do pass as amended."

Mr. RAMSPECK. Mr. Speaker, regular order.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, for the reason stated, I object.

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent that I may insert in my remarks the reports made by Mr. HOOPER and by Mr. HARE. They are both short reports, stating the facts in regard to this matter. No more meritorious bill was ever presented, and the Government ought to pay it.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. DICKINSON]?

There was no objection.

The other report was made by Congressman HARE.

Mr. SCHAFER. I will not object if the gentleman will accept an amendment providing for no attorney's fees.

Mr. DICKINSON. Yes. I will accept that because there are no attorney fees in connection with this matter. Every dollar will go to the church.

Mr. STAFFORD. Reserving the right to object, in the last Congress there were four or five bills dating back to old Civil War days, and among others this bill. It was stated that it was not the policy of the Committee on War Claims to report bills relating to matters arising out of the Civil War. This is the only bill that has been reported at this term from the War Claims Committee referring to damages away back in Civil War days. I examined the bill then, and I think I recall having objected to the bill in the last Congress when Mr. Halsey introduced it.

Mr. DICKINSON. Will the gentleman allow me to make a statement?

Mr. STAFFORD. Yes. I reserve the right to object and to allow the gentleman to make a statement.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. COCHRAN of Missouri. In the last Congress we passed a bill, introduced by the late Percy Quin, for $33,000, for a Civil War claim.

Mr. STAFFORD. I do not recall that. I must have had a stroke of apoplexy when that bill was under consideration.

Mr. DICKINSON. I hold in my hand affidavits made by worthy and prominent citizens whom I know and who lived in that community during the period, who were members of this church, who furnished the evidence in this case.

JOANNA A. SHEEHAN

The Clerk called the next bill, H. R. 8879, for the relief of Joanna A. Sheehan.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, in favor of Joanna A. Sheehan, of Haverhill, Mass., United States Liberty loan permanent coupon bond No. 321,498 in the denomination of $1,000, of the third 4¼'s, issued May 9, 1918, matured September 15, 1928, with interest from the date of issue to the date of maturity, at the rate of 4¼ per cent per annum, without presentation of said bond, the said bond, together with coupons due September 15, 1922, to September 15, 1928, inclusive, attached, having been lost, stolen, or destroyed: *Provided*, That the said bond shall not have been previously presented and paid, and that payment shall not be made hereunder for any coupons which shall have been previously presented and paid: *And provided further*, That the said Joanna A. Sheehan shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal of the said Liberty loan bond and the unpaid interest which had accrued thereon when the principal became due and payable, in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury, with condition to indemnify and save harmless the United States from any loss on account of the Liberty loan bond or the coupons thereof hereinbefore described:

With the following committee amendment:

Page 2, line 16, after the word "described," insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLENN H. CURTISS, DECEASED

Mrs. OWEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 754, H. R. 11980, authorizing the President to make a posthumous award of a distinguished-flying cross to Glenn H. Curtiss, deceased, and to present the same to Lua Curtiss, mother of the said Glenn H. Curtiss, deceased.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, the lady has no objection to striking out "of appropriate design with accompanying ribbons."

Mrs. OWEN. I accept the amendment.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the President be, and he is hereby, authorized to make a posthumous award of a distinguished-flying cross of appropriate design with accompanying ribbons to Glenn H. Curtiss for distinguished service in the development of American aviation. The distinguished-flying cross shall be presented to Lua Curtiss, mother of the said Glenn H. Curtiss, deceased.

Mr. STAFFORD. Mr. Speaker, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 1, line 4, after the word "cross," strike out the words "of appropriate design with accompanying ribbons."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A. C. MESSLER CO.

The Clerk called the next bill, S. 439, for the relief of A. C. Messler Co.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. CONDON. Will the gentleman withhold his objection?

Mr. STAFFORD. Gladly.

Mr. CONDON. Mr. Speaker, this claim is a war claim. It was very carefully considered by the Senate committee that had it under consideration in the last session. It was given very exhaustive consideration by the Senator from Maine, Senator WHITE, who went into the matter very thoroughly.

It appears from the report that this matter was very exhaustively considered by the Committee on War Claims of the House, and after serious consideration they have unanimously agreed with the unanimous report of the Senate committee. It seems to me, Mr. Speaker, the only objection there could possibly be to the allowance of this claim is the statement of the Secretary of War contained in his letter dated February 1, 1932, which appears in the report of the Senate, in which he says that in view of the past actions of the department he could not give approval to the claim. But I want to call the gentleman's attention to the last sentence which indicates that even the department is not convinced its action against this claim is entirely justified. If it was so convinced, this last sentence would not have been put in the letter by the Secretary of War. He states:

However, no objection would be interposed by this department to a bill permitting the claimant company to present its case to the Court of Claims.

It seems to me, Mr. Speaker, this indicates very clearly the War Department is not absolutely convinced that equity is on the side of the Government. It indicates a feeling on the part of officials in the War Department that there is equity on the part of the claimants.

Mr. CAVICCHIA. I wish to call the attention of the gentleman from Wisconsin to the fact that the Dent Board, when it was in existence, signed a unanimous report to pay this man the sum of $16,000, speaking in round numbers. The Comptroller of the Treasury refused to sign the check when it got to him. It was purely an arbitrary action. The committee has documents in proof of it.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. CAVICCHIA. I yield.

Mr. STAFFORD. If the gentleman will read the report he will find from the letter of the Secretary of War, which I read very carefully, and the opinion of the chairman of the Claims Board, that it was considered and denied by the Claims Board, Ordnance Department, and by the Board of Contract Adjustment. The latter board denied the claim. Under the terms of the contract the Government was obligated to furnish only 17 pounds of metal per 1,000 clips manufactured. An appeal was taken under the Dent Act, and on December 4, 1920, the decision of the Board of Contract Adjustment denying relief was affirmed and approved.

Mr. CAVICCHIA. That is not so, because the documents in the possession of the War Claims Committee contain the original copy signed by the members of the Dent Board recommending the payment of this money.

Mr. STAFFORD. Here we have the official record:

The claim has been considered and denied by the Claims Board, Ordnance Department, and by the War Department Board of Contract Adjustment (6 Dec. W. D. Bd. of Contr. Adj. 504). The latter board denied the claim on the theory that, under the terms of the contract, the Government was obligated to furnish only 17 pounds of metal per 1,000 clips manufactured. An appeal was taken to the Secretary of War, as authorized under the Dent Act (40 Stat. 1272), who, on December 4, 1920, affirmed and approved the decision of the Board of Contract Adjustment denying relief (8 Dec. Appeal Sec., W. D. Cls. Bd. 221). Apparently the case has never been before the Court of Claims.

Now, then, if there is such a statement as that referred to by the gentleman, it should be incorporated in the report. I am basing my objection on the showing made by the report. Therefore, I object.

Mr. O'CONNOR. Mr. Speaker, will the gentleman reserve his objection for a moment?

Mr. STAFFORD. I reserve it.

Mr. O'CONNOR. I have given this claim some study. It was brought to my attention a year ago. I think the gentleman overlooks the crux of the whole matter. Irrespective of what it said in the report which the gentleman just read, the whole thing comes down to whether or not the words "without cost to the contractor" were included in the contract.

The contract which the contractor received and presented to the board which heard the matter had those words in it. The Government said these words were stricken out. There is no question that those words, "without cost to the contractor," were in the copy of contract which the contractor had. That is admitted all through the proceedings.

Mr. STAFFORD. This contract was made in quadruplicate.

Mr. O'CONNOR. However that may be, the man had in his hand a contract which said "without cost to the contractor." Now, the mere fact the Government might have had another contract in which those words were stricken out should not bind the contractor.

I believe this is one of the most meritorious claims that has come before the House, and that a great injustice is done in the matter because the Government takes advantage of the slip of a typewriting machine instead of giving the contractor his rights under the contract.

Mr. STAFFORD. These three boards that passed upon these matters did not take advantage of any claimant.

Mr. O'CONNOR. They certainly did.

Mr. STAFFORD. The gentleman can not make me believe that.

Mr. Speaker, I object.

LAKE OF THE WOODS

The Clerk called the next bill, H. R. 11971, to fulfill certain treaty obligations with respect to water levels of the Lake of the Woods.

Mr. EATON of Colorado. Mr. Speaker, the counterpart of this bill, Senate Joint Resolution 124, is on the Consent Calendar. I, therefore, ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

HARRY C. ANDERSON

Mr. BACHMANN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 733, the bill (H. R. 4395) for the relief of Harry C. Anderson. When we reached this bill we had mistaken it for another bill and I ask to return to it for that reason. There is really no objection to it, so far as we are concerned.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Harry C. Anderson, who was a member of Battery C, Twentieth Field Artillery, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 17th day of January, 1920: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 10, after the word "pension," strike out the words "or allowance shall be held to have accrued prior to the passage of this act" and insert the words "allowance or any payment provided under the World War veterans' act, 1924, as amended, the World War adjusted compensation act, 1924, as

amended, or other benefit whatsoever to which said person may be or become entitled by law, shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

Mr. EATON of Colorado. Mr. Speaker, there should be an amendment to make the bill conform to the usual language by striking out in line 7, the word "honorably," and after the word "discharged," inserting "under honorable conditions." I offer this amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Page 1, line 7, strike out the word "honorably," and after the word "discharged" insert the words "under honorable conditions."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MARY E. RONEY

The Clerk called the next bill, H. R. 2453, for the relief of Mary E. Roney.

Mr. GRISWOLD and Mr. HANCOCK of New York reserved the right to object.

Mr. BLANTON. Mr. Speaker, I am going to object ultimately, but if the gentleman from Maryland [Mr. LEWIS] wants to make a speech, I shall withhold the objection; but ultimately I am going to object, because this good woman has already received $5,000 in cash from the Commissioners of the District of Columbia, and we have a long-established precedent here that we will not allow more than $5,000 on any death claim.

Mr. RAMSPECK. Mr. Speaker, I shall ask for the regular order, if there is going to be objection.

Mr. LEWIS. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. LEWIS. Mr. Speaker, George H. Roney, on the 30th of October, 1930, was on his way home from work, in the peace of God and the city of Washington, when he was struck down and to death by a recklessly driven automobile on the wrong side of the road and under the command of two police-patrol officers of the District of Columbia.

The District of Columbia recognizing, without lawsuit, its legal obligation under the circumstances, paid the widow $5,000. That is the legal maximum permitted in the municipality. If there is a Member of this House who thinks his widow should be entitled to no more than $5,000 under these circumstances, let him object.

Mr. BLANTON. Will the gentleman yield?

Mr. LEWIS. No; I do not yield. You have said you are going to object peremptorily, Mr. BLANTON. I want to say to you, sir, that although you have such peremptory power to object here and power is magnificent, to use it in the fashion you are doing on this widow woman and her helpless child——

Mr. BLANTON. Mr. Speaker, I am not going to permit that kind of argument here.

Mr. LEWIS. You will permit in the five minutes I speak such statements I think it proper and just to make.

Mr. BLANTON. The gentleman can not attack me in that way. I make the point that we have no quorum here.

Mr. LEWIS. I do not yield to the gentleman. I have made no attack upon the gentleman whatever. I have described——

Mr. BLANTON. I just want the gentleman to understand that he can not thus unjustly attack me.

Mr. LEWIS. I do not yield, Mr. BLANTON, under the circumstances.

Mr. BLANTON. Mr. Speaker, the gentleman will not yield, and therefore I make the point of no quorum. There is a little handful of us who have sat here two hours and a half to attend to the Nation's business and the gentleman has no right to attack me and not yield.

Mr. LEWIS. I may say, in response to the gentleman from Texas——

Mr. BLANTON. Mr. Speaker, I make the point of no quorum.

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Maryland has been recognized for five minutes.

Mr. BLANTON. I can make the point of no quorum even so.

Mr. PARKS. Regular order, Mr. Speaker.

Mr. BLANTON. The gentleman is not fair. I can not answer him because I have no time. I insist that he should yield.

Mr. LEWIS. I now yield to the gentleman for a statement.

Mr. BLANTON. I wanted to state to my friend, calmly and without any feeling, that we have established a precedent here in this House that not over $5,000 shall be paid on any death claim. This good woman has already received $5,000 in cash. There are several men on this floor who will object to the gentleman's claim, and yet he is attacking me as if I were doing something here improper and out of the ordinary.

Mr. SCHAFER. Will the gentleman yield?

Mr. LEWIS. I yield.

Mr. SCHAFER. The gentleman from Texas is absolutely in error. At this session the Congress suspended the rules and paid $15,000 each in the case of the death of two Mexican nationals who were shot by law-enforcement agents who were afterward acquitted by a jury of their peers. The gentleman made a speech for this appropriation.

Mr. BLANTON. That was an international case.

Mr. SCHAFER. The gentleman thinks it is all right to pay $15,000 each to Mexican greasers and has not the same consideration for this widow and her helpless child.

Mr. BLANTON. I resent them being called Mexican greasers. They were Mexicans, it is true; but they were school boys from good families in the Republic of Mexico and were on a lawful, a proper mission—to wit, returning home from school—and were entitled to the protection of our Government. They were murdered in cold blood, without any excuse or justification, within our borders over a thousand miles from their home; and when you consider the expense their families were put to in having their bodies returned to Mexico and given decent burial in their home cemetery, there was left very little of the amount allowed by our Government. Our United States and the United States of Mexico are friends, and each appreciates the friendship of the other.

We should be willing to yield something for the good will of the great Republic of Mexico to the south of us.

Mr. SCHAFER. And you ought to yield something to this widow and her little child.

Mr. BLANTON. Oh, that bellicose talk is not going to affect me. Mr. Speaker, I withdraw the point of no quorum, as long as the gentleman from Maryland has yielded to me, and I want him to talk as long as he pleases.

Mr. LEWIS. The implication of the gentleman from Texas that I "want to talk" is totally unjustified. I want to say that I wish I did have eloquence adequate to bring to the Members of this House the vivid sense of justice that ought to prevail in a matter of this kind. My God, think of the precedent which would say that this widow and her babe shall receive no more than $5,000! What a denial of justice, a denial of justice only possible to arise with an omnipotent and irresponsible power.

What is this case? All the facts are admitted. Here are two officers flying at 40 to 50 miles on the wrong side of the road. This man was struck down on his right of way, throwing his body some 60 feet.

This woman could not bring suit against these transgressors of the rules of safety and prudence on the highway. They were municipal officers. If she could have sued them, do you think the verdict would have been a paltry $5,000? Would a jury have considered that just compensation? It would have been more like $25,000 or $30,000.

We are told here this evening—not without challenge, however—that the precedents in this House have fixed upon

$5,000 as the limit. Gentlemen of the House, I do not believe there has ever been any such precedent. It is too unjust, too brutal a denial of justice to a widow and her helpless child. Gentlemen, do with this measure what you please, I have discharged my duty.

MONUMENTAL STEVEDORE CO.

The next business on the Private Calendar was the bill (H. R. 1169) for the relief of the Monumental Stevedore Co.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. HOPE. Mr. Speaker, I reserve the right to object. The committee on this particular bill, which originally was a bill giving the right to sue in the Court of Claims, has added an amendment making the bill a straight appropriation.

Mr. PITTENGER. I told the gentleman why we did that.

Mr. HOPE. I would like to have the gentleman explain that, and, if he can, advise us as to the action which the committee took in determining the amount.

Mr. PITTENGER. The Treasury Department shows that that was the amount of damages, and instead of having them go to court over a small amount like this, waste the time of the Government and the Government attorneys and put the Government and the claimant to the expense, the committee decided that we better pay them in a lump sum, otherwise it would all be eaten up in attorney fees.

Mr. HOPE. The committee had before it the evidence showing the exact amount of damages.

Mr. PITTENGER. We got it in the report from the commandant, W. V. E. Jacobs.

Mr. HOPE. That report says that the damage is approximately $600. It does not itemize the damages or state what they consisted of. The committee itself has fixed the amount of the damages at $677.75. I assume that the committee must have had some evidence before it.

Mr. PITTENGER. I have not looked at the files lately, but my recollection is that there was a lot of bulky testimony and itemized statements submitted there.

Mr. HOPE. Is the gentleman himself, who wrote the report, and who I know was familiar with the matter at that time, satisfied as to the amount of the claim?

Mr. PITTENGER. Yes.

Mr. STAFFORD. Mr. Speaker, under reservation of the right to object, I understand there is a general law which permits the department officials to pay up to $1,000—$500 in some cases and $1,000 in others. Why did not this claimant avail itself of that privilege?

Mr. PITTENGER. I am not sure that there is a law of that kind. The Secretary of the Treasury does not indicate that in his report, on page 2. I do not know just what the reason for it is, but they have to come to Congress for permission to sue.

Mr. STAFFORD. I know that as far as the Secretary of the Navy is concerned he has authority to settle damage suits of some kind up to $500 and others up to $1,000. However, as I now recollect the law, I do not think that extends to the Secretary of the Treasury.

Mr. PITTENGER. I do not think so.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the Clerk read the committee amendment.

The SPEAKER pro tempore. Without objection, the Clerk will read the committee amendment.

There was no objection, and the Clerk read as follows:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the United States, the sum of $677.75 to Monumental Stevedore Co., of Baltimore, Md., a corporation organized and existing under the laws of the State of Maryland, owner of lighter *No. 1*, on account of damages caused to said lighter by collision therewith of United States Coast Guard cutter *Winnesimmet* in the Patapsco River on the 17th day of September, 1923."

Mr. STAFFORD. Mr. Speaker, I offer the usual attorney-fee proviso.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: At the end of the bill insert the following proviso: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

G. C. VANDOVER

The next business on the Private Calendar was the bill (H. R. 11150) for the relief of G. C. Vandover.

The SPEAKER pro tempore. Is there objection?

Mr. BACHMANN. Mr. Speaker, I reserve the right to object. Can the gentleman from Missouri make a statement about this?

Mr. COCHRAN of Missouri. Mr. Speaker, the report speaks for itself.

Mr. BACHMANN. It does not speak for itself in so far as liability is concerned. I am having trouble with the bill because it looks now as though the liability is on the part of the State rather than on the part of the Government.

Mr. COCHRAN of Missouri. Mr. Speaker, this soldier was sent to the Farmington (Mo.) Insane Asylum, which is a State institution. At that time the Government had no place to send a man who was insane. The Government paid the State of Missouri through this institution for the upkeep of this man, as shown by page 3 of the report.

Mr. BACHMANN. The Government is paying the keep of the soldier in this State hospital and then the soldier ran away.

Mr. COCHRAN of Missouri. He was a veteran soldier patient.

Mr. BACHMANN. Yes.

Mr. COCHRAN of Missouri. The soldier got away, and the man went to his home in De Soto, which is a short distance from Farmington. They sent word to the insane asylum that they had the man there. The superintendent sent the bookkeeper over to get him, and when he went into the house the man took up a shotgun and shot off the man's leg. He was a Veterans' Bureau patient. It was not the fault of Mr. Vandover that the man escaped. He was a bookkeeper, but he was sent after him by the superintendent.

Mr. BACHMANN. But he was an employee of the State, acting in the performance of his duty for the State at the time.

Mr. COCHRAN of Missouri. He was performing his duty as a bookkeeper in that institution, obeying the order of the superintendent who had charge of the institution.

Mr. BACHMANN. His duties as bookkeeper did not require him to go out——

Mr. COCHRAN of Missouri. Well, I think the gentleman's objection is rather technical. This man was a soldier, and the Government had no place to send him, and the State accepted him, and the man ran away and escaped. When they went after him to bring him back they did not send for the Government to send a man to get him.

Mr. SCHAFER. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. SCHAFER. Is it not a fact that the Government was the guardian of this insane soldier ward?

Mr. COCHRAN of Missouri. Absolutely. They were paying the man.

Mr. BACHMANN. But if this man had been an employee of the Government he would have come under the Federal compensation law.

Mr. SCHAFER. If he had been a private citizen, what law would he have come under?

Mr. BACHMANN. Does not the State of Missouri have compensation laws to cover such cases?

Mr. COCHRAN of Missouri. No. It did not have then. It has now. The law was enacted in 1920.

Mr. BACHMANN. Has the State done anything on this claim?

Mr. COCHRAN of Missouri. Nothing whatever.

Mr. BACHMANN. Was there any application ever made to the State?

Mr. COCHRAN of Missouri. Oh, no. No application was made that I know of.

Mr. STAFFORD. Reserving the right to object, it seems to me it is a matter for the State to undertake rather than the Federal Government. It is a fundamental principle that the State should bear the burden rather than that the National Government should bear the burden.

Mr. BRUMM. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. BRUMM. Was the man placed there by the Federal Government in a State institution?

Mr. COCHRAN of Missouri. He was placed there by the Government.

Mr. BRUMM. Then the Federal Government is liable.

Mr. COCHRAN of Missouri. The Federal Government had no hospital to which it could send the man. They had no place where they could send an insane patient.

Mr. BACHMANN. What I am trying to get across——

Mr. COCHRAN of Missouri. I understand what the gentleman is trying to get across. He wants to tack it onto the State.

Mr. BACHMANN. Where a man is employed by the State and he is injured in the performance of his duty, the States take care of it. He was performing a duty as an official of that hospital, for the State, and he was injured in the performance of his duty. As I understand the laws of the different States, where a man is injured in the performance of his duty the State is liable in the first instance.

Mr. COCHRAN of Missouri. Will the gentleman take into consideration the fact that when a Government ward escaped from the hospital they did not send to Washington to have a man sent out to capture him. They sent the bookkeeper out to capture him, and when he went into the house the man grabbed a shotgun and shot his leg off. This is a meritorious claim.

Mr. BACHMANN. I understand, as far as the injury is concerned, it is a meritorious claim; but we have no way of knowing what the State of Missouri has done until the gentleman tells us about it.

Mr. COCHRAN of Missouri. I am advised the State has done nothing.

Mr. BACHMANN. In view of the statement made by the gentleman from Missouri [Mr. COCHRAN] that the State had no compensation laws at the time, and the man was not compensated, and in view of the fact that he was a soldier, I am inclined to let the bill pass.

Mr. COCHRAN of Missouri. I assure the gentleman there was no State law governing the matter at the time.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay to G. C. Vandover the sum of $20,000. Such sum is in full compensation for injuries sustained by G. C. Vandover, who, while acting within his capacity as an employee of State Hospital No. 4, Farmington, Mo., had his right leg shot off by a discharged soldier, then a patient in such hospital and a Federal Government charge.

With the following committee amendment:

Page 1, line 4, strike out "$20,000" and insert in lieu thereof "$2,500."

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ADJOURNMENT

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Friday, February 17, 1933.

## EXECUTIVE COMMUNICATIONS, ETC.

942. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting an estimate of appropriation submitted by the Secretary of War in the sum of $255,500, fiscal year 1933, for the payment of claims of certain British nationals in the amounts awarded them by the Commission for Adjustment of British Claims (H. Doc. No. 557), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. O'CONNOR: Committee on Rules. H. Res. 382. A resolution providing for the consideration of an act relating to medicinal liquor; without amendment (Rept. No. 2048). Referred to the House Calendar.

Mr. YON: Committee on the Public Lands. S. 475. An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; without amendment (Rept. 2049). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOMINICK: Committee on the Judiciary. H. R. 11991. A bill to authorize the Attorney General and the Secretary of the Treasury to turn over to State agencies, for use in the enforcement of laws for the protection of migratory birds, forfeited vessels acquired by the Department of Justice and Treasury Department and no longer needed for official use; with amendment (Rept. No. 2050). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. J. Res. 586. A joint resolution authorizing an annual appropriation for the expenses of participation by the United States in the International Institute of Agriculture at Rome, Italy; without amendment (Rept. No. 2051). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS of Tennessee: Committee on Merchant Marine, Radio, and Fisheries. S. 4008. An act to amend article 5 of the act of Congress approved June 7, 1897, relating to the approval of regulations for preventing collisions upon certain harbors, rivers, and inland waters of the United States; with amendment (Rept. No. 2053). Referred to the House Calendar.

Mr. HOWARD: Committee on Indian Affairs. S. 277. An act defining and regulating power sites upon the Blackfeet Indian Reservation, in the State of Montana; without amendment (Rept. No. 2054). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD: Committee on Indian Affairs. S. 2340. An act to provide funds for cooperation with the School Board of Shannon County, S. Dak., in the construction of a consolidated high-school building to be available to both white and Indian children; without amendment (Rept. No. 2055). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD: Committee on Indian Affairs. S. 3654. An act to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws; without amendment (Rept. No. 2056). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD: Committee on Indian Affairs. S. 4756. An act to authorize the Veterans' Administration or other Federal agencies to turn over to superintendents of the Indian Service amounts due Indians who are under legal disability, or to estates of such deceased Indians; without amendment (Rept. No. 2057). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD: Committee on Indian Affairs. S. 4589. An act to authorize the Secretary of the Interior to make payment of part of the expenses incurred in securing improvements in drainage project of drainage district No. 1, Richardson County, Nebr., and for other purposes; without amendment (Rept. No. 2058). Referred to the House Calendar.

Mr. TARVER: Committee on the Judiciary. H. R. 8378. A bill to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; with amendment (Rept. No. 2061). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 14594. A bill to place Jesse C. Harmon on the retired list of the United States Marine Corps; without amendment (Rept. No. 2052). Referred to the Committee of the Whole House.

Mr. HOWARD: Committee on Indian Affairs. S. 2393. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., and for other purposes; without amendment (Rept. No. 2059). Referred to the Committee of the Whole House.

Mr. HOWARD: Committee on Indian Affairs. S. 4510. An act to authorize exchange of small tribal acreage on the Fort Hall Indian school reserve in Idaho for adjoining land; without amendment (Rept. No. 2060). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KNUTSON: A bill (H. R. 14694) to provide relief with respect to agricultural indebtedness, to provide for the refinancing thereof, and for other purposes; to the Committee on Ways and Means.

By Mr. McLEOD: A bill (H. R. 14695) to protect depositors of banks and banks by preventing undue publicity in connection with loans by the Reconstruction Finance Corporation; to the Committee on Ways and Means.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14696) to provide for needy blind persons of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HARE: Resolution (H. Res. 383) for the consideration of H. R. 8167, a bill to authorize payment of farm-loan mortgages with bonds issued by the mortgagee banks, and for other purposes; to the Committee on Rules.

By Mr. STEWART: Resolution (H. Res. 384) for the consideration of H. R. 14302, a bill to provide for the creation of Morristown National Historical Park in the State of New Jersey, and for other purposes; to the Committee on Rules.

By Mr. HORR: Joint resolution (H. J. Res. 603) interpreting section 11 of the merchant marine act, 1920, as amended; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. TARVER: Resolution (H. Res. 386) providing for the consideration of H. R. 8378, a bill to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence; to the Committee on Rules.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Council of the City of Toledo, Ohio, memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

Memorial of the Legislature of the State of New Jersey memorializing Congress to appropriate sufficient funds to carry out the provisions of the national defense act of 1920; to the Committee on Appropriations.

Memorial of the Council of the City of Wilmington, Del., memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LEA: A bill (H. R. 14697) for the relief of Lieut. Commander Arthur A. Lee, Supply Corps, United States Navy; to the Committee on Claims.

By Mr. SANDERS of New York: A bill (H. R. 14698) granting an increase of pension to Bertha Akin; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10462. By Mr. ANDREWS of New York: Petition of the Philathea, Waldorf, and Men's Bible Classes of the Plymouth Methodist Episcopal Church; Women's Missionary Society of the St. James Evangelical Church, and Women's Circle of the Bethlehem Presbyterian Church, Buffalo; Union Bible Class of the First Methodist Episcopal Church and LaSalle Woman's Christian Temperance Union, Niagara Falls, all of the State of New York, protesting against the return of beer and the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10463. By Mr. CLARKE of New York: Petition of Merritt E. Mead, of Binghamton, N. Y., requesting action on the revaluation of the gold ounce to double its present value, work for the elimination of abuses associated with mass productionism, and giving President power to reduce and abolish unnecessary Government expense; to the Committee on Coinage, Weights, and Measures.

10464. Also, petition of Samuel M. Griffiths and James Boyd Griffiths, of Binghamton, N. Y., requesting earliest possible action on the revaluation of the gold ounce, the correction of the financial abuses bearing on the present financial crisis, and the elimination of the abuses associated with mass production; to the Committee on Ways and Means.

10465. By Mr. CRAIL: Petition of I. Henry Harris, of Los Angeles, Calif., setting forth a plan for regulated reflation; to the Committee on Ways and Means.

10466. Also, petition of A. E. Esilman, of Los Angeles, Calif., setting forth a 3-point legislative program for betterment of unemployment and economic distress, particularly as these matters are affected by aliens living in America; to the Committee on Immigration and Naturalization.

10467. By Mr. LAMBERTSON: Resolution of the Reserve Officers' Club of Topeka, Kans., urging that Congress give more than ordinary consideration to the recommendations of the Secretary of War, the Secretary of the Navy, and all other public officials who are directly responsible for the maintenance of our national defense, in order that the efficiency and morale of the military and naval forces may be maintained during the present world crisis; to the Committee on Appropriations.

10468. By Mr. LINDSAY: Petition of Fleet Reserve Association, through Cornelius E. Anderson, national president, Brooklyn, N. Y., concerning House bill 13520, the Treasury-

Post Office appropriation bill; to the Committee on Appropriations.

10469. Also, petition of Donald N. Dockrell Post, Veterans of Foreign Wars, Newington, Conn., opposing the Bratton amendment; to the Committee on Appropriations.

10470. By Mr. McFADDEN: Petition of 40 engineers, firemen, and trainmen of the Lehigh Valley Railroad Co., transportation department, Sayre, Pa., favoring a 5-day week, which they feel will be no additional cost to the railroad company, but will mean an equalization of work among the employees; to the Committee on Interstate and Foreign Commerce.

10471. By Mr. MILLARD: Petition presented at the request of residents of Westchester County, N. Y., urging legislation for the revaluation of the gold ounce; to the Committee on Banking and Currency.

10472. Also, petition presented at the request of the members of the Woman's Christian Temperance Union at Mamaroneck and Larchmont, N. Y., protesting against the so-called beer bill and the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10473. Also, petition presented at the request of the members of the Woman's Christian Temperance Union of Suffern, N. Y., protesting against the so-called beer bill and the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10474. By Mr. RUDD: Petition of Queens Chapter, No. 26, Disabled American Veterans of the World War, Flushing, Long Island, N. Y., protesting against any legislation proposed or anticipated that will affect veterans' benefits; to the Committee on World War Veterans' Legislation.

10475. By Mr. SHREVE: Petition of J. H. Anderson and 14 other citizens of Erie County, Pa., asking for the passage of the stop-alien-representation amendment to the Constitution of the United States; to the Committee on the Judiciary.

10476. By Mr. SWICK: Petition of Mrs. E. W. Morrow, 208 North Walnut Street, New Castle, Pa., president, and Mrs. Ellis White, Harlansburg, secretary, and members of the Croton Woman's Christian Temperance Union, New Castle, Lawrence County, Pa., indorsing Senate bill 1079 and Senate Resolution 170, providing for a Federal motion-picture commission to regulate and supervise the motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10477. By the SPEAKER: Petition of Samuel Dickstein, requesting an investigation of the conduct of George Z. Medalie, United States attorney for New York, and his office; to the Committee on the Judiciary.

# SENATE

## FRIDAY, FEBRUARY 17, 1933

*(Legislative day of Friday, February 10, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. BLACK obtained the floor.

Mr. FESS. Will the Senator from Alabama yield to me for the approval of the Journal and to suggest the absence of a quorum?

Mr. BLACK. I yield to the Senator from Ohio for that purpose.

### THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Wednesday and Thursday, February 15 and 16, 1933.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dickinson | La Follette | Shipstead |
| Austin | Dill | Lewis | Shortridge |
| Bailey | Fess | Logan | Smith |
| Bankhead | Fletcher | McGill | Smoot |
| Barbour | Frazier | McKellar | Steiwer |
| Barkley | George | McNary | Stephens |
| Bingham | Glass | Metcalf | Swanson |
| Black | Glenn | Moses | Thomas, Idaho |
| Blaine | Goldsborough | Neely | Thomas, Okla. |
| Borah | Gore | Norbeck | Townsend |
| Bratton | Grammer | Norris | Trammell |
| Brookhart | Harrison | Nye | Tydings |
| Bulkley | Hastings | Oddie | Vandenberg |
| Bulow | Hatfield | Patterson | Wagner |
| Byrnes | Hayden | Pittman | Walcott |
| Capper | Hebert | Reed | Walsh, Mass. |
| Caraway | Hull | Reynolds | Walsh, Mont. |
| Clark | Johnson | Robinson, Ark. | Watson |
| Coolidge | Kean | Robinson, Ind. | White |
| Costigan | Kendrick | Russell | |
| Couzens | Keyes | Schuyler | |
| Davis | King | Sheppard | |

Mr. WHITE. I wish to announce the unavoidable absence of my colleague [Mr. HALE] owing to the death of his brother.

Mr. SHEPPARD. I desire to announce that my colleague the Senator from Texas [Mr. CONNALLY] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is absent owing to illness. I ask that this announcement may stand for the day.

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained on official business of the Senate.

Mr. FESS. I wish to announce that the junior Senator from Wyoming [Mr. CAREY] is detained on official business. I ask that this announcement may stand for the day.

Mr. WAGNER. I desire to announce that my colleague [Mr. COPELAND] is necessarily absent from the Senate because of the death of his father. I ask that this announcement may stand for the day.

Mr. SHIPSTEAD. I wish to announce that my colleague [Mr. SCHALL] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the bill (S. 4576) to authorize the Secretary of Commerce to grant an easement for railroad right of way over and upon a portion of the helium-gas bearing lands of the United States of America, in Potter County, in the State of Texas.

The message also announced that the House had passed the bill (S. 1705) for the relief of Samuel C. Davis, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 567) to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 637. An act to relinquish the title of the United States to certain lands in the county of Los Angeles, State of California;

H. R. 1169. An act for the relief of the Monumental Stevedore Co.;

H. R. 2601. An act for the relief of William Mathew Squires;

H. R. 2803. An act for the relief of John S. Stotts, deceased;

H. R. 3969. An act for the relief of John P. Leonard;

H. R. 4395. An act for the relief of Harry C. Anderson;

H. R. 6933. An act for the relief of Zoe A. Tilghman;

H. R. 7174. An act for the relief of James J. Meaney;

H. R. 7986. An act for the relief of William N. Fishburn;

H. R. 8879. An act for the relief of Joanna A. Sheehan;

H. R. 10070. An act for the relief of Beryl M. McHam;

H. R. 11150. An act for the relief of G. C. Vandover; and

H. R. 11980. An act authorizing the President to make a posthumous award of a distinguished-flying cross to Glenn H. Curtiss, deceased, and to present the same to Lua Curtiss, mother of the said Glenn H. Curtiss, deceased.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Banking and Currency:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho, and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitutes a full, true, and complete transcript of the original enrolled copy of Senate Joint Memorial No. 4, enacted by the twenty-second session of the Legislature of the State of Idaho, and filed in this office the 13th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 13th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE SENATE.

Senate Joint Memorial 4 (by Kirkpatrick and Donart)

A joint memorial to the honorable Senate and the House of Representatives of the United States of America in Congress assembled.

Received and filed February 13, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE SENATE.

Senate Joint Memorial 4 (by Kirkpatrick and Donart)

A joint memorial to the honorable Senate and House of Representatives of the United States of America in Congress assembled

We, your memorialists, the Legislature of the State of Idaho, respectfully represent: That—

Whereas by reason of the great depreciation in the price of farm products and the inability of farmers to market the products of their farms in an amount to equal the cost of production, irrigation districts, duly organized and existing in conformity with the laws of the State wherein such districts are situate, and which districts were organized at the request of, and under contracts made with, the Secretary of the Interior for the purposes of management and for the purposes of collecting and paying the costs of constructing irrigation works by the Department of Reclamation of the Government of the United States, are unable to collect the assessments for the operation and maintenance of such irrigation district canals and diversion works and to pay the costs incurred in the diversion and distribution of the water to farms in such districts; and

Whereas by reason of said inability to collect such assessments and the inability of the farmers in said districts to pay, from the sale of the products of their farms, the costs of such operation and maintenance, such districts have been forced to issue and sell warrants of the districts, legally issued for such expense for the year 1932, which are outstanding and unpaid; and

Whereas it will be necessary, in order to pay such operating expenses, so that the farmers within such districts may be able to carry on their farms, for such irrigation districts to issue warrants for the payment of such expenses during the year 1933, which warrants can not be paid until the crops of 1933 are marketed; and

Whereas said warrants are a general lien upon the lands and water rights of such irrigation districts together with the interest thereon and are a first lien on said lands and said water rights subject only to the lien of the Department of Reclamation of the Government of the United States for construction purposes and will be paid as soon as the price of farm products is increased above the cost of production and the 1933 crops can be marketed; and

Whereas it is necessary that money be obtained for the operation and maintenance of said districts and to pay the cost for the distribution of water to said farms for the year 1933 if crops are to be produced on said lands; and

Whereas under the act of the Congress of the United States, approved July 21, 1932, known as the emergency relief and construction act of 1932, and the act of which it was an amendment, loans can not be made to such irrigation districts for the purposes herein provided; and

Whereas the interests of the thousands of farmers in said irrigation districts require that the Reconstruction Finance Corporation may make loans for such purpose and accept the warrants of such districts as securities: Now, therefore, be it

*Resolved by the Senate of the State of Idaho (the House of Representatives concurring)*, That we most respectfully urge upon the Congress of the United States of America to immediately broaden the terms of said act, by amendment thereto, under which loans by the Reconstruction Finance Corporation may be made so as to include loans to such irrigation districts for such purpose, accepting as security therefor the warrants of said districts legally issued and registered in the manner provided by law, the payments of which, together with interest thereon, shall be guaranteed by assessments duly levied, or to be levied, as provided by law; be it further

*Resolved*, That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to forward certified copies of this memorial to the Senate and the House of Representatives of the United States of America, and to the Senators and Representatives in Congress from this State.

This senate joint memorial passed the senate on the 6th day of February, 1933.

GEO. E. HILL,
*President of the Senate.*

This senate joint memorial passed the house of representatives on the 9th day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

I hereby certify that the within Senate Joint Memorial No. 4 originated in the senate during the twenty-second session of the Legislature of the State of Idaho.

M. J. HAMMOND,
*Secretary of the Senate.*

The VICE PRESIDENT also laid before the Senate telegrams in the nature of petitions from Stuart L. Adams, Katherine and Edna McCollam, Pocahontas M. Smith, Mrs. Mary S. Stanton, Alice Labouisse, Anna Monroe Lyons, Eva L. Page, Rhetta Lyons, Anna E. Many, Eva J. Lyons, Florence Ambrose Smith, May Bernard Allen, Mrs. C. L. Eshleman, Mrs. Gustaf Westfeldt, Mrs. Joseph E. Friend, and Bertha Lataue, all dated the 16th instant, New Orleans, La., praying for a continuance of the investigation of the Louisiana senatorial election, 1932, by the special committee of the Senate to investigate campaign expenditures of the various presidential, vice presidential, and senatorial candidates in 1932, which were referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

One of the telegrams was ordered to be printed in the RECORD, and it is as follows:

NEW ORLEANS, LA., *February 16, 1933.*

The VICE PRESIDENT AND THE SENATE,
*Washington, D. C.:*

Can not too strongly urge in interest of good government that your senatorial investigating committee continue its work here until our political situation is purged of fraud. Kindly read this in Senate and publish in CONGRESSIONAL RECORD.

STUART L. ADAMS.

Mr. GEORGE presented the following resolution of the Legislature of the State of Georgia, which was referred to the Committee on the Judiciary:

Whereas in 1918 the Federal Government embarked in the cotton-duck manufacturing business by building a mill for the employment of prisoners at the Atlanta Penitentiary; and

Whereas the inroads made by the product from this mill into the markets of the free mills manufacturing cotton duck have been and are to-day very serious, it appearing from the records as compiled by the Cotton Duck Association, the Association of Cotton Textile Merchants, the American Cotton Manufacturing Association, and the National Association of Cotton Manufacturers that this cotton mill has a total of 516 looms, of which 440 are wide-duck looms, making up the largest single producer of wide duck in the United States; and

Whereas the total production of over 5,000,000 pounds of wide duck per year constitutes over 25 per cent of the wide-duck production of all free mills combined—the output for the year 1931 amounted to 38 per cent; and

Whereas this concentration by the prison mill on wide duck to the extent of over 25 per cent of the total of free production constitutes a definite violation to the spirit and letter of the law under which the mill is operated (Public, No. 271, H. R. 7412, 71st Cong.), which specifically states in the first paragraph that Federal-prison employment shall reduce to the minimum competition with private industry and free labor; and

Whereas the present Superintendent of Prisons, Mr. Sanford Bates, in a public hearing before what is known as the Shannon committee on September 22, 1932, stated that if the prison mill were not now in existence he would not favor building such a mill, and added further that "the suggestion from your committee that we do not concentrate on one industry and that we be permitted to diversify would be a welcome suggestion to our bureau"; and

Whereas in view of the efforts being made for relief of the unemployed throughout the country, over 25 per cent of such un-

employment in our cotton mills being directly attributed to the operation of this enterprise at the Federal prison; and

Whereas full authority in respect to this activity rest by act of Congress (Public, No. 271, 71st Cong., H. R. 7412) with the Attorney General of the United States: Therefore, be it

*Resolved by the General Assembly of the State of Georgia*, That the Attorney General be requested to review the facts submitted before the Shannon committee on September 22, 1932, and that action be taken to bring about such diversification of such activity at the Atlanta Penitentiary, in accordance with the laws, as will substantially and permanently decrease the manufacture of duck at this institution; be it further

*Resolved*, That the act of Congress approved July 10, 1918 (U. S. C., sec. 794, title 18), if necessary to prevent this unfair competition, both with one branch of the industry and as a whole, be amended so that the total manufacture of cotton duck shall be limited to an amount not in excess of 500,000 pounds per annum, except during such time as the United States Government may be at war: Be it further

*Resolved*, That copies of this resolution be sent our two Senators and the different Members of the House of Representatives from Georgia.

Mr. KEAN presented a concurrent resolution of the Legislature of the State of New Jersey favoring the making of sufficient appropriations to carry out the provisions of the national defense act of 1920 and its accompanying legislation, which was referred to the Committee on Appropriations.

(See concurrent resolution printed in full when presented by Mr. BARBOUR on yesterday, p. 4214, CONGRESSIONAL RECORD.)

Mr. BLAINE presented a joint resolution of the Legislature of the State of Wisconsin memorializing Congress to impose higher tariff duties on dairy products, which was referred to the Committee on Finance.

(See joint resolution printed in full when laid before the Senate by the Vice President on yesterday, p. 4213, CONGRESSIONAL RECORD.)

Mr. BLAINE also presented a joint resolution of the Legislature of the State of Wisconsin memorializing Congress to enact legislation for the nomination of candidates for President and Vice President in nation-wide primary elections, which was referred to the Committee on Privileges and Elections.

(See joint resolution printed in full when laid before the Senate by the Vice President on yesterday, p. 4313, CONGRESSIONAL RECORD.)

Mr. ROBINSON of Arkansas presented a letter from E. P. Moore, of Helena, Ark., suggesting the adoption of a "back-to-the-land" movement in the present economic situation, with sufficient support from the Government to finance first crops and homes and to supply cows, hogs, and work animals, instead of the continuance of present relief plans operating through the Reconstruction Finance Corporation, which was referred to the Committee on Agriculture and Forestry.

Mr. TYDINGS presented the petition of the Chamber of Commerce of Bethesda, Md., praying for the balancing of the Budget by the adoption of a sales-tax plan, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Bethesda (Md.) Chamber of Commerce, protesting against reductions in the salaries of Federal employees, whether made directly or accomplished through the medium of a furlough plan, which was ordered to lie on the table.

### REPORTS OF COMMITTEES

Mr. ODDIE, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 11270) to amend section 2 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes," reported it with an amendment and submitted a report (No. 1243) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 964) authorizing and directing the Secretary of Agriculture to investigate all phases of taxation in relation to agriculture, reported it without amendment.

Mr. SHORTRIDGE, from the Committee on Naval Affairs, to which was referred the joint resolution (S. J. Res. 255) authorizing the Secretary of the Navy to sell surplus coal at nominal prices for distribution to the needy, reported it without amendment and submitted a report (No. 1244) thereon.

### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 5651) to amend sections 361, 392, 406, 407, 408, 409, 410, 411, and 412 of the United States Code relating to the construction and inspection of boilers, unfired pressure vessels, and the appurtenances thereof; to the Committee on Commerce.

By Mr. CLARK:

A bill (S. 5652) to provide for the appointment of an additional district judge for the eastern and western districts of Missouri; to the Committee on the Judiciary.

By Mr. BARBOUR:

A bill (S. 5653) granting a pension to Minnie Wild; to the Committee on Pensions.

By Mr. ODDIE:

A bill (S. 5654) for the relief of W. L. Nygren; to the Committee on Claims.

A bill (S. 5655) giving the name "Lake Nevada" to the body of water resulting from the construction of the Hoover Dam; to the Committee on Public Lands and Surveys.

(Mr. ROBINSON of Arkansas introduced Senate bill 5656, which appears under a separate heading.)

By Mr. WALSH of Massachusetts:

A bill (S. 5657) for the relief of Joanna A. Sheehan; to the Committee on Claims.

By Mr. ROBINSON of Indiana:

A bill (S. 5658) granting a pension to Flora B. Parker; to the Committee on Pensions.

By Mr. GEORGE:

A bill (S. 5659) authorizing the State of Georgia to construct, maintain, and operate a toll bridge across the Savannah River at or near Lincolnton, Ga.; to the Committee on Commerce.

### RECONSTRUCTION FINANCE CORPORATION LOANS

Mr. ROBINSON of Arkansas. Mr. President, I ask leave to introduce a bill and have it referred to the appropriate committee. I will make just a brief statement about it. The bill repeals that provision of law which requires or provides for publicity respecting loans by the Reconstruction Finance Corporation.

The bill (S. 5656) to amend subsection (b) of section 201 of the emergency relief and construction act of 1932 was read twice by its title and referred to the Committee on Banking and Currency.

### TAXATION OF CERTAIN NONINTOXICATING LIQUOR—AMENDMENT

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (H. R. 13742) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, which was ordered to lie on the table and to be printed.

### RELIEF FOR THE UNEMPLOYED—AMENDMENT

Mr. WALSH of Massachusetts submitted an amendment intended to be proposed by him to Mr. WAGNER'S amendment to the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

On page 6, line 5, after the word "markets," to insert "(including markets for the purpose of buying, selling, warehousing, or storing of agricultural commodities and livestock)."

### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 637. An act to relinquish the title of the United States to certain lands in the county of Los Angeles, State of California; to the Committee on Public Lands and Surveys.

H. R. 1169. An act for the relief of the Monumental Stevedore Co.;

H. R. 6933. An act for the relief of Zoe A. Tilghman;

H. R. 8879. An act for the relief of Joanna A. Sheehan; and

H. R. 11150. An act for the relief of G. C. Vandover; to the Committee on Claims.

H. R. 2601. An act for the relief of William Mathew Squires;

H. R. 2803. An act for the relief of John S. Stotts, deceased;

H. R. 3969. An act for the relief of John P. Leonard;

H. R. 4395. An act for the relief of Harry C. Anderson;

H. R. 7174. An act for the relief of James J. Meaney;

H. R. 7986. An act for the relief of William N. Fishburn;

H. R. 10070. An act for the relief of Beryl M. McHam; and

H. R. 11980. An act authorizing the President to make a posthumous award of a distinguished-flying cross to Glenn H. Curtiss, deceased, and to present the same to Lua Curtiss, mother of the said Glenn H. Curtiss, deceased; to the Committee on Military Affairs.

CORRECTION IN ENROLLMENT OF HOUSE BILL 7522

The VICE PRESIDENT laid before the Senate a concurrent resolution (H. Con. Res. 49), which was read, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That the Clerk of the House is hereby authorized and directed in the enrollment of the bill (H. R. 7522) to provide a new civil code for the Canal Zone and to repeal the existing civil code, to omit Senate amendments numbered 15 to 23, inclusive.

Mr. WALSH of Montana. This concurrent resolution is merely for the purpose of correcting errors in the enrollment of a bill that passed the other day which was inadvertently misreported. I ask unanimous consent that the Senate concur in the concurrent resolution.

The VICE PRESIDENT. Without objection, the resolution of the House is concurred in.

SAMUEL C. DAVIS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1705) for the relief of Samuel C. Davis, which was, on page 1, line 10, after the figures "1930," to insert a colon and the following proviso:

*Provided*, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. WALSH of Massachusetts. I move that the House amendment be concurred in by the Senate.

The motion was agreed to.

BRIDGE ACROSS THE SAVANNAH RIVER NEAR LINCOLNTON, GA.

Mr. VANDENBERG. From the Committee on Commerce I report back favorably, without amendment, the bill (S. 5659) authorizing the State of Georgia to construct, maintain, and operate a toll bridge across the Savannah River at or near Lincolnton, Ga., and call it to the attention of the Senator from Georgia [Mr. GEORGE].

The VICE PRESIDENT. Without objection, the report will be received.

Mr. GEORGE. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The Senate, by unanimous consent, proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the State of Georgia be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Savannah River, at a point suitable to the interests of navigation, at or near Lincolnton, Ga., and between Lincolnton, Ga., and McCormick, S. C., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State of Georgia all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said State of Georgia is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

REPEAL OF THE EIGHTEENTH AMENDMENT

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a short editorial appearing in to-day's Washington (D. C.) News, entitled "Repeal."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington Daily News, Friday, February 17, 1933]

REPEAL

Thirteen years of good intentions gone wrong—and now relief is in sight. When the Senate yesterday voted for prohibition repeal, 63 to 23, it prepared the last rites for the no longer noble experiment. The American voters gave their mandate last November. The Senate has merely registered the popular will. That the House of Representatives will follow the Senate, and that the necessary State conventions will ratify repeal, seems certain—unless tricky politics delays.

We Americans learn slowly, but we learn.

We have learned that prohibition is the reverse of temperance. We have learned that morality can not be legislated, that speakeasies are worse than saloons, that a government which invades the liberties of citizens degrades itself in lawlessness.

Prohibition is not being abolished by drunkards but by patriots. No repeal is needed to get a drink, or too many drinks. Repeal is essential to restore respect for law, to take profit out of wholesale crime, to turn the Federal Government back to its rightful tasks and restore its legitimate revenues, to save ourselves from snoopery and hypocrisy, and to teach our children that there is no evil in beverage or food except intemperance.

Repeal will help. We need not be naïve enough to think it will solve the liquor problem. We were never a temperate people in anything.

But, with national prohibition out of the way, we can at least start to face the continuing problem of liquor control honestly and intelligently.

NOTICE OF MOTION TO SUSPEND RULE XVI

Mr. HAYDEN. Mr. President, I offer for printing in the RECORD a notice in writing of my intention to move to suspend paragraph 4 of Rule XVI of the standing rules of the Senate for the purpose of proposing an amendment to the legislative appropriation bill.

The VICE PRESIDENT. Without objection, the notice will be printed in the RECORD.

The notice is as follows:

Pursuant to the provisions of Rule XL, I hereby give notice in writing of my intention hereafter to move to suspend paragraph 4 of Rule XVI of the standing rules of the Senate for the purpose of proposing to the bill (H. R. 14562) making appropriation for the legislative branch of the Government for the fiscal year end-

ing June 30, 1934, and for other purposes, an amendment to the legislative pay act of 1929 concerning certain positions and rates of compensation under the jurisdiction of the Secretary and the Sergeant at Arms of the Senate, and particularly at an appropriate place in the bill, the following amendment:

"The provisions of the legislative pay act of 1929 are hereby amended so as to correspond with the changes made by this act in the designations and rates of salary of certain positions in the Senate. This paragraph shall be effective from and after March 15, 1933.

REORGANIZATION OF FEDERAL EMPLOYMENT OFFICES

Mr. WAGNER. Mr. President, I ask unanimous consent to print in the RECORD a survey or appraisal of the so-called Doak reorganization of Federal employment offices made under the auspices of the University of Chicago and published in the Survey. This exceptionally thorough investigation justifies the criticism I made of that system and the prediction I made as to what would happen when the appropriation for the Employment Exchange Bureau in the Department of Labor was under consideration. This reorganization followed when the President vetoed the bill introduced by me and passed by Congress providing for a coordinated system of State and Federal employment offices. The report shows that the appointments were made purely upon a political basis and as political rewards, irrespective of the qualifications of this individual for the technical work involved.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. Mr. President, was not the same report printed in the RECORD a few days ago?

Mr. WAGNER. No; I am sure it was not.

Mr. SMOOT. There was a report similar to this one printed in the RECORD. Is the Senator sure it was not this one?

Mr. WAGNER. I will assure the Senator that it was not this report.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

[From Survey Graphic, March, 1933]

INSTEAD OF A SYSTEM!

By Ruth M. Kellogg

More than 2,000,000 men and women were connected with jobs by the United States Employment Service and its cooperating offices last year, according to the annual report of the Secretary of Labor, given out in December. Mr. Doak viewed this as "no mean accomplishment in these times of reduced work opportunities." On the surface it would seem that such a showing is matter for congratulation; but we need to look below the surface.

The so-called Doak reorganization of the Federal employment system was announced after President Hoover's veto of the Wagner bill in March, 1931. That bill, which is again before Congress, outlined a scheme and provided an appropriation for a system of Federal-State or Federal-State-city employment offices. Such a forward step, taken in England in 1909 and in Germany since the war, has repeatedly been urged in this country as essential to any plan for dealing with unemployment in long-range terms. It becomes of even greater importance as we move toward compulsory unemployment insurance, since such measures depend in part on adequate public-placement services.

The Doak plan, we soon learned, was a strictly Federal plan with the entire staff freed of civil-service requirements and with no provision for integration with the established State services. A director was appointed for each State and for the District of Columbia. Statistics were soon available, purporting to show the placements made by the reorganized service and month by month the figures mounted to the impressive total announced for the past fiscal year.

But in spite of this encouraging news, skeptics continued to question the soundness of the United States Employment Service as reorganized by Secretary Doak. One heard that the new offices duplicated existing public agencies, that their location was determined by political consideration, that they were staffed by persons untrained in employment techniques, that supervision was inadequate, that methods of placement and record keeping were careless and ineffective. Their figures were called in question and they were charged with making political capital of the human misery of unemployment. Defenders of the reorganization insisted that an honest and effective job was being done.

The present article brings together facts on the actual working of the scheme gathered in a 12-week field study that took the writer into 16 States between August and November, 1932. An associate gathered first-hand material in the Northwest in September. In addition, a wealth of information from reliable sources in the other States is still accumulating. While in the field we visited the employment offices, talked with staff members, with the State directors and with representatives of State labor departments, organized labor, employers' associations, city governments, social agencies, the press, and other informed persons. The study, directed by H. A. Millis, Paul Douglas, and B. M. Squires, of the economics faculty of the University of Chicago, was made possible by a grant from the social science research committee of the university. A detailed report of our findings will be published later. The present article attempts to cover only the high spots of our experience and a summary of our conclusions.

The survey was an unbiased effort to determine the strengths and the weaknesses of this attempt to organize the labor market and to give to the employer, the employee, and the community an effective clearing house for workers and for jobs. If our report carries little commendation and less to sustain Mr. Doak's claim of 2,000,000 workers placed, it is because no unbiased observer could fail to be dismayed by the lack of performance, the waste of public money, the inefficiency, even the bad faith, to be found in most of these offices at a time when there is special need for the kind of service the public was led to believe would be supplied.

We must look at the Doak reorganization against the background of the country's brief experience with a Federal employment service. A small beginning was made in the panic year 1907 within the Bureau of Immigration. The job of the bureau vanished with the beginning of the war, and it was decided to convert the immigration offices into employment agencies. A swift expansion of the employment service followed during this period, but when the war ended the hopeful beginnings vanished. Only a skeleton of the Federal service was left, although numerous offices were continued by the States, a few of the salaries for which were paid from Washington. Between 1920 and 1930 the Federal appropriation for employment services was $200,000 a year, compared to $5,500,000 for the fiscal year 1918–19. The only employment offices actually operated by the service were the farm-labor offices, originated during the war to recruit and distribute harvest hands. The number of these offices has varied; there were 18 in 1930, 20 early in 1932, but the number recently dropped to 13. In 1930, 23 veterans' employment offices were opened by the United States Employment Service in various parts of the country. Their number was increased to 30 by the end of June, 1932.

In addition to the independent Federal agencies, the United States Employment Service includes the cooperative offices. In these a member of the staff of a local public-employment office is put on the Government's pay roll as a dollar-a-year man (or woman). The United States Employment Service then extends the franking privilege to this office and supplies it with record forms if they are desired. In return, the local office turns over to the Federal service its figures on registration, employers' orders, placements, and so on. This is not a new arrangement, but in the past has been confined quite largely to State or municipal employment offices. Under the Doak reorganization, some of the State directors have made no further use of this cooperative arrangement, while others have extended it widely. In Colorado, for instance, the service includes 14 such offices. Among the organizations now maintaining cooperative services are the Young Women's Christian Association, the local chamber of commerce, the American Legion, the Urban League, and, more recently, relief agencies.

To get a picture of the service under the reorganization, let me begin by describing the offices themselves as I saw them and the personnel with which they are staffed and then consider the actual functioning of the scheme.

To find these officers sometimes called for a Sherlock Holmes procedure. Usually the local telephone directory indicates their location, but occasionally even this fails. Most of the offices occupy rent-free quarters in public buildings, usually the local post office. But after reaching the post office I have gone from a basement entrance to the topmost floor, which sometimes means "elevator to fourth, walk up one," with no sign to guide me to the office I sought. This rent-free location may or may not be convenient to industry or suitable for the work presumed to be done. In Atlanta, Ga., for example, the State director and the Veterans' Bureau staff share a large room on the fifth floor of the post office. The industrial location is satisfactory, but there is no provision for privacy in interviewing, and men and women of all races, trades, and skills are handled in the same room. In Topeka, Kans., the staff of three was found huddled in a room with the income-tax collectors, the limited space crowded with desks. In some places—Omaha, Birmingham, Nashville, for example—an office with an outer and an inner room affords privacy for interviewing when so used.

Personnel is, of course, even more important than physical externals of location and space. In April, 1931, Secretary Doak stated that an effort had been made, and he felt it had been successful, "to obtain experienced, agreeable persons for the new employment service."

John R. Alpine, chosen to head up the service, was formerly international president of the Plumbers and Steamfitters' Union and a vice president of the American Federation of Labor. At the time of his appointment he had been for 10 years connected with an automatic sprinkler company.

When the hearings on the Wagner bill were being held by the Senate Committee on Commerce last March Mr. Alpine was questioned as to the qualifications of the staff selected for the reorganized service. Although the director considered this "a strange question to ask," he finally said:

"The experience of all men whom we have placed is that they have gone through a workaday life all the time and have had all the experiences that come through the schools of adversity * * * they have gone out with practical knowledge of rub-

bing shoulders with the world; they have gone out because of their own knowledge of what it means to be out of work, and not by any theorizing or by means of any knowledge gathered through books or other kind of data. Their knowledge has been practical. They know how to go and get jobs for a man.

He further contended that since his staff was made up of men who had been out of work at times themselves they knew "how they tried to find work for themselves, and they feel qualified to find it for somebody else if it can be found." Clearly Mr. Alpine fails to realize that employment office work calls for specialized training. The fact that Mr. Doak is himself a railroad man undoubtedly accounts for a considerable number of railroad men in staff positions.

At the same time certain logical and happy appointments as State directors were made, notably C. W. Woodman, of Fort Worth, and W. C. Carpenter, of Spokane, among those we saw, both of them with conspicuously successful experience as assistant directors in the farm labor service, positions they still fill in addition to serving as Federal directors for Texas and Washington.

As a rule, two or three persons are attached to each office. The total budget for the last fiscal year, Mr. Doak states, was $938,780. Until more information is available we can not know just how this money was allocated. The salary scale for the service seems to run about as follows: State director, $3,000 to $4,000; manager of a local office, $2,000; assistant (if there is one), $1,800; stenographer, $1,440; subject, of course, to the cuts recently applied to all Federal salaries. The travel allowance for the director, in the few instances where a figure was available, has been between $45 and $65 a month. Certainly more funds are required for an adequate employment service, yet even a casual observer must conclude that more could be done with the available money if care and imagination went into the budgeting and spending of it.

In choosing a staff, as well as in its use later, political considerations play a conspicuous part. At the Senate hearings, Mr. Alpine declared, "This employment service * * * has been as free from politics and political influence as it was possible to keep it." Mr. Doak expressed the fear that the Wagner bill would mean State agencies "given over largely to politics." Yet in a certain southern State I was told of a man converted to the Republican Party overnight in order to qualify him as State director in the Federal employment service. One woman lost her job and another was appointed in her stead because the former was known not to "vote right." Staff members in some offices were instructed for whom to work in the preelection campaign and for whom to vote. Undoubtedly numerous ones took an active part in the presidential campaign, even though it meant being away from their desks for days at a time. I saw Republican campaign buttons and literature in several offices and was even volunteered solemn assurance of the virtues of this party and its candidates. Little wonder that some directors, who entered the service with the hope of doing worth-while employment work have become disillusioned and unhappy. One feels pity rather than condemnation for some of the staff. Yet sympathy and pity are scarcely due the many who take complete advantage of the situation.

Some strange anomalies have appeared in this matter of staff. It has already been pointed out that the State director in Fort Worth, Tex., carries a double responsibility. His office also does a general placement work for men in a city of 163,447. The Federal Government pays the salary of only one other person in this office. (The city provides a third.) However, when an office was established in Abilene, Tex., under the Doak plan, a staff of three was appointed, although this city has less than 25,000 population.

Dallas, a city of 260,475, established an employment office prior to the Doak reorganization. Some time later the State director had one of the women staff members placed on the Federal pay roll. Presently the city decided to discontinue its employment office and transfer this woman to the employment division of the welfare department. The one Federal salary was cut off during the summer. In reply to protests against the loss of this much-needed staff member, Mr. Alpine wrote:

"The Congress did not see fit to provide the employment service with sufficient funds with which to carry on all of our activities for the present fiscal year 1933, which has of necessity meant the closing of many of our employment offices and the dismissal of a considerable number of employees. It is very much regretted that we are unable to continue the aid heretofore extended to Dallas, for we all know that it will mean a real hardship to the unemployed in your city."

There was a very different situation in a certain community in Kentucky, a State not "conceded" by the Republicans. This Kentucky town is near the State line, and most of its wage earners are ordinarily employed across the river in a larger Ohio city. A Federal office was opened in the Kentucky city in January, 1932, with a staff of two. Two more were added in the spring, and all four were still on the pay roll when I was there late in October. The office "economized" by having no telephone and no business sign. The manager refused free publicity, resented having unemployed workers sent to him by local relief agencies, and was often away from his office and frankly padded his reports. It is to the credit of two of the staff that they wanted to do some real work and were unhappy in the existing situation. There were "sufficient funds" to continue this overstaffed, useless office but none to keep on an effective worker in Dallas.

Numerous outside workers or "contact men" were appointed during 1932. Several State directors found themselves supplied with assistants they had not requested and regarding whose appointments they had not been consulted. Thus in one Southern State a certain business man found his own job had suddenly disappeared in the depression. He was in Washington at the time and got in touch with an eastern Congressman who was indebted to him for a past favor. The position of assistant director in his home State was created for the southerner and he returned to notify the director of his appointment. He held the job for six months, although, as he told me, "I thought it [the employment service] was a joke the whole time I was in and laughed up my sleeve about it, yet it was my bread and butter at the time." In another State the director learned through a newspaper of the appointment of his assistant. The general consensus of opinion seemed to be that the latter's chief occupation was "politics and stirring up trouble."

So far as could be observed, the work in the local communities is not strengthened by the kind of supervision given it by Washington or, except in a few instances, by the State director. In April, 1931, the 40 State directors who had been appointed at that time were called to the Capitol for a general conference as they began their new work. The State directors of Alabama, Mississippi, Florida, Georgia, and North Carolina met once in Atlanta on their own initiative and at their own expense. In some States the employment service is limited to the work done in the office of the State director. If there are other offices in the State, most of the directors make the rounds occasionally, although their travel allowances are meager. The Industrial Employment Information Bulletin, issued from Washington and based on material secured from the State directors, comes out so late that it is of little practical value.

Some of the suggestions from Washington have revealed a woeful lack of understanding of employment principles and technique. Thus a letter sent to State directors and some others on the Federal pay roll urged that the local employment offices cooperate with "individual personal finance companies" on the basis of the latter's "intimate knowledge of large numbers of wage-earners' families in their respective localities, collected in the course of their financial service to customers." Mr. Alpine, who signed the letter, added "* * * it is mutually understood that the cooperation offered by the personal finance companies is directed solely to assistance in securing jobs for unemployed workers." The proposal amazed numerous directors. Mr. Alpine sent out a second letter telling them to use their own judgment in the matter.

One of the chief criticisms of the Doak scheme has been that no apparent attention has been paid to the existence of State or city employment offices or even of other Federal bureaus in the community in which the new offices were located. Last August there were Federal offices, exclusive of farm and veterans' offices, in 96 cities. Twenty-one of the 30 veterans' offices were distributed among the same cities but little or no effort was made to integrate the two services. In some communities the two offices shared quarters, in some they had adjacent rooms, in still others they were at different addresses. In any case, they were run as separate enterprises, a situation bordering on the ridiculous in some instances. Forty-nine of the 96 cities were those in which the State director has his (or her) headquarters. Almost always this office carries on a placement service. In 18 States this was the only general Federal office in the State. Fifty-five of the 96 cities were in States conducting employment services of their own. Previously established State offices were located in 40 of these 55 communities.

If there is any logical basis for this duplication of offices I failed to find it. Iowa, for example, has two State employment offices, each with a staff of two members. In both instances one staff member has for years been paid by the Federal Government. Washington opened two completely separate Federal offices in the same cities. The one in Des Moines is called a veterans' office but it also registers nonservice men and women. The Federal and State offices in Sioux City face one another across the street. In Illinois three offices were opened outside of Chicago, two of them in cities having State offices. The State director insisted that the offices must be combined in some fashion, but his efforts met with only partial success, for the local Congressmen willed otherwise. The offices established in Kansas are in cities having a State service, as is the case in California. The only Federal service in Wisconsin is in Milwaukee, the location of one of the most effective State-city employment centers in the country. Oklahoma City's Federal office was first opened three doors from the State employment office but has since moved to rent-free quarters elsewhere. On orders from Washington, the Ohio State director does placement work in his own office in Columbus. A new office was opened in Toledo. The two men appointed to open a veterans' office in Cincinnati finally took desks in the city-State office, after strenuous objection on the part of local officials to a duplicating office. The veterans' office in Cleveland began its work in 1930. In each of these four Ohio cities there is a State-city employment center, that in Cleveland being one of the outstanding offices in the United States. Requests for Federal offices in Ohio industrial cities not served by city-State agencies have been ignored in Washington. The one Federal office in Georgia is in Atlanta, the only city in the State having a city employment service, a commendable service in itself.

So it has been in State after State. The situation becomes even more ridiculous in the three States in which demonstration employment centers have been established (see Survey Graphic, February, 1933, p. 87); even in Rochester, Philadelphia, Minneapolis, and Duluth Mr. Alpine has seen fit to open offices. Granted that in city after city the State service is inadequate, the opening of duplicate, competitive offices does not improve the situation.

The determining factor in locating a new office in all too many cases seems to be not need or convenience, but politics. The State director's office is usually established in a principal city in the State, though this does not always hold. The first director in Kentucky lived in a small town in the extreme western part of the State. So long as he held the position the office of State director was maintained in this town. When it comes to the question of additional Federal offices within a State I found case after case in which the State director had had no voice in the matter. Instead the decision was made in Washington. The director was then notified and supplied with the names of his new staff members. Here, again, in at least one instance the director obtained his information through a daily paper. Omitting cities large enough to include a congressional district, and hence of necessity the home of a Congressman, we find that a Senator or Representative very frequently lives in the community in which one of the new offices is opened. Toledo, Ohio, where an apparently unnecessary Federal office was located, is the home of Postmaster General Brown. The political significance of the Doak reorganization is admitted even by some of those working under it and taken for granted by many others well qualified to know. As one staff member commented, "They [Washington] say they don't play politics and then they go right ahead and do it." Even Secretary Doak, when referring to a southern director, congratulated himself that there was at least one Republican in that State.

Relations between the "Doak" employment offices and other local services vary from State to State with the experience and attitude of the State director and the staff in local offices. In Jackson, Miss., although the office was until recently classed as a farm-labor agency, the man formerly in charge made his work a real part of the community employment service. The men and women carrying on various types of free employment service in St. Louis have formed themselves into a committee of employment executives, but the staff of the Federal offices was unaware of this group and its activities. The many contacts with employers of which the Federal men told me seemed, for the most part, highly superficial. I gained the impression that they were more concerned with securing information for the Industrial Employment Information Bulletin than with getting genuinely acquainted with the employers' labor needs.

Labor leaders varied in their attitude toward United States employment service. Little respect was felt for it and many were quick to express their condemnation of the "Doak" system as a good deal of a farce. Enthusiasm was as weak as the remark, "Well, if somebody has to be in that office, I'm glad — got it." Friction and bad feeling were encountered repeatedly between the State labor department and the Federal group. In certain instances the head of the former expressed pity for the State director, well realizing that he was not free to organize his own job.

It is hard to evaluate the figures included in the Secretary of Labor's report, especially since only totals are given. Mr. Alpine has stated over the radio that more than three and a third million placements were made between April 1, 1931, and November 1, 1932, and he gives credit to the United States Employment Service for well over half of these. Again, one can not argue with his statement until more facts are known but surely he must have included in his total all of the "directed to employment" figures of the farm-labor division and also the placements of the veterans' offices. In no other way can I square his statement with the facts as I found them. Although confronted repeatedly with the statement, "We aren't allowed to give out any information," I learned of instance after instance in which the placements averaged between 45 and 150 a month. Sometimes they sank to 15 or even 5. One office had made only 166 placements in the preceding 11 months. In another, the director frankly said that his office had made practically none but he didn't believe in sending in fictitious or padded reports.

Less-conscientious staff members have found ingenious ways of increasing their placement totals. In one city it is the custom for the Federal man to call on any firm known to have added a number of workers to its pay roll, obtain the names of these new employees and include them in his placements. Another man asked permission to go over the pay rolls of a number of local firms. When he came upon the name of an employee registered at his office he counted that person as a placement, explaining "He ought to come and tell us anyway." One State director asked that he be supplied with the names and addresses of all men given jobs on Federal highway relief work. These were to be counted as placements because "It's all done with Federal money so why shouldn't the Federal Employment Service get the credit?" In another State there are several instances in which the Federal office included among its placements the total pay roll working on a certain project though it had probably had no contact with these men. The director with some one nominally on his staff on a dollar-a-year basis in a relief organization handling made-work has an excellent chance to swell his totals. During the American Legion drive for jobs in the spring of 1932 it was customary to appoint a veteran on this cooperative basis. The drive totals, themselves highly inflated in some instances, added substantially to the Federal figures.

The records of the Federal employment offices are a poor index of community-employment conditions. Only a small percentage of the jobless workers of any city ordinarily register at the United States employment office. Theoretically the offices separate their registrations into "active" and "inactive" applications, but as a rule the files are not brought up to date oftener than twice a year. Some Federal men frankly stated that their files had never been cleared of "dead timber." No reasonable person expects an employment office to show a large percentage of its applicants placed, nor an impressive total of permanent connections in a period of depression. But in view of the practices followed in the Federal offices, their figures on registration and placements, particularly attempts to compare one office with another or give cost per placement, become utterly meaningless.

As I made the rounds of the "reorganized" offices I found numerous people, myself included, questioning the future of the Doak plan. Some freely labeled it a farce and a subterfuge intended to sidetrack the enactment of the Wagner bill. Even some of the staff expected their services to be discontinued "after election." On July 1, 1932, lack of finances closed numerous offices which had been opened only the preceding February, yet limited finances do not wholly explain the offices discontinued and the staffs cut down toward the end of 1932. Evidence piles up showing that the Federal Government is cutting off the Federal salaries of persons who have for years been a part of the staff in State employment offices, this in spite of vigorous protest and while there are still many Federal offices duplicating other services. Thus in New York State Federal offices have been continued in Rochester and Elmira, where there are State employment centers, but closed in Schenectady and Auburn, where there are none.

Clearly, with adequate supervision and increased funds the service could be made more effective than it has been so far. In States conducting no employment service of their own a strictly Federal service might fill a useful place, though even in these States there would remain the problem of relating such a service to established municipal employment offices. Certain defects stand out in the Doak scheme: There is no provision for real integration with State employment offices; a staff freed of civil-service requirements very easily becomes a part of the spoils system; no provision is made for advisory committees, either national or local. Repeatedly I saw in States that would welcome a genuinely cooperative plan, including a pooling of funds and experience, a strong resentment against the present set-up.

Even if the staff should later be placed under civil service, with able advisory committees formed and utilized, our survey convinces us that the Doak plan is unlikely to lead to an adequate public employment service in this country. Granting that better leadership would eliminate duplicating offices, the scheme would still leave a dual system in State after State. To avoid this it would be necessary to limit the Federal set-up to States having no employment services of their own. The result would be further diffusion of effort, instead of a coordinated, nation-wide service.

The Doak plan, now in its second year, has served not only to make clear the points at which its administration falls short but the weakness of the plan itself. Its basic defects are met by the system that would replace it if the Wagner bill were enacted into law. That bill provides for Federal civil-service employees and for properly constituted advisory committees. And it rests not on a rigid Federal set-up but on national support for a flexible organization established and administered by the States and by local communities to meet our need for an adequate and honest public employment service.

### SALE OF LAND IN HARFORD COUNTY, MD.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 567) to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland, which were, on page 2, line 15, after "Company," to insert "and that the said railroad company shall replace any and all fences, and any other improvements on said property without expense to the Government," and on page 2, line 18, after "thereof," to insert "and not less, in any event, than the sum of $3,759."

Mr. GOLDSBOROUGH. I move concurrence in the House amendments.

The motion was agreed to.

### THE 5-DAY WEEK AND 6-HOUR DAY

Mr. BLACK. Mr. President, I desire to discuss at this time a bill which I have introduced to prohibit the use of interstate commerce for the transportation of goods manufactured or mined in establishments where employees work longer than five days per week and six hours per day.

Mr. BORAH. Mr. President, is the Senator going to discuss the legal phase of the measure?

Mr. BLACK. Not this morning.

It is my sincere belief that the prompt enactment of this measure into law would bring about the quick employment of millions of jobless Americans and at the same time actually benefit legitimate industry and languishing agriculture. The bill is not offered as a cure for all our economic ills but as a major part of an imperatively necessary program for national readjustment and recovery.

There are, of course, other pressing problems of vital importance. Without attempting to enumerate all of them,

but on account of their fundamental nature, might be mentioned farm-mortgage indebtedness and, indeed, all kinds and forms of our crushing load of debts, low farm commodity prices, the unstable and shifting value of our dollar, and our lost foreign trade.

To-day, however, I wish to present this one measure, relating directly to the one subject of hours of labor in industry, and attempt to show that it has an indirect bearing upon all other phases of trade and commerce, and indeed is a subject that can not and must not be ignored in any comprehensive plan to restore normal business activities and bring about that economic justice upon which the domestic tranquility of our people depends.

Since January 5, a subcommittee of the Senate Judiciary Committee has held hearings on this bill. Those hearings have been completed, and I am so thoroughly convinced of the justice of the bill, as well as the urgent necessity for its passage, that I shall seek to secure action from this body as soon as possible.

In the meantime, I think it fitting and appropriate, that I state to the Senate the reasons upon which it rests, and review to a limited extent the evidence before the committee.

Numerous witnesses have appeared before the subcommittee. These have been voluntary witnesses, and the overwhelming majority have favored it.

Appearing for it have been manufacturers, representatives of organized labor, engineers, economists, social workers, lawyers, merchants, farm representatives, and others. It has been most significant that some of the manufacturers have represented business enterprises which are the largest of their kind in the world. Representatives of factories and enterprises have favored it from almost every kind and class of business. These representatives have represented industries employing hundreds of thousands of men and women. Lawyers, who have appeared to argue against the measure on legal grounds, have expressed themselves in unqualified terms as favoring the objective of a shorter work week and shorter work day. Others have appeared to oppose national legislation, but strongly favor State legislation for the same purpose.

There have been some significant facts in connection with the few who expressed themselves against it.

One witness testified against it who is a communist, and who said that "the capitalist system will only be overturned by force," and that he favored overturning it. His testimony clearly disclosed his desire to destroy our present form of government, and his fear that measures like this providing work for the people would delay what he called "the crisis" and would prolong a government he wanted to see destroyed by force.

The attorney for the National Manufacturers' Association also testified against the measure. Both the attorney for this manufacturers' association and the communist who testified against the bill professed sympathy with the objective of shortening hours of labor.

Apparently, however, the communist opposed the measure chiefly because he believed our system to be so inherently bad that he did not want a measure of this kind to allay existing and growing discontent. The attorney for the manufacturers, on the other hand, is not willing to have a desirable objective obtained by law.

It is my belief that this measure should be speedily enacted into law. Among other important effects, the evidence before our committee indicates it would have the following results:

First. The adoption of the 5-day week and 6-hour day would bring about the employment of approximately six and one-half million of our present army of jobless and despairing citizens within a comparatively short period of time.

Second. It would aid the farmers and business enterprises of the Nation by greatly increasing the aggregate purchasing power of the people.

Third. The absorption of the vast number of unemployed in useful labor would aid in the reestablishment of confidence and would be a long step toward a restoration of normal business conditions and would aid in relieving the widespread misery and distress abroad throughout the land.

It is my belief that American industry working its employees five days a week and six hours per day, can produce all that is needed in times of prosperity to satisfy the demands of both our foreign and domestic commerce. The marvelous advances in machinery and efficient mass production support this statement. It is difficult to understand how any thinking person can deny this development who has given proper weight to the evidence around him and the facts available to all who seek reliable information. The fallacy of the economic dogma that the niggardliness of nature and the insatiability of human wants justify long hours in order to produce a limitless supply of ever-increasing commodities, has been exposed and disproven by the inventive genius of man. Dogmatic assertions of economic laws that can not survive the test of workability are not sound.

New principles recognize the lavish generosity of nature. The problem in our complex age is one of satisfying human wants through a proper system of distribution. That is our task to-day.

In connection with this bill I would invite the attention of Senators, particularly those on the other side of the aisle, to the words of Abraham Lincoln. He said long ago:

> So long as there is a man willing to work, but unable to find employment, the hours of labor are too long.

It is also proper at this time to call attention to one sentence in the acceptance speech of President-elect Roosevelt. In discussing unemployment and public works, he said:

> So as to spread the points of all kinds as widely as possible, we must take definite steps to shorten the working day and the working week.

Many statements from men in business and public life might be quoted to strengthen these principles. Let us, however, review some of the evidence before our committee.

INCREASED PRODUCTIVITY

Let us take up first the question of increased productivity. I shall give only a few illustrations.

An example of increased productivity is found in the rubber business. The Department of Labor bulletin of December, 1932, shows this in the following language:

> Mr. BLACK. Man-hour output in the manufacture of pneumatic tires—that is one of the industries in which some of them have gone on a 5-day week—it has increased 86 per cent since 1928, 172 per cent since 1922, 581 per cent since 1914 as the result of technological circumstances, according to a study by the Bureau of Labor Statistics.

The displacement of men in railroad business is shown by the following evidence of Mr. Lovell:

> The records of the Interstate Commerce Commission disclose that from the year 1919 to 1929, a 10-year period, during which the railroads of this country did the greatest volume of business, perhaps made the greatest earnings of any similar period in their history, 350,000 railroad employees were eliminated from the service, not in a business depression but when this country was booming in business. That reduction came about by bigger engines, more efficient engines, bigger cars, heavier bridges, heavier track, more efficient operation.

Mr. Austin T. Levy, of Harrisville, R. I., testified at length before the committee. He operates a number of woolen mills in Rhode Island, Connecticut, and Virginia, representing a capital investment of $3,500,000. He gave some interesting evidence on technological advance and displacement of labor. He said in part as follows:

> I must plead guilty myself to being as great an offender in that respect as there is in the wool textile industry. Our factory has undergone as great changes technologically as any in our industry, which means merely another way of saying that we have displaced workers. * * * They have not been absorbed, and they can not be absorbed.
>
> The same is going on in all lines of business.

Mr. William Green, president of the American Federation of Labor, who has made a careful and close study of the technological changes, testified as follows:

Industry has become so highly mechanized that it is utterly and absolutely impossible to provide work opportunities or to provide work at the old standards of hours, work week, and work day. So that we are face to face with the inevitable fact that adjustments must be made in the working period and working time, or we must settle down and prepare to accept an economic condition which will create and establish and maintain a permanent standing army of unemployed.

An interesting illustration of labor displacement in drilling oil wells was given by Mr. T. S. Hogan, of Midland, Tex. He said:

In the past 30 years I have been in the oil business. I have drilled oil wells from the Canadian border to Mexico in many of our States of the United States—New Mexico, Texas, Arizona, Idaho, and many others. When I started in the business we considered a good job if we drilled a well 3,000 feet deep in one year. In the east Texas field in Texas, the largest oil field ever discovered, comprising 110,000 acres of producing oil land, there are contractors there who have drilled—one company I know of—eight wells in succession, 3,650 feet deep, each on an average drilling time of 56 hours.

Increased productivity in coal mines was shown by Mr. Philip Murray, vice president of the United Mine Workers of America. He said:

The increased use of machinery is shown by the average tons mined per man per day. This was as follows: In 1890 the average tons produced per man per day were 2.56 tons. In 1900 it was 2.98 tons. In 1910 it was 3.46 tons. In 1920 it was 4 tons. In 1929 the average tons per man per day was 4.85. In 1930 it was 5.06, and in 1931 it was 5.30 tons * * *. The difference between 1890 and 1931 would be, roughly, 100 per cent.

The United Mine Workers feel that with the increased use of machinery, as shown by the above figures of productive efficiency, a reduction in the hours per day is a necessity. The existing misery and distress and unemployment make the present the logical time for granting this needful relief.

Mr. Thomas F. McMahon gave another illustration of technological labor displacement in the woolen industry:

I have here taken the woolen industry first, and I wanted you gentlemen to know that it came from one who has spent a lifetime as a foreman in a woolen mill, and he finds that in 1900 a weaver who operated one loom, which was a customary thing at that particular time, 32 years ago, with the speed of the loom 80 picks motion, 90 threads a minute through the shuttle, 60-hour week, could weave a maximum yardage per week of 250 yards. In 1932 the weaver is operating 120 picks, or 30 picks more per minute, a 54-hour week, producing 2,400 yards.

The Washington Daily News of February 13, 1932, contained the following news item:

The Knitwear Industrial Exposition opened in New York to-day. On exhibition is a knitting machine that does the work of 300 persons knitting by hand. One operator can run four such machines, thus the machine enables one man to do the work of 1,200. The machine produces 50 square yards of knitted fabric an hour.

Mr. Levy, a worsted manufacturer, gave the committee an interesting side light on the subject of wages as related to technological advances. He said:

In 1912 a weaver working 60 hours a week earned $15, if he was a good weaver, or 25 cents an hour. In 1933—and I hope the Black bill will be operative during the year 1933—a weaver working under its provisions only 30 hours a week and earning as much, we will say, as $30, or $1 an hour, will produce a yard of similar cloth at 57 per cent less than the cost of producing it in 1912 at 25 cents an hour. In other words, the technological advance has accomplished something which should redound not only to the benefit of the consumer but also to the benefit of the man who produces the thing that is sold.

The CHAIRMAN. This comes about, I presume, because of the new improvements in machinery.

Mr. LEVY. Because the man runs more machines and the machines run at a higher speed, are operated with a greater percentage of efficiency—a combination of those three factors.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Alabama yield to the Senator from Colorado?

Mr. BLACK. I yield.

Mr. COSTIGAN. I have been out of the Chamber during a portion of the interesting and instructive address of the able Senator from Alabama. Perhaps he has discussed the question I desire to propound. It is, What will be the effect on the wages of individual workers if the Senator's bill should be passed?

Mr. BLACK. I have not discussed that question, but I am going to give a review of the testimony on that subject before the committee from the various witnesses. It is a very pertinent question; and I am very frank to state to the Senator that if this bill did not increase the aggregate purchasing power of the people who work it would fail of its purpose.

Let me next take up, very briefly, the question of hours of work to-day. We have heard a great deal about the share-the-work movement, and the impression has been left that people are not working long hours to-day. The exact contrary is true. That has been disclosed by the evidence of manufacturers and laboring people. As a matter of fact, the hours have greatly increased since the depression began.

Even since the depression began hours of labor in industry have increased while wages have decreased. This is true in spite of the effort to put the share-the-work plan into effect.

In the cotton textiles, in 1932, the 55-hour week still predominated. Some mills worked 60 hours, and some as high as 76 hours per week. Many mills worked 11, 12, and 13 hours per night.

Woolen mills worked 50 hours to 67½ hours per week, and some worked 13 hours per night.

Sawmills had an average standard of 56 hours.

Silk and rayon mills still work 10 hours per day, and practically all work a 10-hour night. Many work 12 and 13 hour shifts at night.

Mr. Max Baker, a silk manufacturer and secretary of the Silk Manufacturers' Association of Paterson, N. J., who is on the manufacturing side of the question, in testifying for the 30-hour bill, gave the following surprising evidence:

I speak to you also for the manufacturers of Paterson, who are working anywhere from 18 hours a day themselves. We have mills in Paterson where employees are working 17 hours a day on one shift, and it is not uncommon for people to work 12 and 14 hours. The average hours to-day in Paterson are about 55 hours per week. Wages have come down terribly. The leaders of our industry admit it.

With reference to working hours since the depression began, Mr. Baker testified that the hours of labor per day had increased since the depression 20 to 25 per cent, and that wages have decreased.

Speaking for the bill, Mr. Baker said:

From conversation with men in our industry, large and small, it is an impossibility for our industry to put its house in order by itself.

He said the manufacturers were helpless to reach an agreement and reduce hours in that way.

Mr. Joseph Haines, jr., of Philadelphia, president of the Full-Fashioned Hosiery Co., testified that since the depression wages have gone down 50 per cent, and working hours per day have increased. He favors a law providing for a shorter working week.

Mr. Emil Rieve, president of the American Full-Fashioned Hosiery Works, of Philadelphia, testified on this subject as follows:

Senator BLACK. The average is what now?
Mr. RIEVE. About $16.50 per week.
Senator BLACK. What was it in 1928?
Mr. RIEVE. In 1928 it was around $32.
Senator BLACK. And it is $16.50 now?
Mr. RIEVE. Approximately half.
Senator BLACK. And are the people working longer hours per day?
Mr. RIEVE. On the average I will say they are working longer hours per day.

Mr. Isadore Teitelbaum, appearing as the representative of the National Furniture Manufacturers' Association, in favor of the shorter work week and day, testified as follows:

Senator BLACK. Have they increased the hours of labor during the depression?
Mr. TEITELBAUM. No question about it.
Senator BLACK. What would you say the average has been, the average increase in hours per day, since the depression began?
Mr. TEITELBAUM. A minimum of two hours.
The CHAIRMAN. The pay has not been increased in proportion?
Mr. TEITELBAUM. The pay has decreased. There is no question about that.

Now let us consider for a moment what would be the effect of the 30-hour week and 6-hour day on unemployment, because that is one of the most material points to-day.

Let us take first the testimony of Mr. William Green, who has investigated the subject with great care.

Mr. William Green testified as to the effect of the application of the 6-hour day and 30-hour week as follows:

If work hours could be universally shortened to 30 per week in industry and government, excluding agriculture, 6,500,000 jobs could be created for those now out of work. More than 11,000,000 are now unemployed. With the constant increase in technological improvements and labor-saving machinery, it seems unlikely that more than a few million of these unemployed can be taken back to work in the next few years, even when business improves. For improvement must come slowly and technological development will continue. Therefore, the reemployment of at least 6,500,000 by shortening work hours to 30 per week is an essential basic adjustment for our future progress. That is an inescapable fact. We can not sidetrack it and remove it. We can not go around it. It is standing there. * * *

Senator WALSH of Montana. If business activities are resumed and reached a normal basis, by reason of the improvement in methods and the introduction of new and improved machinery, together with the further utilization of power, we would still have some 4,000,000 unemployed.

Mr. GREEN. Yes; I think the figures would be in excess of that, Senator.

Senator WALSH of Montana. That is to say, the work could be done with 4,000,000 men left.

Mr. GREEN. Yes, sir.

Mr. Herman Chopak, of the Chopak Textile Co., of New York, testifying in favor of the bill, gave the following facts from his practical knowledge as to the effect on employment of the 5-day week and 6-hour day. He said:

The principal reason why the bill should be adopted is that it will create more employment. To accomplish the same amount of work it will naturally require the employment of a greater number of people at 30 hours per week than it does at the present time, when the working week ranges from approximately 40 to 44 hours per week. It is a known fact that years ago it was not unusual for the average worker to work 60 to 72 hours a week. This was changed due to the fact that machinery at that time started to make inroads into man power to such an extent that it was necessary to curtail the working week to its present basis of approximately 40 to 54 hours. Privilege of working longer hours with other help should be considered satisfactory.

We have again reached the turning point where we must once more curtail the working week, this time to a 30-hour basis.

As an example I can give you my own business, with which I am, of course, best acquainted. We employ approximately a hundred people in the distributing end of our business. They work about 44 hours weekly. If the law became effective limiting the working week to 30 hours, in order to accomplish the same amount of work necessary we would require approximately 20 to 25 additional people in our distributing department.

In the manufacturing end of our business we employ directly and indirectly approximately 3,000 people. At the present time they are working from 48 to 50 hours weekly. In order to turn out the same amount of yardage it will be necessary on a 30-hour basis for us to employ at least 750 more people.

These figures, which I offer as an example, can readily give you an idea of the thousands of factories in this and other industries that would have to do likewise, with the consequent employment of millions of now unemployed.

I shall not go at further length into the question of the effect in so far as reemployment is concerned.

Now, reaching the subject suggested by the Senator from Colorado [Mr. COSTIGAN] as to the effect of this bill on wages, I will state that I have not attempted to gather all of the statements that have been made before the committee on this subject, but enough to give a general idea as to the thought of those who have testified in favor of the bill, all of whom favor holding the wage standard high. On this question let me first quote from Mr. William Green.

Mr. Green was asked the following questions, and the following answers were given:

If this shorter work week and shorter work day was brought about by law, which it is apparent now is about the only way it can be brought about universally, would it not be more difficult for the employers to reduce the wages in proportion than it is when they share the work according to the plans that have been adopted by the country?

Mr. GREEN. Yes. We would be able to maintain the wage standards better through the universal application of the shorter work day and the shorter work week. Then we can be putting it into effect, not in an isolated but in a progressive way. The competitive evil of it would be largely eliminated through the universal application.

Senator BLACK. In other words, one employer would not have an advantage over another employer.

Mr. GREEN. No, sir.

Mr. Levy, a Rhode Island textile mill president, whose evidence I commend to those who are interested in this subject, made the following comment on wages:

Mr. LEVY. If this bill resulted merely in a reduction of hours and a commensurate reduction in wages, I should oppose it. This bill is valuable only if the hours are reduced and the compensation either remains where it is or is increased. I think logically it will follow if we find complete employment for our people, that wages must be paid that have some relation to the cost of living.

Mr. D. C. Henny, of Portland, Oreg., who is vice president of the American Society of Engineers and a member of the committee on production, distribution, and consumption of the American Engineering Council, who testified in favor of the bill, said as follows on this subject:

Mr. HENNY. I am trying to get at that point now. When there is a scarcity of labor, of course, labor will get a higher rate, which is to the advantage of labor. Labor then gets equal bargaining power with industry and capital. Competition will come about, and I agree with you if such a measure as this did not bring about better pay and higher consumptive power I would not be here, but I feel it is bound to do that.

Mr. T. S. Hogan, of Midland, Tex., who was formerly the secretary of state of Montana, testified in favor of the bill. An interesting colloquy occurred concerning the effect of this bill on wages. It was as follows:

The CHAIRMAN. Let me ask you a question. From your own experience and observation in Montana, when you were a member of the legislature and passed that 8-hour bill in Montana, did it decrease wages?

Mr. HOGAN. It did not. Not at all.

The CHAIRMAN. When the bill went into effect were the wages kept at the same for eight hours?

Mr. HOGAN. Yes.

The CHAIRMAN. As they had been for a longer work period?

Mr. HOGAN. Yes. We had in the mines $3.50 a day for miners and muckers $3. That was not only maintained under the 8-hour schedule but very soon it was increased to $4 for miners and $3.50 for muckers, and none of the dire calamities which the spokesmen of the copper and lead industries predicted actually happened at all. They pointed out to us they could not compete with foreign goods, they could not compete with goods of the other States. The effect of this was the other States adopted the 8-hour system, as it will be in case of the adoption of your bill, Senator BLACK. It will come to be looked upon as orthodox and ordinary, as the 8-hour day is to-day, in a very short length of time. That is my opinion of how it will function.

Now, in response to the question of the Senator from Colorado [Mr. COSTIGAN] I will state that there was much other evidence given on this subject; and it was the unanimous opinion—with the exception, as I recall, of two men who appeared and who opposed the bill, and who favored overturning the Government by force, and one other witness who was the candidate of the Socialist-Labor Party for President in 1932—that it would result in holding up the standard of wages.

Now, let me go for just a moment to the additional cost of production, because we had evidence on that subject also. We hear people say that industry could not maintain itself if hours were shortened. Let us see what manufacturers said about that.

Quoting again from Mr. Levy, who operates woolen mills in Rhode Island, Connecticut, and Virginia, he gave to the committee the estimated increased cost of a suit of clothes if factories worked on a 5-day week and 6-hour day and did not reduce present wages. Here is what he said:

I have been inquiring, Senator NORRIS, as to the objections to the bill. The first that occurs is a problem, and the certain increase in cost in all products, and I have sought to translate that into definite figures as bearing on the particular industry in which I am engaged, namely, the wool textile industry.

My company is engaged in taking raw wool as it comes from the sheep and transforming it into finished fabric, and distributing those finished fabrics to the people who make clothing from them. There are a number of ways of plant operation, and I shall give you the figures that have to do with the most unfavorable transition that would follow with this bill, and that is the change from a single operation of 48 hours per week to a single shift of 30 hours per week.

The additional cost in a suit of clothes for a man would be, as I calculate it, $1.08, a trifling amount indeed, when all the other factors in this situation are concerned.

Where other transitions are taken into consideration, the additional cost is very much less.

It is interesting to note that the decline in prices since 1929 has been so great due to the facts and circumstances that have been operating, a change which this bill hopes to meet and correct, that after those increases in cost, due to the operation of this bill, we would still have to add 67 per cent to the then increased cost in order to equal the existing prices in 1929.

Mr. President, in view of the fact that some say that industry can not stand the extra expense of a 5-day week and 6-hour day, we might reply by asking whether or not industry and business can stand the crushing burdens under which they rest to-day. Let Mr. Austin Levy answer this, as he did before our committee. I read from his evidence on that subject:

If people ask what is the cost of doing what the Black bill would require, we might well ask what is the cost to the Nation in dollars—let alone the other costs—what is the cost to the Nation of the present unemployment; and if we take as a conservative estimate that there are 10,000,000 people unemployed—the American Federation of Labor says it is almost 12,000,000, and I think we can agree on 10,000,000—I have built up the following calculation. Ten million unemployed at a standard wage of $5 a day means $50,000,000, as many more working half time, or a loss of $2.50 a day, is $25,000,000. So we have a daily loss of wages on this one count of $75,000,000, which in a 5-day week becomes $375,000,000.

We have, going on at the same time, a huge national expense for the relief of unemployment, and if we set that down to the modest sum of $2.50 a week, 7-day week, it is only 30 cents a day, or a little more, and it becomes $25,000,000 a week. We have the huge total as the direct cost of unemployment of $400,000,000 weekly, or $20,000,000,000 per annum.

Now that, Senator NORRIS, is only the direct cost. We have the indirect losses that follow on that through the loss in security values, through the loss in real-estate values, through the losses in commodity values, through the losses in savings. Our savings banks' losses constituted four million of deposits last year and 7,000,000 bank accounts were closed. We assume that those people used up their last funds when those 7,000,000 closed their savings-bank accounts. We must add, then, the losses in dividends, and the losses in interest, and when you have added all those things together, while the figures are impossible, I believe, to obtain, I believe they represent a far greater sum even than the direct loss of $20,000,000,000 per annum.

When we point to those figures the whole foreign debt becomes relatively insignificant. The whole export trade of this country becomes relatively unimportant. Here we have a market at our doors of $20,000,000,000 per annum. Where else in the world could we find such a market? Where else in the world does it exist?

That was the evidence of Mr. Levy in connection with the cost of the bill.

Now, I desire to give some of the striking statements of those who favored this bill and their reasons for so favoring it, and this is the last collection of evidence I obtained from the record.

Mr. Charles S. Rockwell, jr., who is treasurer of the largest plush manufacturing company in the world, operating mills in Rhode Island, Pennsylvania, and North Carolina, testified in favor of the bill. Let us find his reason from his own evidence:

Mr. ROCKWELL. It is rather hard to define why I am here, except that for some time it has been my opinion that we are producing more goods than we can possibly consume. I base my judgment on the period between 1920 and 1930, which I take is the most prosperous period of material prosperity that the United States has ever had.

* * * * * *

The textile industry, by the figures of the Department of Commerce and by figures of various of the manufacturing groups, did not work more than 60 per cent of a single 48-hour shift during this 10-year period of American prosperity.

I hope that will be noted, that the textile industry did not work more than 60 per cent of a single 48-hour shift during the 10-year period of American prosperity.

Now, if that amount of time is sufficient to produce all the goods that we can consume in a prosperous period, why, unless we recognize that fact with an attempt to give every person who is normally employed in that industry the opportunity of a job, we have failed to make ourselves any better or nearly as well off as the savage, who can produce what he needs in five hours a week and seems to get along pretty well.

We produce more goods than we can consume, and immediately the price falls, and there is a tremendous urge from the laboring man to the employer to give him work at any price which the employer wishes to pay, and I think it is remarkable in the last three years the employers have not cut wages more than they have. But it will be impossible to continue it much longer without cutting wages, simply trying to give two men where one man had worked before, along the recent statements of the share-the-work campaign. It simply means a man who is now on the charity list receives a job and takes away from the man who has a job part of his earnings. * * * I am basing my whole opinion on what we knew as a prosperous time, in which 40 per cent of the labor which should be normally employed in that industry was idle. Now, part of that labor was idle all the time and another part might have been idle 20 or 30 per cent of the time. Whether you pass a bill limiting the hours of labor to 30 hours a week or not, as long as the status quo—the volume of goods manufactured—remains the same you are going to have the same amount of idle time. This bill will not affect the total numbers of hours of idle time in the least, and I think it far better that everyone have the right to leisure time and everyone have the opportunity of a job than have 40 per cent of the people idle all the time.

Mr. Herman Aaron, an attorney of New York, representing the National Engineering Society, a number of large interests, and who described himself as a conservative, gave the following interesting reasons for favoring the bill:

I may say here that I am a firm believer in the principle that government regulation or interference of any sort should be avoided excepting when necessary. As a practical observer, however, it seems plain to me that it is hopeless for the competitive world to aspire to an effective limitation of hours of work through voluntary arrangement. To my mind the question, therefore, is, Shall we let our civilization crash through our disinclination to invoke the power of the law, or shall we resort to law to accomplish a vital rule of operation which it is not possible otherwise to create?

I say a vital rule with deliberation. How many of us sit in our easy chairs and smugly contemplate that millions of workers, able and willing to work, must seek in vain for an opportunity in this capitalistic world to earn their living and must see themselves and their families facing either starvation, or what is about as bad, being made objects of charity? No human person should permit such a condition to exist without doing his utmost to remedy it. If it is not remedied, does it take a prophet to foretell what will happen?

As I see no other recourse but a resort to the law, my proposal is that a national law be passed placing a limit upon the hours of labor in industry.

Our economist friends will be apt to deplore the wastefulness involved in the 6-hour suggestion. There is no wastefulness involved in it. The work of 800,000 men at six hours a day is the exact equivalent of the work of 600,000 men at eight hours a day, so that there is just as much wealth produced in the community under the happy system whereby a job is provided for everyone as under the unhappy system where industries are turned topsy-turvy and a large percentage of the community finds itself in distress and facing starvation or charity through no fault of themselves.

If all that is wanted can be made in six hours a day, why insist upon people working eight hours? I repeat, if all that is wanted can be made in six hours a day, why insist upon people working eight hours?

Mr. Max Baker, a silk manufacturer, gave the following reasons for his support of this bill:

My name is Max Baker. I am secretary of the American Raw Thrown Silk Association and secretary of the Silk Manufacturers Association, of Paterson, N. J.

I appear here to-day as a voluntary witness in this matter, representing a family which represents, probably, 3 per cent of the silk textile industry in production, and at the same time representing an organization in the city of Paterson, representing approximately 90 per cent of 531 manufacturers of which the city is made up.

I also appear here for certain manufacturers in the far East district, and also for certain manufacturers in the silk textile industry in the South.

My family has mills in the South, mills in Pennsylvania, mills in Paterson, and mills down East. After a study of this problem for the past two years we have sponsored exactly the legislation which Senator BLACK proposes here.

* * * * * * *

Our industry is in a chaotic condition. Labor conditions are fierce, and the owners' condition at the same time is fierce. I appear here for the owners of the industry in the city of Paterson, and for my own family and my friends in the industry whom I number amongst the thousands. * * *

From conversation with men in our industry, large and small, it is an impossibility for our industry to put its house in order by itself.

Mr. Hogan, of Midland, Tex., testified with reference to the necessity for the bill.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. BLACK. I yield.

Mr. WALSH of Massachusetts. Has the Senator any statistics showing the number of persons who are on part-time employment in this country at the present time?

Mr. BLACK. We have the figures in the record. I did not gather those statistics for this occasion.

Mr. WAGNER. If the Senator from Massachusetts desires, I think I can give the figures.

Mr. WALSH of Massachusetts. Mr. Lewis, representing the United Mine Workers, stated before a committee this morning that in certain industries the percentage of unemployment equals 40 per cent, and of 60 per cent of the enrolled workers employed a large part are employed on part-time basis. If that is true, the beneficial effect of the legislation which the Senator is advocating, and with which I am sympathetic, would not be so pronounced as we would ordinarily expect.

Mr. BLACK. That would be true were it not for the fact—and the Senator may have gone into it—that while the hours per week have decreased, the hours per day have increased, as I have pointed out from the evidence in the record. This gentleman whom I am quoting now, who is a silk manufacturer, says that they are working 17 hours a day in Paterson, N. J.; that the hours per day have gone up.

Mr. WALSH of Massachusetts. I think that is exceptional. Of course, that should be prevented, and the Senator is absolutely right in condemning it. My observation in my own State is that there are very few people in the industries working full time or extra hours per day.

Mr. BLACK. The Senator is correct in saying that a great many people are working part time, but the disastrous thing about that part-time work—and I have many letters on my desk from people who have been compelled to do this thing—is that instead of reducing the hours per day and the hours per week, they have doubled up the work during the day on those who are toiling, they have increased the night work, and they are now working the employees by the hundreds of thousands 13½ hours per night.

Mr. WALSH of Massachusetts. There is no doubt about the fact that the mad rush to produce commodities cheaply has resulted in breaking down all former standards of labor protection. This very morning Mr. Lewis testified that in most industries collective bargaining in the country, which has been a principle for which labor has fought for a long time, has disappeared as a result of conditions growing out of the depression.

Mr. NORRIS. Mr. President, will the Senator from Alabama yield to me?

Mr. BLACK. I yield.

Mr. NORRIS. For fear there might be a misunderstanding on the part of a person reading the little colloquy which has just taken place, I want to call the attention of the Senator from Alabama to a fact which must not be overlooked, that the evidence before the committee showed is true, just as the Senator from Alabama has said; that employers are working men in the particular industry about which the Senator is now talking as much as 17 hours a day, running all the way from 8 or 9 up to 12 or 15, and even 17 hours. A person might get the idea that they were overcrowded with orders, but the evidence shows the condition is just the reverse. While they work their employees so many hours a day, they probably will be without work after a few days' work or a few weeks' work, for two or three months.

It comes about from the fact that on account of the depression and the fear of investing in something that might go down in price after it is bought, the manufacturing takes place after the orders have been placed. Goods are not made up and put on the shelves, but the man sells his goods, takes his orders, and manufactures afterwards. Then the orders which come in are in the nature of rush orders. The manufacturers are afraid to manufacture and keep a stock on hand because of the condition that now exists. If prices go down, as they have been going all the time, they would not be able to sell, of course. The men are working long hours, yet in the aggregate they are not working enough to support themselves and their families.

Mr. BLACK. The Senator is absolutely correct.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Massachusetts?

Mr. BLACK. I yield.

Mr. WALSH of Massachusetts. In conjunction with what the Senator from Nebraska stated, the situation to which he referred was very pronouncedly shown by what happened to the woolen industry last fall. The clothing makers of the country held back until the very last minute in selecting their woolen fabrics. There was a delay of weeks. Finally, they made their selections and every woolen mill started to work day and night and continued for several weeks. It appeared to be one of the biggest booms the woolen mills had had for a long time. But it soon developed that it was only for a few weeks. The mills all shut down in a few weeks after the delayed seasonal activities.

Mr. BLACK. Mr. Green, who testified before the committee and who took into consideration days on part time, had a study made by statisticians connected with his organization and reached the conclusion that the application of the 5-day week and the 6-hour day would employ six and one-half million more people.

Now let us see what Mr. Hogan, of Midland, Tex., said in favoring the bill. I desire to call attention to it so that the Senate may know the viewpoint of some of the witnesses who appeared before the committee. Mr. Hogan said:

> I bring that up here merely for the purpose of impressing on you that the only trouble with your bill is that you are two years too late. During the past two years I have traveled through about 30 of the States of the Union, from the Atlantic to the Pacific and from the Canadian border to the South. I have seen at least eight riots, any one of which, with the vigorous leadership of a man like the gentleman who appeared before you last week, might have resulted in the capture of the city. I try not to be an alarmist, but it is the result of my profound conviction that you have not got even one year in which to adjust the economic conditions of this Nation to divert a full and complete upheaval. Legislation through representative government is on trial, and I want to say that my own judgment on the work of the session, with a few notable and honorable exceptions, is decidedly distressing to one who hopes for progress.
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> In the farm situation it is already too late to reach them by any farm relief measures; at least it is too late to beat the dispossessed.

Mr. John Edelman, the research director of the American Federation of Full-Fashioned Hosiery Workers, of Philadelphia, testified before the committee. In concluding his testimony the following testimony was given:

> Senator BLACK. What importance do you attach to this measure as part of a program to restore business conditions and give employment?
>
> Mr. EDELMAN. I think it is of elementary, primary, and paramount importance.
>
> Senator BLACK. Do you believe conditions can be restored without limiting the hours of labor?
>
> Mr. EDELMAN. Absolutely not. We believe that the present condition of chaos will very rapidly become so serious, unless something of this sort is done, that the measure that would have to be adopted to correct it would be much more drastic than anything now being contemplated.

Mr. Phillip Murray, vice president of the United Mine Workers of America, gave the following statement with reference to the necessity of passing the bill:

> The 6-hour day is inevitable. New inventions, new processes, new methods, new machines have been, and are, and in the years to come, will produce an ever-increasing amount of technological unemployment. Hours of labor must be reduced as productivity increases. But although inevitable, the 6-hour day may not be universally adopted for many years unless some mandatory legislation is enacted into law, for the simple reason that no individual employer will voluntarily take action that hampers competition in the complex business world. But action mandatory upon all will be welcomed, and if it can be made effective now, it will exercise a tremendous influence in stabilizing industry and by increasing the consumptive ability of the country will lift us out of the morass in which we are now floundering. * * * If the industrial processes of this country are so highly geared that the requirement and hours of human labor must be reduced, it is obviously better to distribute the resulting leisure among employed citizens than to have a vast number of unemployed even in normal times and millions of jobless men in recurring cycles.
>
> I do not desire to dwell upon this phase of the subject because it is so obvious that it has been already fully discussed. But I do want to call the attention of the committee to one matter,

and that is the disintegration of character during long periods of enforced idleness. During the first few months of unemployment men will zealously hunt for work. They want to keep their economic independence. They do not want to become objects of charity. Consciously or unconsciously they seek to maintain their relations as normal citizens toward society. But the time comes when many of these men become accustomed to charity or in desperation join the ranks of the hobo and the criminal. During a depression such as we have experienced for the last three and one-half years, who can estimate the number of people who have become reconciled to charity, professional pensioners on the public bounty, or professional hobos and criminals? The man who is hungry and who can find no work either revolts against society or adjusts himself to life as a social parasite.

When the individual revolts against society it is a matter of minor importance. Society is organized to protect itself against him, but when millions of our people are driven into this situation it becomes a matter of serious moment. If the individual farmer loses his farm for nonpayment of taxes or default on his mortgage, it may be regarded simply as an incident in our national economy. But when farmers of entire counties and of States see their farms sold under the hammer for unpaid mortgages and tax liens they take the law in their own hands. And desperate as the plight of the farmer is, it has not yet reached the point of hunger.

Mr. Clarence A. Miller, an attorney who appeared in opposition to the bill, basing his objection on constitutional grounds, testified with reference to the desirability of the relief proposed. I call attention to this because it is significant, but in practically every instance even those who appeared against the bill for one reason or another, expressed themselves as favoring the objective at which it is aimed. Mr. Miller was asked:

Senator BLACK. You favor the objective of this bill?
Mr. MILLER. Yes, Senator; I favor the objective of this bill.
Senator BLACK. And you think it should be done in some way?
Mr. MILLER. Yes; in some way. I have been sincerely doubtful as to whether you are proposing to do it in a constitutional way. * * * I might go further and say in my humble opinion it would be absolutely impossible to accomplish this by individual State regulation, by reason of competitive conditions. In other words, I think you all agree Pennsylvania would not regulate the hours of labor in coal mines unless Ohio, Indiana, and all the competitive States did likewise.
Senator BLACK. It is also evident it can not be done by unanimous agreement of the manufacturers themselves, is it not?
Mr. MILLER. That is also true.

I call attention to the fact that Mr. Miller was appearing as attorney for interests in opposition to the bill. Mr. Miller said further:

I do not believe we will ever have anything approaching a uniform regulation of hours of labor except by a Federal statute, and I believe you will ultimately find it is going to be not only desirable but necessary to get a constitutional amendment to bring that about.

Mr. S. Odenheimer, president of the Lane Cotton Mills, of New Orleans, La., said during the hearing:

It requires now the strong arm of the Government to overcome conditions as they are to-day; not only to-day but conditions as they will be from now on.

We have now more people that require work at long hours than we have occupations. We have to find a way—and have to do that very quickly—to employ everybody that wants to work and employ everybody every week in the year. The reason is plain. First, your main reason, every man under the sun has a right; every man who wants to work should be given the opportunity to work. * * * What will become of the minds of your sons if the condition is they can not get work because the employers keep the labor that they have. If they send them off, they do not employ new ones. What becomes of their minds? Is it not about time we think that we have something to regulate by government because that is the only regulation that amounts to anything? That is so detrimental to American institutions, detrimental to the minds of the people, to our citizens, so there is nothing else for us, as I see it, but to put everybody to work; and don't let us wait until people take the law in their own hands and take what they think belongs to them.

Lest Senators may misunderstand, this was no communist. He is not a man who seeks to overturn the Government. He operates one of the largest cotton mills in the South and one of the oldest in the Union. Since the hearing has been held I have had telegrams from him, one of which arrived this morning, calling attention to the urgent necessity for quick action in order to obtain employment for the people of the Nation. The people are not going to be put back to work by balancing the Budget. I would not underestimate the importance of attempting to balance the Budget; but the people are not going to be put back to work that way. Here is a man who has been engaged in manufacturing, in the cotton-mill business, for a long period of years, who has sent me telegrams and made statements to me, some of which I would not dare to read into the RECORD, calling attention to the fact that something must be done, and that something must be done without delay.

Now, let us see what Mr. Joseph Haines, jr., of Philadelphia, said. He gave the following reasons for favoring a national law regulating hours of labor:

Senator BLACK. As a manufacturer you favor this national law regulating the hours of labor?
Mr. HAINES. Yes.
Senator BLACK. Why?
Mr. HAINES. Well, I think, as I previously stated, it will inflate wages.
Senator BLACK. You mean inflate wages—it will increase wages?
Mr. HAINES. Yes.
Senator BLACK. All right.
Mr. HAINES. And that it will make for a better hosiery market and a more profitable industry.

There is a man who is president of a string of factories manufacturing hosiery. This gentleman came down here voluntarily. He came in order to plead with the Senate to adopt regulations for shorter hours in industry, one of the only ways possible to bring back a rehabilitation of economic conditions in the United States.

Senator BLACK. You believe, in other words, you have to have purchasers in order to be able to sell?
Mr. HAINES. Exactly. We have to eliminate as equitably as possible our overproduction, to encourage manufacturers to get a fair return on their investment and their efforts, and to divide an additional share of that reward with our employees.

Mr. Frederic Brenckman, appearing as the national representative of the National Grange, in favor of the bill, testified as follows:

While I am not minimizing the disastrous effects to agriculture by the shrinkage of our export trade, the fact is, the farmer lost one-fourth of his home markets because of the lack of purchasing power on the part of the unemployed in our cities and towns, and to my mind that is infinitely worse than the loss of our export trade. Put the unemployed back to work and those who are now in the bread lines or living on short rations, subsisting on as little as possible, will begin to buy ham and eggs, beefsteak and potatoes, vegetables and dairy products, cotton and woolen goods. This will create a demand for farm products which does not now exist. Hand in hand with increased demand will come better prices for the products of our farms. That is what is desperately needed to restore prosperity to our fundamental industry.

Within proper bounds, it is sound policy to engage in the construction of public works in order to take up the slack in periods of depression, but it is manifest that more than that is necessary to meet the existing emergency, which is without parallel in our history. There can be no doubt that the use of labor-saving machinery and the methods of mass production have contributed greatly to bring about the present situation. Even prior to the beginning of the depression, several million people were the victims of technological unemployment. * * *

Nobody in his right senses would want to scrap labor-saving machinery or do away with improved methods of production, but it is manifest that our civilization is going to break down unless we make it possible for every man who is willing and able to work to have a job at which he can earn the necessaries of life for himself and his dependents.

Mass production and mass consumption must go hand in hand or trouble is bound to result, just as is the case to-day.

Mr. John P. Frey, who was one of the most interesting witnesses we had before the committee, the secretary-treasurer of the metal-trades department of the American Federation of Labor, gave the following reasons for favoring this bill:

Personally I have always been opposed, up to the present time, to regulating terms of employment through legislation. I have believed that there was enough intelligence, enough of a desire to maintain intelligent conditions, which would lead leaders of industry, when major problems arose, to confer with labor to work out an adjustment of the problem. I have become convinced that is impossible. While there are many employers who heartily believe in sitting down with their employees and endeavoring to work out their problems, there is an influence in the country to-day which makes it impossible for many of the smaller employers and heads of our corporations to sit down in private for the purpose of working out a problem of the distribution of employment, the distribution of wealth in the form of wages.

I have reached the conclusion that the railroads are not free to sit down with the representatives of the railway employees and work out their problems as employer and wage earner. I am convinced that our large manufacturing corporations are no longer

free to sit down with their employees and work out their employment problems.

I have become convinced that the banker has established a position in this country where he determines whether employers will sit down with their employees to work out these problems, and it is because I have reached that conclusion that I believe the only way that we can have any intelligent regulation of employment is through such a measure as the bill that I am now discussing.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER (Mr. SMITH in the chair). Does the Senator from Alabama yield to the Senator from Massachusetts?

Mr. BLACK. I yield.

Mr. WALSH of Massachusetts. The Senator from Alabama has been very generous in yielding, and I am afraid my question may not pertain to the matter which he is at this moment discussing. However, I should like to inquire of the Senator whether or not his proposal was submitted to the Secretary of Labor for his views?

Mr. BLACK. The Secretary of Labor was invited to come before the committee and testify, but he did not appear before the committee. A letter appears in the record, as I recall, in which it is stated that he was busily engaged in something else and could not appear before the committee.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. BLACK. I yield to the Senator.

Mr. NORRIS. Does the Senator have the hearings of the committee before him?

Mr. BLACK. I do not have the printed hearings; they have not all as yet been printed.

Mr. NORRIS. The Secretary of Labor did not write a letter. As chairman of the committee, I wrote a letter to the Secretary of Labor, and I would be glad if we had it here and to have the Senator read it, if he desires to do so.

Mr. BLACK. I will be glad to read it, if the Senator will send for it, because I expect to speak about five minutes more.

Mr. WALSH of Massachusetts. Let me ask the Senator from Nebraska if he received a reply to that letter.

Mr. NORRIS. I received no reply; but I stated—and it is in the hearings—that the Secretary's office, his secretary, called up my office and stated that the letter was received, but the Secretary was too busy; he could not appear before the committee. He did not express any opinion; I received no expression whatever from the Secretary of Labor as to his attitude on the bill.

Mr. WALSH of Massachusetts. May I say to the Senator from Nebraska and the Senator from Alabama that only yesterday, at a meeting of the Committee on Education and Labor, there was under consideration a labor bill in which many people in the building industry are very much interested. Inquiry was made as to whether the Secretary of Labor had expressed his views on the bill. The reply was that he had not. In view of these incidents, I am wondering if the Labor Department of the Government has stopped functioning during this depression.

Mr. BLACK. Mr. President, that is as far as I shall go to-day in a review of the evidence. I do so reluctantly, by reason of my desire to aid in the expedition of the pending legislation. I have taken very little time of the Senate during the present session, and I would not have taken this time on the measure I have discussed had I not believed that it is one of a very few proposals which have been offered striking at the vital and fundamental defects in the operation of our system to-day, which are responsible for the widespread distress.

We are now to take up a bill which will provide assistance to those in hunger and in want and in misery. What will emerge as a result of our consideration of that bill I do not know; but I do know, without deprecating to the slightest extent the desirability of feeding our people, and standing here as one of those who believe in seeing that the people shall be fed, it seems to me bad that we are not taking a more vigorous attitude with reference to legislation that will attempt to cure the disease. We must, of course, treat the symptoms; that must be done; we can not in this country in the midst of abundance and plenty sit silently by, while people all over the Nation are hungry and cold, and decline to administer to their wants. How important it is, Mr. President, that as we contemplate these conditions we remember that it is an inherent right of every man to claim of his government that in the operation of its affairs man-made law shall not deprive him of the opportunity to earn his daily bread by the sweat of his brow. That is what we have been doing.

There are two or three measures that are absolutely vital for either this session or the special session of Congress to consider in order that there may be some hope given to the people of this Nation. Business leaders have failed. For four years we have waited for that prosperity which was to come around the corner. Some think they can not help; some think they can help, but will not help. Whichever view is correct, the fact remains that since 1929 the number of people hopelessly tramping the highways of this Nation has steadily and with regularity and uniformity mounted higher and higher, until to-day the president of the American Federation of Labor estimates there are 12,000,000 unemployed, and a research bureau in New York gave out figures on Sunday estimating that there were 17,000,000 unemployed.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Utah?

Mr. BLACK. I yield.

Mr. KING. I am sure the able Senator, who has been discussing with a good deal of eloquence and some little emotion a very important problem, did not mean to convey the idea that the obligation does not, in part at least, and in great part, rest upon the States, counties, and municipalities to look after the people within their own borders. It seems to me, as I have listened to the Senator, though, the thought would be forced into the minds of most persons who have heard him that the sole obligation rested upon the Federal Government. The Senator is a Democrat and has regard for the States and their obligations and for municipalities and their obligations, and regards the States as sovereign within their sphere; and certainly, with those views, which have been uppermost in his mind for many, many years, he can not contend that the States and their political subdivisions may devolve upon the Federal Government the sole responsibility, because if the Federal Government does assume it, it has to reach back to the States and the people within the States and take from them the taxes, the property, with which to carry on the charitable activities for which the Senator is contending.

Mr. BLACK. Mr. President, I did not mean to leave the impression that the Federal Government should take the sole responsibility for seeing that people do not starve. I do not think it should; I have never thought it should. We built up in this country a system of taking care of the poor in the main by tax-raised money. We have been able, until the past few months, to continue that system. The fact remains, however, that with the present deplorable condition of business, with the insolvency of the farmer, with the bankruptcy of the merchant, with banks toppling all around, we have been compelled to adopt the method of mobilizing our forces all over the land from the East to the West and from the North to the South in order to take care of the people who live under our flag.

There is nothing that would lead me to believe that all the wealth produced in Alabama remains in Alabama; I know it does not. There is nothing that would lead me to believe that all the wealth produced in Utah remains in Utah; I know it does not. I do know that in the city in which I live in Alabama, where thousands of people are being fed, where voluntary contributions were sought in that city, the smallest proportion of contributions made came from business enterprises with their headquarters in distant States, that had been siphoning the wealth created and produced by the

people of Alabama and burying it in holding-company banks, where the manipulators of finance and the barons of trade preside over the destinies of the people of this Nation.

I know further that, as shown by the evidence before the committee, the destinies of the various individual business enterprises are not controlled by the lieutenants who sit at their heads; they are controlled, on the contrary, by the great banking enterprises, few in number, who have monopolized the credit, the money, and the wealth of the people of this Nation, under the control of a few, as shown before the committee, who control, through their interlocking directorships, perhaps 90 per cent of the various industrial activities of this Nation operating in every State in the Union.

So, Mr. President, in so far as I am concerned, I stand on the old principles of government so long as those principles function and those principles operate; I believe in giving the maximum amount of power to the sovereign State which that State can exercise with justice to its people and in the protection of their rights; but to-day business knows no State lines. It stands as indicated by a few giant monopolies, with their tentacles reaching out into every precinct of every county of every State in this Union, determining the destinies of our people. The evidence before the committee shows the utter impossibility and futility of attempting to obtain regulation of hours of labor by State activities or by agreements of the manufacturers. The evidence of manufacturers shows it. The evidence of economists shows it. The evidence of merchants shows it. All show the same thing—that if it is desirable to reduce the hours of labor in industry, there is one and only one power in America strong enough to bring it about, and that is the arm of the Federal Government.

If it be true, as witnesses testifying before our committee believe, that the commerce of this Nation is being infected with goods produced in a way and in a manner which threatens to undermine the very civilization in which we live, which lengthens the bread line, which adds to human misery, which subtracts from the sum total of human happiness, then I say that the Federal Government has the right, the power, and the duty to enact such legislation as will prevent such a catastrophe from occurring.

Mr. SMITH. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. BLACK. I yield to the Senator.

Mr. SMITH. I was interested in the question which the Senator from Utah [Mr. KING] propounded to the Senator from Alabama, to the effect that it ought to be the duty and responsibility of the several States to relieve the condition in which they now find themselves.

That might be true if the States were responsible for bringing about the condition. I desire to ask the Senator if, in his opinion, this condition has not been brought about largely by the Federal laws that are now in force and the use of them by those that have brought about this condition, and therefore if the responsibility is not on the Federal Government to relieve the condition that it allowed to be brought about and was solely responsible for?

Mr. BLACK. I will state to the Senator that in my judgment it has been largely brought about by the Federal laws that are now in force and the Federal laws that are not now in force.

Mr. NORRIS and Mr. THOMAS of Oklahoma addressed the Chair.

The VICE PRESIDENT. Does the Senator from Alabama yield; and if so, to whom?

Mr. BLACK. I yield first to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I should like to make an observation here, with the permission of the Senator. It is suggested mainly by the question of the Senator from Utah. The question did not seem to me to comprehend the bill which the Senator from Alabama is discussing.

This is a bill providing for a 6-hour day and a 5-day week. Nobody contends—so far as I know, nobody has ever suggested—that, assuming it to be desirable to bring about this condition, any State has the power to do it.

It is well recognized that if one State—for instance, in the coal business, the State of Pennsylvania, as suggested by the Senator himself earlier in his remarks—should fix that kind of a day, it would fail absolutely unless Ohio and Kentucky and Tennessee and West Virginia and the other States that were producing coal should fix the same kind of a day. Nobody has contended for a moment before the committee that if we desire to shorten the day and the week there is any power on earth that can do it in this country except the Federal Government.

Mr. BLACK. The Senator is correct.

Mr. THOMAS of Oklahoma. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Oklahoma?

Mr. BLACK. I do.

Mr. THOMAS of Oklahoma. I am sure the Senator from Alabama is to be commended for this discussion this morning.

A few moments ago he made some comment about our major activities being centered in what might be termed one management, which, in other words, is nothing more nor less than monopoly.

I wish to call the Senator's attention to two or three bills now pending before the Congress and two propositions that are pending before the country. The first is the so-called branch banking bill. Does not the Senator believe that that bill will have a tendency to center the financial resources of the Nation in a few central banks in our large cities?

Mr. BLACK. As to that feature of the bill, I agree with the Senator fully.

Mr. THOMAS of Oklahoma. Has the Senator seen the report of the unofficial commission appointed to make a survey of our railroad situation and their statement that eventually, if their recommendation is carried out, we shall have one railway system for the entire United States? And if that is carried out, is not that another evidence of the tendency to centralize our major activities under one control?

Mr. BLACK. That is correct.

Mr. THOMAS of Oklahoma. May I call the Senator's attention to a news story appearing, I think, in yesterday's Washington Daily News? This news story is by Mr. Ray Tucker. It contains two alleged quotations from two senatorial leaders that I think should be made public at an early date.

One of these is a purported interview with the junior Senator from Virginia [Mr. GLASS], in which Mr. Tucker construes his opinion as follows:

> In his opinion, recovery can be hastened by permitting unstable, unnecessary, and inefficient corporations to fail, thereby reducing the burden of debt piled up on an artificial level in the boom years.

The second quotation is Mr. Tucker's interpretation of a statement made by the senior Senator from Pennsylvania [Mr. REED], which Mr. Tucker interprets in his interview as follows:

> He thinks the effort to save many corporations and institutions by pouring good money after bad has postponed recovery.

There are two statements, if I may suggest to the Senator from Alabama, which clearly lead to the conclusion that the efforts of some of these big concerns are not to check the downward trend of this depression but to continue it. We have too many banks still that are weak that should fail. We have too many corporations now that should fail. We have too many employed people. We are paying too high salaries. Before we can reach the end of this depression these weak banks must fail; these weak corporations must fail; these employees who are getting unreasonable salaries must be reduced in salary; and even some of the folks who are now upon some pay roll must lose their positions before we can get to the end of this depression.

Does the Senator entertain views along that line?

Mr. BLACK. I do not believe in the liquidation of labor. It is my judgment that there are a number of important things that must be considered in connection with any program. I referred to those, and referred to the instability

and the shifting value of the American dollar as one of them. We must take care of the indebtedness of the people in some way so that they will not be dispossessed of all they have and thrown out at a time when their property is worth so much less than it was before.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Alabama further yield to the Senator from Oklahoma?

Mr. BLACK. I yield.

Mr. THOMAS of Oklahoma. Hearings are now in progress before the Finance Committee. Some of the eminent gentlemen who are testifying before that committee are recommending, as a relief measure, that we adjust our indebtedness; that farmers who can not pay their farm mortgages be afforded some opportunity to cut down those mortgages by an adjustment between themselves and their creditors.

Does not the Senator believe that if this program is sound it should extend to the indebtedness of the cities; that if the individual is to have his indebtedness reduced by mutual agreement the cities likewise should have their bonded indebtedness reduced; that the counties should be afforded the same opportunity, likewise the States and even the Federal Government? If we have more bonds outstanding than we can pay—and adjustment, if good for an individual, should be good for the city, good for the State, and even good for the Federal Government.

In other words, is it fair to the people, if we start this program of relief, not to carry it from the top to the bottom, and make the adjustment all up and down the line?

Mr. BLACK. I think the question of the Senator answers itself. Undoubtedly, if relief is granted to one group of people it should be granted to others.

Now, Mr. President, concluding my remarks, I desire to say that nothing except my idea of the paramount importance of this bill would have caused me to speak at this time. The subcommittee, in my judgment, will favorably report this measure to the full committee on next Monday. It is my purpose at that time to attempt to obtain action by the Judiciary Committee. I believe that any program of rehabilitation that eliminates this idea from consideration will fail. Other things must be taken into consideration. The able efforts made by the junior Senator from New York [Mr. WAGNER] in connection with unemployment insurance, and his discussion of the various social activities in which the people or the governments must engage, should and will attract the attention of the Senate and of the country.

Too little of security has been given to the men who toil. As they looked out before them in this system of ours, they could see themselves thrown off and discarded at a comparatively early age. It has been impossible for them to accumulate enough out of their earnings to prepare for those times. Those are subjects that must be considered, and we must arrange in the future some way to give security in the way of employment and income.

Mr. President, this and other measures are but the beginning of an effort to bring about a more equal and exact justice under our system from one who believes in our civilization and believes in perpetuating its existence. Just as certainly as we are here, this is no time for blind leaders, people who can not see conditions, to ignore the inevitable fact that when 12,000,000 people out of our population are out of work, it behooves us to move, and move boldly. We can not stand at a position merely because we have stood there before. We must attempt to move, and to equalize the injustices that have been perpetuated and brought down upon our heads, in my judgment, not by the people of an individual State but by the small group testified to by Mr. Frey in the hearings before this committee.

So, Mr. President, I desire to state with reference to Mr. Frey's evidence that I shall not discuss it now; but it is my hope that in the near future there will be a thorough and searching scrutiny and investigation of the interlocking directorships of the small group that have set themselves up as the financial, economic, and governmental dictators of this Nation, in order that they may be stripped of their power, which, in my judgment, has been used to crush the average men and women of this country. I might say further that in my judgment that group is more responsible than any other one power in all the land for the condition in which America finds herself to-day, with her people starving in the midst of the greatest abundance the world has ever known.

I want it distinctly understood that this bill was introduced for the purpose of passing. It will be urged at the earliest possible moment; and I hope that when this body does act upon the bill it will enact it, and enact it speedily, because I believe that our civilization is now on trial.

Mr. WALSH of Massachusetts. Mr. President, undoubtedly the Senator from Alabama [Mr. BLACK] has presented some figures showing the extent to which our workers are obliged to work part time during this depression. I have some accurate and definite figures before me that I present for the RECORD at this time.

The city of Worcester is the second largest city in Massachusetts. It has a population of a little under 200,000 people. Its industries are diversified. There are several machine shops, there is a large plant of the American Wire Co., a large loom works, a shoe factory or two, some woolen factories; in fact, there is almost every kind of an industrial plant that is found in the eastern part of our country. As cities go, I should say that Worcester was somewhat more prosperous than the average New England community.

The Worcester Bank & Trust Co. publishes monthly some statistics in a pamphlet called "Business Review of Worcester." They give, among other statistics, the employment figures, and the employment figures show that in October of 1929 the highest point was reached in employment. At that time in 42 city industrial plants there were 22,428 employees, working 4,711,418 hours. The latest available figures are for December, 1932. The employees at that time numbered 15,549. It is to be noted that that is a decrease of approximately 7,000 as against the peak year of 1929. The number of working hours amounted to 2,299,514, as against 4,711,418 working hours in 1929, representing a decrease in the working hours of more than 50 per cent, while the decrease in the number of employees was somewhat less.

Mr. President, turning to the industrial pay roll of the city of Worcester, based on January, 1928—having a pay roll which is fixed, for the purpose of making comparison, at 100 per cent—we find that the pay roll in the city of Worcester in December, 1932, had shrunken to 48.8 per cent as compared with January, 1928. The Worcester general pay-roll index had shrunken from a pay roll for January, 1928, of 100 per cent to 40.2 per cent in January, 1933, a drop of practically 60 per cent in the general pay-roll index of the city of Worcester.

I take the time of the Senate to present these figures because they are accurate, published by an institution which would try, for the sake of retaining confidence in its own institution and promoting business, to make the most favorable report possible. I have observed for some time that these reports all show a steady, constant decline month by month since 1929 in all the indexes reported.

### LABOR CONDITIONS ON MISSISSIPPI FLOOD-CONTROL PROJECTS

Mr. TOWNSEND. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with an amendment, Senate Resolution 300, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Let the resolution be reported.

The Chief Clerk proceeded to read the resolution (S. Res. 300) submitted by Mr. WAGNER on December 12, 1932.

Mr. ROBINSON of Arkansas. Is it proposed now to take up that resolution?

Mr. TOWNSEND. Yes; I do not think it will lead to discussion.

The VICE PRESIDENT. The Senator from Delaware asked unanimous consent for the present consideration of the resolution.

Mr. ROBINSON of Arkansas. I think the resolution should go over until a better opportunity may be afforded to consider it.

The VICE PRESIDENT. Objection is made, and the resolution goes to the calendar.

FEDERAL AID FOR UNEMPLOYMENT RELIEF

The Senate proceeded to consider the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which had been reported from the Committee on Manufactures with an amendment in the nature of a substitute, as follows:

That it is hereby declared to be the policy of the Congress to cooperate more effectively with the several States and Territories and the District of Columbia in furnishing relief to their needy and distressed people and in relieving the hardship resulting from unemployment.

SEC. 2. (a) The Reconstruction Finance Corporation is authorized and directed to make available out of the funds of the corporation not to exceed $500,000,000 for payments to the States for emergency relief expenditures and for other expenditures authorized under the provisions of this act, upon certification by the Federal Emergency Relief Board created by section 3.

(b) To enable the Reconstruction Finance Corporation to obtain funds for the purposes of this act, the amount of notes, debentures, bonds, or other such obligations which the corporation is authorized and empowered under section 9 of the Reconstruction Finance Corporation act, as amended, to have outstanding at any one time is increased by $500,000,000.

(c) Ten days after the date upon which a majority of the members of the Federal Emergency Relief Board have qualified and have taken office, no application for funds shall be approved by the Reconstruction Finance Corporation under the provisions of Title I of the emergency relief and construction act of 1932, and the Federal Emergency Relief Board shall have access to all files and records of the Reconstruction Finance Corporation relating to the administration of emergency relief under Title I of such act.

SEC. 3. (a) There is hereby created a Federal Emergency Relief Board (referred to in this act as the "board"), which shall consist of three members to be appointed by the President, by and with the advice and consent of the Senate, two of whom shall be experienced in public welfare and relief administration. The board shall have full power of apportionment and allotment of funds under the provisions of this act. The President shall designate one of the members of the board as its chairman. The members of the board shall receive no compensation for their services, except that they shall be paid a per diem compensation of $25 for time devoted to the work of the board, and necessary traveling and subsistence expenses, within the limitations prescribed by law for civilian employees in the executive branch of the Government. The board shall cease to exist upon the expiration of two years after the date of the enactment of this act.

(b) The board—

(1) Shall make such rules and regulations as may be necessary to execute the functions vested in it by this act; and

(2) Shall print monthly for public distribution and shall submit to the President and to the Senate and the House of Representatives (or to the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of its activities and expenditures. Such reports shall, when submitted, be printed as public documents.

(c) The board may appoint and fix the compensation of an executive officer and such experts and, subject to the provisions of the civil service laws, appoint, and, in accordance with the classification act of 1923, as amended, fix the compensation of such other officers and employees, as are necessary to carry out the provisions of this act; and may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere and for printing and binding), not to exceed $350,000, as are necessary to carry out the provisions of this act. All expenses of the board shall be paid out of the amount made available for that purpose by section 4 (b)

(d) The board may appoint advisory committees to advise and confer with it with respect to the administration of this act. No salary shall be paid to committee members, but when attending meetings of the board they shall be allowed necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government.

SEC. 4. (a) Forty per cent of the amount made available under section 2 (a) of this act shall be apportioned among the States on the basis of population according to the Fifteenth Decennial Census. Payments made in any year out of the amount apportioned to any State on the basis of population shall not be in excess of two-thirds of the amounts appropriated or otherwise made available for such year by the State (or, in the case of the District of Columbia, appropriated by the Congress for use therein), by the civil subdivisions thereof and/or by private contributions from within the State, for emergency relief as defined in section 11 of this act.

(b) The balance of the amount made available under section 2 (a) of this act shall be set aside as a reserve fund for emergency allotments as provided in section 8; except that not to exceed $350,000 of such balance may be used for administrative expenses of the board under this act, which shall be paid by the Reconstruction Finance Corporation upon presentation of vouchers approved by the Federal Emergency Relief Board.

(c) The amounts apportioned or allotted to any State under this act shall be available for payment to and expenditure by such State, for the purposes of this act, until the expiration of two years after the date of enactment of this act; except that at the expiration of the fiscal year 1933, if the amount certified prior to the expiration of such year for payment to any State out of amounts apportioned on the basis of population under this act is less than one-half of the total amount apportioned to that State on the basis of population, the difference between the amount so certified and one-half of the total amount apportioned shall be added to the reserve fund provided for in subsection (b) of this section and shall be available for allotment to the several States on the basis of need.

SEC. 5. (a) In order to obtain payments out of the amount made available under section 2 (a) of this act a State, through its governor, shall designate or create an agency to cooperate with the board.

(b) Relief shall be administered within each State under rules and regulations adopted by the State agency.

SEC. 6. Any State desiring to obtain funds under this act shall, by the agency designated or created to cooperate with the board, make application therefor from time to time and submit at such times and for such periods as may be prescribed by the board plans for carrying out the provision of this act within such State. The plans shall include (1) information as to the amounts actually expended for emergency relief by public and private agencies in the State for such periods as the board may prescribe; (2) estimates of the amounts appropriated or otherwise available for emergency relief needs within the State for the period covered by such plan or plans; (3) estimates of amounts necessary to meet the emergency relief needs in the State in the calendar year 1933, and, upon call of the board, in the calendar year 1934; (4) provision for adequate administrative personnel; and (5) provision for securing the benefits contemplated by this act to persons within the State, irrespective of the period of residence within the State. When the board determines that such plans are in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, they shall be approved by the board, and due notice of such approval shall be given to the State agency.

SEC. 7. Within 10 days after the date upon which a majority of the members of the board have qualified and have taken office, the board shall make the apportionment on the basis of population provided in section 4 (a). After application by any State and approval of its plans as provided in section 6 of this act, the board shall immediately certify to the Reconstruction Finance Corporation the amount to be paid to such State.

SEC. 8. (a) Whenever, from an application presented by a State agency and verified by the board, the board finds that the combined moneys available within the State from all sources, supplemented by any moneys to be paid to the State under section 4 (a), will fall below the estimated needs for emergency relief in any State, the State shall be eligible for an emergency allotment on the basis of need from the reserve fund provided in section 4 (b); but no such allotment shall be made to any State unless the board is satisfied that the State or its political subdivisions have made reasonable efforts within their resources to provide for emergency relief expenditures. The board shall, from time to time, certify the amounts to be paid under this subsection.

(b) The board is authorized to allot to the States not to exceed $15,000,000 out of the reserve fund, to be used in furnishing relief and in maintaining work and training programs for persons who have no legal claim on the State or the local community for such assistance.

(c) Any State desiring to receive funds under subsection (b) of this section shall submit to the board through its designated relief agency an application which shall set forth, in the manner prescribed by the board, the extent of the need for service to transients, and a detailed plan for administering relief, and for work and training programs, for transients. In considering such application the board shall determine whether sufficient need has been demonstrated, and whether the plans submitted will, if put into effect, actually relieve distress among transients, assist in their rehabilitation, and tend to decrease the transient problem. If the board finds that need has been demonstrated and approves the plan, it shall certify to the Reconstruction Finance Corporation the sum or sums which it approves for payment to the State. For the purpose of this section a transient is a person within the borders of a State who has no legal residence within that State.

SEC. 9. The Reconstruction Finance Corporation shall make payments without delay to the several States in such amounts and at such times as the Federal Emergency Relief Board may certify under sections 7 and 8 of this act, but no payment shall be made pursuant to certificate which has been revoked by the board as provided in section 10.

SEC. 10. Each State agency cooperating with the board under the provisions of this act shall make such reports concerning its operations and expenditures as shall be prescribed or requested by the board. The board may revoke any existing certificate or withhold any further certificate under this act whenever it shall determine, as to any State, that the State agency has not properly expended or supervised the expenditure of moneys paid to it in accordance with the plans approved under this act. Before any

such certificate shall be revoked or withheld from any State the board shall give notice in writing to the State agency stating specifically wherein the State has failed to comply with such plans.

SEC. 11. The term "emergency relief," when used in this act, means relief in the form of money or commodities or services furnished by the State or its civil subdivisions or by private contributions from within the State to persons in their abode or habitation, or for the transient and homeless, or in the form of wages or other compensation for work furnished on the basis of need, but not including old-age pensions under special acts, or public aid under special acts to mothers for the care of dependent children, or relief to veterans under special acts. The decision of the board as to the purpose of any expenditure shall be final.

SEC. 12. This act shall be construed as intending to secure to the several States control of the administration of relief under this act within their respective territorial limits, subject only to the provisions and purposes of this act.

SEC. 13. The term "State" as used in this act shall include the District of Columbia, Alaska, Hawaii, and Puerto Rico, and in the case of the District of Columbia the Commissioners of the District of Columbia shall designate the agency to cooperate with the board.

Mr. WAGNER. Mr. President, I desire to offer an amendment to the pending bill.

The VICE PRESIDENT. The clerk will report the amendment.

The LEGISLATIVE CLERK. On page 12, after line 20, the Senator from New York proposes to insert:

"TITLE I—RELIEF OF DESTITUTION"

On page 21, after line 15, insert:

"TITLE II—AMENDMENTS TO EMERGENCY RELIEF AND CONSTRUCTION ACT OF 1932

"SEC. 21. Paragraph (1) of subsection (a) of section 201 of the emergency relief and construction act of 1932 is amended to read as follows:

"'(1) to make loans to or contracts with States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided*, That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation, in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years; '

"SEC. 22. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"'(3) to make loans to private corporations to aid in carrying out the construction, replacement, or improvement of aircraft suitable for overseas transport and port facilities essential thereto, bridges, tunnels, docks, viaducts, waterworks, canals, and markets, devoted to public use and which are self-liquidating in character and to make loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing to aid in financing projects undertaken by such corporations which are self-liquidating in character; '

"SEC. 23. Subsection (a) of section 201 of such act is further amended by striking out '(other than by taxation).'

"SEC. 24. Subsections (c) and (d) of section 201 of such act are amended to read as follows:

"'(c) In order that the surpluses of agricultural commodities and livestock (including products manufactured directly therefrom) may not have a depressing effect upon current prices of such commodities and products, the corporation is authorized and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses in the markets of foreign countries in which such sales can not be financed in the normal course of commerce; but no such sales shall be financed by the corporation if, in its judgment, such sales will affect adversely the world markets for such commodities and products: *Provided, however*, That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"'(d) The Reconstruction Finance Corporation is authorized and empowered to make loans to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States, and the products manufactured directly therefrom.'

"SEC. 25. Subsection (f) of section 201 of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: 'but in determining the adequacy of security offered by a borrower applying under subsection (a) of this section the board may, in its discretion, accept as adequate security under this section, a lien on, or other satisfactory assurances of the application of, so much of the revenues from the project as may be required to meet interest payments during the period of the loan and assure refunding within a reasonable period: *Provided further*, That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan.'

"SEC. 26. The second proviso of subsection (g) of section 201 of such act is amended by striking out '(1) or (5)' and inserting in lieu thereof '(1), (2), or (5).'

"SEC. 27. Subsection (h) of section 201 of such act is hereby amended to read as follows:

"'(h) The corporation may make loans under this section at any time prior to January 23, 1934: *Provided*, That nothing herein shall prevent the corporation from issuing funds to a borrower prior to January 23, 1939, under the terms of any agreement with the borrower made prior to January 23, 1934.'

"SEC. 28. Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"'(k) The Reconstruction Finance Corporation is authorized to make available out of the funds of the corporation a sum not exceeding $5,000,000, which may be used by the corporation for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon between the corporation and such credit insurance organizations.'

"SEC. 29. Paragraph (1) of subsection (a) of section 301 of such act is amended by striking out 'July 1, 1933' and inserting in lieu thereof 'January 1, 1934.'"

Amend the title so as to read:

"A bill to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardships and suffering caused by unemployment, to amend the emergency relief and construction act of 1932, and for other purposes."

The VICE PRESIDENT. Without objection, the two amendments will be considered together, the amendment of the title being a separate amendment.

Mr. WAGNER obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. WAGNER. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dickinson | La Follette | Shipstead |
| Austin | Dill | Lewis | Shortridge |
| Bailey | Fess | Logan | Smith |
| Bankhead | Fletcher | McGill | Smoot |
| Barbour | Frazier | McKellar | Steiwer |
| Barkley | George | McNary | Stephens |
| Bingham | Glass | Metcalf | Swanson |
| Black | Glenn | Moses | Thomas, Idaho |
| Blaine | Goldsborough | Neely | Thomas, Okla. |
| Borah | Gore | Norbeck | Townsend |
| Bratton | Grammer | Norris | Trammell |
| Brookhart | Harrison | Nye | Tydings |
| Bulkley | Hastings | Oddie | Vandenberg |
| Bulow | Hatfield | Patterson | Wagner |
| Byrnes | Hayden | Pittman | Walcott |
| Capper | Hebert | Reed | Walsh, Mass. |
| Caraway | Hull | Reynolds | Walsh, Mont. |
| Clark | Johnson | Robinson, Ark. | Watson |
| Coolidge | Kean | Robinson, Ind. | White |
| Costigan | Kendrick | Russell | |
| Couzens | Keyes | Schuyler | |
| Davis | King | Sheppard | |

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

Mr. WAGNER. Mr. President, before explaining in detail the amendment which I have offered to the pending measure, I should like to submit some observations upon the general situation which confronts us.

Mr. President, I sometimes wonder whether all of us have yet realized the extent and the depth of the present crisis in the lives of the people of the United States; whether we all know that in every large city large numbers of upstanding, sturdy, and splendid men and women are being destroyed by a poverty so grim that the like of it has never been seen in this country. In this day and age of plenty, hundreds and thousands of people in the congested areas of population are living on city refuse like the beasts of the jungle. Homeless, cheerless, hopeless, half starved, and cold, these American families are being crushed into the very earth.

I marvel at the general complacency in the presence of these facts. Can it be that in so short time we have come

to accept such conditions as normal and proper? Are we blind to the demoralization which is in progress to the obliteration of all standards of living for a large portion of our population? Are we unaware that these inhuman conditions are placing the fate of America in jeopardy?

What is the situation with respect to relief? The known facts can be stated simply. The need for the relief of destitution is to-day greater than it has been at any time during the depression, and it is still growing. The rising curve of destitution is graphically illustrated in the chart which I have before me, prepared by the Children's Bureau of the Department of Labor, and appearing in its January, 1933, relief bulletin. That chart, Mr. President, shows only the growth in the amount of money expended for relief; it does not reveal, and we have no means of knowing, the even greater spread of want, dependence, and destitution.

It is not difficult to see why the need for relief should be increasing. Basically, of course, the reason is that unemployment is still spreading.

In his testimony before the subcommittee of the Banking and Currency Committee which held hearings upon my bill, Mr. Edward McGrady, representing the American Federation of Labor, expressed that fundamental fact effectively. He said:

> I might call your attention to the fact, Senator, that on the 1st of February you reached the all-time peak of unemployment. You have crossed the 12,000,000 line for the first time, and, as I understand it, that is more unemployed than we have records for in any other country of the world that keeps records, and it is getting worse. * * * In addition, * * * 9,000,000 more are now getting only part-time work.

The full significance of this startling figure is not understood unless it is considered in the light of the long duration of the depression. In the course of four cruel winters private resources have been exhausted, savings-bank accounts have been depleted to the extent of three and one-half billion dollars in a single year, life-insurance policies have been borrowed against to the limit, homes have been abandoned, private possessions sold. No wonder that the case load of relief agencies is to-day growing at a more rapid pace than unemployment itself. Examine the Red Cross figures. They tell a burning story of American tragedy which ought to leave no heart unmoved, no act undone to stop or, at least, to mitigate the ravages of the prevailing distress. According to the report of the Red Cross as of December 31, 1932, 4,750,000 separate families have applied for flour and almost as many for clothing.

It seems to me that on the basis of this evidence there is ample justification for the estimate made by one of the witnesses before the Banking and Currency Committee that "there are no less than 45,000,000 people living in poverty," of which "15,000,000 are existing only with the help of charity, without which they would perish."

These facts and figures offer a challenge to American leadership which has thus far not been met, and I say to those who have continuously resisted and checked every effort to meet it that if they persist they will endanger the very existence of the most cherished American institutions and inflict a blow from which the American people will not fully recover for generations to come.

We are not in a mere business recession We are not undergoing a so-called depression. We are in a life and death struggle with the forces of social and economic dissolution, and it is our responsibility to throw all the resources of our people and our Government into the fray on the side of humanity to prevent the disintegration which is in progress before our very eyes.

The most immediate objective and the most crucial is to provide adequate relief upon a standard of decency for all those who are in need of assistance. No one whose conscience has been penetrated by the prevailing scene of desolation questions that assertion.

How shall we provide the necessary relief? Private charity has reached the peak of its efforts and has begun to decline. A steadily increasing proportion of relief has come from governmental sources. Most of the States and municipalities have reached the limit of their capacity and are not likely to increase their commitments for relief, except by diverting sums from normal and essential functions.

If proof of these declarations is necessary, it is readily accessible. Mr. Ralph G. Hurlin testified before the Committee on Manufactures that the community-chest campaign in 150 communities succeeded in raising for 1933 only 77 per cent of the amount collected for 1932. When last we considered relief legislation it was commonly accepted that of the relief money then expended, 30 per cent came from private sources. The January bulletin of the Children's Bureau discloses that the ratio has changed. To-day only 12 per cent has its origin in private contributions, 88 per cent in public funds. There is no explanation for that shift except the obvious fact that whereas the need for relief has been expanding the capacity of private contributors has been declining.

Now we face the further fact that the resources of States and municipalities are no longer capable of meeting the enlarged need. We recognized that fact when Congress passed the emergency relief and construction act. It is far truer to-day. The situation was well summarized by Prof. Sumner Slichter, of Harvard, a very careful investigator. I quote him:

> But the ability of the cities (and the counties) to raise funds by taxation is shrinking, because about nine-tenths of their income is derived from the taxation of real estate which, even before the depression, was heavily overtaxed relative to other sources of income. Falling rents and a rising percentage of vacancies are steadily reducing the ability of real estate to bear the burden of relief. All this is reflected in the mounting tax delinquencies. Last year Detroit imposed a levy of $76,000,000, of which it failed to collect $18,000,000. Pittsburgh had a levy of $22,594,000, of which over $3,000,000 was delinquent. In Cleveland nearly 19 per cent of the county taxes are delinquent and about 50 per cent of the special-assessment taxes. Particularly important is the fact that ability to give relief has diminished most of all in precisely those communities where unemployment is greatest. For a few months relief may be financed by borrowing, but city after city has now reached the point where further borrowing is impossible.

There is but one conclusion that can possibly be drawn from the facts I have so briefly sketched, and that is that the Federal Government must assume a much larger and direct responsibility in meeting the relief and employment obligations of the current emergency.

Before I consider the provisions of the amendment I have presented to the Costigan-La Follette bill, I want to describe briefly what has been done since last July under the terms of the emergency relief and construction act which Congress passed during the closing hours of the last session.

Under title 1 of that act, making advances to the States for the relief of destitution, the Reconstruction Finance Corporation has down to February 8, 1933, authorized advances of $167,000,000. All but nine States have taken advantage of its provisions. I ask leave to have inserted in the RECORD at this point in my remarks a table showing the amount of advances authorized for the several States.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Is there objection? The Chair hears none, and it is so ordered.

*Reconstruction Finance Corporation funds made available to 38 States and 2 Territories under Title I to close of business January 31, 1933*

| State | To be reimbursed by— | | Total |
|---|---|---|---|
| | State | Political subdivisions | |
| Alabama | $1,656,868.00 | | $1,656,868.00 |
| Arizona | 847,700.00 | | 847,700.00 |
| Arkansas | 2,869,519.00 | | 2,869,519.00 |
| California | 2,255,455.00 | | 2,255,455.00 |
| Colorado | 2,201,048.00 | | 2,201,048.00 |
| Florida | 2,668,153.00 | | 2,668,153.00 |
| Georgia | 681,459.22 | | 681,459.22 |
| Idaho | 649,095.00 | | 649,095.00 |
| Illinois | 26,241,478.00 | $12,252,000.00 | 38,493,478.00 |
| Indiana | 1,775,404.00 | | 1,775,404.00 |
| Iowa | 87,800.00 | | 87,800.00 |
| Kansas | 1,805,995.00 | | 1,805,995.00 |
| Kentucky | 2,563,151.00 | | 2,563,151.00 |
| Louisiana | 4,751,333.00 | | 4,751,333.00 |

*Reconstruction Finance Corporation funds made available to 38 States and 2 Territories under Title I to close of business January 31, 1933*—Continued

| State | To be reimbursed by— | | Total |
|---|---|---|---|
| | State | Political subdivisions | |
| Michigan | $9,958,474.00 | $2,116,000.00 | $12,074,474.00 |
| Minnesota | 1,351,843.00 | | 1,351,843.00 |
| Mississippi | 2,739,425.00 | | 2,739,425.00 |
| Missouri | 2,435,531.00 | | 2,435,531.00 |
| Montana | 1,150,946.00 | | 1,150,946.00 |
| Nevada | 124,867.00 | | 124,867.00 |
| New Hampshire | 944,690.00 | | 944,690.00 |
| New Mexico | 172,000.00 | | 172,000.00 |
| New York | 6,100,000.00 | | 6,100,000.00 |
| North Carolina | 3,036,000.00 | | 3,036,000.00 |
| North Dakota | | 157,680.00 | 157,680.00 |
| Ohio | 6,327,504.00 | 4,220,501.00 | 10,548,005.00 |
| Oklahoma | 2,178,308.00 | | 2,178,308.00 |
| Oregon | 980,738.00 | | 980,738.00 |
| Pennsylvania | 26,705,446.00 | | 26,705,446.00 |
| South Carolina | 1,517,800.00 | | 1,517,800.00 |
| South Dakota | 1,393,995.00 | | 1,393,995.00 |
| Tennessee | 1,019,634.00 | | 1,019,634.00 |
| Texas | 4,135,134.00 | | 4,135,134.00 |
| Utah | 1,998,589.00 | | 1,998,589.00 |
| Virginia | 2,464,860.00 | | 2,464,860.00 |
| Washington | 1,353,700.00 | 1,268,000.00 | 2,621,700.00 |
| West Virginia | 4,747,561.00 | | 4,747,561.00 |
| Wisconsin | 8,304,770.00 | | 8,304,770.00 |
| Hawaii | 307,435.00 | | 307,435.00 |
| Puerto Rico | 360,000.00 | | 360,000.00 |
| Total | 142,863,708.22 | 20,014,181.00 | 162,877,889.22 |

Mr. WAGNER. Under title 2 of the act providing for loans for the construction of self-liquidating projects the total authorizations to February 1, 1933, by the Reconstruction Finance Corporation amounted to $155,721,000. Only an insubstantial amount of that sum has actually been advanced.

At this point in my remarks I ask leave to have inserted in the RECORD a memorandum prepared by the Reconstruction Finance Corporation showing the estimated number of men to be employed on self-liquidating projects as of January 31, 1933.

The PRESIDING OFFICER. Without objection, it is so ordered.

The memorandum referred to is as follows:

The estimated number of men to be employed on the self-liquidating projects authorized by the corporation as at the close of business, January 31, 1933, is as follows:

| | Man-years | Man-months | Man-days |
|---|---|---|---|
| Direct | 76,818 | 921,816 | 19,972,711 |
| Indirect | 70,853 | 850,236 | 17,004,720 |
| Total | 147,671 | 1,772,052 | 36,977,431 |

Total authorized, $155,721,634.24.

The above figures on direct employment are based on 1,560 working hours per man per year, or approximately 22 days per month at 6 hours per day. The figures on indirect employment, in accordance with the method used by the Bureau of Public Roads, are based on 1,920 working hours per man per year, or 20 days per month at 8 hours per day.

Figures on direct employment are the estimates furnished by the applicants. Although we have no direct check on these estimates, we have checked them against figures supplied by the Bureau of Public Roads and the Bureau of Labor Statistics covering average construction projects of similar type, and we feel that in some cases the applicants' figures have been overestimated.

As to indirect employment, we have worked out the figures in conjunction with the Bureau of Public Roads, which has made a thorough and careful study of the general subject in connection with their own work.

It should be understood that we do not vouch for the accuracy of the figures, but that they represent the best estimates available at the present time.

Mr. WAGNER. Under title 3 of that act, which appropriated $322,000,000 for Federal construction, the several departments of the Government up to December 1, 1932, had committed for expenditures $156,082,157.

Mr. President, I have received from the Bureau of Public Roads an estimate of the volume of employment directly provided by the emergency road appropriation carried in that act. It discloses that during the month of November 89,230 men, and in December 76,954 men, were given direct employment as a result of that emergency appropriation. In order to arrive at the total volume of employment directly and indirectly provided as a result of that appropriation, those figures should be respectively multiplied by three, for behind every man on the site of construction two men are engaged in the fabrication of materials, in transportation, and other indirect occupations directly set on foot as a result of the construction project. I ask leave that the two tables I have here may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables referred to are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF PUBLIC ROADS.

*Total Federal and State highway employment*

MONTH OF NOVEMBER, 1932

| State | Construction | | | | | | | | | | | Total maintenance | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | National forest | | National park | | Federal land | | Federal aid | | Total Federal | Total State | Total Federal and State | | |
| | Regular | Emergency | Regular | Emergency | Regular | Emergency | Regular | Emergency | | | | | |
| Alabama | | | | | | | 292 | 1,659 | 1,951 | 397 | 2,348 | 1,930 | 4,278 |
| Arizona | 11 | 477 | 80 | | | | 242 | 910 | 1,720 | 108 | 1,828 | 102 | 1,930 |
| Arkansas | | | | | | | | 136 | 136 | | 136 | 758 | 894 |
| California | 465 | 635 | 398 | 11 | 31 | | 1,168 | 567 | 3,275 | 4,214 | 7,489 | 2,745 | 10,234 |
| Colorado | 37 | 451 | 43 | | | | 70 | 1,879 | 2,480 | 78 | 2,558 | 488 | 3,046 |
| Connecticut | | | | | | | [1] 53 | 586 | 639 | 2,594 | 3,233 | 1,009 | 4,242 |
| Delaware | | | | | | | 278 | 992 | 1,270 | 469 | 1,739 | 261 | 2,000 |
| Florida | | 31 | | | | | 452 | 741 | 1,224 | 2,667 | 3,891 | 737 | 4,628 |
| Georgia | | | | | | | 858 | 4,602 | 5,460 | 3,056 | 8,516 | 776 | 9,292 |
| Idaho | 30 | 416 | 52 | | | 40 | 170 | 856 | 1,564 | 347 | 1,911 | 728 | 2,639 |
| Illinois | | | | | | | 1,982 | 3,997 | 5,979 | 4,975 | 10,954 | 3,281 | 14,235 |
| Indiana | | | | | | | 1,689 | | 1,689 | 1,512 | 3,201 | 4,807 | 8,008 |
| Iowa | | | | | | | 770 | 3,347 | 4,117 | 612 | 4,729 | 1,436 | 6,165 |
| Kansas | | | | | | | 571 | 2,435 | 3,006 | 315 | 3,321 | 1,626 | 4,947 |
| Kentucky | | | | | | | 1,501 | 2,075 | 3,576 | 5,790 | 9,366 | 2,670 | 12,036 |
| Louisiana | | | | | | | 544 | 526 | 1,070 | 3,251 | 4,321 | 1,270 | 5,591 |
| Maine | | | | | | | 337 | 845 | 1,182 | 685 | 1,867 | 682 | 2,549 |
| Maryland | | | | | | | 562 | 442 | 1,004 | 1,758 | 2,762 | 3,231 | 5,993 |
| Massachusetts | | | | | | | 803 | 880 | 1,683 | 1,547 | 3,230 | 1,717 | 4,947 |
| Michigan | | 10 | | | | | 1,224 | 1,978 | 3,212 | 949 | 4,161 | [2] 4,268 | 8,429 |
| Minnesota | 50 | 155 | | | | | 110 | 2,184 | 2,499 | 1,428 | 3,927 | [2] 2,071 | 5,998 |
| Mississippi | | | | | | | 484 | 916 | 1,400 | [1] 160 | 1,560 | 1,114 | 2,674 |
| Missouri | | | | | | | 564 | 1,908 | 2,472 | 6,076 | 8,548 | 6,313 | 14,861 |
| Montana | | 258 | | | 16 | | 295 | 3,564 | 4,133 | | 4,133 | 261 | 4,394 |
| Nebraska | | | | | | | 734 | 2,688 | 3,422 | 796 | 4,218 | 1,052 | 5,270 |
| Nevada | | 96 | | | | 35 | 111 | 321 | 563 | | 563 | 220 | 783 |

[1] Estimated. [2] October report. [3] Exclusive of men employed on State-aid maintenance.

*Total Federal and State highway employment*—Continued

MONTH OF NOVEMBER, 1932—continued

| State | Construction | | | | | | | | | | | Total maintenance | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | National forest | | National park | | Federal land | | Federal aid | | Total Federal | Total State | Total Federal and State | | |
| | Regular | Emergency | Regular | Emergency | Regular | Emergency | Regular | Emergency | | | | | |
| New Hampshire | 56 | | | | | | 191 | 303 | 550 | [4] 7,653 | 8,203 | 1,074 | 9,277 |
| New Jersey | | | | | | | 1,167 | 1,467 | 2,634 | 736 | 3,370 | 1,114 | 4,484 |
| New Mexico | 67 | 216 | | | | | 162 | 1,462 | 1,907 | 202 | 2,109 | 788 | 2,897 |
| New York | | | | | | | 2,576 | 4,779 | 7,355 | 2,919 | 10,274 | 4,273 | 14,547 |
| North Carolina | | | | | | | 230 | 3,786 | 4,016 | 17 | 4,033 | 9,237 | 13,270 |
| North Dakota | | | | | 17 | | 602 | 1,486 | 2,105 | 143 | 2,248 | 906 | 3,154 |
| Ohio | | | | | | | 2,101 | 4,061 | 6,162 | 1,669 | 7,831 | 8,575 | 16,406 |
| Oklahoma | | | | | | | 1,165 | | 1,165 | 3,551 | 4,716 | 2,651 | 7,367 |
| Oregon | | 569 | | | | | 429 | 1,709 | 2,707 | 630 | 3,337 | 733 | 4,070 |
| Pennsylvania | | | | | | | 3,764 | 3,580 | 7,344 | 1,785 | 9,129 | 50,225 | 59,354 |
| Rhode Island | | | | | | | 166 | 485 | 651 | 103 | 754 | 976 | 1,730 |
| South Carolina | | | | | | | 24 | 2,581 | 2,605 | 622 | 3,227 | 1,470 | 4,697 |
| South Dakota | | 31 | | | 16 | | 898 | 1,929 | 2,874 | 258 | 3,132 | 912 | 4,044 |
| Tennessee | | | | | | | 554 | 2,707 | 3,261 | 624 | 3,885 | 1,756 | 5,641 |
| Texas | | | | | | | 5,014 | 1,024 | 6,038 | 4,881 | 10,919 | 7,222 | 18,141 |
| Utah | | 91 | 255 | | | | 297 | 783 | 1,426 | 1,190 | 2,616 | 4,700 | 7,316 |
| Vermont | | | | | | | 25 | 507 | 532 | [4] 25 | 557 | 1,012 | 1,569 |
| Virginia | [2] 48 | | 101 | | | | 1,243 | 2,114 | 3,506 | 2,786 | 6,292 | 9,320 | 15,612 |
| Washington | 58 | 366 | [2] 30 | | [1] 30 | | 218 | 1,062 | 1,764 | 834 | 2,598 | 1,779 | 4,377 |
| West Virginia | | | | | | | 374 | 1,838 | 2,212 | 2,935 | 5,147 | 2,044 | 7,191 |
| Wisconsin | | | | | | | 542 | 4,056 | 4,598 | 3,497 | 8,095 | 3,913 | 12,008 |
| Wyoming | 31 | 311 | 68 | 230 | | | 118 | 2,048 | 2,806 | 162 | 2,968 | 371 | 3,339 |
| Alaska | [5] 125 | | | | | | | | 125 | | 125 | [5] 124 | 249 |
| Hawaii | | | | | | | 864 | | 864 | | 864 | | 864 |
| United States | 978 | 4,113 | 1,027 | 241 | 110 | 75 | 38,588 | 84,801 | 129,933 | 81,006 | 210,939 | 160,728 | 371,667 |

MONTH OF DECEMBER, 1932

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Alabama | | | | | | | 226 | 2,244 | 2,470 | 410 | 2,880 | 1,870 | 4,750 |
| Arizona | 24 | 358 | | | | | 103 | 872 | 1,347 | [6] 72 | 1,419 | 587 | 2,006 |
| Arkansas | | 71 | | | | | | 390 | 461 | | 461 | 586 | 1,047 |
| California | 408 | 514 | 156 | [1] 11 | | | 978 | 991 | 3,058 | 4,547 | 7,605 | 2,849 | 10,454 |
| Colorado | | 310 | | | | | 57 | 895 | 1,262 | 32 | 1,294 | 408 | 1,702 |
| Connecticut | | | | | | | 34 | 452 | 486 | 1,814 | 2,300 | 939 | 3,239 |
| Delaware | | | | | | | | 694 | 694 | 174 | 868 | 120 | 988 |
| Florida | 50 | 53 | | | | | 408 | 1,711 | 2,222 | 2,486 | 4,708 | 832 | 5,540 |
| Georgia | | | | | | | 301 | 4,740 | 5,041 | 3,043 | 8,084 | 893 | 8,977 |
| Idaho | 16 | 359 | | | | 73 | 23 | 718 | 1,189 | 103 | 1,292 | 555 | 1,847 |
| Illinois | | | | | | | 889 | 2,735 | 3,624 | 2,680 | 6,304 | 3,881 | 10,185 |
| Indiana | | | | | | | 736 | | 736 | 1,108 | 1,844 | 3,268 | 5,112 |
| Iowa | | | | | | | 469 | 316 | 785 | 334 | 1,119 | 1,246 | 2,365 |
| Kansas | | | | | | | 451 | 2,654 | 3,105 | 186 | 3,291 | 1,213 | 4,504 |
| Kentucky | | | | | | | 961 | 1,591 | 2,552 | 4,152 | 6,704 | 2,701 | 9,405 |
| Louisiana | | | | | | | 285 | 3,220 | 3,505 | 2,038 | 5,543 | 1,081 | 6,624 |
| Maine | | | | | | | 29 | 882 | 911 | 312 | 1,223 | 1,001 | 2,224 |
| Maryland | | | | | | | 323 | 331 | 654 | 1,215 | 1,869 | 3,539 | 5,408 |
| Massachusetts | | | | | | | 395 | 669 | 1,064 | 689 | 1,753 | 1,576 | 3,329 |
| Michigan | 96 | 18 | | | | | 394 | 1,101 | 1,609 | 698 | 2,307 | [1] 4,457 | 6,764 |
| Minnesota | 50 | 50 | | | | | | 833 | 933 | 1,196 | 2,129 | [3] 1,205 | 3,334 |
| Mississippi | | | | | | | 462 | 1,368 | 1,830 | 56 | 1,886 | 1,148 | 3,034 |
| Missouri | | | | | | | 171 | 1,137 | 1,308 | 3,833 | 5,141 | 4,567 | 9,708 |
| Montana | | 170 | | | | | | 2,310 | 2,480 | | 2,480 | 226 | 2,706 |
| Nebraska | | | | | | | [1] 56 | 1,922 | 1,978 | 444 | 2,422 | 775 | 3,197 |
| Nevada | | 198 | | | | 168 | 14 | 308 | 688 | | 688 | 188 | 876 |
| New Hampshire | 38 | | | | | | | 125 | 163 | [4] 2,283 | 2,446 | 1,238 | 3,684 |
| New Jersey | | | | | | | 628 | 999 | 1,627 | 641 | 2,268 | [6] 1,114 | 3,382 |
| New Mexico | | 376 | | | | | 115 | 1,940 | 2,431 | 180 | 2,611 | 1,033 | 3,644 |
| New York | | | | | | | 934 | 2,585 | 3,519 | 1,585 | 5,104 | 7,491 | 12,595 |
| North Carolina | | | | | | | [6] 46 | 3,186 | 3,232 | | 3,232 | 8,327 | 11,559 |
| North Dakota | | | | | 13 | | 185 | 486 | 684 | | 684 | 564 | 1,248 |
| Ohio | | | | | | | 993 | 2,160 | 3,153 | 614 | 3,767 | 4,984 | 8,751 |
| Oklahoma | | | | | 77 | | 864 | 89 | 1,030 | 3,656 | 4,686 | 2,635 | 7,321 |
| Oregon | | 696 | | | [1] 19 | | 478 | 1,670 | 2,863 | 347 | 3,210 | 691 | 3,901 |
| Pennsylvania | | 39 | | | | | 1,982 | 3,228 | 5,249 | 1,196 | 6,445 | 29,632 | 36,077 |
| Rhode Island | | | | | | | 98 | 304 | 402 | 90 | 492 | 1,053 | 1,545 |
| South Carolina | | | | | | | | 2,737 | 2,737 | 399 | 3,136 | 1,465 | 4,601 |
| South Dakota | | 60 | | | 5 | | 217 | 632 | 914 | 157 | 1,071 | 685 | 1,756 |
| Tennessee | | | | | | | 271 | 3,297 | 3,568 | 312 | 3,880 | 1,689 | 5,569 |
| Texas | | | | | | | 3,533 | 2,235 | 5,768 | 2,082 | 7,850 | 6,747 | 14,597 |
| Utah | 77 | 96 | 187 | | | 24 | 170 | 895 | 1,449 | 827 | 2,276 | 5,593 | 7,869 |
| Vermont | | | | | | | | 1,840 | 1,840 | | 1,840 | [6] 1,012 | 2,852 |
| Virginia | 30 | | 167 | | | | 609 | 3,165 | 3,971 | 2,069 | 6,040 | 13,815 | 19,855 |
| Washington | 29 | 497 | | 69 | | | 126 | 846 | 1,567 | 586 | 2,153 | 2,466 | 4,619 |
| West Virginia | | | | | | | 270 | 1,710 | 1,980 | 1,609 | 3,589 | 1,800 | 5,389 |
| Wisconsin | | | | | | | 102 | 1,421 | 1,523 | 1,897 | 3,420 | [6] 3,913 | 7,333 |
| Wyoming | 33 | 126 | | 189 | | 43 | 63 | 1,161 | 1,615 | 56 | 1,671 | 291 | 1,962 |
| Alaska | [6] 72 | | | | | | | | [6] 72 | | 72 | [6] 37 | 109 |
| Hawaii | | | | | | | 321 | 601 | 922 | | 922 | | 922 |
| Total | 923 | 3,991 | 510 | 269 | 114 | 308 | 19,770 | 72,386 | 98,271 | 52,208 | 150,479 | 139,986 | 290,465 |

[1] Estimated.
[2] October report.
[3] Exclusive of men employed on State-aid maintenance.
[4] This report includes State aid, third class, and special resolve construction.
[5] September report.
[6] November report.

Mr. WAGNER. Mr. President, what has been done under the emergency relief and construction act is cruelly little, but let it be said now that it is the only emergency action taken which has directly contributed to the preservation of life and has kept at least some men at work in their normal occupations and has sustained their morale, their purchasing power, and their citizenship.

It seems to be beyond dispute that we shall not start a single force for recovery by pursuing a policy of slow national starvation and attrition until declining production

overtakes vanishing consumption. That is the course of self-imposed poverty and deliberate national deterioration. In so far as recovery can be promoted by domestic efforts, it must have as its focus the expansion, not the contraction, of activity; the spread of purchasing power, not its further destruction. The only line of fruitful activity which will not serve to increase the very surplus of unsalable commodities is the construction of necessary projects which are in the public interest.

Beyond this central fact there are additional pertinent factors which deserve consideration and fortify the wisdom of pursuing that course. First, construction is the most severely deflated of American industries. The decline in wage payments in that industry has been in excess of 75 per cent as compared with 1929, and the volume of construction contracts awarded has shrunk from an average of $550,000,000 a month in 1928 to about $110,000,000 a month in 1932. Second, construction costs have fallen to so low a level that, in the interests of genuine economy and the saving of the taxpayers' money both now and in the future, it is desirable to prosecute every needful construction or reconstruction project at the present time. Third, the expansion of construction through Reconstruction Finance Corporation financing gives us the necessary means of releasing the right kind of inflation—credit inflation—through the creation of job-giving activities for the production of genuine wealth of permanent value. I have, as the Senate knows, long advocated the advance planning of public construction as a method of helping to stabilize employment. The policy of advance planning was, after much effort, written into the law in February, 1931.

I have before me a very interesting calculation prepared by the Director of the Federal Employment Stabilization Board which indicates that proper allocation of all public construction between 1925 and 1929 would have left almost $4,000,000,000 for construction activitity in 1931 and 1932. That would have been enough, practically, to take up the slack in that industry.

I ask that that table, with the attached explanation furnished by the Federal Employment Stabilization Board, may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table and explanation are as follows:

The attached photostatic table represents annual (calendar year) estimates of construction expenditures by all agencies whose expenditures are ascertainable, as compiled by this board; 1932 data are still subject to some minor correction.

In my opinion, the grand total for 1930, 1931, and 1932 is about 80 per cent of all construction work performed in this country. The remaining 20 per cent is impossible to estimate in detail.

The chart Estimated Construction Expenditures with Advance Planning Possibilities was based on these estimates. The annual contraction of public works from 1925 through 1929, as shown on this chart, is purely arbitrary. The contraction and expansion by years, as shown on this chart, amount to:

*Contraction*

| | |
|---|---|
| 1925 | $570,000,000 |
| 1926 | 400,000,000 |
| 1927 | 970,000,000 |
| 1928 | 860,000,000 |
| 1929 | 1,030,000,000 |
| | 3,830,000,000 |

*Expansion*

| | |
|---|---|
| 1931 | 1,600,000,000 |
| 1932 | 2,230,000,000 |
| | 3,830,000,000 |

The expansion, totaling $3,830,000,000, was arbitrarily divided between 1931 and 1932, as indicated (1930 was not greatly below normal).

This display is based on "dollar" volume of construction. The cost of construction has declined about 10 per cent in 1930, 20 per cent in 1931, and 30 per cent in 1932 from the 1929 level. If the "dollar" volume could be translated into physical units, or employment, there would be a consequent increase in the years 1930–1932. The stars approximate what this level would have been in terms of physical units, or employment.

Very truly yours,

D. H. SAWYER, *Director.*

*Estimated construction*

[In millions of dollars]

| | 1925 | 1926 | 1927 | 1928 | 1929 | 1930 | 1931 | 1932 |
|---|---|---|---|---|---|---|---|---|
| Residential | 2,748 | 2,671 | 2,573 | 2,788 | 1,916 | 1,101 | 881 | 285 |
| Commercial | 872 | 921 | 933 | 885 | 929 | 616 | 311 | 130 |
| Factories | 327 | 471 | 376 | 509 | 546 | 257 | 116 | 45 |
| Rel. & Mem | 153 | 149 | 156 | 128 | 106 | 93 | 53 | 30 |
| 37 Eastern States [1] | 4,100 | 4,212 | 4,038 | 4,310 | 3,497 | 2,067 | 1,291 | 490 |
| 11 Western States (estimated) [2] | 451 | 463 | 444 | 474 | 385 | 227 | 142 | 54 |
| Farm construction [3] | 470 | 470 | 473 | 463 | 463 | 367 | 258 | 192 |
| Total private, United States | 5,021 | 5,145 | 4,955 | 5,247 | 4,345 | 2,661 | 1,691 | 736 |
| Railroads | 1,223 | 1,371 | 1,339 | 1,280 | 1,370 | 1,230 | 812 | 529 |
| Electric-power companies | 884 | 823 | 844 | 813 | 906 | 968 | 654 | 322 |
| Telephone companies | 502 | 534 | 545 | 613 | 795 | 817 | 604 | 438 |
| Electric-railroad companies | 242 | 207 | 205 | 194 | 194 | 189 | 155 | 147 |
| Subtotal | 2,851 | 2,935 | 2,933 | 2,900 | 3,265 | 3,204 | 2,225 | 1,436 |
| Pipe-line companies | (4) | (4) | (4) | (4) | (4) | 515 | 469 | 165 |
| Gaslight companies | (4) | (4) | (4) | (4) | (4) | 226 | 167 | 96 |
| Telegraph companies | (4) | (4) | (4) | (4) | (4) | 73 | 37 | 21 |
| Waterworks companies | (4) | (4) | (4) | (4) | (4) | 44 | 25 | 16 |
| Aviation companies | (4) | (4) | (4) | (4) | (4) | 7 | 6 | 4 |
| Cotton warehouses | (4) | (4) | (4) | (4) | (4) | 3 | 3 | 3 |
| Total, railroad and public utilities [2] | (4) | (4) | (4) | (4) | (4) | 4,072 | 2,932 | 1,741 |
| Cities | 1,250 | 1,175 | 1,482 | 1,394 | 1,532 | 1,660 | 1,330 | 1,300 |
| Counties | 814 | 656 | 914 | 843 | 648 | 607 | 480 | |
| States (excluding Federal aid) | 411 | 404 | 438 | 502 | 580 | 700 | 640 | |
| Federal (including Federal aid, excluding District of Columbia) | 230 | 225 | 238 | 265 | 300 | 390 | 510 | 600 |
| Total public [2] | 2,705 | 2,460 | 3,072 | 3,004 | 3,060 | 3,357 | 2,960 | 1,900 |
| Subtotal | 10,577 | 10,540 | 10,960 | 11,151 | 10,670 | 9,222 | 6,876 | 4,072 |
| Grand total | | | | | | 10,090 | 7,583 | 4,377 |

[1] F. W. Dodge Corporation—contracts awarded
[2] Federal Employment Stabilization Board.
[3] Department of Agriculture.
[4] No data available.

Compiled by the Federal Employment Stabilization Board, Dec. 21, 1932.

Mr. WAGNER. Mr. President, I do not believe there is any serious division of opinion respecting the proposal that every effort be made to open up employment opportunities through the initiation of necessary construction projects. That proposal is the policy we adopted in the emergency relief and construction act of 1932. The reasons for the meager performance under that measure are to be found both in the restrictive language of the act as now written, as well as in the ultraconservative policy pursued by the Reconstruction Finance Corporation. It was the common opinion expressed at the hearings before the subcommittee of the Banking and Currency Committee that the two chief obstacles to the initiation of job-giving projects under the emergency relief and construction act were, first, the rigorous definition of a self-liquidating project; and, second, the high interest rates required by the Reconstruction Finance Corporation. In both respects the bill which I present provides what I regard as the necessary remedy. So far as public construction by local governmental bodies is concerned, the requirement that a project be self-liquidating is entirely abandoned. In lieu of that requirement the bill would provide a new standard that any project initiated by a public body shall be eligible for a loan if it is needful and in the public interest. The rate of interest to be charged on construction loans by the Reconstruction Finance Corporation is fixed at a rate not to exceed one-half per cent above the rate carried on the last issue of Federal bonds immediately preceding the making of the loan. These are the principal changes. They will, in my judgment, permit the Reconstruction Finance Corporation to function in the manner in which it was intended to function, namely, as an agency to promote recovery, to provide employment, and to stimulate business, industry, and agriculture.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Montana?

Mr. WAGNER. I yield.

Mr. WALSH of Montana. I inquire of the Senator from New York, as well as the Senator from Wisconsin, whether there is any provision in the bill sponsored by the Senator from Wisconsin and reported by the committee liberalizing the provisions of the Reconstruction Finance Corporation act in relation to so-called self-liquidating projects?

Mr. LA FOLLETTE. Mr. President, will the Senator from New York yield?

Mr. WAGNER. Yes; of course, I yield to the Senator.

Mr. LA FOLLETTE. Mr. President, in response to the inquiry made by the Senator from Montana, let me say that there is nothing in the bill as reported from the Committee on Manufactures which deals with the section of the relief and reconstruction act concerning loans for self-liquidating works, but the amendment now pending, offered by the Senator from New York to the bill reported by the Committee on Manufactures, embodies all the provisions of the so-called Wagner bill liberalizing loans for self-liquidating projects, and that is now the pending question.

Mr. WAGNER. Does that answer the question of the Senator from Montana?

Mr. WALSH of Montana. That answers the question, and I thank the Senator.

Mr. WAGNER. Mr. President, the other changes affected by my proposal are summarized in the committee report on Senate bill 5609.

These changes will render eligible many useful and necessary projects which are now denied loans by the Reconstruction Finance Corporation. If these legislative changes are also accompanied by a change of heart in the Reconstruction Finance Corporation and the development in that organization of a vigorous will to effectuate the policy of Congress, we may with confidence anticipate an improvement in the employment situation.

My proposal carries no provision for the expansion of the program of Federal construction. The reason for that omission is not that I regard it as unnecessary; the reason is that I believe that we can more successfully formulate such a program under the auspices of the new administration.

Mr. President, as we consider the questions of depression and relief, as we fix our attention upon statistical tables showing the rise and fall of business, we sometimes forget the individual who has borne the brunt of the long economic struggle. Undoubtedly every portion of the population has suffered in the general deflation of values and shrinkage of income, but I submit that the heavy end of the load has been carried by the men and women who work on the farm and in the factory to earn their daily bread. And not only is that true but it is also a fact that during the days of prosperity they did not enjoy the same relative increase in earnings that was enjoyed by the investor. I have had prepared a table which reveals the relationship very clearly. The table is as follows:

| | Relative amount paid out in wages | Relative amount paid out in dividends |
|---|---|---|
| 1926 | 100 | 100 |
| 1927 | 97 | 108 |
| 1928 | 95 | 119 |
| 1929 | 100 | 140 |
| 1930 | 80 | 138 |
| 1931 | 60 | 104 |
| 1932 (December) | 38 | 59 |

It is about time that we turned our attention in the direction of the wage earner who did not enjoy, relatively, the benefits of prosperity and who is to-day the chief sufferer of the consequences of depression. Out of his labor we reared the industrial greatness of America. That greatness can not endure unless we restore him to gainful employment.

Mr. President, the amendment which I have offered——

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Maryland?

Mr. WAGNER. Yes.

Mr. TYDINGS. May I ask the Senator from New York if he would object to including in his amendment at the appropriate place some such provision as this:

To make loans to corporations formed wholly for the purpose of providing housing for the families of officers of the United States Army, Navy, and Marine Corps?

May I say a brief word in explanation of that suggestion?

Mr. WAGNER. I yield further.

Mr. TYDINGS. In Annapolis Md., there are a considerable number of Navy and Marine Corps officers. A corporation has been formed to build housing there for about 75 or 100 of these officers' families. The project has been approved, I am told, by the Reconstruction Finance Corporation in so far as its financial feasibility is concerned. However, may I say to the Senator from New York that the original act did not authorize the Reconstruction Finance Corporation to make loans for that purpose; and the purpose is simply to have that power conferred on the Reconstruction Finance Corporation so that a housing proposition can be approved which will provide work, be self-liquidating in character, and furnish quarters for our Army, Navy, and Marine officers which the Government may have to build out of other funds if this is not done.

Mr. WAGNER. To the expansion of that particular section to the extent suggested by the Senator I do not object at all; but the Senator will have to draft an amendment, because in my proposed amendment I do not deal with the question of housing at all. I leave that as it is in the original act. I see no objection to that.

Mr. TYDINGS. I should like at this time to have passed upon the question of inserting it at its appropriate place in the amendment of the Senator from New York, and I will have the amendment properly drafted so that it will fit into the bill. May I further say to the Senator from New York that when the original act was passed it was provided that we should make loans to corporations formed wholly for the purpose of providing housing for families of low income; and all that this amendment would do is to provide housing for the Army, Navy, and Marine Corps.

Mr. WAGNER. I understand.

The PRESIDING OFFICER. Does the Senator from New York modify his amendment to that effect?

Mr. WAGNER. Yes. I understand the purpose of the amendment, and it is quite agreeable to me.

Mr. TYDINGS. I thank the Senator.

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. WAGNER. Yes.

Mr. FESS. I notice that the Senator's proposal is limited to loans to States, municipalities, and so forth, and that he has also taken in private corporations. I do not see, anywhere in the amendment, any limit as to the amount that may be loaned.

Mr. WAGNER. To whom?

Mr. FESS. For these purposes.

Mr. WAGNER. To a corporation, to a public body, municipality, or State?

Mr. FESS. No; the sum total.

Mr. WAGNER. The sum total, to whom? To a municipality or to a private corporation?

Mr. FESS. Both.

Mr. WAGNER. There is a limitation in the act itself, which is not modified at all.

Mr. FESS. Oh, there is? My thought was that there ought to be some limit.

Mr. WAGNER. Oh, yes. That limitation in the original act is retained. I am not changing that limitation at all.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. WAGNER. Yes, sir.

Mr. BARKLEY. I have not had time to compare the amendment which the Senator is going to offer to the La Follette-Costigan bill with his original bill, S. 5609.

Mr. WAGNER. I know the matter in which the Senator is particularly interested. The question does not arise in the

amendment which I have offered now, but it will arise in the next amendment.

Mr. BARKLEY. The amendment which the Senator is offering now has no provision prohibiting the expenditure of any relief funds for administration?

Mr. WAGNER. No. The amendment which I offer now deals only with enlarging the authority of the Reconstruction Finance Corporation to make loans to States, municipalities, or other public bodies for projects which are needful and in the public interest.

Mr. BARKLEY. So-called self-liquidating projects. The Senator is not dealing with relief?

Mr. WAGNER. I am not dealing with relief just at this moment. That will come at a subsequent time.

Mr. BARKLEY. Is the Senator going to offer his bill, Senate 5609, later as a substitute for the whole La Follette bill?

Mr. WAGNER. I propose to do that.

Mr. BARKLEY. While I am on the subject, let me ask the Senator whether he would accept an amendment which I propose to offer to that bill, eliminating the provision which prohibits the use of any of these funds for administration within the States?

Mr. WAGNER. I am not the author of that particular amendment. It was incorporated by the committee itself, so I do not feel authorized myself to accept the amendment. I personally shall make no objection to it.

Mr. BARKLEY. When the time comes I am going to offer that amendment.

Mr. WAGNER. Very well.

Mr. FESS. Mr. President, I have examined the amendment offered by the Senator from New York [Mr. WAGNER], and also listened to the Senator's explanation of it. It seems to me that there is no serious objection to the adoption of the amendment, as it is in the right direction, and I think has the possibilities of absorbing considerable unemployment.

Mr. WAGNER. I am very confident about that, Mr. President.

Mr. FESS. For that reason I feel like supporting it.

Mr. LA FOLLETTE. Mr. President, I wish to make a brief statement concerning the amendment which has just been offered by the Senator from New York [Mr. WAGNER].

His amendment, if agreed to, will appear at the end of the committee amendment now pending. The amendment of the Senator from New York does not seek to deal with the question of direct unemployment relief for the aid of destitution. The pending amendment incorporates all of the provisions contained in the original bill of the Senator from New York designed to liberalize the terms of the existing act under which loans for public works may be extended.

Mr. President, with that purpose I am in hearty sympathy. While I did not agree with the proposal offered by the Senator from New York last spring, because I felt that the total of public works which he provided under that bill would prove to be inadequate, I tested out the issue, however, in the Senate by offering a substitute providing for a five and a half billion dollar public-works program, and it was defeated. In the closing hours of this session, with millions of persons hungry, destitute, and cold, I do not propose again to raise the issue concerning the size of the public-works program to be undertaken.

Therefore, Mr. President, I am very hopeful that the amendment now pending, offered by the Senator from New York, will be agreed to.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WAGNER. Referring to the suggestion the Senator made as to the usefulness of a public-works program to absorb unemployment, I might state that I put into the RECORD to-day some very interesting figures which show that if we could secure $2,000,000,000 for public projects all through the country—there are many of them, easily $2,000,000,000 worth—we could put 2,000,000 men to work on those projects, and indirectly a great many more. I mean it would have a tremendous effect on these efforts we are making for economic rehabilitation.

Mr. LA FOLLETTE. The Senator from New York and myself are not in disagreement concerning the advisability of employing a large public-works program for the purpose of providing reemployment and stimulating recovery. The only place where the Senator from New York and myself have had any difference of opinion has been in regard to the size of the program necessary to achieve the objectives which we both seek to attain. As I stated a moment ago, however, I do not propose, in the closing hours of this short session of Congress, to raise that issue again. I am in hearty sympathy with everything the Senator from New York has said concerning the too strict terms of the original act concerning loans for public works and the too conservative administration of it, and I hope that everything that he seeks to achieve will flow from a liberalization of the existing law.

Mr. WAGNER. Mr. President, may I make one other observation?

Mr. LA FOLLETTE. I yield.

Mr. WAGNER. I would not want the RECORD to show that the Senator and I differ upon any of these efforts to secure the employment of the unemployed. We do not differ as to the size of the program. I think I am simply a little more pragmatic than the Senator, and I knew it was hopeless to secure the passage of any such large program as both of us realized was needed to attack this problem in a bold and courageous manner.

Mr. LA FOLLETTE. Let me continue this discussion for only a moment longer.

The timing and the size of a public-works program are the essence of it if we seek to employ it to stimulate a recovery, to check the downward trend of the vicious spirals always in evidence in a depression.

The Senator from New York advocated a smaller program than I. I did not advocate the larger program for any theoretical reasons or for any reasons of enthusiasm. I advocated the larger program because at the time I offered the five and one-half billion dollar public-works amendment last year I was convinced, after conference with the best experts I could find in the United States who knew anything about the theory, that even at that stage, relatively higher than the one upon which we now rest, a five and one-half billion dollar program was the minimum which could achieve the results which both the Senator from New York and myself sought to obtain. As I stated, however, I do not care to raise that issue. I do not care to discuss it. I simply made reference to it in order that there might not be any inconsistency in the record which I have attempted to make during the progress of this cataclysmic deflation and depression.

I hope the amendment offered by the Senator from New York [Mr. WAGNER] will be agreed to.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New York [Mr. WAGNER], as modified by the amendment of the Senator from Maryland [Mr. TYDINGS].

Mr. FLETCHER. Mr. President, I do not quite understand the situation. Has the amendment of the Senator from New York been modified while I was out of the Chamber?

Mr. WAGNER. I might say to the Senator from Florida that the amendment I have offered is that portion of the bill considered by the subcommittee.

Mr. FLETCHER. I understand that.

Mr. WAGNER. If the Senator does not mind, I should like to have the amendment acted upon now. There does not seem to be any objection at all to it.

Mr. FLETCHER. All right.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New York [Mr. WAGNER], as modified by the amendment of the Senator from Maryland [Mr. TYDINGS].

Mr. COSTIGAN. Mr. President, I had not intended to speak on the amendment I am about to offer in the absence

of the senior Senator from Montana [Mr. WALSH], with whom I held a conference a moment ago. In view, however, of the possible immediate adoption of the amendments of the Senator from New York [Mr. WAGNER], I wish to direct his attention to that portion of his amendments which relates to loans by the Reconstruction Finance Corporation to private corporations.

Mr. FLETCHER. Mr. President, may I say that I rose with the idea of submitting some remarks on this amendment. I was asked by the Senator from Colorado to yield in order that it might be agreed to, and I did so. If it is going to be discussed, I desire to be heard.

Mr. COSTIGAN. I was under the impression that the amendment was to be adopted instantly.

Mr. FLETCHER. That was my understanding.

Mr. COSTIGAN. At any moment he so desires I will yield with pleasure to the able Senator from Florida.

The PRESIDING OFFICER. The Chair was under the impression that the Senator from Florida was endeavoring to discuss another matter.

Mr. COSTIGAN. Mr. President, my suggestion may be speedily determined. Directing the attention of the author of the amendments to page 2, line 21, we find that in the case of loans by the Reconstruction Finance Corporation to private corporations, bridges, tunnels, docks, viaducts, waterworks, canals, and markets are included, provided they are devoted to public use.

In our western more or less arid country we have mutual irrigation companies, the distributing properties of which are reasonably regarded as devoted to public use. These companies find it necessary to construct reservoirs as a highly important part of their irrigation systems.

The Reconstruction Finance Corporation has recently dealt with the question whether it is authorized to make loans to such corporations where the security is ample if reservoirs are included with the canals. In the cases I have in mind the reservoirs are decidedly important for the proper accumulation and storage of sufficient water for use in canals in those regions which are dependent on irrigation.

It is my understanding that the Reconstruction Finance Corporation has decided that it may not consider reservoirs, however valuable for the successful operation of the canals, as subject to inclusion in security for loans upon canals devoted to a public use. I therefore ask the Senator from New York whether he is willing to incorporate in his amendments, following the word "canals," on page 2, line 22, an amendment reading in substance as follows: "reservoirs, reasonably essential to the operation of such canals"?

Mr. WAGNER. Mr. President, I see no objection to that. It still must be self-liquidating in character.

The PRESIDING OFFICER. Without objection, the amendment is accepted. The question is on agreeing to the amendment of the Senator from New York [Mr. WAGNER], as modified.

The amendment as modified was agreed to.

THE FUTURE OF OUR FOREIGN TRADE

Mr. FLETCHER. Mr. President, I rose to submit some observations with reference particularly to section 24 of the amendment of the Senator from New York. The amendment has been agreed to, however, and is not involved just now; but with the Senate's permission, very briefly, I want to refer to a subject not directly one of relief but one which concerns the general conditions of the whole country.

We have many problems before us. This is a great country, and there are numerous problems to be settled. One of them, in my judgment, very important just now, is the building up, extension, and expansion of our export trade. The statement is made, and no doubt it is true, that the farm income of our country has shrunk from its peak of $17,000,000,000 in 1920 to $12,000,000,000 in 1929, and to an estimated $5,250,000,000 in 1932.

We have some very important exportable surpluses—for instance, cotton, wheat, tobacco, meat products, and that sort of thing. We have to dispose of those surpluses somewhere, somehow; and that, it seems to me, involves consideration of the question of attending to our foreign trade.

Mr. President, I had the privilege of offering as an amendment to the Reconstruction Finance Corporation bill when it was pending before the committee what became known as section 5A. It was agreed to in the Senate and became part of the law. But nothing has been done under it so far.

The purpose of that provision was to enable the Reconstruction Finance Corporation to finance the export of agricultural products particularly. In the foreign countries people are accustomed to buy on terms which are not usually considered banking terms. For instance, it is not business a bank would attend to. Thirty, sixty, and ninety day business does not count with them. They want a longer time. They want 4 or 6 or 8 or 10 months, and it is a safe business. It has to be handled in a different way from the ordinary commercial transaction.

We are trying to do something about our exportable surpluses by some sort of plan of inverted tariffs, but we have not gotten very far with that. In the Wagner amendment there is a provision, section 24, which provides for financing our agricultural products and agricultural raw materials furnished to manufacturers.

Mr. President, that is a general statement with reference to the importance of opening up markets abroad for the selling of our agricultural surplus products. In a general way I may say, on the subject of the importance of foreign trade in our international economic structure, that the question is, is it necessary for the United States, as a Nation, to concern itself with foreign commerce in view of the immensity of the problems presented by its purely domestic economic and commercial situation? With the total sales of American products abroad fallen to the lowest point since 1905, would it not be best to abandon entirely our efforts to expand our foreign trade or even to try to retain what we have left? Those who advocate this negative course—and, surprisingly enough, there are some otherwise thoughtful and intelligent men in the camp of the ultraisolationists—can not have given full consideration to all of its implications.

We in the United States might, perhaps, be a happier and more prosperous Nation were we sufficient unto ourselves alone, able to work out our own economic destiny without regard to other nations. But any such convenient isolation is a mere philosophical conception. Facing things as they are, we find that in spite of our tremendous natural resources and high state of industrial development, we are far from self-sufficient and far from any prospect of becoming so. Were we to cut off our imports from other nations, we should, to begin with, have to give up our coffee, tea, and cocoa, do without silk clothing or goods. These things, to be sure, might perhaps be classed as luxuries, although their distribution and sale in the United States is affording employment to thousands of Americans. But in our civilization to-day no one could class rubber and tin as luxuries. On these two raw materials alone depend some of our greatest industries. And every pound of tin and of rubber that goes into finished American manufactures must be bought abroad. Platinum, a metal that is an essential to the manufacture of many electrical products, is another mineral for which we must look entirely to foreign sources of supply.

Coffee, tea, cocoa, silk, rubber, tin, and platinum are merely a few of the items in the long list of commodities and materials in daily use that simply can not be produced in the United States. We may think of steel, for example, as an American product. Certainly, in the industrial uses of steel this country has shown the way to the rest of the world. But it is a matter of cold fact that modern steel and its alloys, essential as they are to the preservation of twentieth-century American civilization, can not be produced in the United States without the use of imported materials.

I do not think I need further stress America's dependence on imports. Even those who may be most contemptuous, in theory, of foreign trade as a factor of importance in our economic scheme must grant that agricultural and industrial self-sufficiency could not be attained without a will-

ingness to revert to a standard of living lower than that of any nation that can possibly call itself civilized according to modern standards.

Now, the United States must, somehow, pay for the rubber, tin, steel, alloys, and the long list of other essential materials for which we are obliged to turn to foreign sources, whether we like it or not. If our foreign transactions were confined to purchases alone, we should find ourselves obliged to pay for them by shipments of gold. Even at the peak of domestic prosperity, such an arrangement would be altogether impossible. It becomes necessary, therefore, to sell our own goods abroad in order to create at least an approximate balance and to avoid a disproportionate drain upon our gold resources. In other words, we must export, if only in order to pay for our necessary imports.

It may seem that I am speaking in elementary terms, but I do wish to emphasize, just as strongly as I can, a simple and elementary fact—too often clouded in loose, theoretical discussion—that foreign trade always has been and must continue to be one of the essential, basic parts of the very foundation of the commercial and economic structure of the United States. There is no question as to whether or not we shall continue to trade with other nations; the only question is as to whether we shall recognize the vital importance of that trade to our national welfare and, where we can properly do so, foster and stimulate it to the best of our ability.

Our exports during the year 1932 dropped to a dismally low figure. Their total value was slightly more than $1,600,000,000. Yet can we call that negligible when we learn that the number of those employed in producing the goods we sold to other countries during the year is estimated at 2,000,000? It is further calculated, by the Secretary of Commerce, that in addition to these 2,000,000 workers, there were about 1,250,000 persons engaged in activities supplying the daily needs of those directly employed. These figures, I am informed, do not include the men and women engaged in the clerical and mercantile phases of the export business proper—in warehousing, ocean shipping, banking, insurance, and other related occupations.

A branch of activity which, even at the lowest ebb of a quarter of a century, gives jobs to upwards of three and one-quarter million Americans, in every section of the country, is very decidely a matter of national concern. Whatever the Federal Government can properly do to assist it is directly for the benefit of our people as a whole, not for any particular group interest. The broad range of activities that are affected by the sale of American goods in world markets may be indicated to some extent by citing the fact that last year, foreign countries purchased more than one-half of our entire cotton crop, 40 per cent of our leaf tobacco, 15 per cent of our wheat crop, 24 per cent of our lard production, 13 per cent of our lumber production, 11½ per cent of the automobiles we manufactured, and 30 per cent of our output of lubricating oils.

Mr. President, let us frankly face the fact that the volume of our exports during 1932 was far from satisfactory. But should we, therefore, as a nation, throw up our hands in despair and adopt a defeatist attitude of laissez-faire toward our foreign trade? Decidedly not! I believe that the enlightened foreign policies of the new administration will result in a direct and general stimulation of world commerce, in which we must be prepared to maintain our share. I am confident that the next few months will at least bring progress toward a clearing of the muddled situation created by the present uncertainty with respect to the war debts. This will prepare the way for genuinely constructive international cooperation at the forthcoming world monetary and economic conference. Before our world trade or that of any other nation can be restored to a healthy basis there must be a relaxation of the bonds of excessive tariffs, rigid import quotas, and exchange control restrictions that are now strangling the free movement of goods between nations. It is necessary that there be a real truce in the economic warfare that is now being carried on throughout the world. American cooperation will be essential, and it will be forthcoming.

But, in the meantime, with respect to world trade, we must face the situation as it is to-day, with the sale of American goods abroad attended by such handicaps as would be unheard of in normal times. It does not lessen our difficulties (though it may help us better to appreciate our position) to learn that other nations are as hard hit as we are. While, during the first nine months of 1932, the value of our export trade declined 35 per cent, as compared with the same period of the previous year, the exports of France dropped by 38 per cent; those of Germany by 39 per cent; Sweden, 42 per cent; Japan and Italy, 35 per cent; and the United Kingdom, by 33 per cent. In spite of all the barriers erected against American goods in foreign markets, the United States continues to lead the world in the value of its exports.

I have shown that foreign trade still is vital to us as a nation, notwithstanding the vast potentialities of our home market. It is proper, therefore, that the Federal Government should interest itself to a reasonable extent in its promotion, as the governments of other nations are interesting themselves in extending the foreign commerce of their own nationals.

Mr. President, I ask permission to insert in the RECORD at the close of my remarks an extract from an article from the Washington Star of February 12, concerning the current trade promotive activities of foreign governments.

The PRESIDING OFFICER. Without objection it is so ordered.

(See Exhibit A.)

Mr. FLETCHER. To hold our own as an exporting Nation during these trying days and to take advantage of the lifting of foreign barriers against our goods in the days to come, when there has been time to permit of our receiving the benefits of Mr. Roosevelt's policies of enlightened and far-sighted international cooperation, we, as a Nation, have a duty toward American exporters. This obligation, as far as the Federal Government is concerned, is being amply fulfilled through the operation of our Bureau of Foreign and Domestic Commerce.

That bureau's corps of commercial attachés and trade commissioners throughout the world has a record of achievement far out of proportion to the small number of its personnel and their cost to the Government. These men devote themselves exclusively to one great mission—the promotion of the interests of American business abroad. Even our largest industrial organizations, with the best possible facilities for conducting their foreign trade, are found among the firms that have called upon the Foreign Commerce Service to solve their problems. On the other hand, no American firm is too small to enlist the conscientious and devoted efforts of those representatives in introducing their goods into foreign markets.

The "little fellows" in the export world have always relied much upon this bureau of our Government. In the most prosperous times, they can not afford to maintain foreign representatives of their own, or even to send out occasional travelers to introduce their goods. But, it may be asked, is there any good reason why a Government agency should concern itself with promoting the export trade of these comparatively small and perhaps inexperienced producers and exporters of American goods?

Mr. President, the answer to this question is emphatically in the affirmative. Our total export trade, normally running into the billions of dollars is, as we have seen, a matter of very real concern to every man and woman in the United States. But that total is not a matter of million-dollar orders. It is rather the sum of a countless number of individual transactions, both large and small. The export sales of every one of the "little fellows" are an important and integral part of the total. The builder of a house realizes that it is not only the great ornamental pillars of the façade to which he must devote his attention. No; the pillars may be an important part of the structure, but still more essential is the proper laying of each one of the thousands of little bricks that comprise the walls.

The thousands of sales, seemingly insignificant in themselves, of the great variety of American products, that are making a place for themselves in the markets of the world, are the bricks that make the walls of our great export structure; and let me emphasize again that the value of that structure, in which the whole American people has a direct or indirect share, was well over a billion and one-half dollars, even during so disastrous a year as 1932.

No one who has investigated the results of the trade-promotion work of the foreign commerce service can fail to be impressed with its effectiveness. Lest, however, the question may occur to any of you as to whether these men are finding enough to do during these days of deflated world trade, I think it worth stating that their work has actually increased, even as business has declined. Nowadays every sale abroad represents a solution of intricate special problems, due to the complicated tariff and quota systems of foreign countries and the difficulty of obtaining payment on account of drastic restrictions on foreign exchange. Let me give just one case to illustrate this point:

A southern European country, with rigid exchange control in effect, adopted the practice of authorizing importing firms, in rotation, to purchase foreign exchange to be applied to partial payments on goods purchased from abroad. In practice there was found to be a strong temptation on the part of local firms to apply this exchange to new purchases, instead of remitting it in every case to the foreign exporters for whom it was intended. In order to prevent losses to American firms through this sort of evasion, our commercial attaché in that country, on his own initiative, arranged with the central banking authorities to be notified whenever a local firm was authorized to purchase exchange for the purpose of applying it against its outstanding account with an American company.

In every case the attaché, on receipt of this notification, informs both the debtor and creditor that the exchange has been allotted. Realizing that the American official is aware that he is in a position to make the remittance, the European firm does not find it so easy to apply the funds to other purposes. This is especially true when, if the funds are not properly forwarded in due time, it hears from its American creditor—thanks to the warning of the commercial attaché.

As a result of this activity on the part of one alert commerce representative, some 120 creditor firms in the United States have been informed of authorizations to their debtors for the purchase of exchange. The total value of the collections effected already through the commercial attaché's foresight has been more than $19,000, representing only initial installments. He is continuing the practice as exchange is allotted for the payment of subsequent installments.

This is one example out of hundreds that might be selected of special services, to meet special conditions, performed by the bureau's foreign representatives. Their work, however, is not confined to cooperating in this less agreeable phase of foreign trading. They are still engaged very directly in obtaining actual new business for American companies. I may mention an order for $1,000,000 worth of a chemical product obtained recently by an American firm which has enthusiastically gone on record to the effect that the business was made possible only through the assistance of this Federal bureau and its foreign representatives; a sale of $500,000 worth of American aircraft; orders abroad for $3,000,000 worth of American fruit; a $500,000 foreign connection for an American tobacco exporter.

The Foreign Commerce Service is effective. If anyone questions that, he need not turn to me for testimony; let him rather consult the export interests of the United States. When the House committee was considering this bureau's appropriation there appeared before it a delegation representing the whole community of American business concerned with foreign trade. This group urged consideration of its—

> Unanimous opinion that further reduction (in the appropriation) would effect no savings whatever to the American people, but would definitely hamper such efforts to promote trade recovery as we feel this bureau is and has been making in tangible and practical ways generally known and accepted by the community of American exporters.

Let me quote further from a statement embodying the sentiments of American export interests, inserted in the record by the president of the National Foreign Trade Council:

> The foreign trade promotive service of the Bureau of Foreign and Domestic Commerce is an example, probably unique, of the development of a governmental agency at the direct instance of those that it was designed to serve. Its present organization represents the application of the ideas of American business itself, not the theories of Government officials as to what it ought to do for the export trader. Thus its activities are all directed along practical lines and represent work that could not be performed as well by any other agency, public or private.

Mr. President, no governmental activity could be further removed from the considerations of party politics than is the work of the Bureau of Foreign and Domestic Commerce. Yet, as a Democrat, I can not help but take pride that the foreign trade promotive work of the bureau had its inception under an able Democratic Secretary of Commerce, William C. Redfield, during the first administration of President Wilson. In 1914 Secretary Redfield recommended in his annual report that a commercial attaché service, under the direction of the Department of Commerce, be established. Congress established funds for the new service in the appropriation bill for the fiscal year 1914–15.

It was under Secretary Redfield, too, that the district office service of the bureau was created—that admirable system providing for points of contact in commercial centers throughout the United States between business men and the bureau. Since then the staff of the bureau has been increased to meet the growing demands of business itself for the new service. But the basic organization remains in the form in which it was conceived by Mr. Redfield—specialists operating abroad to stimulate the purchase of American goods and to provide current up-to-the-minute reports for the benefit of American exporters, the Washington organization as a clearing house, and to complete the circut, the district offices ready to give immediate counsel to the business men of their communities, based on the reports from abroad and the data centralized in the divisions of the Commerce Department in Washington.

Throughout its growth the Foreign Commerce Service has been closely responsive to the requirements of business. Its establishment and subsequent development were in no sense in competition with the commercial activities of the Consular Service of the Department of State. For more than 100 years American consuls were charged, as a part of their many duties, with the promotion of American foreign trade. They made a conscientious effort to perform the service that was desired of them, and succeeded under the circumstances better than might have been expected.

But in recent years our exporters' demands for information on foreign markets and for actual assistance in selling goods abroad have increased so rapidly that a corps of commercial specialists in trading centers abroad had to be created to meet the new needs of American business.

The consular officers were not crowded out of any commercial work; there was, and there still is, more than enough to go around. In fact, under the guidance of commercial attachés and trade commissioners in the strategic cities of the world, consular reporting and promotive activity has shown marked improvement in quality. Our consular officers are charged with more than a dozen major functions, quite unrelated to commercial work. Experience has shown that they actually welcome the cooperation, in the field, of representatives of that department to which, as provided by law, their own commercial reports are submitted.

Mr. President, I am aware that there is an impression in certain quarters that the work of the Foreign Commerce Service duplicates certain activities of the Consular Service. If that were true, the facts should be known to the Secretary of Commerce, and certainly would be to the Secretary of State. It was with this in mind that the late

Senator Jones, as chairman of the Senate Committee on Appropriations, addressed an inquiry on April 1, 1932, to the heads of both departments, asking specifically whether such duplication existed.

Mr. Robert P. Lamont, at that time Secretary of Commerce, replied on April 7 that—

There is no longer any essential duplication in the functions of the two services.

Secretary Stimson wrote to Senator Jones on the same date that—

The activities of consular officers are complementary to those of the commercial attachés and trade commissioners of the Department of Commerce. In its general policy—

He continued—

the Department of State is guided by the wishes of the Department of Commerce as to the type of information desired in trade-promotion work * * *.

In that same communication, the Secretary of State mentioned a recently concluded coordination agreement between the two departments which, he stated—

effectively disposes of any question of duplication between the two departments.

The coordination agreement, to which the Secretary referred, recognizes the principle that—

the commercial attaché, acting under the instructions of the Secretary of Commerce, will obviously be in a position to indicate the needs of his department for trade promotional information, and he will accordingly give such guidance and assistance to the supervising consul general as may be required in order to obtain the best results in the most efficient and economical manner.

Under this plan, the American exporter now has the benefit of the closest and most efficient cooperation between the representatives of both departments abroad.

Mr. President, if a member of one's family lies gravely ill, and one calls in a specialist to supplement the efforts of the family physician, we do not accuse the specialist of duplicating the functions of the general practitioner, nor do we charge him with usurping the functions of another. The two physicians work together harmoniously, the qualifications of one supplementing those of the other. Let us think of the consul as the family physician, ready to protect American interests in a thousand ways, in whichever quarter they may be threatened. But let us grant, too, that in the complicated problems of American foreign trade to-day, the consul himself has need of the guidance and cooperation of the specialist, the trained foreign representative of the United States Department of Commerce.

EXHIBIT A

[From the Washington Star, February 12, 1933]

NATIONS NOW MOVING TO TAKE AMERICAN TRADE

By Harden Colfax

Reports coming to the Government from its commercial representatives abroad make it evident that the principal commercial nations of the Old World are now redoubling their efforts to secure foreign trade. They are, apparently, beginning to believe that the time is ripe to capture markets formerly served by Americans, because the American business man no longer concerns himself very much over trade with the world outside his own country.

Old World newspapers have been impressed by laments on this side over the decline in American foreign trade, our preoccupation with domestic business troubles, our efforts to check the flood of imports from countries with depreciated currencies, reduction in appropriations, and rumors that the incoming administration contemplates abolishing the commercial attaché service of the United States.

Most of the commercial nations have intensified their efforts during the past few months, not only to develop existing sales opportunities but to cooperate extensively with their own business men in long-range export campaigns. American commercial attachés, trade commissioners, and consuls abroad are reporting to Washington on these campaigns.

They tell, for instance, of the ambitious campaign of the Netherlands Bureau of Commerce and Industry, which the Government at The Hague has just authorized to double its allotment for salary and to increase its personnel by more than 30 per cent. It is also authorized to extend its commercial attaché service all over the world. Germany has begun to grant cheap credit facilities and to guarantee exports, particularly to Russia.

The Government of Canada is having considerable success in its newspaper advertising campaign to interest Canadian firms in foreign sales. Reporting that quite a number of firms in the Dominion have already developed an "export consciousness," the department of trade and commerce is spending considerable sums on newspaper, poster, and train and steamboat advertising to preach the desirability of shipping goods abroad. One of these announcements declares that the supreme duty of every producer and every business man in Canada is to "export as much as possible whenever and wherever possible." Canada now has 34 trade commissioners in the world's greatest business centers. It is proposed to increase this number.

The United Kingdom, which already spends five times as much per capita for the promotion of foreign trade as does the United States, has reduced its appropriation for foreign-trade promotion by less than 1 per cent. The Parliament of Australia is planning to create a permanent foreign trade promoting agency. Patterned after the foreign service of our own Department of Commerce, it would have cooperating offices in the capitals of the different states of the commonwealth. The plan includes also the appointment of prominent official Australian trade commissioners to China, Japan, the Netherland East Indies, British Malaya, and the Philippines.

Italy is reported to be committed to a policy of foreign-trade promotion and the trade press is "clamoring for increased appropriations for this purpose." Japan is pushing her governmental machinery and, although the details are not yet known, it is understood that the Government at Tokyo, in order to take full advantage of the present favorable position of Japanese wares because of the fall of the yen, proposes the appointment of a number of new trade commissioners all over the world.

France is contemplating opening additional foreign trade promotion offices—one in the United States, at Chicago; another in China, at Nanking; and another at Singapore. Spain, which now maintains 20 foreign offices, will double that number shortly. Brazil maintains seven commercial attachés abroad and will soon appoint four others. Switzerland, Czechoslovakia, Norway, Denmark, Mexico, and Chile all have increased or will increase their appropriations for foreign trade promotion.

FEDERAL AID FOR UNEMPLOYMENT RELIEF

Mr. BANKHEAD obtained the floor.

Mr. REYNOLDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BARBOUR in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Dickinson | La Follette | Shipstead |
| Austin | Dill | Lewis | Shortridge |
| Bailey | Fess | Logan | Smith |
| Bankhead | Fletcher | McGill | Smoot |
| Barbour | Frazier | McKellar | Steiwer |
| Barkley | George | McNary | Stephens |
| Bingham | Glass | Metcalf | Swanson |
| Black | Glenn | Moses | Thomas, Idaho |
| Blaine | Goldsborough | Neely | Thomas, Okla. |
| Borah | Gore | Norbeck | Townsend |
| Bratton | Grammer | Norris | Trammell |
| Brookhart | Harrison | Nye | Tydings |
| Bulkley | Hastings | Oddie | Vandenberg |
| Bulow | Hatfield | Patterson | Wagner |
| Byrnes | Hayden | Pittman | Walcott |
| Capper | Hebert | Reed | Walsh, Mass. |
| Caraway | Hull | Reynolds | Walsh, Mont. |
| Clark | Johnson | Robinson, Ark. | Watson |
| Coolidge | Kean | Robinson, Ind. | White |
| Costigan | Kendrick | Russell | |
| Couzens | Keyes | Schuyler | |
| Davis | King | Sheppard | |

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present. The amendment reported by the committee in the nature of a substitute is open to amendment.

Mr. WAGNER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from New York?

Mr. BANKHEAD. I yield.

Mr. WAGNER. I desire to offer an amendment in the nature of a substitute, and ask that it may be pending.

Mr. WAGNER's amendment was, to strike out all after the enacting clause of the bill and insert:

That subsection (a) of section 1 of the emergency relief and construction act of 1932 is hereby amended by striking out "$300,000,000" wherever it appears and inserting in lieu thereof "$600,000,000."

SEC. 2. (a) The first sentence of subsection (b) of section 1 of such act is amended by inserting before the words "Puerto Rico" the words "the District of Columbia,".

(b) The last sentence of subsection (b) of section 1 of such act is amended to read as follows: "before any amount is paid under this section to the Commissioners of the District of Columbia, or to the Governor of Puerto Rico or of the Territory of Alaska, the District of Columbia, Puerto Rico, or the Territory of Alaska shall enter into an agreement with the corporation for the repayment of such amount with interest thereon as herein provided, in such installments and upon such terms and conditions as may be agreed upon."

SEC. 3. (a) The first sentence of subsection (c) of section 1 of such act is amended to read as follows:

"The governor of any State or Territory may from time to time make application for funds under this section, and in each application so made shall certify the necessity for such funds to supplement the relief resources of the State or Territory, the steps taken by the State or Territory, its political subdivisions, and private agencies, to meet the relief needs of the State or Territory, and the purposes for which the funds requested upon this section will be used."

(b) Subsection (c) of section 1 of such act is further amended by adding at the end thereof the following new sentence: "No part of the amounts paid to the governor of a State or Territory under this section shall be used for the payment of administrative expenses incurred in furnishing relief and work relief under this section."

SEC. 4. Subsection (f) of section 1 of such act is amended to read as follows:

"(f) As used in this section the term 'Territory' means Alaska, Hawaii, Puerto Rico, and the District of Columbia; and the term 'governor' shall include the Commissioners of the District of Columbia."

SEC. 5. Section 1 of such act is further amended by adding at the end thereof the following new subsection:

"(g) For the purposes of this act, the provisions of section 13 of the act entitled 'An act providing a permanent form of government for the District of Columbia,' approved June 11, 1878 (D. C. Code, title 20, ch. 4, sec. 622) (relating to increasing the indebtedness of the District of Columbia), are hereby declared inoperative."

SEC. 6. Such act is further amended by adding after section 1 thereof the following new section:

"SEC. 2. (a) The Reconstruction Finance Corporation is further authorized and empowered to make available out of funds of the corporation the sum of $15,000,000, under the terms and conditions hereinafter set forth, to the several States and Territories, to be used in furnishing relief and work relief to unemployed and needy transients, and to aid in their rehabilitation in training and work camps, or otherwise. Such sum shall be available for payment to the several States and Territories for the purposes of this section, upon application therefor by them through their governors (or, in the case of the District of Columbia, through the Commissioners of the District of Columbia) or such public relief agencies as the legislatures thereof (or, in the case of the District of Columbia, the Congress) may designate, and upon approval of such applications as hereinafter provided.

"(b) Any State or Territory which desires to receive funds under this section shall set forth in its application the need for such funds, the plan by which it proposes to administer such funds for the relief and rehabilitation of transients, and such other information with respect to its transient problems as the corporation may by regulation prescribe. Upon approval by the corporation of any such application in whole or in part, it shall make an estimate of the amount needed by the applicant for the purposes of this section for a reasonable period in advance. The amount so estimated shall be immediately paid by the corporation to the proper State or Territorial officials. Each amount so paid shall be considered as an outright grant to the State or Territory receiving the same, but the officials of the State or Territory who administer the amounts received under this section shall file with the corporation a statement of the disbursements made by them for the purposes of this section.

"(c) As used in this section the term 'Territory' means Alaska, Hawaii, Puerto Rico, and the District of Columbia."

SEC. 7. Paragraph (1) of subsection (a) of section 201 of such act is amended to read as follows:

"(1) To make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided*, That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation, in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years;"

SEC. —. Paragraph (2) of subsection (a) of section 201 of such act is amended by inserting immediately before the semicolon a comma and the following: "and to make loans to finance the construction of housing projects for families of officers of the United States Army, Navy, and Marine Corps, which are self-liquidating in character."

SEC. 8. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"(3) To make loans to private corporations to aid in carrying out the construction, replacement, or improvement of aircraft suitable for overseas transport and port facilities essential thereto, bridges, tunnels, docks, viaducts, waterworks, canals, reservoirs reasonably essential to the operation of such canals, and markets, devoted to public use and which are self-liquidating in character, and to make loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing to aid in financing projects undertaken by such corporations which are self-liquidating in character;"

SEC. 9. Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

SEC. 10. Subsections (c) and (d) of section 201 of such act are amended to read as follows:

"(c) In order that the surpluses of agricultural commodities and livestock (including products manufactured directly therefrom) may not have a depressing effect upon current prices of such commodities and products, the corporation is authorized and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses in the markets of foreign countries in which such sales can not be financed in the normal course of commerce; but no such sales shall be financed by the corporation if, in its judgment, such sales will affect adversely the world markets for such commodities and products: *Provided, however*, That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"(d) The Reconstruction Finance Corporation is authorized and empowered to make loans to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States, and the products manufactured directly therefrom."

SEC. 11. Subsection (f) of section 201 of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "but in determining the adequacy of security offered by a borrower applying under subsection (a) of this section the board may, in its discretion, accept as adequate security under this section, a lien on, or other satisfactory assurances of the application of, so much of the revenues from the project as may be required to meet interest payments during the period of the loan and assure refunding within a reasonable period: *Provided further*, That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan."

SEC. 12. The second proviso of subsection (g) of section 201 of such act is amended by striking out "(1) or (5)" and inserting in lieu thereof "(1), (2), or (5)."

SEC. 13. Subsection (h) of section 201 of such act is hereby amended to read as follows:

"(h) The corporation may make loans under this section at any time prior to January 23, 1934: *Provided*, That nothing herein shall prevent the corporation from issuing funds to a borrower prior to January 23, 1939, under the terms of any agreement with the borrower made prior to January 23, 1934."

SEC. 14. Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(k) The Reconstruction Finance Corporation is authorized to make available out of the funds of the corporation a sum not exceeding $5,000,000, which may be used by the corporation for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon between the corporation and such credit insurance organizations."

SEC. 15. Paragraph (1) of subsection (a) of section 301 of such act is amended by striking out "July 1, 1933" and inserting in lieu thereof "January 1, 1934."

Amend the title so as to read: "A bill to amend the emergency relief and construction act of 1932."

Mr. BANKHEAD rose.

The VICE PRESIDENT. The original amendment is first open to amendment. Has the Senator from Alabama an amendment that he desires to offer to the committee amendment?

Mr. BANKHEAD. Yes.

The VICE PRESIDENT. The Senator will send it to the desk.

Mr. BANKHEAD. It is on the desk.

Mr. ROBINSON of Arkansas. Mr. President, a parliamentary inquiry. What is the pending question?

The VICE PRESIDENT. The committee amendment as amended is open to amendment.

Mr. ROBINSON of Arkansas. Very well. The first amendment of the Senator from New York has been agreed to?

The VICE PRESIDENT. That has been agreed to.

Mr. ROBINSON of Arkansas. The Senator from New York has now offered a substitute for the committee amendment?

The VICE PRESIDENT. He has offered a substitute for the committee amendment as amended, but before that may be voted upon the amendment of the committee itself as amended is open to further amendment.

Mr. BANKHEAD. Mr. President, I submitted the amendment yesterday. It has been printed and is on the desk.

The VICE PRESIDENT. Let the amendment to the amendment be read.

The CHIEF CLERK. The Senator from Alabama [Mr. BANKHEAD] offers an amendment proposing to strike out section 2 and in lieu thereof to insert:

SEC. 2. The Secretary of the Treasury shall cause to be engraved and printed currency of the United States in the form of stamped money certificates. Said certificates shall be in the denomination of $1 each, and the issue shall be limited to $1,000,000,000. Said certificates shall be of a suitable size to provide space on the backs thereof for affixing 52 postage stamps. The backs of said certificates shall be prepared in such manner as to indicate clearly the proper place for affixing each stamp contemplated herein, to the end that on the second Wednesday after the issuance of said certificates from the Treasury the first stamp shall be affixed, and thereafter on each Wednesday until a total of 52 stamps shall be affixed; and said certificates in the spaces designated for affixing said stamps shall set forth the day of the month and year when each such stamp shall be affixed, as for example:

"On April 5, 1933, affix 2-cent stamp here."

The face of said certificates shall set forth substantially the following:

"This certificate is legal tender for $1 for payment of all debts and dues, public and private, customs, duties, and taxes: *Provided*, That on the date of its transfer there shall be affixed 2-cent postage stamps for all dates prior to such date of transfer, as set forth in the schedule on the back hereof. When fifty-two 2-cent postage stamps shall have been affixed this certificate shall be redeemable at any post office for $1 lawful money of the United States."

(a) The Secretary of the Treasury is authorized in his discretion to issue the certificates directed to be issued hereunder in monthly or semimonthly installments, all of like tenor and effect except that the schedule for the affixing of the stamps on the back of said certificate shall bear dates for the affixing of stamps appropriate to the date of the issue of each such installment of certificates.

(b) When such certificates appropriately stamped in full shall be presented to the Secretary of the Treasury for redemption he shall certify to the Postmaster General from time to time the amount of certificates so presented for redemption, and the Postmaster General shall thereupon pay to the Secretary of the Treasury out of the funds arising from the sale of stamps the sum of one dollar for each such certificate so redeemed, whereupon said certificates shall be destroyed.

(c) Prior to the issuance of the first installment of certificates hereunder the Secretary of the Treasury is directed, by posters to be hung in post offices and other public places, and by advertising in newspapers and magazines, to advise the public of the contemplated issue of these certificates, with appropriate directions to the public with reference to the affixing of stamps, the legal tender quality of the certificates, their redemption feature, and all such similar information. There is hereby appropriated for the use of the Secretary of the Treasury to defray the cost of such advertising the sum of $100,000.

(d) When such certificates shall have been issued by the Secretary of the Treasury the person holding the same on and after 12.01 o'clock antemeridian of the first Wednesday set forth in the schedule on the back of said certificates, shall affix in the space therein provided a 2-cent postage stamp of the United States. Prior to such time said certificates in the hands of all holders shall be legal tender for the payment of all debts for the sum of $1. After affixing the first stamp said certificate shall be legal tender as aforesaid for the payment of all debts until the following Wednesday when another 2-cent postage stamp of the United States shall be affixed by the person holding the same prior to 12.01 o'clock antemeridian of such Wednesday, and thereafter for 50 consecutive additional Wednesdays like postage stamps shall be affixed by the holders. At all times when there shall be affixed all such postage stamps as are required to be affixed on the back of such certificates prior to the date of transfer, such certificates shall be legal tender as aforesaid for the sum of $1. When fifty-two 2-cent stamps shall have been affixed on the back thereof the holder may present the same to any post office in the United States for redemption, and the same shall be redeemed by such post office in any present lawful money of the United States. All post offices in the United States are hereby charged with the duty of making such redemption and of forwarding such certificates for cancellation to the Secretary of the Treasury.

(e) With respect to such certificates as shall become unfit, through use, for further circulation, the Secretary of the Treasury and the Postmaster General are authorized and directed to provide for the exchange of such worn-out certificates for new certificates, and to make all regulations required for that purpose.

(f) It is declared to be against the public policy of the United States to provide in any contract executed subsequent to the date of this act that the certificates to be issued under this act, or any like issue, shall not be received in the discharge of such contract, and all such provisions in such contracts are hereby declared null and void.

(g) Said certificates, when accepted by the Government, shall be promptly reissued by any department or agency of the Government receiving the same.

(h) In transactions of less than $1 such certificates are not legal tender unless stamped by the person tendering the same for one additional week after tender.

(i) Banks of deposit receiving such certificates as deposits may charge 2 cents for each certificate so deposited as a service charge.

(j) The Secretary of the Treasury and the Postmaster General are authorized to promulgate regulations for carrying out the provisions of this act.

(k) If and when the wholesale commodity price level of all commodities, included by the Bureau of Labor Statistics in computing index numbers of wholesale prices, shall equal 80 per cent of the average index number for the year 1926, then, anything to the contrary herein notwithstanding, the Secretary of the Treasury is directed to discontinue the issuance of certificates hereunder, and such certificates as are then outstanding shall be retired as the same are presented for redemption or replacement of worn-out certificates.

(l) Five hundred million dollars of the amount made available under section 2 of this act shall be apportioned among the States on the basis of population according to the fifteenth decennial census. This amount is made available as herein provided in addition to the amount made available to the States under section 4 (a) of this act. The amount so apportioned to the States shall be delivered to the governor of the State applying for the apportionment made to his State, upon application being made therefor by the governor. The amount apportioned to a State shall be administered within the State under rules and regulations adopted by the governor thereof and through such agencies as he may establish. The amount apportioned to a State may be by the governor thereof apportioned to the counties, and/or to the municipalities of said State, and may be used in construction work or for emergency relief as defined in section 11 of this act.

On page 14, line 6, after the word "act," strike out the period, insert a comma, and add "except as herein otherwise provided."

On page 15, line 21, strike out "forty," and insert in lieu thereof "twenty."

On page 16, line 8, strike out the words "The balance of the amount made available under section 2 (a) of this act" and insert in lieu thereof the following: "Thirty per cent of the amount made available under section 2 of this act."

Mr. BANKHEAD. Mr. President, the Bible says, "The love of money is the root of all evil." I think that statement may safely be paraphrased at this time by saying that a lack of money is the cause of most of our present troubles. We hear at all times nowadays discussion of the money question. We know the very great and difficult problems that are confronting our country, growing out of our situation with reference to money. Bank credits since 1929 have contracted in the neighborhood of $13,000,000,000, and are daily growing smaller and smaller. Nearly every day information comes to us about the condition of banks in the various sections of the country. It is not my purpose, Mr. President, to make any statement here that will tend in any way to aggravate the situation or to increase the state of alarm that so widely exists throughout the country, but we do know, without going into detail, the money condition in this country.

We have now a theoretical circulation of as much as or more money outstanding from the Treasury than we had in 1929; but Mr. President, we are confronted with the unfortunate situation that $300,000,000 of that circulation, as estimated by the Federal Reserve Board, is in foreign countries; that $100,000,000 of it has been lost; and that more than $2,000,000,000, in my opinion, is being hoarded; so that we are really without a sufficient circulating medium in actual use.

So far as the hoarded money is concerned, it might as well be idle in the vaults of the Treasury and not be outstanding. We not only have the tremendous contraction of bank deposits, as has been indicated, but a large proportion of the deposits of the banks are also hoarded, hoarded by the banks themselves as well as by the holders of savings certificates and by even the holders of checking deposits. So there is not in actual use a sufficient quantity of money to conduct the business of the country, and, as a result of the constantly shrinking volume of currency in actual use, our banks are getting weaker and weaker every day; the prices of commodities continue to fall, and business is being further contracted.

We hear talk all around about the necessity of some form of inflation. We shall have to come to that question and deal with it sooner or later, Mr. President. We shall either have to take some positive, affirmative action on that subject, or decide that we will go through the painful, distress-

ing, heart-breaking process of complete liquidation in this country.

If we are going to liquidate, why not let liquidation go on now and take its regular course? If we are going to let the farmers lose their farms, if we are going to let the town people lose their homes, if we are going to let bank after bank continue to fail, if liquidation is to be the ultimate result, why not abolish the Reconstruction Finance Corporation? Why not quit pouring money into various institutions like pouring water into a rat hole? Why further involve the credit of the Nation and further burden the taxpayers of this country if it is merely to be used as a braking process to let the liquidation take place slower and slower?

Mr. President, if there is to be liquidation, I want to point out to the gentlemen who are coming here and telling us to balance the Budget and to save the gold standard—and I favor both if it is possible to do so—that if liquidation goes to its ultimate end, not only will the farmers and the small business men in this country be liquidated, but inevitably the cities, the States, the counties, and the Government itself will be liquidated; and the time will come when it will be impossible to collect enough taxes from the taxpayers of this country, after having lost their property, to pay the interest or the sinking fund upon the bonds of our cities, counties, States, and the United States.

That is exactly what we are heading for, unless, through some intervention, through some plan or measure which might be devised by Congress or by some international action, there comes about a restoration of business, an increase in commodity prices, a renewal of the employment of those now upon the unemployed list.

I am wondering if the Senate and the Congress are without sufficient vision, without sufficient courage, without sufficient boldness and daring, to intervene and take some action that will give the people of this country at least new hope. They are patient. Nobody can complain of the attitude of the American people under prevailing conditions, but they are waiting upon this Congress, Mr. President; and let me point out that in all great stirrings of the hearts and the souls of a people some leader, somewhere, somehow, has risen up to lead that feeling and to bring about action in accordance with a concerted and combined will of action by the people.

We, of course, are now, and millions of people in this country are to-day, looking forward with confidence to the leadership of Governor Roosevelt when he goes into the presidential chair. They are hopeful that under his leadership something will be done to stay these economic forces that are bearing down with unbearable weight upon the backs of the people of America.

Mr. President, in collaboration with Congressman PETTENGILL, of Indiana, I have put in form and offered here as an amendment the plan sponsored by Prof. Irving Fisher for the issuance of stamped scrip money. The standing of Professor Fisher as an economist is well known throughout this country. He has given to this subject very great thought, and he looks upon the measure as the most hopeful one that is available for temporary relief, for bringing about a revival in business, and as involving less evil consequences than any other plan that has been proposed.

Under this amendment which is offered, in the first place, provision is made for the issuance of $1,000,000,000 of $1 bills in the form of stamped money or stamped scrip, to be used in the way of relief as provided in the Costigan-La Follette bill. It is proposed to substitute this $1,000,000,000 of stamped money in lieu of the $500,000,000 which this bill provides for taking out of the Federal Treasury. It will therefore appear that with the substitution of this plan, in the first place, there is no drain upon the Federal Treasury in the matter of providing the much-needed emergency unemployment relief.

Instead of its tending in any way to unbalance the Budget by reason of this appropriation, it operates to create a profit for the Treasury of around $40,000,000.

In the second place, let me say to those who so ardently worship the gold standard, those who shake either with anger or with some other form of emotion whenever anything is suggested or proposed that may in the slightest way imperil the gold standard, that the money proposed to be issued under this plan calls for no gold coverage, is not redeemable in gold, has no bearing upon the gold standard, and in no way imperils that system of money which is so vigorously defended, whenever any suggestion is made that imperils it, by those who believe in that gold formula as some of us do in the Bible.

Mr. DAVIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BARBOUR in the chair). Does the Senator from Alabama yield to the Senator from Pennsylvania?

Mr. BANKHEAD. I yield.

Mr. DAVIS. If I understand the Senator's proposal, the application of 2-cent stamps on this sort of money constitutes a sort of inverted sales tax, does it not? That is, the holders apply 2-cent stamps on it. Anyone that has to do with the handling of this money, when he passes a dollar bill, places a 2-cent stamp on it; and, as I have already said, it is a sort of inverted sales tax.

Mr. BANKHEAD. That is true.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

Mr. BANKHEAD. Yes.

Mr. ROBINSON of Arkansas. Has the amendment which the Senator proposes been considered by any standing committee of the Senate?

Mr. BANKHEAD. It has not. I will say to the Senator with perfect frankness that I have no illusions about the disposition to be made of this amendment. I know how reluctant this body is—and it may be right; I am not saying that in a critical way—to embark upon any plan of government, especially as it applies to our currency system, which is not approved by the bankers of the country. I know the resistance that any proposal encounters in this body when reference is made to a system that the bankers of this country claim they have the right to control. But let me proceed, Mr. President.

Mr. SHIPSTEAD. Mr. President, will the Senator yield before he proceeds?

Mr. BANKHEAD. I shall be glad to yield.

Mr. SHIPSTEAD. The Senator, of course, is aware of the fact that what he is now saying is blasphemy to the worshipers of the golden calf.

Mr. BANKHEAD. Yes. I think the Senator realizes that from the way I have talked.

It is not my purpose to assail the gold standard. I hope it may be maintained. I hope that consistently with humanity it may be maintained; but, Mr. President, I am more concerned in saving our social fabric. I am more concerned in saving our representative form of government. I am more concerned in preserving respect for the law and obedience to the law. I am more concerned in avoiding resistance by force to our Government than I am in maintaining a standard which, since it first was used, has acted like a drunken man. It has staggered, it has stumbled, it has fallen from time to time, and has proven itself to be, instead of a measure of value, nothing but a value of weight.

But, passing that, the gold standard is not involved here. This provision requires, as brought out by the Senator from Pennsylvania [Mr. DAVIS], that a 2-cent stamp shall be placed upon a dollar bill every Wednesday for 52 consecutive weeks. The certificate is made by this measure a legal tender for the payment of all public and private debts, taxes, collections, customs, and dues. There is no question, under that provision, about the money moving in circulation. The tax placed upon it—the stamp required to be put upon it—is a tax upon hoarding. The money will not go into the banks to stay there, as money is going now, where depositors have sufficient confidence in the banks. It will not go into the safety-deposit boxes and socks and other hiding places, where more than $2,000,000,000 has gone, and more is going every day.

The requirement for the placing of a 2-cent stamp every week upon that dollar as a tax guarantees that the dollar

will move, when it comes into anyone's hands, before the following Wednesday. It is not a drain upon the Treasury, as I have indicated. It is self-liquidating money. It does not cost the taxpayer anything to redeem it. It does not ask for gold back of it to sustain it. When the 52 stamps are placed on the dollar the Government has in its possession, through the sale of those postage stamps, $1.04 in money with which to redeem the $1 bill.

Mr. President, I have heard the statement made frequently that the trouble is not the lack of a sufficient circulating currency. I have dealt with that from one standpoint. It is said that the trouble is a lack of velocity in circulation of the currency, and that is true. Nobody doubts that there is a paralysis in the matter of circulation. The velocity has almost disappeared. It is contended that that lack of velocity in the circulation of money is the main trouble. Then I point out to those interested in the subject that if that is the sore spot in our present currency system here is a plan which would absolutely remove and eliminate that objection and that difficulty.

I am proposing the issuance of money which, when it gets into circulation, amounting to a billion dollars, will turn over two or three times every week, and pass from hand to hand in the purchase of goods, in the payment of debts, in the payment of taxes, in the payment of pay rolls, in the payment for public works as it gets out in the beginning, so that it may turn over five or more times a week, and if it turns over only three times a week, that means $3,000,000,000 a week.

Mr. REYNOLDS. Mr. President, will the Senator yield to me?

Mr. BANKHEAD. With pleasure.

Mr. REYNOLDS. As I understand the matter, the Senator proposes to have the Government issue a billion dollars?

Mr. BANKHEAD. Yes.

Mr. REYNOLDS. And that means 1,000,000,000 dollar certificates?

Mr. BANKHEAD. Yes; $1 bills.

Mr. REYNOLDS. Let us suppose that I am indebted to John Jones in the sum of $500, and am anxious to make liquidation of that amount. I believe that under the Senator's plan I go to the post office and secure there 500 different money certificates, for which I pay $10, by way of making purchase of five hundred 2-cent stamps, and then I place one of those 2-cent stamps upon each of the 500 certificates. Is that true?

Mr. BANKHEAD. That is correct, so far as the stamps are concerned.

Mr. REYNOLDS. Then with the 500 money certificates in my hand, I proceed immediately to the home of John Jones, to whom I am indebted in the sum of $500, and I then and there lay down these 500 certificates. How are we to compel John Jones to accept, as payment of a $500 debt, that which I have purchased for only $10?

Mr. BANKHEAD. The Senator will not have gotten it for $10.

Mr. REYNOLDS. I paid 2 cents for each of the stamps.

Mr. BANKHEAD. But the Senator paid to get the money, besides the stamps.

Mr. REYNOLDS. What, in addition?

Mr. BANKHEAD. How did the Senator get the money?

Mr. REYNOLDS. As I understand it, under the Senator's measure I secure these money certificates at the post office.

Mr. BANKHEAD. No. That is where the Senator is in error.

Mr. REYNOLDS. I should like to have the Senator advise me.

Mr. BANKHEAD. The plan contemplates the use of half of this money and its distribution, I will say, under the relief plans provided in the Costigan-La Follette bill for emergency unemployment relief, for giving employment in any form of public works that are available, in the purchase of goods, food, clothing, and other necessary supplies. In other words, half of it is to go out in distribution through exactly the same channels, for exactly the same purposes, through exactly the same agencies, as provided in the Costigan-La Follette bill for the distribution of the $500,000,000 provided in that measure.

The other half is to be made available to the governors of the respective States on the basis of population, the allotment of a State to be turned over to the governor upon his application for use by him, either by allotment to counties or municipalities for public works construction, such as roads, sewerage, and matters of that kind, or for distribution otherwise as provided in the Costigan-La Follette bill; the object all the way through being, of course, that the money is to be used as far as possible to give employment, so that it can be earned as payment for services rendered.

Therefore if my friend the Senator from North Carolina had 500 of these bills, it would have been necessary for him to have acquired them, as he is not upon the unemployment list—and I know he is employed dealing with office hunters from his home. If he were on the unemployed list, he would not have as many as 500 dollar bills, and whatever number he did have, he would get them in a legitimate way, and not primarily as a gift. But when they pass on out through this unemployment relief program, when they get into the hands either of the merchants who sell supplies for the unemployed, or when they get into the hands of laborers who do work upon public-works programs which are contemplated here, into whosoever hands they get, they will go to the stores in the purchase of goods, they will go from the merchant to the jobber, from the jobber to the wholesaler, from the wholesaler to the manufacturer, and the manufacturer will buy raw materials.

The mere fact of a turnover of $3,000,000,000 a week, if used throughout the United States in the purchase of goods primarily, in the payment of debts, in active, hurrying circulation, every holder being anxious to pass the bills on before the stamp-tax day comes around, with that type of velocity stirred to a boiling point, the bills will pass with great rapidity in every community through every channel of trade in the United States.

Mr. President, what would be the effect of that? We all know the effect of an active use of a large sum of money in trade. It starts up buying power. The merchants would be ready to buy now if they knew there were customers able to pay. As soon as trade is stimulated in stores, the merchant puts in orders to the wholesaler for goods, the wholesaler puts in orders to the factories for goods, the factories order raw materials of all types used in the manufacture of industrial commodities. It would stimulate traffic upon the railroads in the hauling of raw materials, and then in the hauling of the manufactured goods, and all up and down in every channel in the country, just like the circulation of blood in the body, there would be stimulated trade activity, there would be provided this great sum of money which would be liquidating itself through the activity of those who used it, and this great sum of money would be provided thereby for the liquidation of debts.

Mr. President, so many people owe others, and others owe them. Neither can pay. If one could pay, the next could pay; and in that way, by keeping the money in a stream of circulation, it would undoubtedly follow that literally many billions of dollars of the present crushing indebtedness would be reduced or paid in full.

Mr. VANDENBERG. Mr. President, will the Senator yield to me?

Mr. BANKHEAD. I am glad to.

Mr. VANDENBERG. While I was out of the Chamber the Senator may have covered the point I desire to inquire about; but I am wondering why he stopped at $1,000,000,000.

Mr. BANKHEAD. Mr. President, I know what the Senator has in mind. There are two reasons why, in the exercise of my judgment, I stopped where I did. In the first place, I thought that a billion dollars would circulate so fast that it would stimulate business in such a great way that it would increase commodity prices so fast that it would be necessary to stop the commodity index price at some reasonable point before it got back to the price of 1926.

Mr. President, I did not make the figure higher for another reason. I knew the claim that would be made about the danger of inflation. While it may be that a larger sum could be used, I knew that the larger the sum included in this bill the less likelihood there would be of a Congress conservative on the currency question adopting any amount. I figured that a billion dollars would be adequate and sufficient for the purposes, and for that reason I did not include a larger amount.

Mr. VANDENBERG. Of course, the thought that was in my mind was that if we open the door to a billion dollars' worth of scrip we may never be able to close it again.

Mr. BANKHEAD. So long as the people pay the price of it, is any injury done? So long as they liquidate it themselves, with their own tax, so long as those who use it liquidate it and get the benefit of it, is any serious damage done?

Of course, the plan is intended solely to operate to check in some way the constant decline of prices and contraction of credit, to serve, if you please, as a temporary self-liquidating plan, and not as a permanent plan in our currency system. If it has any benefit—if it furnishes a medium of circulation for the purchase of the necessities of life and for the payment of debts—then I submit it is reasonable to assume that a new confidence will be established. If prices are stopped in their constant decline and perhaps started upward, people will again begin to buy with the money that they have, because we all know they postpone purchases so long as it looks like prices may continue to decline.

Mr. VANDENBERG. Mr. President, will the Senator yield further?

Mr. BANKHEAD. With pleasure.

Mr. VANDENBERG. If the attractiveness of the scheme should become contagious and the Senator's enthusiasm for it likewise should become contagious and we should reach, let us say, a total of $10,000,000,000 of scrip, does the Senator think we would be approaching a point where the scrip would cease to carry a safe value generally?

Mr. BANKHEAD. It might approach the point of saturation and, of course, if it did we would not issue any more.

Mr. VANDENBERG. Does the Senator think there is a menace, because of the very situation which we are now discussing, in attaching Federal auspices to a proposition of this nature? If I may amplify the question, I have studied most sympathetically the entire proposition for sometime and I have come to the conclusion that it is thoroughly practical, for instance, within a municipal unit on the basis of municipal offices and dealing with municipal pay rolls, and so forth, because there is no opportunity for confusion as between the scrip and actual money. Does the Senator feel that he is opening the door to no menace or hazard whatever when he has scrip and currency on the same Federal basis?

Mr. BANKHEAD. I can not see any reason why there should be confusion. The forms of the money in the first place will be different. One side of the scrip does not look like money at all. It simply contains a certificate that it is legal tender, as pointed out in the bill, with spaces upon which stamps will be affixed. I can not conceive that there could be any confusion by anybody capable of handling even $1 bills, about whether this money was the stamped scrip or the present legal currency.

Mr. VANDENBERG. I did not use the word "confusion" in respect of the physical aspect of money. I was thinking of the menace of two types of Federal money, one competing against the other ultimately, as all cheap money competes with dear money. The Senator is undertaking to differentiate this entirely as being different from money. I am wondering whether he succeeds in escaping that confusion, using "confusion" in that sense?

Mr. BANKHEAD. I fear the Senator misunderstood my statement. I have attempted to distinguish it as a different type of money, and I have clearly pointed out that it is legal tender and therefore is a money which the Constitution authorizes Congress to issue. In other words, we have various forms of money now. We have gold certificates, silver certificates, gold dollars, and silver dollars. One is just as much a legal tender as the other. One is as much a part of our currency system as the other. Each is recognized because of the familiarity of the people with them over long years of use.

The difficulty, permit me to point out to the Senator, and the point for which I am seeking here a remedy, is this. It is not my remedy. It is not Prof. Irving Fisher's remedy. It started in Austria and Germany, but Professor Fisher has taken it up, and I am adopting it from him. The thing for which we are seeking a remedy is to get money in some form that does not impair the gold standard, that will stay out of hoarding, that will not find its way into the banks to rest, but will keep moving day after day in the purchase of goods and the payment of debts.

We can not do that with our present currency. We all know that during the last year we have issued nearly $1,000,000,000 of currency. In 1929 we had slightly less than $5,000,000,000 of currency in circulation. Now we have $5,600,000,000. But we know it is not in circulation. We know why that quantity of money has been issued since 1929. A great deal of it has been issued, under the Glass-Steagall bill and the Glass-Borah amendment, backed by the credits of the Government on its bonds. But it has been issued, even though it may have but a 40 per cent gold coverage, simply because money in such great quantities was finding its way into hiding.

As depositors day after day went to their banks and called for currency and it was handed to them, the available quantity of currency became exhausted.

There was not enough available for this great hoarding and also to provide the ordinary average quantity for pocket and till purposes. Therefore, we had to resort to the issuance of new currency, but it keeps going the same way. I do not know how much longer it will continue to find hiding places.

I am one of those who believe that the most effective thing the Congress could do would be to place an absolute guaranty of $1,000,000,000 or more to guarantee the depositors in the banks of the country. I think we are wasting our efforts by trying to sustain banks here and there as they grow feebler and feebler and are about to fall over the precipice. We are permitting banks here and there to fail, and that discourages depositors in other banks throughout the country. Credits are contracted as a result of the fear of the banks. The people are frightened and they either can not or will not buy goods. So the contraction goes on, and the danger all the time to our business fabric is the situation of the banks of the country.

In my judgment, Mr. President, we can save a great amount of money, considered from that standpoint alone, if we boldly enact a law here by so placing $1,000,000,000 or more guaranty behind bank deposits and taking all the money the Reconstruction Corporation is using in self-liquidating projects and trying to sustain failed or failing banks, and let all the depositors and all the banks of the country know that no other depositor in a bank would lose his deposit. In my judgment, with that notice to the country, depositors would not only quit withdrawing their funds, but we would induce the hoarders, who are keeping their money hidden now and out of the banks, to carry their money back to the banks. That in itself would not only strengthen the banks, but would create an additional basis of bank credit and stimulate business and in my judgment it would come nearer stopping this day-by-day sliding downward over the precipice.

But apparently those who are dealing with banking and credit here propose to take the route of giving credit here and there. I would take the other route if I had my way. But being unable to secure any such guaranty which would bring a restoration of confidence to the depositors and the hoarders, then I say that it is essential that we do find some other form of exchange between the people and to find some form of currency, some form of money, which will be used and accepted for the purchase of goods and must be accepted for the payment of debts and which will not

be hoarded and which will liquidate itself. The plan has been brought here for the consideration of the Senate.

As I said in the beginning, I have no illusion about the attitude of the majority of the Senate upon any question that is not approved by those who hold the gold standard as sacred. This has been tested here time and time again. I know what disposition will be made of the proposition at this time. I have presented it merely in the hope that it may be given thoughtful consideration by those who are seriously and anxiously looking for some way to save our social and political institutions.

It is easy to reject and it is the custom here to reject, but if I am wrong I want to know it just as much as anybody in the world. I have no pride of opinion in this matter, because it is not of my origin. After careful study I am convinced that its adoption would be of tremendous value and service to the people of the country.

If anybody points out any vital error in the scheme, any weakness or fallacy in it, any reason why it would not operate as I believe and have indicated I think it will operate, I should be happy to receive such a thought, because I know we must not make many more bad mistakes. But I do believe, Mr. President, that we need action. We need to do something. We need to move in some direction. We need to travel some new road.

Mr. REYNOLDS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. BANKHEAD. I yield with pleasure.

Mr. REYNOLDS. Let us say that I have in my possession at this time 500 of these certificates. Upon each of the certificates there have been placed twenty-six 2-cent stamps. It is my understanding of the Senator's proposal that none of the certificates is redeemable until the required and designated number of 52 stamps are on each of the certificates.

Mr. BANKHEAD. That is correct, because the man who paid a dollar for it in goods or services at the time there are only 26 stamps on it is entitled to pass it on.

Mr. REYNOLDS. As I understand it, I have in my possession 500 certificates each bearing 26 stamps. None of those certificates is redeemable until after the last of the 52 stamps has been placed on it.

Mr. BANKHEAD. That is correct.

Mr. REYNOLDS. Let us assume further that with these 500 certificates in my hand, 26 stamps being affixed to each one, I am not indebted to a single soul on earth; what am I going to do with those certificates?

Mr. BANKHEAD. I will say, in the first place, that if the Senator is so fortunate as that, he could well afford to lose them, but he would be in a lonesome company. [Laughter.] However, the Senator could buy something with them.

Mr. REYNOLDS. But suppose I am not desirous of making any purchases?

Mr. BANKHEAD. Well, does not the Senator eat?

Mr. REYNOLDS. Very seldom. [Laughter.]

Mr. BANKHEAD. Well, if the Senator is that kind of an animal, I can not place him. [Laughter.]

Mr. REYNOLDS. Mr. President, I am interested in the Senator's proposal, and I am directing these inquiries to him because I want to be fully advised in regard to the matter. I think the suggestion has a great deal of merit, to be perfectly frank——

Mr. BANKHEAD. In that spirit I will be glad to answer any question which the Senator may submit.

Mr. REYNOLDS. I am merely desirous of securing information. If I have, say, 500 certificates, with 26 stamps affixed to each one, and not one of them is redeemable until such time as 52 stamps shall have been attached to each, would it be possible, I not being indebted to anyone in any amount, for me to get full advantage of the certificates in my possession, upon each of which those who had previously handled them had placed 26 stamps?

Mr. BANKHEAD. I will say to the Senator that he could pay his taxes with them, if he owed any taxes. If he did not owe anything on earth and did not want anything on earth, then I frankly concede that he would be in some difficulty.

Mr. REYNOLDS. But they would have served their purpose——

Mr. BANKHEAD. I can not conceive in practical application, in view of the conditions prevailing in this country, that many dollars of this character of money would accumulate in the hands of men of the type the Senator has indicated. I think it is possibly in negligible amount and in the rarest kind of instances that a situation such as the Senator describes is imaginable and possible.

Mr. REYNOLDS. I grant, I will say to the Senator, up to that point that the certificates would have served a very meritorious cause by reason of the fact that there would have been paid on indebtedness of $500 twenty-six different times. That is true, is it not?

Mr. BANKHEAD. Yes; and I am glad the Senator brought out that point. As I say, I think in the workings of almost any plan there is some possible place where it will not operate with uniformity and exact justice, but considering the great volume of debts that money of the character I propose would pay, the great number of people that it would put to work, the meritorious features of the proposal from every other standpoint, and looking at it from a broad viewpoint, whether it would not do much more good than harm, I hope the Senator, from that standpoint, after he concludes his study of this measure, may find his way clear to be a believer in it and a supporter of the plan.

Mr. REYNOLDS. I wish to say to the Senator, Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield further to the Senator from North Carolina?

Mr. BANKHEAD. Yes, sir.

Mr. REYNOLDS. I wish to say that I think in the Senator's plan there is a great deal of merit, and I want to repeat that I am directing these inquiries to him because I am initially interested in his plan.

There is one further inquiry I should like to make pertaining to line 15, on page 5, where there is a provision which I was just discussing with the Senator from Kansas [Mr. McGILL], which reads as follows:

(i) Banks of deposit receiving such certificates as deposits may charge 2 cents for each certificate so deposited as a service charge.

Do I understand that to mean that I may deposit a certificate in a bank only for collection from the Government after the required 52 stamps have been placed thereon?

Mr. BANKHEAD. No. It is intended during the movement of the certificates from the time of their issue that where the certificates are deposited in the banks, not used in trade, not in payment for the purchase of goods, not in payment of ordinary debts which a man is glad to have paid at a discount of 2 per cent, but where they are deposited in banks, involving bookkeeping and handling, noninterest transactions, the 2-cent charge may be made. I will say to the Senator further that one of the chief objects of that provision is to keep these certificates out of the banks, making it burdensome and costly to put them in, so as to keep them moving in constant circulation, paying debts and buying goods and services.

Mr. REYNOLDS. Mr. President, will the Senator yield for another inquiry?

Mr. BANKHEAD. Yes.

Mr. REYNOLDS. Let us say that I have in my possession another 100 of these certificates upon one of which 2 stamps have been placed, and on others of the certificates 3, 4, or 5 stamps, as the case may be; in other words, on each and every one of those 100 different certificates there is a different number of stamps; do I understand the Senator to mean that under the provision I have quoted I shall deposit the certificate in the bank for safe-keeping? I make the inquiry as to how the bank could possibly handle these certificates in any manner other than by way of putting them in a safe-deposit box. Otherwise it would be necessary for them in their bookkeeping arrangements to make a notation in

the form of a description as to the number of stamps each and every one of the certificates had affixed to it. I merely want to be enlightened as to that point.

Mr. BANKHEAD. I do not think it would require a safe-deposit box. It would be a character of money different in appearance and easily separable from other money. It could be put in any sort of a box one wanted, or outside of a box.

The bill requires, it will be noticed, that the spaces for the stamps shall be dated.

Mr. REYNOLDS. Yes, sir.

Mr. BANKHEAD. So there can be no confusion on that subject. One takes up a bill which shows that the next date for a stamp is the 1st day of March, and it is stamped up to that date. It is self-explanatory on its face and requires no bookkeeping.

Mr. REYNOLDS. I thank the Senator.

Mr. BANKHEAD. Mr. President, in conclusion, from the inquiry of my clear-headed colleague from Michigan [Mr. VANDENBERG], in whose judgment and sincerity I have real faith, as to the effect of this proposed money and its becoming so popular that it might run away in actual use and popularity, I judge that he has at present no serious doubt about its efficiency up to the amount I am proposing that we issue.

But, Mr. President, let us consider just for a moment the effect the issuance of money of this kind would have on this country at a time when money has disappeared, as everybody knows it has disappeared. We would have a billion dollars, when it was all issued, turning over absolutely at least once a week and which, it is estimated, might turn over three or four or even a greater number of times a week, so that in the course of a year it is entirely conceivable that this $1,000,000,000—which would be in circulation all the time, speeding up, finding a way into the possession of various individuals, just exactly the reverse from the present type of money in use, with a hoarder's tax hanging over it—would be capable of financing transactions of $150,000,000,000 a year. That is a great volume of business; and this money would liquidate itself, it would retire itself, and when it should go out of circulation it would leave some profit in the Treasury. Furthermore, it would be no burden upon the Nation's stock of gold and no burden upon the taxpayers. Consider the effect of a volume of $150,000,000,000 of transactions during the course of the next 12 months. Anybody who believes that it will have that effect—and I challenge them to investigate and consider and decide whether it will or not—should, I say, forego any mere hypercritical objection, any suspicion or any doubt or uncertainty, which is not based upon a firm conviction, in the face of an opportunity to bring relief to the distressed people of this country without injury to anybody.

Mr. WAGNER. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from New York?

Mr. BANKHEAD. I am glad to yield.

Mr. WAGNER. I was out of the Chamber during a portion of the Senator's address, and perhaps the question I am about to ask has already been answered, but I should like to ask the Senator whether it is his opinion that banks generally would accept this type of money for deposit?

Mr. BANKHEAD. Well, Mr. President, I have no more information on that subject than has the Senator from New York, who is doubtless closer to the banking spirits than I am. I do not say that in any improper way, but the Senator from New York is on the Banking and Currency Committee and is in touch with these matters while I am not.

However, it does appear to me that the bankers, who are as deeply concerned with their own solvency as are any other business institutions, would welcome with open arms any system which, while not imperiling the gold standard, would tend to bring about a restoration of business, which would tend to increase the prices of commodities, which would bring larger deposits into their banks, which would create new purchasing power for the merchants, their principal customers, and which also, through the service charge, would enable them to make 2 cents on each check handled by them, running inevitably into large figures, and thereby being made an attractive and profitable proposition. It is the hope in large measure, Mr. President, that the certificates will not go to the banks, but if they do, that they will receive a friendly reception and a friendly feeling from the banking institutions of the country.

Mr. WAGNER. Mr. President, will the Senator yield for another question?

The VICE PRESIDENT. Does the Senator from Alabama yield further to the Senator from New York?

Mr. BANKHEAD. I yield.

Mr. WAGNER. The Senator does me too much honor in suggesting that I am familiar with the "banking spirits." I am no more familiar with them than is the Senator; I have no experience in banking at all; but I was interested in the question whether or not it is a fact that if a bank keeps this particular type of money longer than a week it would itself have to pay a tax upon it. That is true, is it not?

Mr. BANKHEAD. That is true, but the banker gets a profit; it does not cost the bank anything if it does not keep the certificate more than two weeks.

Mr. WAGNER. If an individual should deposit money of the type proposed, just as he now deposits the forms of paper money in use, does the Senator say that the bank itself, if the money were not withdrawn within a certain brief period of time, would charge the individual 2 cents per week?

Mr. BANKHEAD. No; the bank gets 2 cents when the money comes in, even if it goes out next day. Then it is incumbent upon the bank to get it out within two weeks.

Mr. WAGNER. That is the point I want to bring out. It is incumbent upon the bank to get it out again?

Mr. BANKHEAD. It is incumbent upon the bank to get it out, which they may do in numerous ways. In the first place, they can use the profit that they get to stamp it for a depositor, if they see fit. They can pay it out through pay rolls. They can pay it out on debts that they may owe. They can pay it out for taxes or any other purpose for which any other institution in this country can pay it out.

Just to epitomize briefly in conclusion, Mr. President, let me point out that this plan does not involve the gold standard; that it is a self-liquidating proposition; that it provides relief for unemployment; that it provides work on public improvements, such as roads, waterways, sewers, reforestation, and so forth. It starts up buying. It brings about velocity of circulation. It raises price levels. It increases bank loans and deposits. It is a tax on hoarding. It is no drain on the Treasury; but, on the other hand, produces a profit. It creates new currency, and therefore new credits. It creates demand for industrial goods. Raw materials will move. Factories will go to work to meet these new demands for goods. The number of trains naturally will increase, both in carrying raw materials from the factories and in carrying the manufactured goods for distribution. The lawyers, the doctors, the bakers, and the candlestick makers will have money to pay their rents, to pay their taxes, and other current and incidental obligations, as they are able to do when money is freely in circulation, and their clients and customers are put in position to earn money and get money, which they now can not do.

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. BANKHEAD. I shall be happy to yield to my friend from Georgia.

Mr. GEORGE. I should like to ask the Senator one question.

I believe that this certificate is really legal tender.

Mr. BANKHEAD. It is.

Mr. GEORGE. But it is subjected to a tax of 2 cents on each transfer.

Mr. BANKHEAD. Each Wednesday—once a week.

Mr. GEORGE. A tax of 2 cents at least once a week?

Mr. BANKHEAD. Yes.

Mr. GEORGE. I desire to ask the Senator in all seriousness whether a man having services to sell, or a dollar's worth of merchandise to sell, would not prefer to take and would not demand money which was not subject to a 2-cent tax on each transfer, or per week?

Mr. BANKHEAD. The question of the Senator is a perfectly proper one, and one that of necessity requires consideration in connection with this plan.

Under normal conditions, I will say to the Senator, no one would propose a taxed money. Under conditions where services were scarce, or where the merchant held goods in quantity with an abundance of buyers, we might look to some other plan for consideration. In normal times, if you should go to a merchant and want him to take money that he must discount at 2 per cent, naturally he would not do it. But let me suggest to the Senator that when the merchant's store is almost empty, when the customers come more through curiosity than with any intent to purchase, and especially when they come without the ability to pay, I submit that even though the merchant may raise his price 2 cents to meet the stamp tax he will be happy to find a situation where he can again turn over his goods and have his store a busy place.

Mr. GEORGE. The objection which I raise, Mr. President, kept recurring to my mind. I understand the Senator's position to be that under these abnormal conditions, when merchandise is not moving, and there is no demand for services or commodities, what is equivalent to a tax on each transfer would not be an insuperable objection to the issuance of this type of currency.

Mr. BANKHEAD. That is exactly the idea.

I have given careful consideration to that phase of the matter. I have recognized that a man can not be made to exchange either his goods or his services for any sort of money, even gold, if he does not want to do it. Therefore it is a matter of the state of mind of those engaged in business, and their willingness to cooperate in a program which brings to them an enlargement of their business.

This plan has been tried where it was not even legal tender. I understand that out in Hawarden, Iowa, and in other places, it was tried by mutual consent. It has been tried in Germany and in Austria and it is working. According to information given me by Professor Fisher, at some place in Austria it has been in operation for five months, and his reports directly from there are that it is highly successful, greatly pleasing, and beneficial to the business interests of the community.

So I think the suggestion made by the Senator from Georgia, under these abnormal conditions, will not be an insuperable obstacle. In fact, when you go out with a campaign of this kind, with the slogan, "Stamp out the depression; stamp out unemployment; stamp on the money; create business and trade; give a hundred men a job; give a hundred men emergency relief," I take it that there is a degree of patriotism in this country, or a degree of self-interest in this country, combined, adequate to stimulate and arouse from one section of this country to the other the feeling, which will be acted upon, that "here, at last, is some relief furnished to us by a slow and reluctant Congress."

Mr. President, I ask unanimous consent to incorporate in the RECORD at this point the amendment which I have proposed and on which I have spoken this afternoon.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. BANKHEAD to the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, viz: Strike out section 2 and insert in lieu thereof the following:

"SEC. 2. The Secretary of the Treasury shall cause to be engraved and printed currency of the United States in the form of stamped money certificates. Said certificates shall be in the denomination of $1 each, and the issue shall be limited to $1,000,000,000. Said certificates shall be of a suitable size to provide space on the backs thereof for affixing 52 postage stamps. The backs of said certificates shall be prepared in such manner as to indicate clearly the proper place for affixing each stamp contemplated herein to the end that on the second Wednesday after the issuance of said certificates from the Treasury the first stamp shall be affixed, and thereafter on each Wednesday until a total of 52 stamps shall be affixed; and said certificates in the spaces designated for affixing said stamps shall set forth the day of the month and year when each such stamp shall be affixed, as for example:

"'On April 5, 1933, affix 2-cent stamp here.'

"The face of said certificates shall set forth substantially the following:

"'This certificate is legal tender for $1 for payment of all debts and dues, public and private, customs, duties, and taxes: *Provided*, That on the date of its transfer there shall be affixed 2-cent postage stamps for all dates prior to such date of transfer, as set forth in the schedule on the back hereof. When fifty-two 2-cent postage stamps shall been affixed this certificate shall be redeemable at any post office for $1 lawful money of the United States.'

"(a) The Secretary of the Treasury is authorized in his discretion to issue the certificates directed to be issued hereunder in monthly or semimonthly installments, all of like tenor and effect except that the schedule for the affixing of the stamps on the back of said certificate shall bear dates for the affixing of stamps appropriate to the date of the issue of each such installment of certificates.

"(b) When such certificates appropriately stamped in full shall be presented to the Secretary of the Treasury for redemption he shall certify to the Postmaster General from time to time the amount of certificates so presented for redemption, and the Postmaster General shall thereupon pay to the Secretary of the Treasury out of the funds arising from the sale of stamps the sum of $1 for each such certificate so redeemed, whereupon said certificates shall be destroyed.

"(c) Prior to the issuance of the first installment of certificates hereunder the Secretary of the Treasury is directed, by posters to be hung in post offices and other public places, and by advertising in newspapers and magazines, to advise the public of the contemplated issue of these certificates, with appropriate directions to the public with reference to the affixing of stamps, the legal-tender quality of the certificates, their redemption feature, and all such similar information. There is hereby appropriated for the use of the Secretary of the Treasury to defray the cost of such advertising the sum of $100,000.

"(d) When such certificates shall have been issued by the Secretary of the Treasury the person holding the same, on and after 12.01 o'clock antemeridian of the first Wednesday set forth in the schedule on the back of said certificates, shall affix in the space therein provided a 2-cent postage stamp of the United States. Prior to such time said certificates in the hands of all holders shall be legal tender for the payment of all debts for the sum of $1. After affixing the first stamp said certificate shall be legal tender as aforesaid for the payment of all debts until the following Wednesday when another 2-cent postage stamp of the United States shall be affixed by the person holding the same prior to 12.01 o'clock antemeridian of such Wednesday, and thereafter for fifty consecutive additional Wednesdays like postage stamps shall be affixed by the holders. At all times when there shall be affixed all such postage stamps as are required to be affixed on the back of such certificates prior to the date of transfer, such certificates shall be legal tender as aforesaid for the sum of $1. When fifty-two 2-cent stamps shall have been affixed on the back thereof the holder may present the same to any post office in the United States for redemption, and the same shall be redeemed by such post office in any present lawful money of the United States. All post offices in the United States are hereby charged with the duty of making such redemption and of forwarding such certificates for cancellation to the Secretary of the Treasury.

"(e) With respect to such certificates as shall become unfit, through use, for further circulation, the Secretary of the Treasury and the Postmaster General are authorized and directed to provide for the exchange of such worn-out certificates for new certificates, and to make all regulations required for that purpose.

"(f) It is declared to be against the public policy of the United States to provide in any contract executed subsequent to the date of this act that the certificate to be issued under this act, or any like issue, shall not be received in the discharge of such contract, and all such provisions in such contracts are hereby declared null and void.

"(g) Said certificates, when accepted by the Government, shall be promptly reissued by any department or agency of the Government receiving the same.

"(h) In transactions of less than $1 such certificates are not legal tender unless stamped by the person tendering the same for one additional week after tender.

"(i) Banks of deposit receiving such certificates as deposits may charge 2 cents for each certificate so deposited as a service charge.

"(j) The Secretary of the Treasury and the Postmaster General are authorized to promulgate regulations for carrying out the provisions of this act.

"(k) If and when the wholesale commodity price level of all commodities, included by the Bureau of Labor Statistics in computing index numbers of wholesale prices, shall equal 80 per cent of the average index number for the year 1926, then, anything to the contrary herein notwithstanding, the Secretary of the Treasury is directed to discontinue the issuance of certificates hereunder, and such certificates as are then outstanding shall be retired as the same are presented for redemption or replacement of worn-out certificates.

"(1) Five hundred million dollars of the amount made available under section 2 of this act shall be apportioned among the States on the basis of population according to the Fifteenth Decennial Census. This amount is made available as herein provided in addition to the amount made available to the States under section 4 (a) of this act. The amount so apportioned to the States shall be delivered to the governor of the State applying for the apportionment made to his State, upon application being made therefor by the governor. The amount apportioned to a State shall be administered within the State under rules and regulations adopted by the governor thereof and through such agencies as he may establish. The amount apportioned to a State may be by the governor thereof apportioned to the counties, and/or to the municipalities of said State, and may be used in construction work or for emergency relief as defined in section 11 of this act."

On page 14, line 6, after the word "act," strike out the period, insert a comma, and add "except as herein otherwise provided."

On page 15, line 21, strike out "Forty" and insert in lieu thereof "Twenty."

On page 16, line 8, strike out the words "The balance of the amount made available under section 2 (a) of this act" and insert in lieu thereof the following: "Thirty per cent of the amount made available under section 2 of this act."

Mr. FESS obtained the floor.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. FESS. I yield to the Senator from Oregon.

Mr. McNARY. The Senator is kind enough to yield to me. I desire to present, for the consideration of the Senate, a unanimous-consent agreement.

The VICE PRESIDENT. Let it be read.

The legislative clerk read as follows:

*Ordered, by unanimous consent,* That after the hour of 6 o'clock p. m. no Senator shall speak more than once or longer than 30 minutes upon the pending bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, or more than once or longer than 15 minutes upon any amendment or motion relating thereto.

Mr. LA FOLLETTE. Mr. President, will the Senator from Ohio yield to me?

Mr. FESS. I yield.

Mr. LA FOLLETTE. May I say to the Senators on the other side of the aisle that this agreement has been referred to the Senator from Arkansas [Mr. ROBINSON] and meets with his approval.

Mr. COSTIGAN. Mr. President, may I ask the hour at which this agreement will start?

Mr. McNARY. Six o'clock this evening.

Mr. SMITH. Mr. President——

Mr. McNARY. Mr. President, I think I can anticipate what is in the mind of the able Senator from South Carolina. If this agreement or a similar agreement is entered into, I shall ask an adjournment until 11 o'clock to-morrow, in order to have two hours upon the calendar, which will meet his situation, I am sure.

Mr. SMITH. Mr. President, if the Senator will allow me, I think the objection we had anticipated has now been removed; and I do not think it would take more than 15 or 20 minutes, if so long as that, to dispose of the matter I have in mind if I can get the consent of the Senator from Wisconsin to lay aside the unfinished business temporarily.

Mr. LA FOLLETTE. Will not the Senator from South Carolina let us ascertain whether we can get this agreement?

Mr. SMITH. Certainly. I prefer to have that done.

The VICE PRESIDENT. Is there objection to the proposed unanimous-consent agreement?

Mr. FESS. Mr. President, reserving the right to object, for several days I have been desirous of addressing the Senate on the subject of inflation. This would be a very opportune time to do it, following the statement of the Senator from Alabama [Mr. BANKHEAD]. It is going to take some time to do it; and if we are inclined to limit the debate before I have an opportunity to address the Senate, while I will not object, I will not attempt to do it to-night, but will reserve the right to do it to-morrow before we adjourn.

The VICE PRESIDENT. Is there objection to the unanimous-consent agreement proposed by the Senator from Oregon? The Chair hears none, and it is so ordered.

Mr. SMITH. Now, Mr. President, if the Senator will allow me——

The VICE PRESIDENT. The Senator from Ohio has the floor. Does the Senator yield?

Mr. FESS. I shall not go on to-night, Mr. President.

Mr. SMITH. Mr. President, the matter I have in mind is of such importance, and time is of the essence of it, and I do not know of any objection, that I will ask the Senator from Wisconsin if he will not consent to lay aside this matter temporarily and let us consider the bill.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from South Carolina whether or not he has consulted with the junior Senator from Utah [Mr. KING]?

Mr. SMITH. I have.

Mr. McKELLAR. I have just gone out to get him.

Mr. KING entered the Chamber.

Mr. LA FOLLETTE. I was inquiring whether the junior Senator from Utah had withdrawn his objections to the bill which the Senator from South Carolina seeks to get up by unanimous consent.

Mr. KING. I have not.

Mr. LA FOLLETTE. Under the circumstances, Mr. President, I could not yield to the Senator, because I have been informed by the junior Senator from Utah that it will take him a considerable period of time to outline in full his objections to this measure.

Mr. KING. I will say to my friend that I shall be very glad to confer with the Senator from South Carolina and the Senator from Tennessee during the evening, or before to-morrow, and see if there is not a possibility of our agreeing.

Mr. LA FOLLETTE. May I ask the Senator from South Carolina if that would not meet with his approval, inasmuch as the Senator from Oregon has promised him a morning hour to-morrow if he requires it?

Mr. SMITH. I shall be very glad to do that, because this is a matter of great importance.

Mr. McNARY. Mr. President, I ask unanimous consent that when the Senate has concluded its work to-day it adjourn until 11 o'clock to-morrow morning.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The question is on the amendment of the Senator from Alabama [Mr. BANKHEAD] to the amendment of the committee.

Mr. BANKHEAD. Mr. President, I stated at the beginning of my remarks that I had no hope that the Senate would adopt this amendment. I wanted to get it before the Senate for consideration, in the hope that after further investigation by Members of the Senate it might receive favorable action, either along this line or some other line. Having had the opportunity to present the matter, I do not care to insist upon it at this time, and I withdraw the amendment.

The VICE PRESIDENT. The Senator from Alabama withdraws his amendment. The amendment of the committee is before the Senate and open to amendment.

Mr. LA FOLLETTE. Mr. President, the Senator from New York has another amendment, and I think it should be offered at this time.

The VICE PRESIDENT. The Chair is advised that that amendment was proposed, and that the question is on that amendment now, as the amendment of the Senator from Alabama has been withdrawn.

Mr. LA FOLLETTE. I understand that before the Senate acts on that amendment, the Senator from Kentucky desires to propose an amendment to the amendment.

Mr. FESS. Mr. President, as I understand it, there is a general agreement that I shall have an opportunity to take the floor to-morrow to make an address on inflation.

The VICE PRESIDENT. The Chair understood that the Senator reserved that right when the unfinished business is laid before the Senate to-morrow, provided some other Senator has not the floor at that time talking on some other matter.

Mr. BARKLEY. Mr. President, I desire to move to strike out subsection (b) at the bottom of page 2 of the amendment offered by the Senator from New York.

Mr. GEORGE. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. GEORGE. I ask if the amendment referred to now by the Senator from Kentucky has been offered by the Senator from New York?

Mr. WAGNER. Yes; it has been offered as a substitute.

The VICE PRESIDENT. It is offered as a substitute for the pending bill.

Mr. WAGNER. If I may make a parliamentary inquiry, the proposed substitute is subject to amendment now, is it not?

The VICE PRESIDENT. It is subject to amendment.

Mr. BARKLEY. Mr. President, I offer an amendment to the substitute, to strike out subsection (b) at the bottom of page 2.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment offered by the Senator from Kentucky to the amendment in the nature of a substitute offered by the Senator from New York.

Mr. BARKLEY. I will state to the Senate that the language which I seek to strike out is the new language sought to be put into the law, that—

> No part of the amounts paid to the governor of a State or Territory under this section shall be used for the payment of administrative expenses incurred in furnishing relief and work relief under this section.

Under the administration of the $300,000,000 heretofore made available to the Reconstruction Finance Corporation for loans to States, the Reconstruction Finance Corporation has set aside a small percentage in most of the States for the purposes of administration. Under that policy they have set up local organizations, some of which they have been compelled to compensate. If we say in this proposed amendment to the act that none of the money appropriated or made available shall be used to pay for administration of the act, it will mean that all the agencies which have been set up in the States under the direction of the governors for the administration of this relief will collapse, and there will be no agency through which the governor can administer the relief or make the distribution, because the cities and counties have not the agencies in existence and the amount of money involved, which has been approved by the Reconstruction Finance Corporation, has been so comparatively small that I see no reason why there should be injected now a provision that none of the money we appropriate shall be expended to pay for any administration agencies or other facilities with which we propose to make the distribution.

Mr. WAGNER. Mr. President, the provision which the Senator seeks to strike out was not proposed by me, and it was not in the original bill as I proposed it. It was incorporated in the bill by the committee at the suggestion of one member of the committee.

I sympathize with the views of the Senator from Kentucky, and I shall personally not resist his efforts. Of course, it is a matter which the Senate itself must determine.

Mr. GEORGE. Mr. President, it seems to me that this provision should remain in the bill under all circumstances. This is not a denial of the right of the Reconstruction Finance Corporation to use money in its hands for administrative purposes. This is a denial of the right of the governor of a State to take a part of the money which we turn over to him for distribution, and use it for administrative purposes.

When it is borne in mind that there are no restrictions on the governor, that he may hire as many people as he wishes to hire, that he may pay as many salaries as he wishes to pay, and that he may pay as high salaries as he wishes to pay, it may be realized that an abuse of the generosity and bounty of the Congress is possible if the State is not required to pay at least the actual cost of disbursing the money that is turned over to it for general relief work within the State.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. GEORGE. I yield.

Mr. BARKLEY. If there had been in the original act appropriating $300,000,000 a provision of this sort, and if the States had been able to work out, over the period of a year, when their legislatures were in session, some local machinery for the distribution of this money and the administration of the relief, the Senator's position might be well taken. But, as a matter of fact, the Reconstruction Finance Corporation has exercised jurisdiction and control over the amount that is allowed to be used for administrative purposes. For instance, in the State of Kentucky they have allowed an amount of less than 5 per cent of the total amount for administration. They do not seek to set up the agencies. The governor has no power, under the laws of most States, to create new offices or to pay out of the State treasury for offices that are not actually created by the legislature.

Many of the State legislatures, particularly my own, will not meet until 1934. If the agencies which have been set up by the governor, with the consent of the Reconstruction Finance Corporation, for the administration of the $300,000,000 we have already made available to them, are now to be abolished and destroyed by our providing that none of this money can be used for that purpose, when the Reconstruction Finance Corporation has permitted them to use it up to this time, then it will amount to a denial of relief.

I will say that, under the control of the governor of my State—and I am sure it is true of other States—very meager compensation has been allowed to those who have been employed to help distribute the relief. They are experts. They are people, men and women, who have been long expert in relieving social distress. They know who are fakers and they know who are not. They have for a long time been in the business of relieving suffering, and they are getting compensation so small that it is difficult to understand how they themselves may sustain their lives upon it. But if we take it away from them entirely we will practically deny relief in many of the States.

Mr. SMITH. Mr. President, I had a communication from an official of my State, one representing the governor, to the effect that if this provision remained in the so-called Wagner substitute it would be practically ineffective in my State, that they had no means of distributing this money without using a part of the money for the purpose of administration.

Mr. BARKLEY. Mr. President, that is true of most of the States, I will say. There are some few of the States where there has been no request for an allotment for expenses of administration, but in most of the States—I think all but five or six—the Reconstruction Finance Corporation, out of the amount allotted to the States, has allowed the governors to use a certain small percentage for administration, and it has been so small in all cases that there has been certainly no abuse of it.

Mr. SMITH. Mr. President, if the Senator will allow me further, I will say that in my State a certain amount has been allowed.

Mr. GEORGE. I am so certain that this language should not be stricken out of the bill that if action is to be taken on it I shall have to ask for a quorum, and I did not want to do that on this matter.

If the desire is to get rid of the abuses, if the money may be turned over to the taxing authority of each political subdivision requiring it, a large sum will not be expended in distributing the funds.

Mr. BARKLEY. Mr. President, I do not think that criticism is justified.

Mr. GEORGE. It may not be true of the Senator's State.

Mr. BARKLEY. I do not think it is true in a general sense anywhere.

Mr. GEORGE. The Senator is perhaps not fully informed about what may exist elsewhere if some restriction is not imposed.

The real way to prevent the expense attaching to this fund, and to get relief to those who really need it, is to put the money appropriated to each State into the hands of the taxing authority of the smallest political subdivision in the State requiring it, because those who administer it will know who is worthy of help and who is not worthy of help.

Now, let me say one further word. I realize that under the original relief measure the theory was that a loan would be made to a State, and we contemplated that there should be paid back by the State, out of future appropriation, it is true, the money allotted to it. But that theory of a loan is fading farther and farther into the distance, and under the present proposal for relief purposes a part of the money is an outright grant to the State, not to be charged against it at all, and not to be repaid by it under any circumstances, even as a matter of bookkeeping. It does seem to me that a State could afford to accept money under those conditions and pay the small amount of actual and necessary administrative cost. That is the only check upon the dissipation of some portion of this money, at least, however conscientiously the fund may be administered.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BANKHEAD. I want to say to the Senator that, speaking broadly and generally, his theory is correct, but I certainly regret to see him take the position he has indicated here. I am sure the Senator does not appreciate the effect upon his neighbors. I know the Senator has a kind heart, and that he is not taking his position capriciously. But I want to present our own local position to him. We are neighbors, and he probably knows about our condition, but has not thought about the effect of his position.

We are unfortunate in my State in the matter of financing, probably more so than any other State in the Union. There is a deficit in Alabama of $20,000,000. There are $12,000,000 of warrants outstanding for the poor schoolteachers, who can not be paid. There is to-day an injunction tying up even the salaries of State officials. We have a budget law under which they can not pay out more than the amount of taxes received, and the taxes received are less than the necessary operating expenses of the State government.

Mr. President, so far as waste is concerned, let me call to the attention of the Senator the fact that in my State—and for my State I am making this appeal to him—our governor is one of the most frugal of governors. He is so economical and close that he even burns a kerosene lamp instead of an electric light in his own home. He endeavored to conduct the affairs of the State along the same line. We know there would be no waste there. But we have not the money. We can not get it. If the Senator insists upon this amendment and it prevails, as it probably would, because I know his influence in this body, it would be very detrimental to my State.

Mr. GEORGE. Let me ask the Senator how the flour and cotton are dispensed by the Red Cross in his State? Is it not done without expense to the fund?

Mr. BANKHEAD. It is done by the Red Cross, probably with local contributions. I do not know whether they do it without expense to the fund or not.

Mr. GEORGE. Certainly they do. The mayor of every city, the local officers of the city and county perform this service without compensation.

Mr. BANKHEAD. I think that is like everything else. I do not think that would make a particle of difference with the administration in my State. If the Senator insists upon this and it prevails, and I know his influence in this body, he is simply depriving Alabama of any of the benefits under this bill. We have horrible suffering, especially in my district.

Mr. GEORGE. The Senator knows I would not want to deprive the State of Alabama or any State of any help. The Senator is entirely wrong. There is no State in the country that can not take care of the administrative costs of dispensing a fund of this character.

Mr. BANKHEAD. I happen to know more about Alabama than does the Senator from Georgia.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Kentucky?

Mr. GEORGE. I yield.

Mr. BARKLEY. I am sure the same situation exists in other States, but I give my own as an example. Every application on the part of individuals and families for relief under this act would be investigated so as to prevent waste. It is investigated by men and women who are trained in that sort of thing. Under our law neither the county officers nor the governor can employ such investigators and pay them out of the treasury of the State. I believe that in the administration of the law and the use of the trained forces, paid a very small compensation compared to their real worth, that money has been actually saved and by that method it has been prevented from finding its way into channels where it might be wasted. In my State it is not paid to them in cash. It is paid in supplies and groceries. In each case the application and the merits of the family and individual are investigated by somebody trained in that sort of thing, who holds no political office and therefore has no political ax to grind. I think that method of administration will certainly save more of this money than to take away any power to use any of it for that purpose.

Mr. GEORGE. Has not the Senator's State a public-welfare department?

Mr. BARKLEY. No; we have no public-welfare department as such in the State. We have a State health department, but we have no public-welfare department as it is termed in other States. Under the State law we have authority for the county judge, for instance, to allow out of the treasury of the county certain small funds for the purchase of supplies for indigent people. In all of our counties that fund was exhausted long ago, and that fact was largely responsible for our application to the Reconstruction Finance Corporation for an allotment of funds.

But there is no way for the Governor of Kentucky or anybody in the State administration or any officer of any county to employ expert investigators to go out and find out whether an applicant is meritorious or not. This small allotment or small percentage of the fund agreed to by the Reconstruction Finance Corporation for that purpose has been instrumental, I think, in keeping down any criticism that the money is being wasted or is finding its way into channels where it is not deserved.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Florida?

Mr. GEORGE. I yield.

Mr. FLETCHER. I may say that just to-day the Governor of Florida was here and within the hour told me that this provision ought to come out of the bill if Florida is to get any benefits under it. He said the State has no fund nor has he as governor any fund out of which to pay, and that there is no way to handle the matter if the governor or the State must bear the expense. We have voluntary associations in different parts of the State. They act in an advisory capacity.

But I agree fully with the Senator from Kentucky; and our situation is just as he has mentioned, that the voluntary associations are not as efficient and will not save to the Government what is being paid by reason of the expert investigation. The fund is distributed according to the needs of the different counties. The report comes to the governor that a certain county needs so much. There is a voluntary association that acts as an advisory council, and he takes their views. When we have experts trained in this very matter of determining where real need is and the circumstances connected with it, we get a much better service and a real saving from the fund. But we have no way of compensating those people in our State. The governor has no fund with which to do it. The expense has been small, none of it exceeding 10 per cent, and probably

not over 5 per cent. I quite agree with the Senator from Kentucky in his view on the matter.

Mr. WAGNER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New York?

Mr. GEORGE. Certainly.

Mr. WAGNER. In my own State this question of cost could not arise, because we have an organization created by the State, and also by the municipalities, that has government employees who would distribute the money. I have heard of no abuses of the administration of the funds from any member of the board of the Reconstruction Finance Corporation.

I would not want to have any provision in the bill, which is to be used as an instrument to aid the destitute, which in effect would prevent such relief. Therefore, I would suggest a compromise perhaps that might be acceptable to the Senators whose views differ on the question. I think the power exists now, but it may be expressed by legislation. Let us authorize the Reconstruction Finance Corporation to prescribe the limit of the amount of money which may be used for administrative purposes of the loan granted. I do not know whether that would satisfy Senators or not.

Mr. BARKLEY. That is what is being done now.

Mr. WAGNER. I think the power already exists.

Mr. BARKLEY. When our State makes application to the Reconstruction Finance Corporation for a loan, we have a list of the counties with all of the evidence that has been gathered in those counties, which is presented to the Reconstruction Finance Corporation, and we are compelled to administer it in that way, not only as a whole but in each county. They have exercised absolute supervision over the amount which may be used for administration. I am not sure that they do it for each county, but for the State at large they do have a limitation, and that policy has been adopted. I do not think it is necessary to authorize them to do it, because they have already done it.

Mr. WAGNER. It might be something to assuage the apprehension of Senators and others.

Mr. BARKLEY. I appreciate fully the disinterestedness of the motive of the Senator from Georgia, and I hope he will not contest this motion of mine, because it has worked satisfactorily on the whole. There may be exceptions to it. The injury that will be wrought by including this language would be so much greater than any injury that might come from an isolated case where somebody might get money or provisions that would not be merited; but I hope he will not resist my motion.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from South Carolina?

Mr. GEORGE. I yield.

Mr. SMITH. Will the Senator from Georgia allow me to call his attention to the fact that it is notorious that where we have voluntary distribution of charity such as this it is never done effectively or satisfactorily? It seems that since the States have gotton these allotments from the Reconstruction Finance Corporation certain trustworthy individuals, whose time is valuable and whose services could not be otherwise availed of without a reasonable compensation, can not be employed in this kind of work. In my own State those who talked to me over the long-distance telephone this afternoon were genuinely alarmed that if there is not some provision made by which trained men and women in whom they could have confidence might be employed to go out and ascertain the exact status of affairs it would be absolutely worthless to the State in its realization.

I know through my own experience that in a matter as serious as this, the like of which we have never before confronted, we ought to be willing to compensate those who are going out with Government funds to relieve those who absolutely need aid. The minute we put it upon the basis of voluntary assistance, it will be said, "Oh, well, it does not amount to anything. It is a gesture. It is not serious. Give it to Tom, Dick, and Harry." But this is a life-and-death proposition. There are people in every State in the Union standing face to face with absolute suffering.

May I make this suggestion? There are people in the different States who are brought to such a pass that they never expected to be brought to; who will not publicly and openly display the condition in which they find themselves. We do need tactful men and women to find out where pride is covering up suffering; where it is almost a life-and-death case. I think we can very well provide to compensate men and women of capacity to distribute the fund to relieve real suffering.

Mr. BLACK. Mr. President, will the Senator yield to me?

Mr. GEORGE. Certainly.

Mr. BLACK. May I say that it so happens that in the last hour I have had an opportunity of talking to Mrs. Tunstal, of Alabama, who is our child-welfare worker. By reason of that position, she has been largely instrumental in setting up the method of distribution of the funds of the State. Mrs. Tunstal said to me that, of course, they could give out the money without investigation, but that such a course would not be beneficial. She gave me the set-up which they have.

Each county has a subordinate under the child-welfare body. They each draw $100 or $125 a month from the fund. No part of that fund is payable out of the Government relief. However, on account of the widespread destitution, that fund has been depleted, and it was wholly and completely impossible to obtain accurate information on which to act. They have had in most of the counties four social workers drawing $50 per month out of the fund. She gave me the reports of these social workers. Some counties are very large. I am convinced that the money could not be properly distributed without this information.

I also know from the condition in the State and the counties that if this administrative appropriation is cut off, as the amendment proposes, it would simply limit the investigation to that which can be made by one person.

In addition, Mrs. Tunstal stated that in practically every county of the State they are giving work relief. They are doing that on the roads. The county is then compelled to buy the equipment. The county buys the material and furnishes the road overseer, who is regularly employed, so the county really spends a great deal more for administration in the manner in which it is done than it would cost if paid out of this fund. Mrs. Tunstal has informed me, and she is a most capable lady in her work, very much interested, that it would mean that it could not be properly administered in those counties or in most of the counties of Alabama.

I might add that Mrs. Tunstal is not drawing a dime from this fund; she is paid by the State; but it is wholly and completely impossible to administer this fund adequately without expert assistance. Many of those counties have cut off their child welfare workers, many of them have eliminated their farm bureau agent; they are in a desperate situation in so far as supplying funds is concerned. For these reasons it would seriously handicap Alabama in the administration of the fund if this amendment should be adopted in its present form. I wanted to give the facts which she has just given me.

Mr. GEORGE. Mr. President, I know it is perfectly natural for the governor of any State to endeavor to save all the money he can under present conditions. I would not expect the governor of my State, for instance, to do otherwise than to say that the administrative cost ought not to be put on the States; but I want to ask the Senators here what possible check have we upon the expenditure of this fund? I have full confidence in the governors, I wish to make plain. What restrictions have we got when we consider that this fund is now becoming a bounty, a direct bounty, to the States, as for all practical purposes it is, and we are passing the money out and we are saying to the States, "You are not even called upon to spend a dime to administer it and there is no restriction whatever placed upon the expenditure of this money"?

Mr. BANKHEAD. Mr. President, does not the Senator think that, after a skillful and careful survey by capable people, the money will be spent better than it will be just to spend it loosely on hearsay information when somebody applies for it?

Mr. GEORGE. I think so, perhaps——

Mr. BANKHEAD. That is our situation and our choice.

Mr. GEORGE. I think so, but I think the States ought to bear that cost or else provide for it in some other way.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield to the Senator from Alabama.

Mr. BLACK. I will say that I am in thorough sympathy with the idea that there should be some kind of administrative supervision; and they have such supervision in Alabama. I do not know whether they have it in other States or not.

Mr. GEORGE. I am not speaking of any particular State.

Mr. BLACK. I understand that.

Mr. GEORGE. But I am speaking of the possibility of abuse, abuse amounting to scandal, in any State, if the officers of that State were so disposed to administer this fund.

Mr. BLACK. I think that is absolutely correct.

Mr. GEORGE. It is unquestionably true. We ought not, because our State governors ask the Federal Government to give them some money, to send it down and let them pay the cost of administering it out of the fund itself, and turn it loose in that way.

Mr. BLACK. If the Senator will yield further, I will state that I have not heard anything from the Governor of Alabama in connection with it, but I should like to suggest that some kind of an amendment be adopted limiting the amount that might be spent for administrative purposes, which I think would be an excellent thing and one that should be done; but I do believe that, with conditions as they are throughout the country, to provide now that no part of this fund could be used for administrative assistance would seriously handicap the proper distribution of the fund.

Mr. GEORGE. I am firm in my conviction—and my conviction grows out of experience—that the real way to distribute this fund in an agricultural State is to distribute it through the local taxing authorities and let them get it into the hands of those who are entitled to it without tolling it 10 per cent. I think it would be nothing more nor less than a scandal that money intended to help the poor and suffering should actually bear a charge of 10 per cent or even 5 per cent at the hands of the State authorities in whose State it is to be administered.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Kentucky?

Mr. GEORGE. I yield.

Mr. BARKLEY. The suggestion made by the Senator from Georgia, I suppose, would result in turning the money over to the county officers or some one or more of them. The taxing authority is different in each State. I have felt, and I am satisfied the governors of the States have felt, inasmuch as this money was loaned to the States on their application and they were held responsible to the Reconstruction Finance Corporation for its administration, that the method of administration that would result in the least criticism and the least waste and the least possibility of scandal would be to set up in each county small expert organizations trained in this sort of work, who would have no desire to use the money for their advancement or for any political reason or in contemplation of any poltical campaign that might be approaching. All of these things, of course, are a part of human nature, as we understand.

There is no one man in any State who can possibly audit the expenditure of all these funds in the different counties. I imagine that if the Reconstruction Finance Corporation desired to send an agent into each county to audit the expenditure of these funds, there is nothing in the law that will prevent it, though I do not understand they have done it so far.

It might be that we could arrive at a fair average of the amount that would be needed in most of the States for administration; we might limit it to a certain percentage; but in view of the fact that the Reconstruction Finance Corporation not only has the power to limit it, but is doing it, it would seem to me that we are acting blindly——

Mr. RUSSELL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Georgia yield to his colleague?

Mr. GEORGE. I will yield to my colleague when the Senator from Kentucky has finished.

Mr. BARKLEY. We would be acting blindly here, without more information than we have, to set up a percentage beyond which they could not go in the administration of these funds. The conditions vary in the different States, and it may not be possible to fix an average percentage.

Mr. RUSSELL. Mr. President——

Mr. GEORGE. I yield to my colleague.

Mr. RUSSELL. The Senator from Kentucky has said on three or four occasions that the Reconstruction Finance Corporation is now limiting the amount each county may expend for administrative expenses. I should like to know what that amount is?

Mr. BARKLEY. It is not a uniform amount. They make an allotment for administrative purposes when they make the award or loan to the State.

Mr. RUSSELL. I think the Senator must be in error about that.

Mr. BARKLEY. They are seeking to control it; it may not be an exact figure in each case but they have taken the position that they have the right—and I think they have the right under the law—to say that not more than a certain percentage of the award or allotment, or whatever it may be called, to any State may be used for administrative purposes. They certainly have some supervision over the set-up.

In my State the governor appointed first an administrator and then he appointed an advisory committee. They served, I think, without compensation. That director of relief, whatever he may be called, is in touch with the agencies set up in all the counties. These agencies may or may not be composed of officers of the county.

I happen to know that in the city where I live, the city of Paducah, of thirty-five or forty thousand people, they have opened an office, and they have put in charge of it one or two competent people at a salary of $50 a month. That certainly is not any evidence of waste on the part of the governor or his relief director. If this language is put in this bill they must discharge forthwith, or whenever this fund begins to operate and the amount already appropriated is exhausted, every one of those employees in the different counties working at that very modest compensation whose duty it is to investigate all the separate cases where application is made for relief. I am only speaking of my State, because I do not know what the situation is in other States, but I imagine that on the average conditions are about the same. I happen to know that in my county there is no law under which the county officers can employ anybody to do the work that is being done by these $50-a-month employees, and they have either got to stop the relief or they have got to go about it in a haphazard way and, without sufficient investigation, turn over to anybody who applies either cash or its equivalent in supplies; and I think that that would be subject to greater criticism and would lay the foundation for greater waste and dissipation of the funds than is possible under the present plan.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Senator from Georgia has the floor. Does he yield to the Senator from Maryland?

Mr. GEORGE. I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, in administering the credits of the agricultural credit corporation, which I have been looking into somewhat to-day, I find that the manager in

my State, Maryland, receives $8,500 a year. I do not want to be critical; perhaps there is a good reason for that, but from the very brief investigation which I have made it seems to me that that was a rather high salary to pay for assisting farmers in getting seed loans at a time like this. It is nearly as much money as a United States Senator gets; and it strikes me that a salary of five or six thousand dollars a year would be very bountiful. I think there is a great deal, transferring that same idea to the matter in hand, in what the Senator from Kentucky says. However, may I point out to him that in many of the States the county authorities have already existing agencies?

For example, in Harford County, Md., we not only have a demonstration agent but we have a county nurse, we have a county health officer, and various individuals in similar categories, who are in intimate touch with the needs of the people there. It strikes me that there might be combined in an amendment what is in the bill as it is now written and what the Senator from Kentucky has in mind by providing for the case of States or counties or subdivisions where there is no provision for people to administer this fund; but I would be opposed to expending any money in my State for administrative purposes. I want to see the unemployed get every dollar of this money that it is possible for them to get and not have it used for salary purposes. I will concede, however, that there are States where, perhaps, that would not be a very good rule.

Mr. BARKLEY. It may be that in the Senator's State they have taken more forward steps in organizing social welfare workers than they have in some other States, and I have no doubt that some of the counties of the State of Maryland are qualified and equipped to distribute this money or its equivalent. I understand it is not the policy in most States to pay actual cash, but the relief is paid in kind, so that there can be no criticism that men who obtain the money have used it for purposes wholly without the purview of the law. But, unfortunately, most of the States are not equipped with that sort of an organization.

Mr. TYDINGS. That is true.

Mr. BARKLEY. They have no such set-up, and their legislatures, in this situation, would not be willing, I imagine, to pass a law incurring that additional expense at this time. In my State——

Mr. TYDINGS. If I may interrupt the Senator, I concede that there is very good ground for the position he is taking; but I was seeking to safeguard this money for the unemployed wherever it could be done and to make an exception only where the exception was necessary.

Mr. BARKLEY. As a matter of fact, where it is operating, the Reconstruction Finance Corporation is doing that now in States that are equipped to distribute it; they are not making any allowance for administration; but I am not quite sure that I am correct, but I believe that in eight States, if I am not misinformed—six or eight States—because of more advanced legislation, setting up these agencies, they are incurring no expense out of the fund for administration.

Mr. FLETCHER. May I ask the Senator, in order to make headway and see if we can come to some agreement about the matter, if he would be willing to strike out the words "no part" and insert "not exceeding 10 per cent," so that instead of saying that no part of these amounts shall be used for the payment of administrative expenses it would read that not exceeding 10 per cent of the amount paid shall be used for those purposes? I do not know whether that would be agreeable to the Senator from Kentucky or not.

Mr. BARKLEY. If there is going to be any limit, I prefer to leave it to the Reconstruction Finance Corporation, because I think they are working it out satisfactorily.

Mr. FLETCHER. I agree with the Senator; I think it ought to come out; but in case we can not do that, I was thinking that we could limit the amount to 10 per cent.

Mr. BARKLEY. I do not know what the sentiment of the Senate is on the subject. I should like at least to have an expression of the Senate on the question of eliminating it altogether.

Mr. GEORGE. Mr. President, I want to say that, in my judgment, the Reconstruction Finance Corporation has no authority to limit the amount of money that is to be expended for purposes of administration. It has the power to superimpose its will upon the State authorities, because it has the power to make or not to make the loan. Therefore, as a condition on which it would make a loan to any State, it might prescribe a certain limitation upon the amount that could be used for administrative purposes.

As long as this appropriation was in the nature of a loan, and a loan at least chargeable to the State, there was some restraint and restriction on the expenditure of the money. I have already said, however, that it has become now practically a bounty to the State, and the expenditure will be without any restriction or any accountability; and certainly the Congress ought not to turn over its money without providing that the administrative cost shall be borne by the States receiving the benefit of the bounty, or else imposing some definite and fixed administrative charge that the State would be compelled to observe if it received any part of the money. I have no lack of confidence in the governors of the several States. I am insisting upon a principle.

Mr. McNARY obtained the floor.

Mr. COSTIGAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. McNARY. I do.

Mr. COSTIGAN. Before the Senator from Oregon makes his customary motion may I say a word? I shall not detain the Senate.

The subject before us is important, and my judgment concurs with the views expressed by the Senators from Kentucky, Florida, and Alabama. Both State and locally administered relief, to be effective and economical, requires the expenditure of reasonable amounts of money for administrative purposes.

At this time I wish merely to introduce in the RECORD a memorandum containing pertinent and valuable information on the subject under discussion. It deals with the cost of relief administration in the different parts of the country. The memorandum was prepared for my use this afternoon and is offered in the hope that it may be helpful to the Senate in reaching a final decision in the event the discussion continues until to-morrow.

The memorandum is accompanied by extracts from a statement recently made by Mr. Walter S. Ufford, the devoted and efficient general secretary of the Associated Charities in Washington, D. C. This statement also should appear in the RECORD.

The PRESIDENT pro tempore. Without objection, the matter referred to by the Senator from Colorado will be printed in the RECORD.

The matter referred to is as follows:

COST OF RELIEF ADMINISTRATION

The report of the committee on administration of relief of the Chicago Conference on Maintenance of Welfare Standards, held November 18–20, 1932, under the auspices of the American Public Welfare Association with the cooperation of the Public Administration Clearing House and the School of Social Service Administration of the University of Chicago, made the following recommendations:

"An effective State administrative unit should be established for the direction and supervision of the expenditure of all State and Federal funds appropriated or borrowed for relief purposes.

* * * * * * *

"In any appropriation for relief a definite allocation of funds for administrative purposes should be included in order to insure proper standards of administration.

"Public welfare administration is a technical function of government and includes types of services which require properly prepared, qualified personnel."

STATE ADMINISTRATIVE COSTS

Expenditures for State administration of relief are necessary for the following purposes: (1) To enable the State to determine where local resources are inadequate and the amount of relief from State and Federal resources required; (2) to assist localities in setting up local relief administrations that will insure economical and effective administration of relief funds; (3) to obtain reports as to the manner in which relief appropriations have been expended.

The State administrations set up under State laws (see inclosed chart) and also under funds made available by the Reconstruction

Finance Corporation have found it necessary to expend funds for these purposes, as the following examples show:

New York: Appropriations for the temporary emergency relief administration provided by legislation of 1931 and 1932 covered $439,000 available for State administration, plus $100,000 available after approval of the creation of a State debt at the November, 1932, general election. The report of the administration for the period ending September 15, 1932, published October 15, 1932 (p. 13), showed that between November 1, 1931, and September 15, 1932, a total of $239,461.84, or somewhat less than 1 per cent, was expended or allocated for State administrative purposes. In the hearings on S. 5125, January 3 to 17, 1933 (p. 86), the chairman of the New York Temporary Emergency Relief Administration, Mr. Harry Hopkins, stated, "The foundation of the whole organization is on the basis of trained service. On top of it is much voluntary service." In reply to a question by Senator COSTIGAN as to whether it would be economical to endeavor to get along without trained assistance, Mr. Hopkins stated, "You could not do it. You are defeated on all fronts if you tried that." He further stated that they had a budget of about $30,000 a month for State administration, and that, in his opinion, the amount provided for Federal administration in the Costigan-La Follette relief bill, S. 5125, was very small.

New Jersey: The report of the New Jersey Emergency Relief Administration, dated January, 1932, showed a total of $40,707.87 expended for State administration from October 13, 1931, to January 1, 1932. Attention was called to the fact that this item was extraordinarily small, due to the fact that there were no charges for rent or office equipment and that department heads and principal assistants were obtained from corporations at their expense. The report contained the following comment (p. 22): "The developments of recent weeks have shown that it will not be possible to continue at the present level of expense. In spite of the attempt to build at once a strong organization, it is evident that it is not yet adequate, more particularly because of the breakdown of local facilities, in many places chiefly due to recent financial difficulties."

Wisconsin: The report entitled "Unemployment Relief in Wisconsin, 1932–33," published by the Industrial Commission of Wisconsin, February, 1933, shows that the $10,000 appropriated from the general fund of the State for State administration of unemployment relief proved insufficient and the commission was compelled to use $3,756 from a different appropriation and $5,385.62 from Reconstruction Finance Corporation funds to administer Federal aid from September 1 to January 1. The entire cost of State administration during 1932 was $19,142, or two one-hundredths of 1 per cent of the amount distributed to local communities (p. 25).

Illinois: The bulletin entitled "Fourth Interim Report Illinois Emergency Relief Commission, Third Interim Report Illinois Emergency Relief Commission (Federal)," January 20, 1933, showed expenditures of $189,498.32 disbursed for salaries and expenses of the Chicago office. This came from State funds and from Reconstruction Finance Corporation funds (p. 12).

Pennsylvania: Laws of 1931 and 1932 provided a total of $55,400 for various State officials for the administration of Federal relief funds from the Reconstruction Finance Corporation.

Rhode Island: Laws passed in 1931 and 1932 provide $35,000 for State administration by the Unemployment Relief Commission and $5,000 for use by the State board of tax commissioners.

LOCAL ADMINISTRATION

Expenses for local administration are absolutely essential for the following reasons: (1) To eliminate cases not needing relief; (2) to provide against the duplication of relief by several relief agencies through a central relief clearing house; (3) to provide a means for determining how much relief is needed; (4) to provide service that will help the family to become self-supporting at the earliest possible moment.

The inclosed news bulletin on social statistics in child welfare and related fields, published by the Children's Bureau in September, 1932, contains a chart entitled "Percentage Expended for Relief and for Administrative Costs by Certain Types of Agencies During 1930 and 1931." Twenty-three departments giving general relief in eight metropolitan areas expended 10 per cent of their total disbursements in 1930 for administration, and 7.5 per cent in 1931. An excerpt from the testimony of Walter S. Ufford, general secretary, Associated Charities, Washington, D. C., at the hearing before the subcommittee of the House Committee on Appropriations on the first deficiency appropriation bill for 1933, is inclosed herewith. This testimony called attention to experience in a neighboring city where from $300,000 to $400,000 per month is spent for relief. An experiment was undertaken for the purpose of determining whether or not reductions in the average number of relief cases per worker would result in a decrease of relief expenditures. A certain district of the city was chosen, and 18 visitors and 3 supervisors were added to the district staff, which before the experiment included only 12 visitors. At the end of seven weeks a total of $11,600 had been saved in relief at an additional cost of administration of $2,600, or a net saving in seven weeks of $9,000.

New York State: The report of the New York State Temporary Emergency Relief Administration referred to above shows that up to September 15, 1932, $565,674.12 had been paid out or allocated for reimbursement to cities and counties for salaries of employees in home relief and emergency work bureaus. The report sets out the systems of accounting and social records found to be necessary, the local central indexes that were set up, and the trained and experienced relief investigators that were required. "In several districts," the report states, "an immediate result of the employment of workers trained for this service was the elimination from the poor-relief lists of many welfare divisions of considerable numbers of long-time beneficiaries, with a consequent saving of funds for the relief of families whose needs were real and urgent" (p. 19).

Wisconsin: The report on unemployment in Wisconsin, published February, 1933, shows administration costs of 8 per cent, based on costs in 30 relief agencies in Wisconsin for the months of September to December, 1932 (p. 24).

Illinois: The Fourth Interim Report and the Third Interim Report of the Illinois Emergency Relief Commission, published January 20, 1933, show costs of administration from State and Reconstruction Finance Corporation funds of 8.46 per cent in Cook County, 6.59 per cent in other counties, or 8.68 per cent in all counties (p. 12).

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STATEMENT OF MR. WALTER S. UFFORD, GENERAL SECRETARY ASSOCIATED CHARITIES, WASHINGTON, D. C., AT HEARING BEFORE THE SUBCOMMITTEE OF HOUSE COMMITTEE ON APPROPRIATIONS OF THE FIRST DEFICIENCY APPROPRIATION BILL FOR 1933 (PP. 78–79)

May I just add that in a neighboring city, where they are spending between $300,000 and $400,000 per month and where much of the money is from public appropriations, but is given to the private welfare agencies of that city to administer, they recently made an experiment which throws some light on this question of the so-called overhead. That is a question that we would like to consider in terms of actual service, and, with your permission, I would like to read you this letter that I received this morning from that city. I would like to read it because I know you are deeply interested in that part of the estimate. I read from the letter, as follows:

"The experiment was undertaken for the purpose of seeing whether or not reductions in average case load per worker would result in a decrease in relief expenditures. We chose the southwestern district where the average case load per worker was 188 families. The number of visitors in that district was 12. We decided to put in enough visitors to reduce the average case load to 75 families per worker, and to put in enough supervisors so that no supervisor would be required to supervise more than 10 workers. Actually we added 18 visitors and 3 supervisors to the district staff.

"At the end of the seventh week we had spent in additional salaries for workers about $2,600 and had made a gross saving of approximately $11,600 in relief. The net saving we figured was, therefore, in round numbers, $9,000 for the seven weeks.

"Since the months of October and November, during which the experiment was conducted, represented a period during which there is normally an increase in relief cases, relief per capita, and total relief, it was obviously unsatisfactory to calculate savings on the basis of actual previous expenditures of the district. We figured our savings, therefore, by comparing per cent change in six districts where there was no increase in the staff with the experience in southwest district.

"Of course, in some families relief was actually increased, when through a more intimate knowledge, undiscovered relief needs were found. The actual savings seem to have been brought about chiefly through the following: A number of families were found to have some person employed whose employment had not been reported to the district. Other families had reported to the worker a larger number of members in the household than actually existed. In a number of instances, through contact with previous employers and other persons, jobs were found for clients. Budgets were readjusted in some families. Some hitherto unknown resources, such as relatives, churches, etc., were discovered. It was possible by closer supervision for the worker to adhere more strictly to the relief policies of the association, and work orders were adjusted to conform more exactly to policies. A number of families withdrew their applications for relief or did not return to the office when they were put on a lower relief budget."

We have reason to believe that in the administration of public relief here in the District of Columbia everything possible is being done to save money, and to give help only where it is absolutely necessary. We question whether or not enough is being given. We do believe from experiences such as we have cited here, and from our own experience in social work, that the best money, you pay is for trained service, and that you save that money many times over by being able to do a constructive piece of work instead of handing relief out over the counter.

Mr. WALSH of Massachusetts. Mr. President, I offer an amendment to the pending amendment offered by the Senator from New York [Mr. WAGNER]. I ask that it may lie on the table and be printed.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie upon the table.

ADDRESS BY HON. LOUIS LACHMUND ON PROHIBITION AND ASSOCIATED PROBLEMS

Mr. McNARY. Mr. President, I ask unanimous consent to include in the RECORD an address delivered before the Oregon State Legislature by Hon. Louis Lachmund, of Salem, Oreg., on the subject of prohibition and associated problems.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AN ARGUMENT FOR A CHANGE IN OUR EXISTING PROHIBITION LAWS, WITH PARTICULAR REFERENCE TO THE PROMOTION OF TEMPERANCE AND THE UPBUILDING OF OUR STATE AND NATION FROM AN ECONOMIC, MORAL, AND REVENUE STANDPOINT

The argument herein presented is limited to a discussion of a bill which has been introduced in our legislature having for its purpose the manufacture, sale, distribution of a malt beverage, its regulation, and revenue derived therefrom. Before discussing the question from a purely Oregon standpoint, it might be well to briefly touch the subject from a national standpoint.

Mr. Hoover made it very clear, as food administrator, that the manufacture of beer was of so much greater importance as a temperance and moral measure than the amount of material consumed in its manufacture, that he refused to yield to the pressure of organized drys.

What are the facts as to these raw materials? Coal, for example? The Anti-Saloon League, in its official organ, published in 1918 a statement attributed to coal administration that the brewing industry from 1916 to 1917, which was before prohibition, consumed 3,220,000 tons of coal. It stated that it would require 180,000 freight cars, or 3,700 freight trains, to haul this coal from the mines to the brewing plants. It further stated that the brewing industry consumed 69,000 cords of wood, 527,000 barrels of oil and gasoline, and over 3,649,000,000 cubic feet of gas for heat and fuel. The coal-mining industry of the country is to-day paralyzed. The railroads have been hit hard, and it is estimated that nearly 1,000,000 railroad employees are idle. Would it be an economic benefit to the country to put the coal operators and miners to work to-morrow morning mining 3,220,000 tons of coal for the brewing industry? Would it be an economic benefit to the country to start 180,000 freight cars rolling to-morrow hauling this coal from the mines to the brewing plants?

Bear in mind that the cars used in coal transportation for the brewing industry were only a part of the whole. It probably required more than ten times 180,000 cars to transport all the raw materials and finished products to and from the brewing plants. Now, what are the facts as to grain?

Statistics issued by the Prohibition Bureau showed that in 1917, which was before prohibition, the 1,217 brewing plants consumed 3,924,585,831 pounds of grain and other farm products. In 1929, or 12 years later, the 303 cereal-beverage plants consumed 162,000,000 pounds of farm products, or about 4 per cent of the quantity used before prohibition. Prohibition of beer, therefore, deprived the American farmer of 3,761,895,269 pounds of farm products, of which barley was the largest item. This amounts to 80,000,000 bushels, in round numbers, of grain annually. Putting it another way, allowing 1,000 bushels per grower, it would require 80,000 growers to produce the grain used by brewers prior to prohibition. The barley grower went to wheat, with the result of further increasing the surplus of this commodity. In 1917 farmers received $2.05; in 1918, $2.06; in 1919, $2.18. In 1921 after a year of prohibition they received $1.04, while to-day it ranges all the way from 10 to 30 cents, according to location and distance from market.

Let us touch the question from an unemployment standpoint. The relegalization of beer would provide employment for 1,250,000 persons in the brewing and dependent industries. The Federal Government is faced to-day with a Treasury deficit of a billion dollars. Until 1914 beer was taxed at $1 per barrel and in 1919 was increased to $6 per barrel which, on a production of 66,000,000 barrels, brought in a revenue of almost $400,000,000 annually.

We have had 13 years of prohibition, with the resulting loss of governmental revenue of $5,200,000,000, which is based on a then-existing population of 100,000,000 people. It is, therefore, safe to say that the Government has lost revenue in beer alone of more than $7,000,000,000 under our present population. Then add to this the crime-cost burden and the figures would easily reach the stupendous sum of $20,000,000,000. In addition to an era of lawlessness and flouting of law we have an economic situation that almost amounts to stagnation. The reopening of breweries, many of which are in a state of delapidation, would set a new industry to work that would absorb 1,250,000 workers, consume 10 per cent of our surplus grain, and result in economic benefits to more than a hundred separate industries.

Let us bring the subject to our own State of Oregon. The hop crop has been one of our most important agricultural products. Before prohibition we produced as high as 165,000 bales, or the equivalent of 33,000,000 pounds. To-day we produce about 13,000,000 pounds. But even with this reduced production it employs over 50,000 people to harvest the hopes alone, and spends in excess of $650,000 in a period of little more than two weeks—a tidy sum in these days of distress. An additional sum of $900,000 is expended for general production of the crop—insurance, burlap, twine, etc. The price of hops during the past few years has ruled around the cost of production, but with legalized malt beer, increase in acreage would become necessary to balance consumption. But in the meantime the market value of the crop would greatly enhance in value. With the opening of breweries every bale of unsold hops of all ages would be required, and we would go into the coming season with an empty storehouse. The existing acreage in Oregon alone is capable of producing 20,000,000 pounds. It is not unreasonable to anticipate a 50-cent market or a $10,000,000 hop crop in the Willamette Valley.

Visualize the effect of $10,000,000 spread through 10 counties in the valley. It would require $2,500,000 alone to produce the crop, the bulk of which would pass into the pockets of the needy class of people. This would leave $7,500,000 for the grower to expend. It would enable him to pay his back taxes, lift his mortgages, liquidate his obligations to the banks and merchants and bring about an era of prosperity. Another important feature which must not be overlooked is the fact that 98 per cent of all our hops are sold without the State and not within the State; in other words, this vast sum of money would come from the brewers in New York, Illinois, Wisconsin, Maryland, Massachusetts, and other large consuming centers, and from London, where a part of our hops are annually marketed and for which there is a demand on account of their high quality.

There is an abundance of additional data available for your committee which the trade can and is ready to furnish, but sufficient information is furnished in this brief in the support of the contemplated legislation. The regulatory and revenue features of the bill under consideration may require some changes, but on the whole appears to be satisfactory. I understand that many of its features have been taken from the Quebec law, which to-day is recognized as a model of its kind. No perfect law on this or any other subject can be drawn, but after a fair trial its strength and weakness will soon manifest itself.

ADDRESS BY ARTHUR KROCK ON WORK OF WASHINGTON NEWSPAPER CORRESPONDENTS

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a very learned and enlightening speech delivered by the distinguished editor, Arthur Krock, at the luncheon of the Columbia Alumni Federation on February 13, 1933.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

President Butler, members of the Columbia alumni, and guests, my pleasure in being asked to participate in the program of such an occasion is, I admit, tinged with surprise that a newspaper man of my classification should be asked to speak. Primarily, the function of the Washington correspondent is to sift information from the heap of governmental activity and present it to the readers of his newspaper without comment. Under the personal responsibility fixed by his signature over his articles he may analyze and interpret the news and reveal the atmosphere in which it is made without committing his newspaper to his analysis or interpretation. But that is as far as the correspondent may go and not transgress the implicit contract between the reputable newspaper and its readers. This contract is that nothing shall be found in the news columns which, even by the subtle methods known to experienced journalists, misrepresents an opinion as a fact. If the correspondent expresses opinions, they must be the opinions of others. And if he inserts his own opinion under the representation tnat it is the view of the community which the article concerns, he has forsaken his pledge and that of his newspaper to its readers.

Because of this severe regulation, the correspondent yields public attention and fame, with their pleasing usufruct, to the signed commentator, the personal editorial writer, and to the editor whose identity becomes generally known. While he digs in the stubborn soil of capitals for his few nuggets of fact, beset by the harshest sort of obstruction and competition, the signed editorial writer and the editor in their peaceful studies await the delivery of these nuggets to the surface, and then leisurely and noncompetitively separate the gold from the dross while thousands cheer. It is notable that the Senate Finance Committee, in seeking the views of those who may know how to save the country, did not ask any correspondent or reporter to come before them. This may serve to explain why I feel especially flattered to-day. I have been both editor and reporter, and I understand their relative status.

You of Columbia and at Columbia are used to the unlimited scope of your sages and seers. Their telescopes survey the world at a glance and sweep easily through the solar system and across the sun. At Washington we sit peering into a microscope. On the narrow field beneath our tiny lens the political infusoria dart about. Our range is so close that frequently, and properly, we are accused of failing to envisage the broad aspects of problems. But on that narrow field are fought and won and lost some of the most important battles of the world. So it is well, perhaps, that we should sit at our microscopes, bringing daily to the Olympians at their telescopes the news of the political conflict.

At the moment, Washington is the troubled Capital of a troubled Nation and a melancholy world. The fault, I think, is not lack of capacity or good faith on the part of legislators and members of the administration. Under the workings of our political system those responsible for government had half their power shorn in the elections of 1930, when the House became Democratic, and the rest of it was taken by the voters in 1932 when the Senate and the Presidency were also put into the hands of the other party. Since 1930 there has been a partial interregnum, punctuated by an occasional enactment forced by the economic crisis. Since last November the interregnum has become complete, and neither party, the President, nor the President elect is responsible for it.

It was perfectly evident to observers of our system that if the administration and the control of the Senate were changed in the last national elections, the existing situation would result. I

think the change was worth the cost. But, whether it was or not, it seems manifestly wise to stop worrying about the lost motion inevitable up to noon on March 4 and to begin concentrating on how best to set the wheels turning again after that date.

The wheels will turn, and will continue to turn, and will manufacture the energy required to pull the world up to the surface again only if Franklin D. Roosevelt makes a success of the Presidency. His failure would produce conditions which would make the last three years seem like the Golden Age. I do not believe that there is serious disagreement in this presence with that view.

But these questions immediately arise after the expression of that opinion:

Has Franklin D. Roosevelt the moral and intellectual qualities plus the will and the spirit to make a success?

How can those within the sound of my voice, in common with American citizens everywhere, help him to that success?

Of the qualifications of the President elect I am confident. He is experienced, earnest, clear in purpose, and possessed of greater public prestige and party strength than any Chief Executive in recent times. But unless he is supported and followed, these qualifications will be insufficient. Opposing him are the personal ambitions of men in office, the natural partisanship of minorities, and a confusion of counsel which must be evident to you in the jangled utterances of your favorite economists and public advisers.

How can you help to level these obstacles? I venture to submit some definite suggestions:

Against the powerful and selfish lobbies which control legislation because they are organized, each community and group should set up public lobbies and be as ruthless as they are. If they threaten Members of Congress in the name of extravagance, why during this emergency should not public groups of greater size threaten them in the name of economy? I should like to see the National Economy League and that veterans' association which opposes the bonus make political organizations as ruthless for the right as these others are ruthless for the wrong. We have enough commissions and committees already. But there is one more which would be worth all the others—a nonpartisan group of national leaders, whose names are known and respected, who will pledge themselves for a year to watch closely what goes on in Washington, and unhesitatingly and publicly denounce, in words which will come to them, all evidences of political sniping or legislative delaying beyond the point where a man has the right to state his opposition.

Behind this national committee should be the body of citizens, emphasizing the denunciation by expressing themselves similarly in the newspapers and in letters to their legislators. You can not possibly realize the effect of a widespread attention to this public duty, usually neglected in the United States.

A real opportunity to apply the birch will come when Mr. Roosevelt, as I feel certain that he will, asks Congress to approve changes in the laws affecting veterans' compensation, changes which will reduce the cost of Government by hundreds of millions. Congress would be glad to give him a grant of power in advance, but it has been objected that this is constitutionally impossible. If that objection holds, he must ask for a specific enactment; and the opposition to it, engendered by fear of the lobbies, will be a powerful adversary even to his prestige and political strength. The moment that this comes, if the American people will make themselves heard, it can be won. If they take out their feelings in talk on the street corners, it may be lost.

There are two other instruments necessary to the new President's success—the party caucus and a liberalization of the Senate rules. However much they may dislike the system, the American people must now stand behind the caucus. If the President can not bind his party to his program in advance so that individual legislators, beset by lobbies, may excuse their vote on the ground of party regularity, essential items in his program must fail. If a few Members of the Senate, even with its large Democratic majority, avail themselves of the powers of delay which are inherent in the rules, these should be tightened beyond the point of the closure regulation which is now so reluctantly applied. Demand closure if there is undue delay, and new rules if that remedy proves insufficient. The Senate will hear and heed the demand if it comes from the mass of the citizens.

When Congress is given an unmistakable impression of the people's will, it usually responds. Much of its weakness arises from the fact that on controversial or emergent issues the public permits itself to be split up by propaganda or sentimental emotion, while the lobbies stand solid and firm.

I realize that I am speaking to this group as if it were the whole American people. But it is an influential and representative group, and, multiplied as it can be, determined as it should be, with telegraph wires, the mails, and the newspapers wide open to its views, it can enable Franklin D. Roosevelt to effect his program. Whatever that program is, we must support it in its essentials. There is no other pathway to recovery. Every other direction is down.

ADDRESS BY DR. GEORGE W. TRUETT ON "LIQUOR AND ITS CURE"

Mr. SHEPPARD. Mr. President, I submit for publication in the RECORD an address on Liquor and Its Cure by Dr. George W. Truett, pastor of the First Baptist Church, Dallas, Tex., at the state-wide convention of dry forces at Dallas, Tex., January 2, 1933.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and all you, my friends and fellow temperance workers, as a citizen of Dallas, I join with my good neighbor, Dr. W. C. Martin, pastor of this great church, in a most cordial welcome to this group who have come to take counsel with each other regarding this great temperance cause. From El Paso to Texarkana, from Brownsville to Denison, from Beaumont to Amarillo, this whole great State is well represented in this conference to-night. I would take a moment also to felicitate the State of Texas that these great leaders, Dr. C. C. Selecman, of Southern Methodist University, as our president; Dr. W. R. White, of Fort Worth, our executive secretary; and that stalwart Christian business man, Arthur A. Everts, our treasurer; Bishops John M. Moore and H. A. Boaz, of the Methodist Church; and many others of like prominence are willing and glad to give their time and energies as leaders in this great cause. Likewise we rejoice that so many of our pastors and educators, doing their noble work in their several fields, are showing their warm sympathy with this movement, so that our hearts are stirred indeed by such a mobilization of strength from all over Texas.

We are of one mind that we are facing one of the most responsible hours ever faced in the life of our country. For more than a hundred years the moral forces of our Nation have been working for temperance and good government. Some of the most vital chapters in our national life have been written in connection with the effort to have a sober, thinking nation, and the highest expression of civilization and government. The eighteenth amendment has been written into the Constitution of the United States. The finest sentiment is behind such enactment by our people. We want to remind ourselves that 9 States were already dry, and that in 1914, 23 more wheeled into the dry column, making a total of 32, before the eighteenth amendment was passed. Then the eighteenth amendment was written into our Constitution, the greatest gift of the Nation to the home, and the greatest contribution to our self-government yet made. Soon the 46 States through their legislatures gave full approval to the enactment of this amendment. It has been written into the Constitution of the United States with the greatest backing ever given any Federal law in the life of this country. You want to remember that, for you hear in many directions how that amendment was foisted on the life of the people. Thoughtfully, carefully, prayerfully it was written, and in the same manner adopted.

But now conditions have arisen that compel a reopening of this whole question. Two great parties have made decisions that force us to a reexamination and a reagitation of the matters we thought settled. This is a moral question, and the moral forces of the Nation can not, dare not, and will not be silent about it. If you think the preachers are going to be silent about this principle, that goes to the foundation of the home and the social, moral, religious, and economic life of our people, then you have misread the spirit and the temper of the preachers of the United States. They will not be silent, they can not be silent, when the very stones of the street cry out for action and for leadership. The whole question is now before us for reexamination and reagitation, and in every city, in every town, in every village, and in the farthest country places, we must bring it before the different estates of our people for their renewed judgment in this great cause. The issue must go back to the tribunal of our people, the message carried by every pulpit and every religious and moral leader in the community, whether in one party or another. If the matter were political, this group would not be here at all. The question is bigger and deeper and broader than that. Our Government is involved, the business of the country is involved, the home is involved, the religion of Christ is involved, the little children and the helpless women are involved, and no true prophet of God in this whole land is being silent to-day. We certify all the estates of our people that this question is now going to have the attention of this Nation wherever we can command that attention. The preachers must speak the truth faithfully and in the right spirit. We have a great message and a great mission; we must now declare that message and fulfill that mission. The awful responsibility of this task is in our hands, and we must not fail.

The press also will help in this fight. I join with Bishop Moore in gratitude that in Dallas our four papers speak earnestly on this subject, and in a way to cheer our hearts. The secular press is needed in this great battle, and we are happy to find that some of our papers are writing some of the most wholesome editorials on which our eyes have fallen. How powerful is the press of our land and how great is its responsibility! It can betray and desert a great democracy or it can sound such clarion notes that that democracy may be safe in time of storm, with its feet placed on a high mountain. We will call the press to our aid in this great struggle.

The laity, of course—those noble laymen of every group who are everywhere the bulwark of the social order where it is built on the right foundation—must stand together with us in this crusade. The fine lawyers, the fine educators, the fine business men, other fine professional leaders, the fine physicians—what would we do without the medical profession's clear-voiced stand on prohibition? Every great medical society over the country has

taken its stand in favor of prohibition. Many individual professional men have passed on this question in a great way. I have here a report on the Dangers of Moderate Drinking, by Richard Cabot, for many years chief of staff of the Massachusetts General Hospital and professor of medicine in Harvard University. Hear what he says:

"Forty years ago I was almost as ignorant about alcohol as most wets appear to be to-day. I supposed it would stimulate the circulation and the brain, and so help to pull a man through pneumonia or typhoid. It took years of watching its effects in those and other germ diseases to teach me, as experience has now taught almost all intelligent physicians, that alcohol does harm and not good in infectious diseases. Forty years ago almost all the physicians at the Massachusetts General Hospital believed that alcohol stimulated the heart and the powers of resistance in fevers. Now I don't know one who believes that. The medical use of alcohol as a stimulant has been given up in the better hospitals because to-day we know that it is not a stimulant, but a narcotic. We used to think that moderate drinking—'temperance,' as the wets call it—did no harm. Now we know it is responsible for our enormous loss of life through automobile accidents on our streets. One cocktail is enough to impair the dexterity and quickness of hand and foot, to spoil the man's judgment about speeds and distance, on which safe driving depends. Most of the drunken drivers arrested every week on our streets are not drunk in the ordinary sense. They can walk and talk well enough; they have imbibed only a moderate amount of liquor. They are temperate drinkers, but they are the most dangerous of all drinkers in this fast-moving age. The man who is really drunk, the excessive drinker, rarely tries to drive a motor car. It is the moderate drinkers who do most harm. They killed in 1931 more people in the United States than typhoid fever, diphtheria, and influenza put together.

"The effects of alcohol in killing people when much of it is taken within a short time, are usually laid to 'bad liquor.' This is very rarely proved. Almost all deaths from drinking are due to too much 'good liquor.'

"Prohibition has not stopped 'moderate drinking' on the part of many persons. Hence we have still to fight the enormous evils of 'temperance' and 'moderation.' The evidence of excessive drinking shown in cirrhosis of the liver and the alcoholic insanity following repeated attacks of delirium tremens are also with us, but have decreased since prohibition, even when enforced as little as the wets permit us now to enforce it.

"The wets complain of bootlegging, of riches and power in the hands of criminals, of the bribing of officials and the corruption of those who ought to enforce the law. But who corrupts them? Who gives the criminals power to corrupt them? Of course, it's the wets. They shoot holes in prohibition, and then complain that it isn't bullet-proof. They pay bootleggers to bribe policemen and then they complain that there is much corruption in the business.

"Surely this is a new trick in the public discussion of a serious matter. I never knew people themselves to cause an evil with their own hands, their own money, their own throats, and then go on the stump and complain of it. I never knew a man to pull up a railroad track, burn the ties, and twist the rails, and then complain because his train wouldn't run smoothly over the tracks. I never knew a man to pour water on all fires in his house and then complain 'that they had all gone out.' I never knew a citizen to bribe a policeman to stay off his beat, and then complain that the policeman was not on it.

"That's the wet side of this case, and the only argument they have got is that things are just as bad as they have made them. Poor wets! Their logic is almost as bad as their habits!"

This is not a preacher, friends, it's an honored professor of Harvard University, a staff member of the Massachusetts General Hospital. And he is not alone. Business men like Ford, economists like Fisher, of Yale, join us in the statement that this movement should have the support of every man and woman who loves humanity throughout this great country.

And the women—that mighty group! Whose heart does not stir when good women come to the side of a great cause! Mrs. Henry Peabody told the Congressmen: "Ten millions of the women of America are now enlisted by name in the battle to keep this country dry. Gentlemen, you will have a lively race to get beyond those women, who are highly resolved that the eighteenth amendment shall not be repealed."

Then the young people, led by such stalwarts as T. C. Gardner, when they hear of this high cause of prohibition, when they are informed as we mean to inform them, they will enlist in myriads under the temperance banner. Young men have won the day in the early American colonies; in the great days of Texas independence; in the French Revolution; at Marathon and Thermopylæ. In the World War, the greatest holocaust the world has ever known, again it was the young men who won the day; and the young men, fortified and encouraged by the young women, are coming to enlist in this war by the millions; the young people of America are going to be mobilized to take care of this great job.

What is to be our argument? Not invective and denunciation. Not that. When the saloons were in this city years ago I had contacts with the men who ran them. I buried their dead. I sat with them in sorrow. I have gone to their homes after a child had gone, or perhaps a loved wife and mother; and I have said to those men, "Because I am your friend and the friend of your family I am against your business world without end, because it is wrong." We are sure of the righteousness of our cause. How shall we press it? Not with sarcasm and invective and ridicule. Not with playing politics. This question goes to the very foundation of our social order, and every right-thinking person is pledged to give us hearty cooperation. Let us go out now in this great cause and teach all the estates of our people what is involved. Teach them—tell them—show them.

To-day the people perish from lack of knowledge. It is 15 years since the amendment was voted. A new generation has come which does not know the things we know about the earlier day. It is not enough to tell them that if the eighteenth amendment is repealed we will have the saloons back again. Teach the young people about the saloons. Tell them that women hated to pass those corners, particularly after the dark had come, because men reeled from those swinging doors stumbling and vomiting and swearing. If you had a woman with you, you walked fast to get by those places—and those places were everywhere. I agree with Bishop Moore that I used to see more drunken men in one Saturday night than I have seen for the last 10 years. Teach the young people about the saloon. Tell them that it was a cesspool in foul things; that in its shelter nestled the gambling house and that den of iniquity, the brothel, where women sold their bodies for money. The youth doesn't want that back again any more than we do, and they with us will dedicate their lives to the statement that it shall not come back. This is our great task—to go out and tell the young people. The saloon was the enemy of the Nation. It was the enemy of our bodies, for eyes were bleared and hands were trembling; it was the enemy of our minds, for clear thinking and high purpose were impossible under its rule; it was the enemy of the souls of men and the power of God, and it was declared in the Good Book that no drunkard shall enter the kingdom of God; so it is written, "Cursed be he that putteth the wine cup to his brother's lips, for at the last it biteth like a serpent and stingeth like an adder."

All these things we will tell our young people. All the estates of our people will be advised again concerning them. We used to know these things. It used to be that never a week went by that we did not hear them from our mothers or from the pulpit or from one of the temperance bands; that drink was the enemy of mankind, the source of poverty and pain, was brought home to us earnestly and often. It is still the great enemy, the enemy of decent civil government, the Gibraltar of bad politics in America. It is political harlotry for the State to go into the business of legalizing the liquor traffic. We are going to tell the young people that we are turning back to black savagery, if we allow liquor back in this country. We will find the conscience of our people, because we have a conscience that can not be stilled. Paul, the greatest apostle, was grandest of all when he said, "Herein do I exercise myself, to have a conscience void of offense toward God and man." We are banded together in the great bundle of life. No man liveth to himself or dieth to himself. Lady Macbeth may wring her white hands and say she did not murder Duncan, yet is she guilty of blackest murder because she cheered on the man who put the dagger to his heart. If we are silent when it is planned to turn that black tide of ruin upon our country, then you and I are particeps criminis in this great crime.

We will certify to the American people all these facts. We will not be silent. Too much is at stake. "I am debtor to Jew and Greek * * * to all men." We are debtor to all men to-day, and to those coming after us. Here is a great moral question, going to the very taproot of our national life, and we must deal with it. To get our tax money out of legalized liquor is one of the most incongruous things one could possibly dream about. Imagine taxing crime and ruin to get money to run our schools and hospitals! Taxing iniquity to run our State is a crime against humanity. Such a moral wrong never could be right. To take such money to run our social institutions is one of the most impossible things in the history of civilization. Tax money. Revenue. There are some things right-minded men and women must not dare to consider. We are to make the people see that. Into every schoolhouse, every hamlet, every wayside place we must take the message, and my humble judgment and deep conviction is that when the people see it clearly they will say, "The eighteenth amendment must be maintained." It will be treason to nullify the efforts they have made for years to make and keep this a sober Nation in the sight of God.

This is an hour of rededication to a great purpose. The gauntlet has been thrown with a sort of gay defiance. We will take it up, and we will never drop the fight until it is written in the annals once and for all that there shall be no legalized liquor in our country. This is a great hour we are facing, and we face it with courage. We are of one mind—that there has been a slump in moral ideals since the war to the last degree regrettable. We have slept while the enemy sowed tares in our fertile fields, but the children must come back and get the right education on this matter. Homes, as the great educators, must come back and challenge the power of the liquor traffic; and under the directed power that flows in this week from one end of the country to the other we must speak our will to our legislative bodies. And remember that back of every political group is God. "Ride on, O King Eternal." Every man and woman who hears me to-night will go out to say, "Because we care for the highest welfare of mankind—too much is at stake; we can not be silent; we tell you what this thing means to you and to those who come after you,

and we ask God to bring it close home to you." If we do this worthily, earnestly, persistently, prayerfully, there is one sure outcome.

"Our fathers to their graves have gone;
Their strife is past—their triumph won;
But sterner trials wait the race
Which rises in their honored place—
A moral warfare with the crime
And folly of an evil time.

"So let it be. In God's own might
We gird us for the coming fight,
And strong in Him whose cause is ours
In conflict with unholy powers,
We grasp the weapons He has given,
The light, the truth, and love of Heaven."

O God, lead us on!

ADJOURNMENT

Mr. McNARY. Mr. President, I move that the Senate carry out the unanimous-consent agreement and adjourn until 11 o'clock to-morrow morning.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Oregon.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate, under the order previously entered, adjourned until to-morrow, Saturday, February 18, 1933, at 11 o'clock a. m.

# HOUSE OF REPRESENTATIVES

## FRIDAY, FEBRUARY 17, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of hosts, be with us yet and let us be conscious of Thy holy presence. With gratitude we approach Thee. Make us altogether worthy of our high calling and touch our hearts by the breath of our Heavenly Father. As servants of the people, may we be prophets and ministers of a better day dawn. Thou who art the bread of life strengthen us in that faith that maketh not ashamed and that sees the sun behind the floating cloud. We pray, blessed Lord, for the might of that faith that rebukes selfishness and greed and that lays hold of the altar of God. We thank Thee for the Teacher of Samaria, whose beatitudes are His portrait, whose life is the light of men, and who still walks the waves of this turbulent world. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 14363. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1934, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 211. Joint resolution proposing an amendment to the Constitution of the United States.

The message also announced that the Senate had agreed to the amendments of the House to the concurrent resolution (S. Con. Res. 42) entitled "Concurrent resolution to compile, print, and bind the proceedings of Congress in connection with the exercises in memory of the late President Calvin Coolidge."

The message also announced that the Senate had passed the following resolution:

Senate Resolution 362

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. GODFREY G. GOODWIN, late a Representative from the State of Minnesota.

*Resolved*, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 o'clock m. to-morrow.

The message also announced that pursuant to the foregoing resolutions the Vice President had appointed Mr. SHIPSTEAD and Mr. SCHALL members of the committee on the part of the Senate to attend the funeral of the deceased Representative.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KLEBERG, for two days, on account of important business.

The SPEAKER. Pursuant to the order of the House, the Chair declares the House to be in recess.

Accordingly the House stood in recess, to meet at the call of the Speaker.

ORDER OF EXERCISES

Prelude, Sacred Selections (11.30 to 12)—
United States Army Band Orchestra
Presiding Officer—The Speaker of the House of Representatives
Invocation—The Chaplain, Dr. James Shera Montgomery
Male quartette—Lamp in the West (Parker)—Double quartette
Scripture reading and prayer—The Chaplain
Roll of Deceased Members—
The Clerk of the House of Representatives
Devotional silence.
Contralto solo—God Shall Wipe Away All Tears (Harker)—
Vera Ross—Edgar T. Paul, accompanist
Address—Hon. JOHN W. MCCORMACK
Representative from the State of Massachusetts
Soprano solo—These Are They (from Holy City) (Gaul)—
Mrs. Edgar T. Paul—Edgar T. Paul, accompanist
Address—Hon. FREDERICK M. DAVENPORT
Representative from the State of New York
Baritone solo—Hosanna (Granier)—Edwin C. Steffe
Cornet solo—Nearer My God to Thee—John J. Kahler
Staff sergeant, United States Army Band
Benediction—The Chaplain

MEMORIAL SERVICES

The SPEAKER of the House of Representatives presided.

The Chaplain, Doctor Montgomery:

Almighty God, unto whom all hearts are open, all desires are known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee and worthily magnify Thy holy name. Amen.

The double quartet sang "Lamp in the West."

The Chaplain, Doctor Montgomery:

*Let not your heart be troubled; believe in God; believe also in Me. In my Father's house are many mansions; if it were not so, I would have told you, for I go to prepare a place for you. And if I go and prepare a place for you, I will come again and receive you unto Myself, that where I am there ye may be also.*

*Consider the lilies of the field, how they grow; they toil not, neither do they spin; and yet I say unto you that even Solomon in all his glory was not arrayed like one of these. Wherefore, if God so clothe the grass of the field, which today is, and to-morrow is cast into the oven, shall He not much more clothe you, O ye of little faith?*

*And He showed me a pure river of the water of life, clear as crystal, proceeding out of the throne of God and of the Lamb. In the midst of the street of it, and on either side of the river was there the tree of life; * * * and the leaves of the tree were for the healing of the nations.*

*And there shall be no night there; and they need no candle, neither light of the sun; for the Lord God giveth them light; and they shall reign for ever and ever.*

Serene, I fold my hands and wait,
Nor care for wind, or tide, or sea.
I rave no more 'gainst time or fate,
For, lo! my own shall come to me.

I stay my haste, I make delays,
For what avails this eager pace?
I stand amid the eternal ways,
And what is mine shall know my face.

Asleep, awake, by night or day,
The friends I seek are seeking me;
No wind can drive my bark astray,
Nor change the tide of destiny.

What matter if I stand alone?
I wait with joy the coming years.
My heart shall reap where it has sown,
And garner up its fruit of tears.

* * * * * * *

The stars come nightly to the skies;
The tidal wave unto the sea;
Nor time, nor space, nor deep, nor high,
Can keep my own away from me.

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So I stand by my cross on the lone mountain crest,
Looking toward the ultimate sea.
In the gloom of the mountain a ship lies at rest,
And one sails away from the lea.
One spreads its white sails on a far-reaching track,
With pennant and sheet flowing free.
One lies in the shadow with sails laid back,
The ship that is waiting for me.
For lo, in the distance the clouds break away,
The gate's flowing portals I see.
And I hear from the outgoing ship in the bay
A song of the sailors in glee.
So I wait for my ship to go to the shore,
In the ship that is waiting for me.

*Our Father, which art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done, on earth as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil. For Thine is the kingdom, and the power, and the glory, forever. Amen.*

ROLL OF DECEASED MEMBERS

Mr. Patrick J. Haltigan, reading clerk of the House, read the following roll:

CHARLES W. WATERMAN, SENATOR FROM THE STATE OF COLORADO

Lawyer; teacher; practiced law in Denver; held honorary degree of doctor of laws of the University of Vermont; taught school in Iowa and Connecticut. Elected to the United States Senate November 2, 1926. Died August 27, 1932.

WESLEY LIVESEY JONES, SENATOR FROM THE STATE OF WASHINGTON

Lawyer; Representative at Large from the State of Washington to the Fifty-sixth and to the four succeeding Congresses. Elected to the United States Senate March 4, 1909, and reelected in 1914, 1920, and 1926. Died November 19, 1932.

EDWARD EVERETT ESLICK, SEVENTH CONGRESSIONAL DISTRICT OF TENNESSEE

Lawyer; farmer; presidential elector in 1896 and presidential elector for the State at large in 1900–1904; represented the Government as appeal agent during World War. Elected to the Sixty-ninth, Seventieth, Seventy-first, and Seventy-second Congresses. Died June 14, 1932.

HENRY ST. GEORGE TUCKER, TENTH CONGRESSIONAL DISTRICT OF THE STATE OF VIRGINIA

Lawyer; teacher; author; elected to the Fifty-first and three succeeding Congresses; dean of law school at Washington and Lee University, 1899–1902, and at George Washington University, 1903–1905; president American Bar Association, 1904–5; president Jamestown Expedition Co., 1905–1907. Member of Sixty-seventh and each succeeding Congress. Died July 23, 1932.

JOHN CHARLES LINTHICUM, FOURTH CONGRESSIONAL DISTRICT OF MARYLAND

Teacher; lawyer; elected to State senate in 1905; presidential elector in 1908. Elected to the Sixty-second and each succeeding Congress. Died October 5, 1932.

CHARLES A. KARCH, TWENTY-SECOND CONGRESSIONAL DISTRICT OF THE STATE OF ILLINOIS

Lawyer; served three terms in lower house of Illinois General Assembly; United States attorney for eastern district of Illinois, 1914–1918. Elected to Seventy-second Congress. Died November 6, 1932.

JAMES CAMPBELL M'LAUGHLIN, NINTH CONGRESSIONAL DISTRICT OF MICHIGAN

Lawyer; prosecuting attorney of Muskegon County, 1887–1901; a member of the board of State tax commissioners and State board of assessors, 1901–1906. Elected to Sixtieth and each succeeding Congress. Died November 29, 1932.

DANIEL EDWARD GARRETT, EIGHTH CONGRESSIONAL DISTRICT OF TEXAS

Lawyer; member of House of Representatives of Tennessee, 1892–1896; member of the Tennessee State Senate 1902–1906. Moved to Texas and was elected from that State to the Sixty-third, Sixty-fifth, Sixty-seventh, and each succeeding Congress. Died December 13, 1932.

ROBERT REYBURN BUTLER, SECOND CONGRESSIONAL DISTRICT OF OREGON

Lawyer; presidential elector in 1908 and again in 1916; appointed circuit judge for eleventh judicial district of Oregon, 1909; elected to Oregon Senate in 1912 and served during 1913–1915 sessions and reelected in 1924 for the 1925–1927 sessions. Elected to Seventieth, Seventy-first, and Seventy-second Congresses. Died January 7, 1933.

SAMUEL AUSTIN KENDALL, TWENTY-FOURTH CONGRESSIONAL DISTRICT OF THE STATE OF PENNSYLVANIA

Teacher; business man; superintendent of public schools at Jefferson, Iowa; returned to Pennsylvania in 1890 to engage in lumbering and mining; member of State house of representatives, 1899–1903. Elected to Sixty-sixth and each succeeding Congress. Died January 8, 1933.

GODFREY GUMMER GOODWIN, TENTH CONGRESSIONAL DISTRICT OF MINNESOTA

Lawyer; prosecuting attorney of Isanti County, 1898–1907; again elected as prosecuting attorney of Isanti County 1913 and served until February 15, 1925, when he resigned, having been elected to Congress; president of the Cambridge Board of Education, 1914–1917; served during World War as a Government intervenor and appeal agent for the draft board of Isanti County. Elected to the Sixty-ninth and succeeding Congresses. Died February 16, 1933.

Mrs. NORTON, a Representative from the State of New Jersey, standing in front of the Speaker's rostrum, placed a memorial rose in a vase as the name of each deceased Member was read by the Clerk.

Then followed one minute of devotional silence.

Vera Ross sang "God Shall Wipe Away All Tears."

Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, delivered the following address:

ADDRESS OF HON. JOHN W. M'CORMACK, OF MASSACHUSETTS

Mr. McCORMACK. Mr. Speaker, in one of the most trying periods of our peace-time history we pause to pay tribute to our honored departed whose names have just been read. It is fitting and proper that we should render this official and personal tribute of honor and respect.

We meet to-day not only to pay reverence to their memory but to consecrate ourselves to the cause of liberty, of justice, of progress, and of independence which they so faithfully served. It therefore follows that this is a day not only of commemoration but of dedication.

As one who believes "that death is but the beginning and not the end," I can see our departed friends in "that beautiful land on high" speaking to us from "beyond the Great Divide."

He who liveth and believeth in Me liveth forever.

Since the memorial exercises of last year two Senators and nine Representatives in the Congress of the United States have received their last earthly summons. This occasion of necessity calls for a composite and not an individual eulogy.

When the roll was called we heard the names of departed colleagues, every one of whom in lifetime stood for the best traditions and loftiest ideals humanly attainable. Each and every one of them knew the spirit of the founders as expressed in the Constitution—knew the soul of the Nation—and that spirit became theirs. Each one of them had a profound knowledge of our country's history; the general and permanent interest and welfare of the United States was sacred to them, and they promoted and defended that interest without flinching and without fear. They gave to life and to their Government the best that was in them. Fitted by tradition, learning, and training, they rendered the high character of public service which entitled them to say at the end of life's journey, in the words of John Quincy Adams:

I have the approbation of my own conscience.

They were not of the school who believed that the world owed them a living but of the school who gave freely and voluntarily of their great abilities that mankind might progress and that Government might be improved upon for the benefit of their generation and of generations to come.

The contributions of past generations of Americans to the establishment and progress of our Government, with their unwritten mandate to preserve and improve upon for the benefit of the next generation, was assumed and fulfilled by our friends who are watching and listening from beyond. They loved their country and had an abiding faith in its people, its institutions, and its future—a lesson to many Americans of to-day.

The thought entered my mind as the roll was called that collectively they constitute as fine a group of outstanding Americans for whom memorial exercises ever have been held. They did not believe that mere material development was the only or highest goal; they knew and exemplified during their lives that the true greatness of a nation was moral and intellectual, the upbuilding of character and intelligence, the preservation and the sanctity of the family life, and the recognition of the omnipotence of the Master of the universe.

Not only were they men possessed of profound knowledge and experience, and knowledge is power, but they knew the rocks on which nations have been shattered, and steered their course far away.

What greater ambition can one possess than to strive to do their best, spiritually and materially, for their fellow men; to reduce the sum of human misery; to help those less fortunate than themselves; and to preserve for future generations the constructive efforts and contributions of the generations of the past? Such were the thoughts entertained and practiced by our departed friends, thoughts and purposes which are commendable to every true American of to-day.

As the late Henry Cabot Lodge once said:

> Whatever our faith, whatever our belief in progress, there can be no nobler purposes for man than thus to deal with the only earth he knows and the fragment of time awarded him for his existence here.

Or, in the words of the poet:

> His gentleness, his tenderness, his fair courtesy,
> Were like a ring of virtues 'bout him set,
> And Godlike charity, the center where all met.

They underwent experiences common to mankind, with the joys and sorrows of life. The character and reputation that they established, together with their ability, attracted the attention of their people who sent them to powerful and honorable positions in the Congress of the United States, to contribute toward the solving of the affairs of the Nation. Wise in counsel, sound in judgment, and by reason of their capacity and ability they served on important and powerful committees of the Senate and of the House of Representatives, and died while rendering such service to the country and their people. They lived during the time allotted to them by God, and when the summons came they left behind nothing but praise, and they had before them the certainty of reward. During their years of public service they had witnessed and encountered violent political and industrial changes, shaking the purpose of the weak and vacillating; yet, in victory or defeat, in prosperity or adversity, they stood the same courageous representatives of the people, never compromising with error nor surrendering to expediency.

> He never sold the truth to serve the hour,
> Or palter'd with eternal God for power.

As we view their unsullied and noble purposes, as we view them as we knew them, our reverence and admiration alike grow even stronger. We turn to them in gratitude, and we commend what they did and their examples to those who come after us.

These men represented the cross current of American life. The roll shows that the United States Senators represented the sovereign States of Colorado and Washington and the Representatives districts in the sovereign States of Tennessee, Virginia, Maryland, Illinois, Michigan, Texas, Oregon, Pennsylvania, and Minnesota—North, East, South, and West.

They did not represent alone the district or State or the section of the country from which they came; they did not consider legislation from the local or sectional viewpoint, but approached the determination of all problems from a broad, national basis. "We are one people; we have one destiny; we must rise or fall together."

Such a feeling is the courageous spirit of all persons who comprehend the true, broad-minded, patriotic functions of a citizen, and particularly those in public or official life, irrespective of the office or position they occupy.

The great lesson we can learn from the lives of our late colleagues is a constant devotion to our country and its institutions; that we must love and defend our country for our country's sake. Their intense Americanism must always encourage us, and we must faithfully and courageously discharge the duties which devolve upon us in whatever station or sphere of life we may be placed.

The Congress of the United States is the outstanding legislative body of the world. Its Members legislate for the most powerful nation that has existed in the history of time. Its Members, under normal conditions, have important duties to perform. In abnormal times, such as we are confronted with to-day, the responsibility is so great that at times one has a feeling of helplessness. New and unexpected questions, which I will not specifically mention, have recently arisen and will continue to arise. We are all conscious of our responsibility. We are seeking that sense of direction and skill to carry to a fulfillment a policy of practical emancipation from economic disturbances. We are all seeking to preserve the fundamentals and improve upon the structure of government.

As, in the concluding words of Woodrow Wilson, in his first inaugural:

> We know our task to be no mere task of politics, but a task which shall search us through and through.

And, as our departed friends look down upon us, I can see their smiles of confidence in our ability and our courage to meet the present situation, to determine our problems, and to be recorded by the historians of to-morrow as a generation "who kept the faith." "An invulnerable state of states, an undefeatable country of countries, an indestructible nation of nations!"

Our heritage to preserve and transmit to generations yet unborn.

Mrs. Edgar T. Paul sang "These Are They."

Hon. FREDERICK M. DAVENPORT, a Representative from the State of New York, delivered the following address:

ADDRESS OF HON. FREDERICK M. DAVENPORT

Mr. DAVENPORT. Mr. Speaker, we do well to pay affectionate tribute to those of our colleagues who during the past year have entered upon the great adventure which we call death, an adventure which all would escape but which no one does escape. Death is the most startling and dramatic event in life, and to the end of the world friends of the fallen will gather to reflect upon their virtues, to ponder upon the meaning of death, upon the lessons of forbearance and humility one toward another which it enforces, and to renew the human sympathy and understanding which fail us often in the midst of the conflicting and competitive affairs of our everyday lives.

These colleagues who have left us were from the East and from the West, from the North and from the South. Yet they wrought for a common purpose within these Halls. When death comes and history gets a hearing, sections of our common country mean less than nothing at all. The most tragic cleavage that America ever experienced came in the years preceding and embracing and following the Civil War. Yet in the perspective of history the two greatest figures to emerge from that war are Abraham Lincoln and Robert E. Lee. Conflicting opinions and partisan passions and sectional strife can not live in the presence of death and character. Death teaches unity and tolerance and peace. In the range of the years nothing counts but character. These colleagues of ours were men of character and patriotic purpose who died in the service of their country.

Of recent years there has been much comment upon the heavy mortality in the membership of the Congress of the United States. So far as I know there has never been any attempt to compare it with the general mortality of the same age periods within the population. Such comparison might mean little, inasmuch as the membership of the Congress is a grouping of its own kind. There is usually some particular substantial physical and mental reason for the men and women who are here. At least, nearly all who achieve election to this House are not here by chance.

There are certain periods—after a great war, for example—when young men of reputation rapidly win their way in public affairs. But usually it is through physical and mental stress and strain that one has battled his way through the years to this eminence—often to the more or less unconscious neglect of his natural well-being. Every campaign thereafter is likely to be, and in most cases is, a gruelling struggle against difficult opposition. A seat in the Congress is a coveted prize in every community in the United States. The ambition for personal preferment, the ambition to be close to the sources of power in the country, the ambition to serve well the age in which he lives, all contribute to the highly competitive conflict which an aspirant for a seat in this Congress usually finds himself in the midst of. And there is no release from strain when he arrives. The complexity of the problems he has to face, the gravity of the decisions which he is called upon to make, the frequent pressure of selfish group interests upon his spirit, the burden of the human contacts with a quarter to a half million people in his constituency, easily undermine his vital resistance, if he is not intelligently careful. The human relation of a genuine representative with hundreds of his constituents is as intimate as that of the doctor, the lawyer, the priest, or the minister. Continuity of rest may become as impossible as continuity of work upon the real task of legislation. It is not surprising if some hitherto unsuspected physical defect appears and assumes the proportions of a physical catastrophe.

The life of a conscientious Member of Congress is a life of exacting service to a degree which is totally unappreciated by large numbers of the population in the times in which we live. There is no more dangerous symptom in the American democracy than the tendency on every hand to point the finger of scorn at the Congress of the United States. I do not say that the Congress is without blame. We are capable of doing foolish things. We are temporarily swept by selfishness and personal fears and political moods, but I have never ceased to declare, since I came to know this House, that on fundamental questions of right or wrong for America, if you give this House time and give it the facts, there is no power on earth that can buy it or cajole it or deceive it.

It is a true cross section of the American people. Its very faults and blunderings are the faults and blunderings of the American people. Its aspirations and ideals, its yearnings for a better economic and social order are the yearnings, the aspirations, and the ideals of the American people. And if American democracy is to survive, this conception of their parliamentary representatives must speedily be adopted by the American people, and the Congress of the United States must not fail to fulfill the promise of the new faith.

It is a dangerous time. We still have widely heterogeneous elements in our population, diverse sectional backgrounds and interests, a group of economic and social problems more intricate than any that have heretofore troubled America. Popular government was never so hard to manage nor in greater peril.

The American people have elected 435 men and women to this House, most of them trained in the school of practical reality, to face this time in which we live and, so far as government can do it, to point the way out of the morass into which the world has fallen, to do battle with the forces of disintegration which have attacked us, and to shape the destiny of 120,000,000 people. In this crisis the American people ought to give to their Representatives the same backing that they would give their armies in war. Next to enlisting in war, the American people, their humorists, their editors, their critics, ought to teach the young men and women of the present generation that there is nothing more difficult nor more important than enlisting and fighting in the public service.

If the sentiment of millions at home is hostile to the army the army must collapse. Thus the Russian Army collapsed in the World War. If the sentiment of the people at home is hostile to their public servants, consciously or unconsciously, their public servants can not do their best. If the American people expected more from the Congress of the United States, they would receive more. We reap what we sow. If we sow, in our press, in our daily conversation, in our public thought, distrust and disdain of our public servants, we reap what we sow. As I see it, the Congress of the United States is tremendously handicapped at the present hour by the lack of inspiration that the confidence of a good expectancy on the part of the country would give them to do their best. If America is to remain America, if parliamentary government is to survive among us, a balanced cooperation between public opinion and the constitutional representatives of the people can not too soon be restored.

These men who are gone were Members of this elect company of Representatives of the common weal. They met the tests of their high office courageously and intelligently. But they are gone. And everyone who goes from us is dear to some one who is left behind—dear to families and friends who are here to-day.

We are forever pausing in memorial gatherings like this to ponder anew the tragic termination of life and the prospect of continuing existence and reunion. In such matters our reflection is not theological nor creedal nor denominational. It is human and what we call religious. Centuries have come and gone since this country was settled and nearly 150 years since the Nation was founded. Religion, as we call it, has been subjected to deep and powerful criticism. Some have rejected it, but not many. Each new generation has had to face the same life experiences of suffering and sorrow which have driven human beings since the primitive days toward eternal hope. Not all the governmental authority of any nation on earth can drive this hope out of the heart of man. Americans, like other people, are as instinctively religious to-day as they ever have been. Each new disclosure of science reveals more clearly a universe of purpose, into the very physics and chemistry of which is wrought the mathematical exactness of an infinite intelligence. The theory of a blind, mechanical materialism, driven by fate, comports no more reasonably than it ever did with the human development of love and sacrifice in the free soul of a mother. In spite of the vast modern advance in science, there is still no reason why the same power which produced the marvelous mystery of energy in the human frame and fitted into it the human spirit, may not also be true to the yearnings and the aspirations of the creature He has made, and in His own time and place, bring together again these dynamic centers of personality and energy into what we call immortality. There is still room for the simple faith of the race that the tangled threads of this life are all the time being woven into the tapestry of eternal justice. It is in this faith to-day that we bid our comrades hail and farewell.

It is for us to snatch the torches falling from their grasp and bear them on through the darkness of the present hour. In these days of bewilderment and despair for so many millions of our countrymen, it is for us to hold unflinchingly to the faith of our fathers, to support by deed and word a popular confidence in the institutions and ideals which have made America.

Say not the struggle naught availeth,
The labor and the wounds are vain,
The enemy faints not nor faileth,
And as things have been they remain.

If hopes were dupes, fears may be liars;
It may be, in yon smoke concealed,
Your comrades chase e'en now the fliers,
And, but for you, possess the field.

For while the tired waves, vainly breaking,
Seem here no painful inch to gain,
Far back, through creeks and inlets making,
Comes silent flooding in, the main.

And not by eastern windows only,
When daylight comes, comes in the light,
In front, the sun climbs slow, how slowly,
But westward, look, the land is bright.

Mr. Edwin C. Steffe sang Hosanna.

John J. Kahler, staff sergeant, United States Army Band, rendered as a cornet solo Abide With Me.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following benediction:

And now under Thee who is able to keep you from falling and present you before the presence of Throne; unto Him be glory and honor, dominion and power, both now and ever.

And now may grace, mercy, and peace from God the Father, Son, and Holy Spirit, abide with us and keep us always. Amen.

CHARLES W. WATERMAN

Mr. EATON of Colorado. Mr. Speaker, when CHARLES W. WATERMAN passed away on August 27, 1932, Colorado lost its seventeenth United States Senator, and one who had worthily followed a line of illustrious men whose names are still remembered for their able endeavors in the upbuilding not merely of the State of Colorado but of the entire Rocky Mountain region.

Senator WATERMAN was born in a Vermont village on November 2, 1861; before school days came he was crippled, and for seven years he hobbled to the little country school on crutches. Diligently pursuing his steadfast purpose to obtain an education, he overcame the difficulties caused by his frail body, and in 1885 graduated from the University of Vermont with the degree of bachelor of arts. In 1922 he was honored by his alma mater with the degree of doctor of laws. His high esteem for that university was recognized in his will by a substantial endowment. It was not until 1889 that he completed the law course of the University of Michigan, from which he graduated with the degree of bachelor of laws, and was admitted to the bar of the State of Colorado at Denver the same year. The following summer, on June 18, 1890, he married Anna R. Cook of Burlington, Vt., who throughout all the struggles of his life was ever an inspiration to his success.

When first he practiced law in Denver it was in the office of John F. Shafroth, who in later years was Governor of the State of Colorado for two terms, the sixth United States Representative for the first district of Colorado for almost 10 years, and the twelfth United States Senator for one term of six years. As a young lawyer Senator WATERMAN'S ability soon attracted attention, and one day he was invited to become an assistant in the office of Wolcott & Vaile, of which firm the senior member, Edward O. Wolcott, was Colorado's seventh United States Senator, who served two full terms, covering a period of 12 of the most eventful years of the State's history.

After Senator Wolcott's death in 1905, Senator WATERMAN became a member of the firm of Wolcott, Vaile & Waterman and continued in that partnership until 1908. With such continual association with men devoting their best talents to the public welfare, covering a period of almost 20 years, it is little wonder that Senator WATERMAN aspired to also devote a part of his career to the welfare of his country, and to serve the people of his adopted State in the United States Senate and participate in the councils of the Nation.

It is not my purpose to detail his advancement in the practice of his chosen profession, but merely to mention his selection from time to time during the 34 years of his active practice by some of the greatest business men of the State and Nation as their legal counselor. His advice to and advocacy of the causes of the Denver & Rio Grande Railroad; the Chicago, Burlington & Quincy; Chicago, Rock Island & Pacific; the Great Western Railway; and the Great Western Sugar Co., by whom he was retained during the last 15 years of his active practice—from 1908 to 1923—sufficiently characterize him as a man of great legal attainments.

He was a member of the American, Colorado, and Denver Bar Associations for years, and after his retirement from the practice of law in 1923 he devoted months of service to the United States, without compensation, as the general counsel of the Oil Conservation Board, to which post he was appointed by his old friend and brother Vermonter, President Calvin Coolidge. This was the only public office he ever held until his election in the campaign of 1926 as United States Senator.

Upon his arrival in the United States Senate in 1927, Senator WATERMAN was appointed a member of the Committees on Claims, Naval Affairs, Patents, Privileges and Elections, and Judiciary. Later he became chairman of the Committee on Patents.

During his first few months in the Senate he took no part in debate, but was very active in the work of the committees to which he had been assigned, as appears from the number of printed reports on pending bills. It was on February 20, 1928, that he first entered the Senate debate while a bill was being considered concerning the settlement of claims against Germany and disposition of property held by the Alien Property Custodian. His first question went to the heart of the whole matter. He inquired:

If this bill is passed and becomes a law, and the German Government does not pay as we now anticipate, then these American claimants must necessarily be paid out of the Public Treasury of the United States, must they not?

How much discussion we have had during the months succeeding his death of this very question, and all that was thereby so ably suggested by his prophetic vision.

His forceful presentation of the Vare election contest, support of a sufficient sugar tariff, and various matters included in bills to amend the patent and copyright laws in 1929 directed the attention of the Senate to his forensic skill, his precision in argument, and his power in debate.

By his passing Colorado lost one of the stalwart supporters of the State and its industries and the Nation one of its sound counselors and advocates. His life is another story of continued battling toward success and the overcoming of the physical misfortunes which impeded his progress. He was rapidly becoming one of the Senate's most useful Members when in the summer of 1931 his health began to fail, but the record votes of the Senate show how he stood faithful at all times during his long illness until through sheer lack of physical strength he was unable to be present and answer as his name was called.

During his more than 40 years of active life in and for Colorado and its industries Senator WATERMAN made many abiding friendships. His sincerity of purpose was never questioned. His promise could always be relied upon. Once his course was set he was not to be diverted by friend or enemy. He was forceful, courageous, courteous, gracious; and in his passing Colorado has lost one of her most able citizens and builders.

Mr. EATON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a tribute by Hon. EDWARD P. COSTIGAN, United States Senator from Colorado, as follows:

TRIBUTE BY SENATOR COSTIGAN

CHARLES W. WATERMAN, of Denver, a prominent Member of the United States Senate for the past six years, and a conspicuous and able practitioner at the Colorado bar for more than 40 years, died in the city of Washington in August, 1932, some three months prior to the termination of his first term as a Member of the Senate.

Senator WATERMAN was born in Waitsfield, Vt., where he attended a rural common school and subsequently an academy for about a year. He entered and graduated with an A. B. degree from the University of Vermont, which in 1922 conferred on him the honorary degree of LL. D.

Following his graduation from that university, he taught school for three years in the States of Connecticut and Iowa. In 1889 he graduated with the degree of LL. B. from the University of Michigan. Thereafter he commenced the practice of law in Denver, Colo., and continued in that profession until, and for some time after, his election in 1926 from that State to a six-year term in the United States Senate.

Senator WATERMAN'S career as a Member of the United States Senate was early impeded by ill health, which continued more and more to incapacitate him until the end. Nevertheless he performed his official duties with noteworthy care and fine courage until shortly before the close of his last session of Congress. Perhaps his most striking contribution to Senate debates was during the discussions of the tariff bill which finally became the tariff act of 1930. On one occasion he delivered a detailed argument in support of the confirmation of the nomination, which the Senate ultimately rejected, of Judge Parker to membership in the United States Supreme Court.

Because of his physical disabilities, Senator WATERMAN in the spring of 1932 announced that he would not seek reelection.

Tributes to Senator WATERMAN'S life and character will undoubtedly be paid at the approaching annual meeting of the Colorado Bar Association. For the purposes of this memorial I, therefore, limit myself on this occasion to the inclusion in this testimonial of an editorial published in the Rocky Mountain News of Denver after Senator WATERMAN'S death; and to brief references to his notable abilities as a practitioner and qualities as a man, received from a prominent member of the Colorado bar, who for years was intimately associated with Senator WATERMAN in general legal practice.

The following is the editorial tribute of the Rocky Mountain News:

"[Editorial in the Rocky Mountain News, Aug. 28, 1932]

"CHARLES W. WATERMAN

"The senatorship came to CHARLES W. WATERMAN too late for him to demonstrate the full measure of his ability.

"So far as Republican Senators are concerned, most of the oratorical and argumentative talent lies with the Progressive group. WATERMAN, however, was an exception among the conservatives. He had the forensic power and the logical force to enable him to meet BORAH on his own ground. Illness prevented him from becoming a national figure.

"In Colorado Senator WATERMAN was the last representative of the old school. Like Senator WOLCOTT he was an archconservative. Also like WOLCOTT, he regarded the senatorship as primarily a national rather than a State office. Foreign policies concerned him more than post offices. While he was one of the men who made possible the development of the sugar beet industry and was a consistent supporter of protection for Colorado industries, he was primarily interested in national affairs.

"Austere, conscientious, taking public office very seriously, WATERMAN was sent to the Senate because people believed in him and despite rather than because of his corporation affiliations. Neither in campaigning nor in the Senate would he truckle for votes or depart from what he regarded as sound principles of government. That course did not win him popularity and he failed of nomination three times before reaching his goal. But he won and kept the respect of his colleagues and the people of the State he represented."

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Mr. Henry McAllister, Colorado attorney, commented as follows on Senator WATERMAN'S career and personality:

"I have been deeply affected by the death of Senator CHARLES W. WATERMAN.

"I knew him intimately for over 35 years, had frequent professional and personal contact with him, and with one exception among the living, I was perhaps more closely acquainted with him than any other man.

"He rose from poverty to a distinguished position in his profession and in national affairs. When I first became acquainted with him he was associated with the outstanding firm of Wolcott & Vaile (the head of which was the eminent Senator WOLCOTT, the other member being one of the finest characters the West has known), of which firm he later became a partner under the name of Wolcott, Vaile & Waterman. Through native ability and concentration upon his profession of the law, he became one of the great lawyers of the West. He had a clear and legal mind which applied itself to every problem confronting him. He was not only a wise counselor but a great advocate, a man of unbending character and integrity and utterly fearless in professional and public life.

"Mr. WATERMAN was always desirous of rendering public service, and when he had acquired a competence, his one hope was to represent his State in the Senate of the United States. In this he was successful, and into his service as a Senator he carried the earnestness and fidelity which had characterized his practice of the law. Not long after he had achieved his great ambition his health broke but he continued the performance of his public duties with all the vigor and loyalty which his impaired strength permitted, and in his comparatively short career in the Senate he was recognized for his ability, character, and independence. If he had lived and worked in his former good health and strength, he would, in my opinion, have acquired a high position in the councils of the Government.

"Senator WATERMAN'S modesty and retiring disposition made him less well known than his preeminent abilities justified. But with all who knew him well he was distinguished for his talents, the courage of his convictions, and his ambition to render wise service to his State and the Nation."

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Mr. William E. Hutton's tribute, born similarly of years of friendship and professional association, follows:

"The long illness of Senator WATERMAN prepared his friends for the final tragic news of his death a few months short of the expiration of his one term in the United States Senate. The prime years of his life were devoted to the legal profession, and it was only after his substantial retirement from that profession that he entered the field of politics. From a young man he was ambitious, endowed with an acute mind, great power of application, and unflagging diligence. He was a fighting kind of lawyer, and the years brought him success and that recognition which the courts and the bar and the public give to the able and aggressive. While he tried many jury cases, he surpassed in keen, incisive, and forceful argument to the court on questions of law.

"Abilities which won distinction at the bar were not designed to appeal so effectively to the electorate. It was difficult or impossible for him to pursue a course merely to win popular favor. He stood upon his merit and the merit of the cause he advocated and for these he was respected. His loyalties were constant. His severe logic, Puritan conscience, and unremitting energy made him an invaluable man in certain fields of public service not inviting great public interest or acclaim. His ideas, on the other hand, were conventional, his temper was conservative, and there was little evidence of the spirit of the modern reformer in his public conduct.

"To many he gave the impression of a severe and somewhat aloof nature, not easily approachable. He was undoubtedly slow to encourage intimacy; but, as is so often true of such men, there are those who by close contact came to discover in him a warm, friendly, and sympathetic nature.

"It is a misfortune that the public service for which he was well fitted could not have been available over a longer period."

WESLEY L. JONES

Mr. SUMMERS of Washington. Mr. Speaker, WESLEY L. JONES, like Abraham Lincoln, came from the soil. He was born in a humble farm cabin in Illinois. As a barefoot boy and young man he tilled the soil for a widowed mother. The ravages of the Civil War had bereft him of a patriotic father three days before his birth.

Amid direst poverty he grew to rugged manhood. His education was acquired by great personal effort in the primitive schools then available. By day labor and a night school he equipped himself for the law.

Like Lincoln his battle for advancement developed rugged strength of purpose, the ability to see the right, and the tenacity to strive for it through any difficulties.

His long service in the House and the Senate evinced the faith of his people in his honesty, ability, and integrity.

With a wife and infant son he located at north Yakima in Washington in 1889 as that land of promise was merging into statehood. For many years life was still a struggle for the pioneer lawyer. Meanwhile he built fast and firm friendships and was often called for public addresses.

His first campaign for Representative at large from the State of Washington was memorable for his debates with the eloquent sitting Member, Hon. J. HAMILTON LEWIS, whom he defeated at the November election in 1898.

During the next 10 years he served his State and Nation as a Member of the House. In the House, and later in the Senate, he devoted his time and talents without stint to the many problems confronting our State and Nation. Indian reservations, reclamation, harbors, roads, forests, the Puget Sound Navy Yard, and innumerable other questions had his devoted attention for a third of a century. To no other man are we so deeply indebted for the development of our State as to our late and dearly beloved Senator JONES. He was the father of the Yakima Valley and delighted always in its service. But his effective legislative skill spread to the development of Alaska and to our merchant marine and to the District of Columbia. Senator JONES probably did as much as any other man to clean up the District of Columbia and to rout the saloons from our stately Capitol Building.

In 1908 he was elected to the United States Senate where he served faithfully, efficiently, and with great distinction until his death.

He was the first Chairman of the Commerce Committee from the State of Washington and rendered pioneer service in developing the merchant marine. Later he became chairman of the powerful Appropriations Committee. Thus Senator JONES twice brought to our State honors never achieved before or since.

Vigilant and vigorous though he was in the protection of the local interests of his State, he never emphasized these to the detriment of national issues. He could see beyond local lines and comprehend the problems of the whole Nation and the questions that were international. To-day our country needs such men, who not only think nationally but internationally.

Logical and forceful as a debater, Senator JONES was of the wholesome, practical type of mind, and he left the polemics to other statesmen while he studied the problems of legislation, and seldom made a lengthy address. But his decision once made on the rightness of a question could not be shaken by argument or coercion. The following telegram no doubt expresses the sentiment of all Senators:

The Hon. JOHN W. SUMMERS,
*The House of Representatives:*

Senator WESLEY L. JONES was loved and respected by all of his associates. I have never known another man who was more transparent in his character and more dependable in all of his undertakings. His untimely death was a loss not only to his State but to the whole country.

ROYAL S. COPELAND,
*United States Senator, State of New York.*

Perhaps his indomitable courage and firmness were more fully tested in the long struggle to control the liquor traffic of the country than in any other matter. For 20 stormy years, like the Rock of Gibraltar, he stood with Senator SHEPPARD as codefender of the faith in the Senate. Yielding neither to cajolery, abuse, or threats, he stood quietly, firmly, and courageously by his convictions and directed legislation in the interest of this great moral economic question. Never bitter, never abusive, he was a man both tolerant and liberal. He was wont to carry his heavy burdens so cheerfully and accomplish his great undertakings with such modesty that even his family and most intimate friends did not realize that he had given his very life in the service of his country. He wished that the end might be so—that he might work to the very last. He might have greatly prolonged his years, as many another has done, by avoiding the strenuous character of public life and retiring before his appointed time. But among sturdy, valorous men there is never a disposition to leave the scene of conflict.

The home life of Senator JONES was one of true devotion. The wife, son, and daughter made a trio of loyal, admiring lovers for the man who was their devoted husband and father.

For 14 years Senator JONES and I labored in closest harmony for the solution of our legislative problems. I have lost a friend. His subtle sense of humor made him a delightful companion always. His constituents have lost a devoted friend and servant. The State and Nation have lost a wise and patriotic statesman.

Mr. Speaker, as a further tribute to our friend, I here read a letter from Hon. William S. Humphrey, who served seven terms in this House and knew our Senator intimately:

MY DEAR MR. SUMMERS: I am grateful for the opportunity to pay a tribute to the life and memory of Senator WESLEY L. JONES.

He was my friend, my associate, and my colleague for many years. His memory I shall ever cherish. He was one of the noblest characters that ever honored me by his friendship and his confidence.

As to his early struggles and trials, his disappointments and sorrows, of his eventual triumphs over force of circumstance, I leave others to tell. It is a story of a poor, orphan boy who dreamed dreams and by his own efforts made those dreams come true. I think it will be fitting to quote a paragraph from the eulogy I delivered in the House of Representatives on the death of Congressman Cushman:

"The relation of Mr. Cushman, Mr. JONES, and myself was unusual and especially close. For six years we were the only Representatives from our State, and all were elected by the State at large, a condition without precedent in the history of the Republic. The interest of each was the interest of all. There was never the slightest misunderstanding, disagreement, doubt, or distrust among us. No three men ever worked in more perfect harmony or greater trust or with higher mutual confidence. During all that time our vote was never divided on a single important proposition. No act ever occurred to mar in the least degree the confidence that existed. Of this relation the Members of this House have often spoken in terms of appreciated praise. To the two who yet live the record of those years must ever remain a proud and precious memory, a recollection of an association as true, as close, as confidential as ever comes to men in public life. We were more than colleagues. We had tried and trusted each other in all things. Only the awful shadow could break the sacred ties of our friendship. I have always believed that the people of Washington reaped a large reward from this harmonious action. They stamped it with approval by unanimous nominations and by elections practically without opposition and by sending Mr. JONES to the Senate, an honor that they would undoubtedly have conferred upon Mr. Cushman had he lived."

Senator JONES, as a man and as a public servant, was true in every relation in life. He performed every duty—he evaded no responsibility. He practiced no deception. Honesty was one of the outstanding qualities of his rugged character. He was intellectually honest. He was honest with himself and with others. There was about him no cant or hypocrisy. What he preached he practiced. That which his conscience dictated was done. In public and in private life, I have never known a cleaner man.

His knowledge of legislation was unusual. It was not excelled by any man of his generation. He never neglected anything, and he gave to legislation the ability and the tremendous industry that bring success. In devotion to duty he gave his life and health. His industry, his ability, and his success were not surpassed by any public man of his day. This success is ever written on the pages of the history of our State and of our Nation. It will be better known and appreciated as the years go by.

Of all the public men I ever knew, he used his great achievements less for publicity, for self-aggrandizement, and self-glorification. He was not only modest but had an abiding faith that the people would know the truth and do him justice.

He was slow to believe evil of others, and was slow, almost to stubbornness, to be convinced that others believed evil of him. This unusual and admirable trait helped him to keep his poise and to act justly in many trying circumstances. He did not escape calumny. In this respect he suffered the common experience of public men. He bore abuse with the composure born of the consciousness of his own integrity. This evil of the slander of public men will last as long as it is profitable for the sensational press to follow it—so long as demagogy is successful.

Senator JONES had the longest public service of any man that ever represented the State of Washington. He accomplished greater things and achieved greater success than any other man from our State. He had a fuller knowledge of the needs of our State, and he had more influence and gave more help in securing Government assistance to care for those needs than any other man. His achievements, both as to his State and his Nation, exceed those of any other man from our State. The State of Washington will not be able for at least two decades to be as ably represented as it was by Senator JONES. Even if the State could find a man equal in ability, in character, and industry, the experience of Senator JONES could not be equaled. WESLEY L. JONES was the greatest man that the State of Washington has produced.

If there is a time and place in the great hereafter, where each man's record is spread before him and on it he is justly judged, WESLEY L. JONES can look upon his record without fear and with serene certainty that the verdict will be "Well done, thou good and faithful servant," for in all the many pages written in over 30 years of industrious and active life, filled with accomplishments and duties performed, there will not be found the smallest blot of shame nor the slightest trace of disloyalty or dishonesty.

For the last three decades the history of our great parks; our extensive river and harbor improvements; our splendid public buildings; our navy yard; our matchless orchards, redeemed from sand and sagebrush, that are the pride of our State and the wonder of the world; our countless fertile farms taken from the desert; our irrigation projects; our Indian reservations; our magnificient fisheries; our shipping; and, in fact, the history of all industry and commerce of the State of Washington declare the work and influence of Senator JONES and stand as an everlasting monument of his achievements for our State. His work was not alone for his own State. To-day every American flag that flies upon American vessels on the vast ocean highways of all the world eloquently proclaims the patriotism and statesmanship of WESLEY L. JONES.

Mr. Speaker, Hon. Harry Y. Saint, for many years in public service and for a quarter of a century the intimate

friend of Senator JONES, has sent me an estimate of the life and character of our friend. With this I conclude my remarks—

Whether a man has been of truly commanding stature, whether his acts have left an indelible imprint on his time, must be left to the verdict of future historians. However, we pause from time to time to chronicle the passing of some statesman. As we review his labors, enumerate his achievements, and put an estimate upon his personality and character, we are prone to ask ourselves what constitutes true greatness, what are the attributes of mind and spirit, what the flashes of genius, what the accomplishments of indomitable will that make for enduring fame?

Great orators have graced the Halls of Congress and charmed on many occasions its crowded galleries; great debaters and expounders of the Constitution have left their impress there; men famed in war, in finance, in business, in diplomacy have passed through its portals and on into the future. The lives of some are still vivid flames of inspiration; those of others are but a memory, fast fading into obscurity. Again, I ask, What are the attributes of greatness? What the hallmarks of distinction? And I make bold to answer that they are those elements of service that will best sustain the Nation and its citizens at any particular period of their history. If a man would live in the hearts of his fellows, he must serve, and his service must be suited to the needs of his day and his people.

I humbly address myself to-day to the memory of our friend who sat as Representative and Senator for 34 years. His name is known to all—Hon. WESLEY L. JONES. I know no man of his generation whose life more nearly exemplifies that real hallmark of distinction—pure, unselfish service—than did his. Senator JONES' life and achievements met the demand of his day and age. His was not a golden era of oratory, of rapierlike wit, of constitutional debate. It was a day of tremendous scientific and mechanical achievement, of social development, of expansion in material wealth. It required of its public servants unceasing care and watchfulness that the rights of the people, great and small, should be safeguarded; that their social development should not be circumscribed; and that the tremendously augmented wealth of the Nation should be the servant and not the master of its destiny. These public obligations became the ideals of his life; to them he gave his all. I believe you will agree with me when I say that no one has occupied a seat in Congress of recent years who gave of himself under every condition of life, with such unflagging devotion, as did our friend, the Senator.

A brief review of his life and a reference to the great public problems to which it was devoted will not be out of place. Like a host of other national figures, Senator JONES was born on a farm, at Bethany, Ill., October 9, 1863, the son of Wesley and Phoebe McKay Jones, and graduated from Southern Illinois College in 1886, a classmate of his lifelong friend Senator BORAH. He was admitted to the bar and married that same year. His wife was Minda Nelson, of Enfield, Ill. Three years thereafter he moved to the Territory of Washington and located at north Yakima and there began the practice of law. He entered politics in 1898 as a candidate for Congress, running against Hon. JAMES HAMILTON LEWIS, now Senator from Illinois. He was successful in his campaign and entered the House of Representatives in 1899 and served there until 1909, when he was elected to the Senate as the first Senator chosen in the State of Washington by direct vote of the people. He served in the Senate for 23 years and until the hour of his death, at which time he was whip and third ranking Member of his party in that body.

He had many vital legislative interests upon which he left the indelible imprint of his forceful character and keen mentality. He became known as the "father of the American merchant marine." Two acts of Congress fostering a privately owned shipping industry bear his name. He was almost as well known for his advocacy and support of irrigation. Thousands of acres of orchards and meadowland, reclaimed from the desert, bear witness to his untiring efforts.

Senator JONES was always a progressive in political thought; he was not, however, a radical in governmental affairs, unless his advocacy of prohibition can be so construed. Even on this issue he was willing to bow to the will of his constituents and so stated in his final campaign. He was a strict adherent of party government and party discipline. His party's platform endorsed the entry of the United States into the World Court. He consistently advocated it. While he labored arduously for his home State, Washington, his was strictly a national viewpoint, for which he received the criticism in later years of many of his stanchest friends at home. He was ever insistent upon justice for war veterans and was deeply sympathetic to all legislation looking to the betterment of labor and of laboring conditions. He was a firm friend of the Capital City and worked unceasingly for its development and beautification.

Quiet, modest, and unassuming, Senator JONES nevertheless commanded the respect and affection of his fellow Members of the Senate throughout his long career. He was a tireless worker, undeviating in his loyalty to principle, steadfast in his friendships, and unswayed by passion or prejudice. He won over his opponents mainly by his frankness and his simple directness, although he was possessed of a fine command of logical English upon which he called at will. In all his campaigns Senator JONES never availed himself of a political organization. He went personally to the people and discussed with them the problems of his State and the Nation. They understood him and trusted him. That they did so was his greatest source of pride.

Senator JONES is gone. His labors are now become a part of the Nation's history. He fulfilled his life's greatest ambition. He served his day and his people to the full measure of his great ability unto the end.

Mr. HILL of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a tribute by Hon. CLARENCE C. DILL, as follows:

TRIBUTE BY SENATOR CLARENCE C. DILL

When I came to Congress in 1914 and first became well acquainted with Senator WESLEY L. JONES, I heard a statement concerning him which I never forgot. It illustrated his devotion to his work as a Senator. I was told it was his habit to come to work at his office so early in the morning and remain so late in the evening that he always said "Good morning" to his clerks when they arrived and "Good evening" as they left.

During our years of service together here in Congress since that time I have often recalled that statement. It was an explanation of the detailed knowledge he possessed and the persistent efforts he made in connection with every phase of legislation, and especially with legislation and appropriations relating to the State of Washington and the Northwest.

Senator JONES was first elected to the House of Representatives in 1898. He was reelected continuously until 1908, when he was elected to the Senate. He was reelected to the Senate four times, but was defeated in the Democratic landslide in 1932.

As a politician Senator JONES was never spectacular nor did he practice what is sometimes called "playing to the gallery" or "demagoging." He was a regular Republican, yet he dared to differ with his party leaders if their policies interfered with his settled convictions or were against what he thought were the interests of his State or the Northwest. One of his friends once said, "Senator JONES never knocks any flies. He bunts and always plays low ball. That is why he is always safe."

While there is much justification for this description, yet it must be said in fairness that he would fight vigorously for those national policies to which his convictions committed him. This was particularly true with the subject of prohibition. He was an uncompromising dry. He was always in the thick of the prohibition fight in the Senate. He not only talked and voted dry, but he practiced prohibition.

I shall not take time to enumerate his long list of achievements in the form of legislation and appropriations for the State he represented, but I want to call attention particularly to his early and enthusiastic advocacy of Government reclamation. He was most active in the creation of the policy that has done so much for the entire West and particularly for the State of Washington. The Government has expended more than $30,000,000 on irrigation projects in the State of Washington as compared with less than $20,000,000 in the neighboring State of Oregon. Senator JONES deserves great credit for his part in securing these appropriations.

He always considered his work in connection with reclamation with special pride, because he felt that he had rendered his State and his constituents an invaluable service by what he had done in making possible the production of various fruits and other marvelous development in our State on land that was a desert waste before it was reclaimed.

At the time Senator JONES came to Congress the great Territory of Alaska had no Delegate, no Commissioner—in fact, no representative here at all. He soon became a champion of Alaska and had a large part in writing the legislation that did so much to bring about its development.

But he was interested not only in legislative matters affecting his State and the great Northwest. He rendered yeoman service in connection with national problems also. His activity in connection with prohibition legislation made him a national character, and the shipping legislation which bears his name will forever identify him with the maritime developments of this period of our country's history.

If I may add a personal word, I desire to say that during my entire service in Congress beginning in the House in 1914, when he was in the Senate, he and I were close personal friends. He not only welcomed me as a member of the delegation but was extremely helpful in those days when I was a new Congressman. The personal friendship that began then between us continued until the hour of his death.

While we were of different political faiths, I dare say that no two Senators from any State, even of the same party, worked more harmoniously on legislative activities affecting their State.

Senator JONES had the highest respect of his Democratic colleagues, and again and again I have heard Democratic Senators speak in the highest terms of his honesty, his high purpose, his great industry, and his untiring efforts to serve those he represented.

But he was more than a good public official. He was a good citizen. He was a devoted husband and loving father and a fine

family man. He was faithful to his own ideals. He had strong convictions and stood for those convictions like a rock. He had no fear of anyone because of disagreement with him.

He longed to serve. He asked no unusual honors in recognition of his service. He found glory enough in the knowledge that he had performed this service. He cared nothing for the pomp and ceremony of public life. He was prouder of being an American citizen than of any other title he might possess.

We miss him in the Senate. We miss his sturdy figure and his earnest face; his clear, strong voice; his patriotic devotion to duty; his fine example of a plain American in high office who never lost his plainness.

The history of Senator JONES's life is a fine heritage for his family and will be an inspiration to the young people of his State and the Nation who learn about him. He rests at last from his labors nobly done. Honor to his memory and peace to his ashes.

Mr. HILL of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a tribute by Hon. HOMER T. BONE, as follows:

TRIBUTE BY SENATOR HOMER T. BONE

For many years my predecessor, the late Senator WESLEY L. JONES, was a highly honored Member of this body. I know his absence from this assemblage must be a source of profound regret to his friends here, and I do you the honor to assume that those Senators who knew and served with him were his friends. He has passed on to a judgment greater than that which any body politic can render. His years of service here were many and full. He was a gentle and kindly man—and this attribute must have unconsciously cemented you to him.

The public career of Senator JONES was characterized to a large degree by absence of that spirit of personal and partisan bitterness which seems to be very often a dominant factor in political life. Those who opposed him in our own State of Washington did so vigorously but without rancor or personal feeling. The State which sent him into this body as its representative is not free from partisan struggles. The acrimonious outcroppings that arise in contests between men of determination and purpose are in evidence there as elsewhere.

Perhaps those of us who are privileged to live in the great evergreen empire that borders the Pacific have acquired some of the characteristics of the countryside in which we live. Our great mountains are serene but immovable.

I know that it is a source of satisfaction to the citizens of my State that the late senatorial campaign was characterized by an almost complete absence of personal allusions—a contest rather of immovable political and economic philosophies than of political or personal stratagems. That this was so is the more gratifying, considering the unhappy conditions which were in themselves provocative of vigorous expression.

I disagreed with the political philosophy of Senator JONES, but in this disagreement I could never bring myself to challenge his honesty of viewpoint. He sincerely believed that the principles and measures he advocated were best. Right or wrong, Senator JONES was himself.

His record stands, and nothing that I might or could say would change it. Many times the sovereign voters of my State conferred upon him the responsibility of representing them here. Time will not alter that record. It must be the proudest heritage of his children. He was defeated, not because the people believed him to be recreant to his duty as he saw it but because new and strange and terrible forces had come to play on the homes and lives of helpless Americans and they believed that the unchanging political philosophy of Senator JONES was inadequate to cope with changed conditions—that it did not harmonize with the change in viewpoint of the people. There was no denying the inexorable demand for change. I am happy in the thought that there was no personal bitterness in the revolt against the political and economic philosophy of Senator JONES. Rather it symbolized the impersonal demand for a new and what seemed a fresher viewpoint. It was an indictment of the unhappy past with its tragedies—its economic miseries. The hearts of the people of my State were heavy. They confronted the strange anomaly of grinding and abysmal poverty in the midst of potential possibilities for wealth production and human happiness, the like of which the world has never seen. It is no reflection on Senator JONES that he should have felt the full force of a ground-swell of popular feeling against economic forces and political philosophies that assailed every home and chilled every heart with fear. It was inevitable that men who seemed to typify the old order should face the opposition of those who had suffered so grievously.

That a public servant should leave his task in circumstances like these, yet blessed with the respect and friendship of those with whom he served so long regardless of political affiliations, is indeed a signal honor. I am happy in the thought that after the campaign and before he passed away I was able to make known to Senator JONES the sentiments I express here to-day. I speak of him to-day with his last fine friendly words of personal encouragement to me fresh in my mind.

Mr. HILL of Washington. Mr. Speaker, Hon. WESLEY L. JONES, United States Senator from the State of Washington, died November 19, 1932. He was my personal friend and in his death I feel a keen personal loss that can not be adequately expressed in words.

It was my privilege to serve in the House of Congress during the last 10 years of Senator JONES' service in the United States Senate. I am a Democrat and he was a Republican, but notwithstanding this difference in party affiliations Senator JONES accorded me the same consideration in matters of legislation and personal relations that he accorded my Republican colleagues in the House from our State. He invited and encouraged me to call on him for assistance and advice in all matters pertaining to my official duties. I availed myself to the fullest extent of opportunities to consult and cooperate freely with him and always found him cordially responsive to every demand made upon him. This was typical of him. Senator JONES was everybody's friend. It may be truly said of him that he was a friend of humanity. His life was dedicated to service. To him, useful service was an obsession—a consuming passion. No duty was too onerous, no burden too heavy for him to bear. No man in public or private life worked harder or gave more of his energies and abilities in the prosecution and accomplishment of his labors than Senator JONES. Long and arduous hours, from early morning till late at night, were all in the day's work with him. He sometimes showed the strain of fatigue but was never irritable and never lost the good cheer and kindliness of his greeting. He had within him the sustaining power of faith and confidence. Each day of his life marked the realization of some hope, the accomplishment of some worthwhile objective. The assurance of success of intelligent effort gave him a poise and evenness of temperament that never deserted him. Effusive elation and depressing despair were alike foreign to him. His habits were temperate, his thoughts were pure, his life was clean. He had a dignity that expressed no autocratic attitude but rather the majesty of democracy. He was a great democrat with a small "d" and a great Republican with a big "R." Senator JONES was a great man who never lost his touch with humanity. He was a great man because he never lost the viewpoint of the common man. Senator JONES was just as democratic the day he died as he was the day he entered Congress as a Representative 34 years previous.

To few men have come the privilege and distinction of serving in the National Congress as long as he. He was first elected to the House of Congress in 1898 and served in this body for 10 years. In 1908 he was elected to the United States Senate, and had he lived until March 3, 1933, he would have completed 24 years of service in that body. He served in Congress under the administrations of seven Presidents of the United States, beginning under President McKinley and ending under President Hoover, and in that time advanced from the humble beginning of a first-termer to the chairmanship of the great Committee on Appropriations of the Senate.

The history of the Congress and of national legislation can not be written without according to Senator JONES an outstanding place in those annals. His name will endure in the galaxy of great names of his State and Nation. He has indelibly impressed the genius of his mind on the legislative record of his country. For greatness of character, statesmanship, and worthy manhood, Senator JONES will be honored throughout time. He needs no monument of stone to perpetuate his memory. There is a living monument to his memory in the hearts of all the people. No words of eulogy can add to his fame as no words can sufficiently portray his great and admirable character.

The State of Washington was proud of him, the Nation was proud of him, and all the people loved and honored him. He would crave no other monument.

Mr. OLIVER of Alabama. Mr. Speaker, the honored name of Senator WESLEY L. JONES will live always in the history of his country. He was an outstanding national character, having great influence; and, like all great men, his greatness was manifested in his daily routine of life, his devotion to friends, his tender consideration and helpful-

ness to all with whom he came in contact, and his passion to render high service to his country.

In the 34 years of his official life at the National Capital, his influence reached to all parts of the Nation, and even beyond. Measured by the standards of morality and by the standards of accomplishment, his record of public service constitutes a worthy and lasting contribution to the historic age in which he lived.

He was truly one of God's stalwart men, who chose to live and do right and to ever despise the wrong. The constant burden of his heart was to be right and helpful in the world, and his success in life was due to the faithful and honorable bearing of that burden to the end.

His memory is an inspiration to all men, and his brotherly love anchored the hearts of his fellows to him in life and sealed them to him for eternity. His popularity was due to his broad, accurate, sympathetic understanding of men and his recognition and practical application of the old common-sense truth which Seneca long ago uttered:

If we wish to be just judges of all things, we must at least understand that no man is without fault; that no man is found who can acquit himself; and if any claim to be wholly innocent, he speaks in reference to a witness and not to his conscience.

My association with him in workshop and on playground was close and intimate. We met often in conferences to iron out differences between the Senate and House on appropriation bills, and for nearly a decade and a half, during week days, when we were in Washington, unless heavy snow or rainstorm forbade, we met at daybreak on golf links within the District, returning always to our homes in time for 8 o'clock breakfast. When Congress was in session he never played at other hours.

There were many friends from the House and Senate who occasionally joined us on the links at the break of dawn, but only Ed Halsey, recently elected Secretary of the Senate, and Jim Preston, now librarian of the Senate, from the Senate official family, can now be recalled as our regular foursome, even for a short season. There were no caddies, no wagers of any kind on the game, but simply a meeting of friends in the early morning hours for wholesome exercise. Jim was the official recorder of all that was said and done when the foursome met, and his diary will not disclose an unkind nor unclean word or thought ever uttered by our beloved companion, the Senator, whose absence has broken the foursome. By us he will always be remembered as one who strikingly exemplified that beautiful character described in the following lines from the pen of Sam Walter Foss:

There are hermit souls that live withdrawn
In the place of their self-content;
There are souls like stars, that dwell apart,
In a fellowless firmament;
There are pioneer souls that blaze their paths
Where highways never ran—
But let me live by the side of the road
And be a friend to man.

Let me live in a house by the side of the road
Where the race of men go by—
The men who are good and the men who are bad,
As good and as bad as I.
I would not sit in the scorner's seat
Or hurl the cynic's ban—
Let me live in a house by the side of the road
And be a friend to man.

I see from my house by the side of the road,
By the side of the highway of life,
The men who press with the ardor of hope,
The men who are faint with the strife;
But I turn not away from their smiles nor their tears,
Both parts of an infinite plan—
Let me live in a house by the side of the road
And be a friend to man.

I know there are brook-gladdened meadows ahead
And mountains of wearisome height;
That the road passes on through the long afternoon
And stretches away to the night.
And still I rejoice when the travelers rejoice
And weep with the strangers that moan,
Nor live in my house by the side of the road
Like a man who dwells alone.

Let me live in my house by the side of the road,
It's here the race of men go by;
They are good, they are bad, they are weak, they are strong,
Wise, foolish—so am I.
Then why should I sit in the scorner's seat,
Or hurl the cynic's ban?
Let me live in my house by the side of the road
And be a friend to man.

Mr. JOHNSON of Washington. Mr. Speaker, the ceremonies here to-day indeed impress me with the realization that this House, the Nation, and the State of Washington lost a valuable, well-known Senator in the death of WESLEY L. JONES, and I would not be equal to representing my people if I did not say a few words at this time.

I have known Senator JONES for many years, and learned to admire him for his careful, painstaking, honest interest in all things pertaining to the welfare of the State of Washington, as well as the Nation. He was a man of wonderful capabilities in grasping needful situations, and was always willing and anxious to perform his share of the task in finally accomplishing the end. Men are known by their words and their works. The record of WESLEY L. JONES stands for itself so clear that we might well emulate it.

In his public service he manifested genuine regard for the rights of others. His ambition was to do the right and to act justly toward all men. He was not a great orator, as the term is sometimes used, but was frank and plain in speech. He was, however, a great statesman, and had the sense of justice and fairness which is convincing in its simplicity. He was in no sense conspicuous, for he was a modest and retiring man, but his merit was the more appreciated the longer one knew him. He was one of those genial, faithful, true gentlemen whose worth is never fully known, nor his real value properly estimated, but whose service is crowned with good intentions and faithful effort and whose merit is the more recognized as the real man is studied in the light of his achievements.

I have good reason to speak in praise of this noble man. He and I were not only Members in Congress but we were intimate friends. When I came to Washington a green, raw Member, it was to him I looked for information and advice; and I found him ever ready to help and assist me. I shall miss him in the future.

He believed in the doctrine expressed by the poet who said:

How much joy and comfort we all can bestow
If we scatter sunshine wherever we go.

Those of us who knew him intimately only knew too well how he spread the sunshine wherever he would go. His presence always seemed a message of cheer and good will. He had a window in his heart always open for the expression of his candor and sincerity.

His integrity was superb, but his predominant quality was courage—courage to fight wrong and injustice—yea, courage to stand loyally by a friend.

I shall content myself with calling attention to what seemed to me to be the dominant element of his life—the genial, social kindness of his nature.

It is a noble tribute to a man when it can be said that his life is marked by uniform kindness, and that the more you know of him the better you grow to like him, and this all can be said of our worthy friend, whose memory we cherish and whose life of service and brotherly kindness we admire.

I have sometimes thought that the element of kindness is the noblest element of our nature; that the best and sweetest thing in all this world is simple, common, every-day kindness. Kindness is the most beautiful flower that grows and blooms in the soil of the soul. It is the one celestial flower that blossomed over the walls of paradise and fell from the garden of the skies; its petals caught and carried the fragrance of heaven and it fills the earth with the incense of gladness.

And so I can pay my friend no finer tribute than to say that in his daily life he exemplified the spirit of kindness

in his contact with his fellow men. He believed with Washington Irving that—

A kind heart is a fountain of gladness, suffusing everything around it with pleasure and freshens everything into smiles—

and with Tennyson when he says:

How'er it be, it seems to me
'Tis only noble to be good.
Kind hearts are more than coronets,
And simple faith than Norman blood.

EDWARD E. ESLICK

Mr. McREYNOLDS. Mr. Speaker, under leave to extend my remarks, I desire to say a few words relative to the character and standing of my very dear friend, the Hon. EDWARD E. ESLICK, who passed away on the 14th day of June, 1932, on the floor of this House, advocating and fighting for that which he thought was just and right.

I realize that I am unable to express my personal feelings, as well as my great appreciation of the character and standing of this man. He died as he lived, fighting for the cause that he thought was right and just. He was not quick to make up his mind, but he always gave it deep consideration. But when he became convinced that he was right he was everlastingly sold on that proposition.

I witnessed his departure, which was one of the greatest shocks of my life; seated on the very front seat in the House of Representatives when we had the bonus bill under consideration, and ED, as I always called him, was replying impromptu to an argument which had just been made and was delivering crushing blows, discussing at that time this matter from a financial standpoint; eloquent were his words; convincing was his argument, but then, well do I remember, in his own language and in his last words, he said: "Let us turn from the sordid affairs." At this moment he began to reel, and as I watched him closely, as he fell, I rushed to his side, trying to reach him before he fell to the floor, but I did not, and he was gone. We carried him in the Speaker's lobby and laid him on a couch, but he was dead. I will never forget this scene; nothing could have been more tragic and more shocking to me. The people's friend and my friend was gone. I realize that we will never again hear the silver-tongued words of this great man. A limited time being given Mr. ESLICK for this speech, as is customary in the House, and not having used all that time when he fell, the Speaker announced in this language: "The gentleman yields back the balance of his time." When we consider these words we now realize how true that statement was, and this incident will go down in history as one of the saddest that ever occurred in the House of Representatives.

There was no man better known in the State of Tennessee than ED ESLICK. I had known him for some 30 years. He was State elector when quite a young man, and no battle for Democracy in the State of Tennessee had ever been made during this time in which you did not hear the eloquent tongue of ED ESLICK in behalf of his party; and yet, while he was always in the forefront fighting for Democracy upon every stump in the State of Tennessee, he practiced his own profession, that of a lawyer, and never asked for office until he was elected to Congress in 1924. Soon after he came to Congress his real worth was appreciated, although we might consider him a very quiet and retiring man. When he went on the floor of the House the Members expected something from him, and they were never disappointed. When a vacancy occurred on the Committee on Ways and Means, one of the largest committees of the House, he was elected as a member of that committee, and when he passed away he had reached that period where he could have been, and would have been, of great benefit to his constituents and to the people of his country.

As I knew ED ESLICK, he was a plain man; disliked dress affairs, and, in fact, dressed himself in the same character of clothes that he had worn for years. He was a great student of history, and especially of biography, and of State and national affairs, and was the best to remember dates of political incidents that I have ever known. He was greatly interested in prominent men who had gone before, and if he had any hobby it was that of visiting and seeing for himself the last resting place of these great characters. I remember on one occasion that I drove with him to Baltimore, Md., in order to see the tomb of Edgar Allen Poe.

I knew him in his home, and no one could have been more happy and contented than he, and I might add that his good wife, who is brilliant and most gracious, was his greatest aid in accomplishing what he did. I have visited in his home, and I knew his home life, and no one could make you feel that you were more welcome than ED ESLICK.

In his passing away the people of his congressional district have tried to show their appreciation of his services, and they did this by electing his good wife as a Member of Congress to fill out his unexpired term, not only on her worth but as evidence of the services that her great husband had rendered to his people.

It makes me sad, even unto this day, to remind myself of the tragic death of my good friend.

I merely want to state in closing that when ED ESLICK passed away, not only the people of his district and of the State of Tennessee, but the people of the Nation, lost one of their greatest advocates, who could always be found on the firing line, fighting for the masses of the people.

Mr. JOHNSON of Texas. Mr. Speaker, the most heroic death is to die in the service of one's country. "Killed in action" was the citation of greatest glory during the World War. This badge of honor was earned by our beloved colleague, Hon. EDWARD E. ESLICK, to whom the final summons came while he was speaking in this historic Chamber.

It was fittingly appropriate that his last speech and the very last act of his life should have been advocating legislation in behalf of the World War veterans, whom he loved and whose service he was always pleased to glorify. Knowing him as I did, I am sure, if he had known that this was to have been his last address, he would have chosen the subject that he was discussing for he believed with all of his heart in doing full justice to the Nation's defenders in time of war, and he had a deep and abiding conviction that payment of the adjusted-service certificates was not only just to the veterans but also best for the Nation's welfare.

He did not reach conclusions hastily. He was not impetuous or impulsive in his advocacy of any cause. His judicial mind and temperament caused him to investigate and weigh the facts and their effects, and then, when he determined what he conceived to be right, he was fearless and invincible in the defense of his convictions. He was an able and eloquent advocate, a distinguished lawyer who achieved a marked degree of success in the active practice of his profession. Courts and juries, not only in his native State of Tennessee but elsewhere, heard his voice pleading his clients' cause. Some years ago I recall he came to Texas in behalf of a client who was a former Tennesseean, and by his eloquence and logic convinced a Texas jury that his client was right.

For nine years he served as an able and distinguished Member of this House. In recognition of his ability he was given a place upon the Ways and Means Committee, upon which important committee he was serving when he was called to lay his armor down.

His character and his private life, like his service to his country, was unsullied and untarnished. He loved deeply with a deathless devotion his wife, his friends, his country.

Greater love hath no man than this, that he lay down his life for his friends.

Mr. DAVIS. Mr. Speaker, EDWARD EVERETT ESLICK was born in Giles County, Tenn., April 19, 1872; he was admitted to the bar in 1893 and commenced his law practice in Pulaski; he also engaged in banking and agricultural pursuits.

Mr. ESLICK was generally recognized as an able, brilliant lawyer, and enjoyed a splendid law practice. He was a loyal Democrat and always took an active interest in public affairs, and rendered faithful service to the Democratic Party. He was presidential elector on the Democratic ticket of Bryan and Sewell in 1896; of Bryan and Stevenson in 1900; and of Parker and Davis in 1904; as such he campaigned over the entire State of Tennessee in behalf of the Democratic ticket, and had a state-wide reputation as an eloquent, forceful, and brilliant campaign orator, and his services were in great demand.

Mr. ESLICK was elected as a Democrat to the Sixty-ninth Congress, his term commencing March 4, 1925; he was renominated and reelected to the Seventieth, the Seventy-first, and Seventy-second Congresses, serving until his tragic death on Tuesday, June 14, 1932.

On that day he was addressing the House of Representatives in favor of a bill, then being considered, to provide for the immediate payment to veterans of the face value of their adjusted-service certificates. He was speaking in his customary forceful and eloquent manner. There was not the slightest evidence of physical or mental distress; his mind and voice were functioning perfectly, until in the midst of a sentence he was stricken and fell and was carried from the Chamber by some of his colleagues. The physicians, who reached Mr. ESLICK a few minutes later, gave it as their opinion that his heart never beat after he fell. It is said that he is the only Representative who ever expired in the House of Representatives.

I am hereafter inserting the speech which Mr. ESLICK was delivering on the occasion of his death, together with the proceedings following, as they appear in the CONGRESSIONAL RECORD.

Mr. ESLICK's devoted wife was in the House Gallery when he was stricken with the fatal heart attack. We Members of the Tennessee delegation and other colleagues of Congressman ESLICK were delegated by the House of Representatives to attend his funeral. We accompanied his remains and Mrs. ESLICK from Washington to Pulaski, their home. We left the train at Decatur, Ala., and rode in automobiles from there to Pulaski. There were crowds gathered in every town through which we passed, even in Alabama, and the citizens stood with bared heads as we passed; in some of the towns American Legionnaires in uniform stood at attention. There was gathered at the funeral a vast concourse of citizens who had come from far and near, including numerous prominent citizens and officials. This immense crowd and the universal expression of sorrow constituted a beautiful tribute to the life and character of Representative ESLICK.

While I had a general acquaintance with him for some years previous, yet from the time when he and I both were electors on the Democratic presidential ticket in 1904 until his death Mr. ESLICK and I were intimate friends.

He was a man of high ideals, great strength of character, pronounced convictions, genuine courage, patriotic, and conscientious. He possessed splendid ability and unusually good common sense. He was held in the highest esteem by his colleagues on both sides of the Chamber. He never addressed the House unless he had something worth while to say, and he always commanded the attention of his colleagues when he did speak. He despised sham, pretense, hypocrisy, demagoguery, and show. He was sincere and genuine through and through. He was a true Democrat, a brilliant lawyer, a real statesman, and a genuine patriot.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

[Speech of Hon. EDWARD E. ESLICK, of Tennessee, in the House of Representatives, Tuesday, June 14, 1932. The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 7226) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates]

Mr. ESLICK. Mr. Chairman, as a member of the Committee on Ways and Means it was my pleasure to support the Patman bill embodying the Owen amendment. The magnificent address of my colleague, Captain BROWNING, of Tennessee, presents my own views and my thought upon the financial end of this question more eloquently than I can present it. I want to talk about another element and feature entering into this debate.

I listened to my leader and chieftain the gentleman from Georgia [Mr. CRISP], with whom I seldom agree. I listened to the distinguished gentleman from New York [Mr. FISH], and he and I did agree in our red chase over the country, and that is about the only agreement we have had. I looked into the face of these two men as they stood here telling of the glories of the soldier. They were willing to pay him, but Shylock's bond was not yet due. They were all ready to pay. The soldier was great, he was good, he was glorious, but the bond was not yet due, and Shylock stood there and said, "Hands off," when it came to payment. May I not say to the gentleman from Georgia and the gentleman from New York that we have had other obligations. This may mean a revision of this contract. Did we not have the French and Italian debt-settlement bond to pay us money with 5 per cent interest, and when it came to a revision of these contracts you gentlemen, shoulder to shoulder, took from the par value of 100 cents and settled with Italy at 24 cents on the dollar, and with France at 46 cents on the dollar. You do not believe in revision now, but you revised to give away billions of the American taxpayers' money, and did you add a postscript to it in revising again? Did you know it would be necessary in 1931 to declare a moratorium and withhold from the Public Treasury $252,000,000 of the people's money? That is not all.

Mr. CRISP. Mr. Chairman, will the gentleman yield?

Mr. ESLICK. Yes.

Mr. CRISP. Does not the gentleman know that that money was loaned during the war to keep their armies in the field, and when they refused to pay we had to make the best settlement we could; that the only way to collect it if we did not do it was to send an army over to collect it?

Mr. ESLICK. That may be true, and these boys were there to protect the flag that your Government might live.

Mr. FISH. Mr. Chairman, will the gentleman yield for a question?

Mr. ESLICK. Oh, I can not give up all of my time. Then there is another thing. When your Government and the States granted charters to railroads and corporations of the country, did you have any provision that when bankruptcy looked over the hills you would rush into the American Congress and form a $2,000,000,000 corporation that you might save them from insolvency? You dipped your hand into the Federal Treasury and you took $500,000,000 from it and you based a credit with the Government, and the Treasury to-day is the sole purchaser of the obligations of the Reconstruction Finance Corporation—$2,000,000,000 to uphold these great corporations. Gentlemen, you were willing to reform these contracts, but when the American soldier comes you were unwilling to reform his contract and pay a hungry and a needy man. Oh, you tell me how good you have been to the soldier. Yes; you worked him at a dollar a day with a $10 civilian beside him, and when you discharged that civilian you gave him a bonus of $240, and the soldier $60—not enough to buy him a new suit of clothes and a clean pair of socks.

This is the history of it. I am told what other countries have done. England gave her men a bonus of $1,427; Belgium, $492; Canada, a private $600 and officers $972; France, $249; and Uncle Sam, the richest government in all the world, gave $60, with an I O U "that I will pay you 27 years after Armistice Day."

But, Mr. Chairman, I want to divert from the sordid. We hear nothing but dollars here. I want to go from the sordid side——

(At this point Mr. ESLICK was stricken and fell and was carried from the Chamber by his colleagues.)

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THE LATE REPRESENTATIVE EDWARD E. ESLICK

Mr. DAVIS. Mr. Speaker, I make the sad announcement that our distinguished and beloved colleague, Representative EDWARD E. ESLICK, of Tennessee, has just passed away. He was stricken at his post of duty while addressing the House in favor of the pending bill providing for the payment of adjusted-service certificates.

I have in my hand a portion of the speech which he had prepared as a conclusion, and I ask unanimous consent that his remarks may be extended in the RECORD by inserting the remainder of his speech.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The matter referred to follows:

Mr. ESLICK. The 4,300,000 World War veterans were the flower of our manhood. They were our fighting men, picked from 24,000,000 within the draft age. They turned their faces to the east to fight upon the fields where the master warriors—Napoleon and Wellington—had battled more than a hundred years ago. They went from the fields of peace to the shambles of the bloody battlefields of modern war.

They went to battle that free government might live, that world civilization might continue, and human happiness exist. The destiny of mankind was entrusted to them, and they did not betray that trust. They carried with them a courage that proclaimed new military tactics to the old world—that the American soldier knew how to advance, but never knew the code of retreat.

When they started over there our people blessed them and promised them a home and the best when they returned—their

places would be waiting for them. Some of them did not return. They are sleeping "over there." Many of them came back. Washington, the Capital City, greeted them, the great and victorious American Army, as they marched down Pennsylvania Avenue. Immortal Woodrow Wilson reviewed them.

Soon the tumult and the shouting died away, and their places were not given back to them. Their jobs were gone. They must take up the broken thread of life again. They started anew on life's unfinished road. They have passed 13 mile posts since Armistice Day.

And there was another parade on Pennsylvania Avenue. There was no President, no Commander in Chief, to review the ragged remnants of Pershing's own. As the shadows of the night fell the shadows of the greatest American Army came, as one writer says, "The ghosts of war-time glory," paraded again. These men were among the victors in the battles of war—but defeated in the battles of civil life. They were the representation of a million of their buddies in the great army of the wholly unemployed—hungry, down and out—and another half million of their buddies employed from one to three days a week. These men come to the American Congress and say, you paid everybody else in cash—we ask no charity. Be fair! Be fair to us!

You say this is sentiment. I answer, yes; and ours is a patriotic, a sentimental people. Patriotism is born of sentiment. The monuments to the heroic dead proclaim the sentiment of our people. Bread for the living when hungry is a greater sentiment than stones for the dead. The payment of the veterans' certificates, which means bread to them and their families, is worth more than all the pomp and glory and flowers by the Tomb of the Unknown Soldier.

For one, I shall vote that the veterans may have whatever comfort the payment of the balance of their certificates will bring to them.

Mr. BYRNS. Mr. Speaker, it is with the deepest sorrow that I announce the sudden passing of my colleague, the Hon. EDWARD E. ESLICK, of Tennessee. His death, occurring upon the floor of the House in the midst of a speech, came as a distinct shock to every Member of the House.

He was beloved and esteemed by every Member of the House, just as he was beloved and esteemed by every citizen in his State. No man was better known in Tennessee than ED ESLICK. No man was better loved in that State for his many splendid qualities of both mind and heart. For many years he has been prominent in the councils of the State, and when he came here as a Member in this House he quickly won a warm place in the hearts and in the affections of all his colleagues.

He was one of the most lovable characters I have ever known. I loved him devotedly, and this is true of every member of his delegation. He was quiet and reserved, but always sympathetic. He was a close student and a lover of the best in literature, and was one of the best informed men I knew on every public question. He was an able and faithful representative of his people, and there is not one of them who will not feel a personal loss in his death.

On behalf of the entire House, I wish to extend the sincerest sympathy to Mrs. ESLICK, his devoted and understanding wife, who was not only a comfort to him but a great help in his every undertaking.

He died as I knew he would have preferred to die, here upon the floor of the House, the scene of his labors for a number of years and in the active discharge of his duties.

The Congress, the Nation, his State, and his congressional district have suffered a great loss in his passing.

Mr. Speaker, I need say no more, and I offer the resolution which I send to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

"House Resolution 265

"*Resolved*, That the House has heard with profound sorrow of the death of Hon. EDWARD E. ESLICK, a Representative from the State of Tennessee.

"*Resolved*, That a committee of 18 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

"*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

"*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased."

The resolution was agreed to.

The SPEAKER pro tempore. The Chair will appoint the funeral committee to-morrow. The Clerk will report the balance of the resolution.

The Clerk read as follows:

"*Resolved*, That, as a further mark of respect, this House do now adjourn."

The resolution was agreed to.

Mr. CRUMP. Mr. Speaker, the sudden passing of my esteemed colleague, EDWARD EVERETT ESLICK, who was stricken while addressing this House on June 14, 1932, and expired a few moments later, brought to a close the career of a most worthy Representative of the seventh district of Tennessee, whose record of service to his district, State, and Nation will stand as a perpetual monument to his memory.

My personal acquaintance with Mr. ESLICK, though slight, extended over many years. Politically, I knew him well, as we were always on opposite sides in State politics. Nevertheless, I entertained the highest respect for his sense of fairness, honesty of purpose, and courage in championing those causes which he espoused.

After coming to Congress, my more intimate association with Mr. ESLICK served to strengthen my estimation, and gave me an enlarged appreciation of the character of the man. I am sure that every Member of this body who served with him held for EDWARD EVERETT ESLICK an affectionate regard, and appraised him as a man of outstanding ability, integrity, and patriotism.

He was absolutely honest in spirit and deed, a trustworthy friend, and a useful, upstanding American.

It was most fitting, indeed, that the good people of his district, who had known him always, gave added honor to his high and illustrious name by sending his wife, a most charming and estimable lady, to finish the work he had left undone.

Mr. COOPER of Tennessee. Mr. Speaker, I am indeed grateful for this opportunity to raise my voice in brief tribute to the life, character, and public service of my warm friend and colleague, the Hon. EDWARD E. ESLICK, late a Representative from my native State of Tennessee, who passed away while serving as a Member of the House of Representatives during this Congress.

"The gentleman from Tennessee yields back the balance of his time." This solemn announcement was made by that great southern statesman, Hon. WILLIAM B. BANKHEAD, of Alabama, who was presiding as Chairman of the Committee of the Whole House on the state of the Union shortly after noon on June 14, 1932. This announcement is frequently heard in the House, indicating that the Member has finished his remarks before the expiration of the time allotted to him to speak. In this case the announcement gave utterance to the literal truth, for the gentleman from Tennessee had yielded back the balance of his time in this life. He had been stricken at his post of duty while on his feet speaking to the House. He was speaking on a subject very dear to him, for the bill then under consideration provided for the payment of the balance due on the adjusted-service certificates of the veterans of the World War. He was always a devoted friend of those patriots who had offered to give their lives upon the altar of our country, and he held the genuine affection and esteem of them.

It had been my privilege to know Mr. ESLICK very pleasantly for many years, having known him prior to the beginning of my term of service as a Member of the House of Representatives. Our relations as Members of the Tennessee delegation in Congress had always been most cordial and pleasant, and it was my privilege to number him among my closest and warmest friends.

Mr. ESLICK came from the finest stock of pure Americans, and his early training was of that type which produces the strong and noble character possessed by him. Since early manhood he had been a member of the legal profession and always took a great interest in public affairs. For many years prior to his election to Congress, he had been recognized as one of the outstanding members of the legal profession of Tennessee. He was a man of extensive farming interests, and during his service in Congress always took a great interest in legislation especially affecting agriculture. He was first elected to Congress in 1924 and served continuously until the time of his death. He was a prominent member of the important Committee on Ways and Means and made a great contribution of service to the important work of this great committee.

In early manhood he was married to Miss Willa Blake, a most charming and attractive young lady of Tennessee, and

this union formed one of the happiest and most devoted domestic lives that it has ever been my privilege to know. He is survived by Mrs. ESLICK, who has been nominated and elected by the splendid citizenship of their district to succeed him as a Member of Congress. A most charming and able woman, she has served with credit and distinction as a Member of the House during this session of Congress.

Always taking a great interest in public affairs, Mr. ESLICK had always given liberally of his time, means, and ability toward the success of the Democratic Party, of which he was a lifelong and devoted member. His voice had been raised in fighting his party battles in every campaign in Tennessee for 40 years. Few men indeed have enjoyed the distinction of making more speeches in the interest of the party and success of its nominees than had Mr. ESLICK. He was recognized as a great southern orator of the old school and possessed a degree of forensic ability which has seldom been equaled in the history of his State. He was a man of strong character and convictions and had always been found on the right side of every great moral issue. He possessed the highest attributes of Christian character and all of the sterling qualities of manhood. He was a man of most pleasing personality and was always a most delightful and congenial companion. He was indeed one of the strongest and ablest Members of the House of Representatives, and his passing is a distinct loss, not only to the people of his district but to the State and Nation. He was a true patriot and a most efficient public servant devoted to the interest and welfare of the people that he so ably represented. His great life, character, and public service are indeed an inspiration and may well be emulated by those who come after him.

HENRY ST. GEORGE TUCKER

Mr. WOODRUM. Mr. Speaker, in the passing of Mr. TUCKER, the constituency that he served with such distinction, his beloved Virginia, and the Nation have suffered a distinct loss.

It is not an exaggeration to say that no Member of the House of Representatives was held in higher regard or looked upon with more deference than was our deceased colleague. This has always been a matter of great pride to the Virginia delegation in Congress. His unalterable devotion to the Constitution, and his unwillingness ever to compromise on any question that might infringe upon its integrity, was a bright and shining star in his legislative career. The Virginia delegation will miss him. His genial smile and his warmth of spirit drew to him among his colleagues in the House of Representatives a friendship that I know was one of the inspirations of his life. May I say that I feel a sense of deep personal loss in the passing of my friend. When I came to Congress 10 years ago I was delighted to be able to draw freely upon the vast experience and wise counsel of this distinguished man.

His was a thorough knowledge and understanding of constitutional government. Mr. TUCKER impressed himself and his philosophy of government upon the House of Representatives, and though he has gone from us that impression will linger on.

Were a star quenched on high,
  Forever would its light
Still travel downward through the sky,
  Fall on our mortal sight.

So when a good man dies,
  For years beyond our ken,
The light he leaves behind him
  Shines upon the paths of men.

Mr. DREWRY. Mr. Speaker, under leave to extend my remarks I wish to speak briefly of the life and public service of my friend the Hon. HENRY ST. GEORGE TUCKER.

As a Virginian, I had read and heard of "HARRY" ST. GEORGE TUCKER, for many years before I met him. Of a type that was somewhat rare 50 years ago and even more rare now, from the beginning of his young manhood he had impressed those with whom he had come in contact as a young man whose life was full of a promise that he would faithfully carry out the ideals of a people, even of a people who have been called more idealistic than practical. Maybe, in these days idealism has become a fault, but the great movements of the world have been promoted by those possessing this trait. A gentleman himself, and having in his own mind the definition of that much-abused word, he trusted other men as he expected them to trust him. Sometimes possibly such faith in the unselfishness of mankind to their fellow beings acted to his hurt, but it never soured the sweetness of his own disposition nor caused him to deviate from the path of high honor which he elected to tread.

His family background was replete with splendid memories, stories of other days in old Virginia from the earliest times. Not one generation, but every generation of his family had played their part in the history of the State. The progenitor of the family in Virginia was St. George Tucker, who came from Bermuda to study law at the college of William and Mary, in Williamsburg, Va. On the breaking out of hostilities with Great Britain, he took the part of his adopted country and gave ample proof of his courage and devotion on the field of Guilford. In the meantime, he married "the widow Randolph," thereby becoming the stepfather of that brilliant but erratic genius, John Randolph of Roanoke. The first of the line was professor of law at William and Mary College, and through the three successive generations they became a family of great lawyers. His son, Henry St. George Tucker, the grandfather of the subject of this address, was a professor of law at the University of Virginia, president of the Supreme Court of Appeals and declined the office of Attorney General tendered him by President Jackson; was the author of several law books, and served two terms in the House of Representatives. His son, John Randolph Tucker, was professor of law at Washington and Lee University, author of legal works, attorney general of Virginia, and served six terms in Congress. He was also president of the American Bar Association.

So it is not surprising, if there be such a thing as hereditary traits that HENRY ST. GEORGE TUCKER—"HARRY" TUCKER, as everyone called him and as he liked to be called—the son of John Randolph Tucker and the grandson of Henry St. George Tucker, turned his attention to the legal profession. His activities in the law and in Congress did not dim the luster of the family name in either law or statecraft.

HARRY TUCKER was born in 1853 at Winchester, Va.; he graduated in law at Washington and Lee University, at Lexington, Va., in 1876; he practiced law at Staunton until 1889; and he lived and died at Lexington. The range of his vision was the beautiful Valley of the Shenandoah, which he loved with a great devotion. He drew the inspiration of his life from that historic environment and from the mountain ranges surrounding it. Only 12 years old when the War between the States ended, he as a boy went through the war and terrors of the reconstruction period. His beloved valley was devastated by the four years of conflict and held back in its progress in the years that followed by the utter poverty of the State and its people. There were no State educational facilities worthy of the name, but with a natural desire for learning he got his preliminary training at private schools and then went to the University of Washington and Lee to complete his study in his chosen profession.

He began his practice at Staunton, but after a few years he was drawn to the other inherited activity of his ancestors, politics. He served from 1889 to 1897 in the House of Representatives and then became professor of law at Washington and Lee University upon the death of his father, who had held that chair for many years. He did fine work in this position and attained high rank as a teacher of constitutional law. His reputation throughout the country in the legal profession was responsible for his being elected as president of the American Bar Association in 1905, again carrying out one of the traditions of the family.

After spending several years in writing law books, he became again interested in Virginia politics and was twice a candidate for governor. Though he did not realize his ambitions in this particular, he gained the affection and respect of the people of the State, even of those who did not agree with him politically. He became a Member of the Sixty-seventh Congress in 1922 and served as Representative from the tenth congressional district of Virginia until his death.

In a sketch necessarily brief as this must be it is not possible to go into the details of his career, though the impress which he made upon Virginia and its people make him worthy of holding a high rank among its distinguished men. It is a pity that he did not leave behind him the story of the times in which he lived, for his life's devotion was given to the State in which he was born and which he loved, and through the years of his life the State seceded from the Union, became the theater of armed conflict, saw its political freedom taken away from it by political trickery and corruption, saw the intelligence and energy of its people overcome its disasters and begin to rebuild anew the foundations which had been destroyed; then saw the development, industrially and politically, until to-day Virginia ranks again among the foremost States of the Union. "HARRY" TUCKER played his part in these affairs, and played it like the man of courage and character that he was, earning the admiration of the people of the State for his devotion to its high ideals.

I can not close this brief sketch without expressing personally my own sorrow at his passing. I had known him for many years before he and I met in the Halls of Congress and I had the highest regard for his ability and for him personally. He gave me his friendship and evidenced in many ways his affection for me. I honored him and loved him and was guided by his counsel in matters affecting legislation. No man in my legislative career has seemed to me to possess a higher degree of patriotism in the service of his country than Mr. TUCKER.

The State of Virginia has lost one of its distinguished sons.

Mr. MONTAGUE. Mr. Speaker, it is difficult for me to express myself adequately on this sad occasion. I have known our departed colleague, Hon. HENRY ST. GEORGE TUCKER, nearly 50 years and have been intimately associated with him almost from our first meeting. He was a man of rare intellect, a statesman of remarkable ability, an educator of note, a distinguished writer, a profound lawyer, and a great student of the Constitution, to which he devoted a large part of his life, and in this sphere few were his equal.

Mr. TUCKER was a gentleman typical of the old South. He had a rare courage and foresight, and because of his deep interest in public affairs he early in life entered upon a public career. This was a natural calling. His father, the Hon. John Randolph Tucker, served with distinction in this House a long time, and his grandfather, the Hon. Henry St. George Tucker, after whom he was named, likewise served with great distinction in the Congress. Mr. TUCKER was known and held in high esteem throughout the Commonwealth of Virginia. His unusual abilities won him an exalted place in this House and the admiration and affection of his colleagues. He was very serious, patient, and diligent in the performance of all his duties, and his views and opinions were of inestimable value and help to those who served with him on the Committee on the Judiciary, of which I have the honor to be a member.

Our colleague had a personality and character that was very unique and endeared him to a host of people. He was a close friend of President Cleveland, and this intimacy existed until the passing of that great man. Legislation of far-reaching importance on the statute books of the Nation bears his name and establishes his reputation as a legislator of renown. He was kind, generous, and considerate, and permitted no inconvenience to deter him from helping those in distress or in giving comfort to those in the trough of despair. He was a true and tried friend.

Mr. TUCKER was in the eightieth year of his age. He had enjoyed very remarkable vigor for his years, and was stricken last winter with influenza while attending the sessions of Congress. Heart disease developed and under its repeated attacks his strength failed. He returned to his old home, Col Alto, in Lexington, Va., and there, with the setting of the sun and the quiet of the approach of evening, surrounded by his beloved family, his soul took flight from this earth. Thus was written the final chapter of the noble record of a pure, upright life, and one of useful, distinguished service to his district, State, and Nation. Mr. TUCKER is with us no more, but his great character and beautiful life are indelibly impressed upon our memories, and in our hearts he will live forever.

Mr. BURCH. Mr. Speaker, we meet to-day to pay tribute to the memory of our beloved friend and associate, HENRY ST. GEORGE TUCKER. In his passing the State of Virginia and the entire Union mourns the loss of an eminent and capable Representative in the Congress of the United States.

This lovable man lived a life of unusual activity and achievement. His success was rapid and continuous, and his entire career was one of outstanding distinction. From the time he was first admitted to the bar, his progress in the practice of law was steady and he became one of the greatest lawyers and jurists the Old Dominion has ever produced. He was a noted authority on constitutional and international law, having had a distinguished career as professor of such subjects in leading colleges and law schools. He was editor of numerous outstanding works on the Constitution of the United States and on constitutional law generally. While serving in the Congress of the United States, representing the tenth congressional district of his State, he was a most useful, active, and valuable member of the Judiciary Committee.

During his long term of service in this House he won the friendship of men of all parties, who were attracted to him by his worth and personal merits and paid him the respect thus commanded regardless of party affiliations. One of his most notable traits of character was a downright straightforwardness which never deviated. It was either "yes" or "no" with him, and whichever it was, the verdict was to be depended upon to the end.

He possessed a rare personal charm of manner, the natural result of a kindly and generous disposition. He enjoyed dispensing hospitality, and it gave him pleasure to make others happy. It must not be understood that this inferred any weakness of character, for he could be adamant upon occasion and stern and inflexible when circumstance required.

Another admirable trait of his nature was his demeanor of rare and punctilious courtesy toward everyone, regardless of rank or social position. Indeed, the humbler the individual, the more marked would be his consideration of that person's feelings and rights.

He was one of God's noblemen and a friend to mankind. In his death his State and country lost a worthy son and his friends a companion whose presence will be missed, but whose memory and influence will survive long afterwards.

Mr. BLAND. Mr. Speaker, HENRY ST. GEORGE TUCKER was born in Winchester, Frederick County, Va., on April 5, 1853, and died at his home in Lexington, Va., on July 23, 1932. His parents were John Randolph Tucker and Laura (Powell) Tucker.

Mr. TUCKER was descended from a family which for 300 years had held positions of first importance in the Bermuda Islands and in Virginia. His family is traced in England to William Tucker, of Thornby, County Dwin. Two of the family were much interested in the English settlement at Jamestown. One of these, George Tucker, was a member of the London Company; and the other, Daniel Tucker, after living in Virginia, became in 1616 Governor of Bermuda.

From this line came Mr. TUCKER's great-grandfather, St. George Tucker, who came to Virginia about 1770. He be-

came a student at the College of William and Mary in Williamsburg, Va., and entered later upon the practice of law. When the Revolutionary War commenced, he conducted a secret and successful expedition to Bermuda, where he captured military stores, which he brought home and which were used by General Washington at Boston.

Later he became a colonel in the American Army, distinguished himself by his courage and conduct at Guilford Courthouse, and took an active part in the siege of Yorktown. He served as one of the commissioners at the Annapolis convention which recommended the Philadelphia convention, where the Constitution of the United States was framed.

Afterwards, St. George Tucker became professor of law in the College of William and Mary, where he succeeded the eminent chancellor and first American law teacher, George Wythe. He also served with distinction as judge of the general court of Virginia. He married Frances Bland Randolph, widow of John Randolph and mother of John Randolph, of Roanoke.

The name "St. George" in the Tucker family originated with George Tucker, who emigrated, during the civil war in England, to Bermuda, and died there about 1662. He married Frances, daughter of Sir Henry St. George, Knight of the Garter and principal king of arms, whence the name.

Henry St. George Tucker, son of St. George Tucker and grandfather of the subject of this sketch, served as a Member of the House in the Fourteenth and Fifteenth Congresses from March 4, 1815, to March 3, 1819, when he retired voluntarily, becoming thereafter chancellor of the fourth judicial district of Virginia, where he served from 1824 to 1831. Then he became president of the court of appeals of Virginia. He filled this position until 1841, when he was appointed professor of law at the University of Virginia.

John Randolph Tucker, father of our late colleague, served from March 4, 1875, to March 3, 1887, as a Member of the House in the Forty-fourth, Forty-fifth, Forty-sixth, Forty-seventh, Forty-eighth, and Forty-ninth Congresses, declining to be a candidate for renomination in 1886. He was elected professor of constitutional law at Washington and Lee University in 1888, and filled that position until his death in Lexington on February 13, 1897.

Another relative of Mr. TUCKER's served as a Member of the House from the State of South Carolina in the First and Second Congresses. This was Thomas Tudor Tucker, uncle of Mr. TUCKER's grandfather. He was born at Port Royal, Bermuda, June 25, 1745, served as a surgeon in the Revolutionary Army, was a Member of Congress from March 4, 1789, to March 3, 1793, and was appointed United States Treasurer by Thomas Jefferson, serving from December 1, 1801, until his death, on May 2, 1828.

George Tucker, another relative, born in St. Georges, Bermuda, served in the Sixteenth, Seventeenth, and Eighteenth Congresses, from March 4, 1819, to March 3, 1825. He was appointed by Thomas Jefferson as first professor of moral philosophy at the University of Virginia, that chair then embracing finance and economics.

HENRY ST. GEORGE TUCKER, whose loss we lament, was the third in direct line to serve in the House of Representatives of the United States. Here he spent 18⅓ years of his useful, busy life. His services began on March 4, 1889, in the Fifty-first Congress, and he continued as a Member through the Fifty-second, Fifty-third, and Fifty-fourth Congresses, retiring voluntarily on March 3, 1897. He returned to the Sixty-seventh Congress to fill the vacancy caused by the death of Hon. Henry D. Flood. He qualified on March 25, 1922, and continued as a Member to the time of his death.

Mr. TUCKER came of a line of lawyers, teachers, jurists, and authors. He was the fourth in direct line in his family to serve as professor of law. His great-grandfather, St. George Tucker, was professor of law at the College of William and Mary, succeeding the eminent teacher George Wythe. His grandfather, Henry St. George Tucker, was professor of law at the University of Virginia from 1841 to 1845. His father, John Randolph Tucker, was professor of equity and public law at Washington and Lee University before he served in Congress, and was again in 1888 elected professor of constitutional law at Washington and Lee University. That position he filled until his death, in 1897.

Mr. TUCKER also came of a line of authors. His grandfather, Henry St. George Tucker, was the author of Tucker's Commentaries, and Treatises on Natural Law, and on the Formation of the Constitution of the United States, which were textbooks at the University of Virginia. His father, John Randolph Tucker, was author of Tucker on the Constitution.

Mr. TUCKER also came of a line of jurists. His great-grandfather, St. George Tucker, served as a judge of the general court before his appointment as professor of law in the College of William and Mary. In 1803 he was elected to succeed President Pendleton on the bench of the court of appeals of Virginia. Here he served with distinction until he resigned in 1811. In 1813 he accepted the position tendered him by President Madison as judge of the district court of the United States. This position he held for many years until ill health compelled his resignation.

Mr. TUCKER's grandfather, Henry St. George Tucker, served for seven years as judge of the superior courts of chancery for the Winchester and Clarksburg districts, and in 1831 was elected president of the court of appeals of Virginia, where he remained until August, 1841, when he resigned to become professor of law at the University of Virginia.

It is not surprising that, with this background, our colleague became a teacher of law and also an author. In 1897 he was elected professor of constitutional law and equity in Washington and Lee University to succeed his father, John Randolph Tucker, and was dean of the law school of that university in 1900. After G. W. C. Lee retired from the presidency of the university, Mr. TUCKER served as president for a time, but in 1902 he resigned his chair at Washington and Lee and accepted an invitation to become dean of the schools of law and diplomacy at Columbian University, now the George Washington University, Washington, D. C.

Mr. TUCKER was also an author of distinction. He edited Tucker on the Constitution, of which his father was the author, and wrote Woman Suffrage by Constitutional Amendment, and Limitations on the Treaty Making Power under the Constitution, as well as many treatises and papers.

The attainments of Mr. TUCKER and his father were nationally recognized. The father served as president of the American Bar Association in 1894, and Mr. TUCKER was president of the same association in 1905. The University of Mississippi and Columbian University at Washington conferred upon Mr. TUCKER the degrees of doctor of laws.

When Mr. TUCKER first served in Congress, Thomas B. Reed, of Maine, was Speaker and among Mr. TUCKER's colleagues in the House were such outstanding men in political life as William M. Springer, of Illinois; John G. Carlisle, of Kentucky; Samuel S. Cox and Amos J. Cummings, of New York City; Roger Q. Mills, of Texas; Charles F. Crisp, of Georgia; William McKinley, of Ohio; Theodore E. Burton, of Ohio; and Joseph G. Cannon, of Illinois.

In the Senate were John W. Daniel and John S. Barbour from his own State of Virginia; John T. Morgan, of Alabama; Wade Hampton, of South Carolina; Daniel W. Voorhees, of Indiana; William B. Allison, of Iowa; Arthur Pue Gorman, of Maryland; George G. Vest, of Missouri; Zebulon B. Vance, of North Carolina; John Sherman, of Ohio; and Isham G. Harris, of Tennessee. Among his colleagues in the House from Virginia were Charles T. O'Ferrall, later governor of the State; George D. Wise, William H. F. Lee, Paul C. Edmunds, and John A. Buchanan, of Abingdon.

For four years of the first eight years of Mr. TUCKER's service in the House he was a member of the Committee on Foreign Affairs. This committee was then handling critical matters in our foreign relations. Upon Mr. TUCKER's return in 1922, he was placed upon the Committee on Education which was the only vacancy then existing. Mr. TUCKER was peculiarly qualified for this work by experience and training, for while he was out of Congress he had been engaged in educational work, and he had canvassed Virginia as the

agent of the Southern Educational Association in behalf of an improved school system in the State. In this way Mr. TUCKER contributed materially to the splendid progress made in education in Virginia during recent years.

Soon after Mr. TUCKER returned to Congress in 1922, the Congress recognized the need for his experience and legal attainments and qualifications in the work of the Committee on the Judiciary. Accordingly, though the committee consisted of its full complement, the Congress adopted a resolution enlarging the committee membership for the sole purpose of creating a place on the committee for Mr. TUCKER, and he served with distinction on this committee until the time of his death.

Mr. TUCKER was identified with the political life of Virginia from his earliest manhood until his death. Though unsuccessful in his efforts in 1909 and again in 1921 to secure the Democratic nomination for the office of governor of that State, he numbered his friends by the thousands, and those who had once become his friends never forgot him. He radiated comradeship, good cheer, happiness, and sunshine wherever he went, and his political campaigns were always of the highest order. He disdained the wiles of the politician; and the frank, manly statement of his position on all public matters won for him friends by the thousands, who were willing always to follow where he led.

Mr. TUCKER's services were so great, his life so useful, his talents so many, and his personal charm so indescribable that the limitations of a sketch such as this afford no opportunity to touch all the high points.

If called upon to name the outstanding quality in Mr. TUCKER's political life, I should answer without hesitation that it was his political courage. He never compromised a principle. He never truckled to expediency. He stood always foursquare to every wind that blew, and planted himself immovably upon the Constitution of this country.

His political courage and refusal to sacrifice principle to expediency received the acid test in 1896 when the Democratic Party espoused the cause of free silver at the ratio of 16 to 1. The nomination was Mr. TUCKER's if he would accept it upon the terms of voting for free silver. Mr. TUCKER refused to accept upon those terms and lost the nomination. Mr. TUCKER stood by his party but refused to sacrifice his principles.

While in Congress during the last period of his service, the salaries of Members of Congress were increased to take effect at the beginning of the next fiscal year. True to his conviction that Congress should not increase the salaries of Members during the term for which they had been elected, he refused to accept this increase in salary for the remainder of the term, but returned it to the Treasury. In doing this he followed the example set in 1816 by his illustrious grandfather of the same name.

During the period of Mr. TUCKER's service in Congress he was the author of the seventeenth amendment which provided for the election of United States Senators by the people, and of the bill known as the "Tucker bill," which repealed all Federal statutes which interfered with elections in the States. These laws had been enacted after the War between the States.

Mr. TUCKER rendered national service of the highest order as President of the Jamestown Tercentennial Exposition, succeeding in that position Gen. Fitzhugh Lee, whose death at the critical period of preparation seriously threatened the celebration. President Roosevelt appointed Mr. TUCKER as General Lee's successor, and the exposition was successfully held under his direction and supervision.

Mr. TUCKER married in 1877 Miss Henrietta Preston Johnston, who died in 1900, and there survived him by this marriage three sons and three daughters—John Randolph Tucker, of Richmond; Mrs. Rosa Johnston Mason, of Lexington; Maj. Albert Sidney Johnston Tucker, of the United States Army; Mrs. Laura Powell Fletcher, wife of Prof. Forest Fletcher, of Lexington; Harry St. George Tucker, of Lexington, Ky.; and Mrs. Henrietta Preston White, wife of Dr. T. Preston White, of Charlotte, N. C.

In 1903 Mr. TUCKER married Miss Martha Sharpe, of Wilkes-Barre, Pa., who died February 18, 1928, and on June 26, 1929, he married Miss Mary Jane Williams, of Culpeper, Va., who survived him.

Mr. TUCKER was an orator of ability and a political speaker of peculiar force. His services were in frequent demand, and his speeches were remembered and quoted long after they had been delivered.

Mr. TUCKER was one of the happiest mortals who ever lived. He was always sustained by a beautiful Christian faith. Hatred, animosity, and revenge found no place in his life.

He was always full of humor and good cheer. He loved mankind, and he was loved by his fellow men. His life was an inspiration to all who knew him. His death left a void which can not be filled.

Mr. FLANNAGAN. Mr. Speaker, the seat of HENRY ST. GEORGE TUCKER is vacant! Who among us is so bold as to dare to fill it?

But yesterday he stood among us unraveling the perplexities of the Constitution. To-day he dwells in that land where men do not need constitutions and rules of law to circumscribe their action.

To him the transition meant few changes, because he lived among the higher altitudes of fellowship and brotherly love while here among men. I know that he is in congenial company, because he carried with him a pure heart attuned to the heart throbs of the heavenly throng.

We respect men, we admire men, but only one now and then in the teeming millions do we love. Men not only respected and admired but sincerely loved HENRY ST. GEORGE TUCKER.

I am not given to hero worship. Most would-be heroes when contacted become idols of clay. Mr. TUCKER was not my hero; he was my comrade. I was drawn to him not by adoration but by that indefinable human element he possessed that told me that I was a welcome guest into his fellowship and comradeship. He drew men to him because they found him to be a lover of men. He had a heart as well as a mind.

A great statesman, yes; but there was something about him bigger than statecraft. A great orator, yes; but there was something about him more persuasive than eloquence. A great constitutionalist, yes; but there was something about him more human than legal canons. A great lawyer, yes; but there was something about him more sympathetic than man-made rules of action. A great scholar, yes; but there was something about him more enlightening than erudition. A great teacher, yes; but there was something about him more instructive than pedagogy. A great conversationalist, yes; but there was something about him more charming than mere talk. A great host, yes; but there was something about him more elegant than manners. That something, my colleagues, was his love for his fellow men.

When in his presence I never thought of him as a great statesman, or a great orator, or a great lawyer, or a great teacher, or a great scholar, because he had none of the egotist or braggart about him to remind me of such things. I only thought of him as a lovable man, deeply interested in my welfare, eager to serve me in every way, ever ready to lend a helping hand.

Virginia has produced many men in the past of whom she is proud: Statesmen who climbed to the highest heights; orators who swayed the multitude by the enchantment of their words; judges whose decisions have become a part of our legal lore; lawyers whose reasoning and logic commanded the respect of our highest tribunals; doctors who healed as if by the magic of their touch; scholars whose learning astounded the learned; teachers who instilled into the minds of the young that it takes more than erudition to make men; preachers who inspired men to lead higher, nobler lives; but on the scroll of her immortals the name of HENRY ST. GEORGE TUCKER leads the list of those who loved their fellow men.

Mr. LANKFORD of Virginia. Mr. Speaker, words are inadequate to properly express the affection and regard of Members of Congress and those who knew him, of the life, character, and achievements of HENRY ST. GEORGE TUCKER.

His kindly smile and hearty greeting inspired confidence and affection for him and always left one with the distinct impression of peace and admiration, such as is inspired by the view of a snow-capped mountain.

Never did the Members of Congress hear from him on the floor of the House biased or partisan utterances, but his great ability was reserved for the discussion of national questions of importance, to which he contributed invaluable information and thought.

The Constitution of the United States was his shield and buckler, and his flashing eye and vigorous delivery even in his advancing years reminded one of the effect of the bugle call on the aged hunter when the Constitution was in danger.

It is inspiring to contemplate the fact that Virginia and the country still produces men like HENRY ST. GEORGE TUCKER. The safety and happiness of our State and our country lies in the vision, loyalty, patriotism, and character of men like him. In a commercial age, when so many are swept away by fleeting affairs of the moment and lose their perspective in frivolous and unessential things, HENRY ST. GEORGE TUCKER stood out among his fellow men like a mighty oak in the forest.

His life and character, like the ruins of the majestic Acropolis, should be a constant reminder to us he has left behind of the grandeur that was Athens and the glory that was Rome.

### J. CHARLES LINTHICUM

Mr. McREYNOLDS. Mr. Speaker, under the privilege granted of extending my remarks, I desire to pay my respects in a few words to my friend and associate the Hon. J. CHARLES LINTHICUM.

Mr. LINTHICUM was chairman of the Foreign Affairs Committee of the House at the time of his death, having been a member of that committee for many years. For the past eight years I have served with him on that committee and I had an opportunity to see and know his interest in public affairs and his conscientious duty in trying to perform those duties. Being ranking member of this committee for many years he was responsible to a great extent for much of the important legislation that came from that committee. He was responsible for the bill, which came out of that committee and was finally passed, for the reclassification of consuls and vice consuls, and defining their duties. He was greatly responsible for the building program of embassies throughout the world. Being ranking Democrat of this committee, he was a member of the Buildings Commission and visited many of the countries where these buildings were to be located and aided in the purchase of the different sites, and many of these buildings throughout the world stand to-day as a monument to his aid in securing the same. After he became chairman of the committee he was more than interested in his work; was kind and considerate to all members of the committee, and on account of this had, to a great extent, the cooperation of his committee.

He was a man of intelligence, sober, industrious, and honest, and did his best toward passing that character of legislation that he thought was in the interest of the people of this country.

He was very much opposed to the eighteenth amendment, and during last session of Congress had submitted to that Congress what is known as the Beck-Linthicum resolution, which had for its purpose repeal of the eighteenth amendment. At that time it failed by a large vote, but I have often thought how happy he would have been could he have witnessed the passage of a similar resolution during this session of Congress, which he had for so many years advocated. While Mr. LINTHICUM advocated from principle the repeal of the eighteenth amendment, yet he told me that he never took a drink.

I admired Mr. LINTHICUM very much; his ability, his courtesy, and his great effort to accomplish those things that he thought were in the interest of his people.

I was very much shocked at his death, not knowing at the time that he was in any wise seriously afflicted.

In his passing many hearts were saddened and the people lost a most splendid Representative.

Mr. GOLDSBOROUGH. Mr. Speaker, J. CHARLES LINTHICUM was for many years the dean of the Maryland delegation in the House of Representatives, and since the beginning of the Seventy-second Congress was chairman of the very important Foreign Affairs Committee of the House of Representatives.

The first time I came into intimate contact with CHARLEY LINTHICUM was during the war, when on two occasions he came down on the Eastern Shore of Maryland for the purpose of assisting in raising funds for various war services.

I had met him before when he served in the Maryland senate with my brother, but I became intimate with him during the war, and ever since have looked upon him as a very near and dear friend.

Although for many years Charley was afflicted with a physical malady which prevented his taking very much nourishing food, two things were to be noted about him: First, he never spoke about anybody except in the kindest way; and, second, I have never seen him irritated or impatient.

As the Baltimore Sun said about him in a beautiful editorial, written shortly after his death, "He had a way of life."

Mr. LINTHICUM had perfectly legitimate ambitions to be Governor of Maryland and to be United States Senator from Maryland, and although conditions were never such that he was able to achieve his ambition, he was never known to accuse anyone of unfairness or double dealing.

He worked hard, he worked conscientiously, he did everything in his power to secure legitimate ends, but if his efforts did not turn out exactly as he would have liked them, he never lost his poise or serenity, and was never made bitter.

CHARLEY LINTHICUM had a fine sense of values in his estimate of legislation and was able to reach a conclusion about his own attitude on legislation with a remarkable facility.

His domestic life was ideal, and his devotion to his wife and the members of his family was apparent to all of his associates.

It is not given to us to understand the meaning of our birth, the meaning of our life, and the meaning of our death, but when I think of CHARLEY LINTHICUM now, I see him as he was at his desk in the committee room of Foreign Affairs, serene, courtly, modest, and tactful—truly a fine figure.

Mr. GAMBRILL. Mr. Speaker, the life of the Hon. JOHN CHARLES LINTHICUM, long a Representative from the State of Maryland in Congress, was one well spent in public and private efforts. Two centuries ago his progenitors settled in Anne Arundel County, where they took an early and conspicuous part in the development of the agricultural and cultured life of that county. From these ancestors he inherited those charming traits of gentleness and consideration for others which are the unfailing characteristics of those whom nature has set aside as cast in a different mold.

Born within a few years after the unfortunate conflict within the Union, that conflict left its mark upon the fortunes of many families in the South and the border States, and his own family did not escape some of these adversities. Thus his early life was marked by self-denial and sacrifice, which gave him a strength of character and self-reliance which rarely come to those whom circumstances have placed in a different rôle. He knew privation, if not want; he was early to realize that in the main he would be compelled to be the architect of his own fortune.

During an apprenticeship spent in selling produce from door to door to help out the family fortunes, he attended

the public schools in Baltimore, and afterwards the State normal school, from which he graduated in 1886 at the age of 19. For a short time he taught in the public schools of Anne Arundel County, and afterwards served as principal of the Braddock Heights School in Frederick County, in his State of Maryland.

His ambition was to become a lawyer and to broaden his knowledge by study and application. He found the opportunity during his vocation as a teacher to read law, and at the same time enrolled as a special student in political economy and history at the Johns Hopkins University in Baltimore. He graduated from the University of Maryland Law School in 1890, and from then until the time of his death he engaged in the practice of law in Baltimore and in extensive real-estate developments in Anne Arundel County. Perhaps his chief pride and interest, aside from his happy married life and political achievements, were in the development of the very beautiful township in Anne Arundel County, known as Linthicum Heights, where in the decades long since past his family had tilled the soil and which land to him was a heritage to be nourished and cared for so that the honored name of his family would not perish.

But political life was one which appealed to him most, and in which he found an outlet for his ability and fine qualities of heart and mind. After a term in the House of Delegates of Maryland, he served two terms—1905–1910—in the State Senate of Maryland before being elected to the Sixty-second Congress of the United States, where he had a continuous service from March 4, 1911, to the date of his untimely death on October 5, 1932, a period of more than 21 years.

It was in the Congress of the United States that he showed real statesmanship and an untiring devotion to his public duties unexcelled by any of his contemporaries. Perhaps the chief satisfaction he had from his long and honorable career as a Congressman was when he succeeded to the chairmanship of the influential and important Foreign Affairs Committee, of which he had been an outstanding and conspicuous member for many years. In that committee he found his most congenial work, and a work for which he was eminently fitted by training, adaptability, and study. No one in or out of Congress worked more earnestly, assiduously, and successfully for the establishment of suitable homes in foreign countries for our ambassadors and ministers than did Congressman LINTHICUM, and through his efforts as a member of that committee, and through the social contacts of his wife and himself with the representatives of foreign governments in Washington, he did much to preserve for this country the friendship of and cordial relations with the nations of the world. He and his devoted wife were extensive travelers, and found the opportunity, in a very busy life, to frequently visit the capitals of Europe and Asia, but perhaps one of his most delightful trips was that made by him and his wife but a few weeks before his death to the Dominican Republic, where he was the honored guest of the President of that Republic.

There was a time when he cherished an ambition to be mayor of Baltimore and later to be Governor of the State of Maryland, and it was only through the clipping of the threads by fate that he was not called on to occupy the executive mansion at Annapolis. For a period of 8 or 10 years there was never a time when he was not frequently mentioned as being among the few men available by training and experience for the governorship of his State. If he ever felt any disappointment over the fact that the exigencies of a complicated political situation deprived him of this honor, he never showed it in speech or action, and always accepted the decision of his party with the calmness, resignation, and equanimity which were some of his outstanding traits. Whatever may have been his inner disappointment in not becoming governor of his State, that disappointment must have quickly vanished in the knowledge that his congressional life was one which brought him great distinction and the respect and friendship of his colleagues during his long and honorable service.

One would not be justified, it seems, in saying he was endowed with a brilliant mind. A truer picture would be to remember him as he was, a man with a clear, concise, and well-balanced mind, and one who used his admirable qualities in devoted service to his State and Nation, and whose reward came in the recognition that he was a man to be admired and respected and emulated.

As he lived, so he died—in peace and harmony with his Maker and his fellow men, and his memory will long be remembered by those who were privileged to know him.

The poet says:

Fate oft tears the bosom cords
That finest nature strung;
Omnipotence alone can heal the wound that came;
Can point the grief-worn eyes
To scenes beyond the pale.

And so it is with our friend and colleague, we shall look beyond the pale.

Mr. BLOOM. Mr. Speaker, gone is our friend, our comrade, our faithful and competent public servant, who, having performed his part upon life's stage, moves on.

It is indeed with a heart filled with sadness that I add my tribute of affection and respect to those similar expressions of my colleagues, called forth in honor of the memory of Hon. J. CHARLES LINTHICUM, with whom I was associated for so many years on the Committee on Foreign Affairs of the House of Representatives.

The passing of any valued public man is a misfortune. The loss of J. CHARLES LINTHICUM to his country is a tragedy.

My personal relations with him were of a peculiarly intimate, and friendly nature. Not alone as a colleague in the House of Representatives, not alone as the chairman of the great Committee on Foreign Affairs do I mourn his loss.

The close intimacies of the common effort of Members of Congress make for friendships based upon respect and recognition of the finest elements of human character.

By every test of such friendships Mr. LINTHICUM measured to the full stature of a man.

It is therefore with an unusual depth of feeling that I here express my humble tribute to this great and good man. He will always live in the hearts of those with whom he was associated. To them he needs no other monument. The influence which he exerted out of his wide experience, sound judgment, and inflexible character will live on in the structure of our Government. His personality is the heritage which will be ever treasured in the memory of his friends and associates.

Mr. COLE of Maryland. Mr. Speaker, JOHN CHARLES LINTHICUM, familiarly known to his many friends as "Charley," and especially so to his colleagues in Congress, was born at Linthicum Heights, Anne Arundell County, November 26, 1867, and died October 5, 1932. He received his early education in the public schools and in 1886 graduated from the State Normal School. Immediately thereafter he took up his chosen profession and became principal of Braddock School, in Frederick County, and later taught in his native county, Anne Arundell.

Mr. LINTHICUM returned to Baltimore City, where he attended Johns Hopkins University and finally entered the University of Maryland School of Law, from which he obtained his degree of LL.B. in 1890 and since that time has practiced law in the city of Baltimore. Serving in the House of Delegates and in the State Senate of the Maryland Legislature, needless to say with credit to himself and the people of Baltimore whom he represented, he was then selected by one of the leading congressional districts of the country to serve in the Sixty-second Congress, and from that time till the date of his death he was returned to each succeeding Congress, presenting as it did one of the longest uninterrupted terms of service enjoyed by those elected to the popular branch of the Congress.

The beautiful eulogies presented by Congressman MCCORMACK and Congressman DAVENPORT at the memorial exercises

held by the House on February 17, 1932, could easily be accepted as an individual tribute to Mr. LINTHICUM, for each word they uttered was fully applicable to him.

Few men have represented Maryland in any capacity, certainly as a public servant, in a more faithful and helpful way than did our good friend Mr. LINTHICUM. From the very beginning of his service in the National Congress he took an active interest in international and national problems along with those local subjects which were for solution by the Federal Government. His devotion to the high position this country should occupy throughout the world caused his early assignment to the Foreign Affairs Committee, and after years of outstanding service on that committee, became its chairman, in which capacity he was serving at the time of his death. In many foreign countries, where our foreign relations are established through ambassadors or other representatives, housing facilities in keeping with the dignity of the station one expects this Government to maintain, in many, many instances stand as a monument to the initiative, determination, and decision of Mr. LINTHICUM, for it was his privilege to represent the United States in this important work.

Thirteen years ago, when the eighteenth amendment became part of the organic law of our country, it was not a popular thing for Senators and Representatives to advocate its repeal. Congressman LINTHICUM, sensing not only the feeling of the intelligent constituency he had, but following the dictates of his own conscience, helped to organize and became one of the small group which started almost immediately the movement to repeal this law and to restore the Constitution of the United States to those limitations and fundamentals of government it was at all times intended.

Shortly before his death—that is, in the spring of 1932—the large vote in the House upon his resolution to repeal the eighteenth amendment showed the tremendous good which had been done during the intervening years, and should also show the very telling effect of the helpful, appealing campaign Mr. LINTHICUM and others had presented to the country. It is too bad he could not have lived to have seen the victory which came to us a few weeks ago, and for which he, ahead of almost any man in Congress to-day, would have received the plaudits and congratulations of the people for bringing about.

No one can think of Mr. LINTHICUM without connecting in the same thought the effort and tireless energy he displayed in behalf of Maryland, especially Baltimore city. It was short of an obsession with him that Baltimore Harbor should be second to none in the country, and he labored day in and day out to obtain appropriations and decisions helpful to that purpose. The new post office in Baltimore, the new marine hospital, the new appraiser's store about to be constructed, the protection of Fort McHenry, and numerous other matters, all found Mr. LINTHICUM in the lead with the Maryland delegation to persuade and convince Congress as to the necessity for these additions to the beauty and upbuilding of Baltimore. It was a happy day in his life, when after many years of effort, the Congress by resolution recognized the Star-Spangled Banner as the national anthem of our country.

Mrs. Linthicum's devotion to him was a matter of knowledge to all of his friends in the House. Their home was open to all of us, and the hospitality of that home which most of us enjoyed will live in our memories for all time.

If I could continue, as I could for a long time, to eulogize Mr. LINTHICUM, I could do, as I have said, nothing better than to repeat the beautiful language to be found in the memorial addresses referred to. All I care, therefore, to say further is that we miss CHARLEY LINTHICUM more than mere words can express, and my own great State has lost a faithful, true, and able Representative in the National Congress.

Mr. KENNEDY. Mr. Speaker, to eulogize on the life of a man who was so greatly loved, and so highly revered, as the late Congressman J. CHARLES LINTHICUM, is indeed a difficult task—in that his many good deeds, his untiring effort in behalf of those whom he represented, and his deep understanding of the human heart would, in the telling, fall far short of conveying the true definition and magnanimity of his ideals and standards. Words would be mere symbols in the description of his many and untiring efforts, to accomplish the favorable results, which he attained.

However, I wish to say, briefly, that it was my great pleasure to have served the same legislative district in the Senate of the State of Maryland, which had been previously represented by the late Congressman; and I am further honored to be serving at this time the same Congressional district of Maryland which he so ably represented in Congress for more than 20 years. His high ideals and principles have always borne out the traditions of the State of Maryland and will serve as an inspiration to those Representatives who may follow in his footsteps.

Mr. LINTHICUM's life was one of steady step and development. He was the son of the late Sweetser Linthicum, and his mother, before her marriage, was Laura E. Smith. Until the time Mr. LINTHICUM was 12 years of age he lived on the parental farm at Linthicum Heights, Md.; he came to Baltimore in the year of 1879, where he attended the public schools of that city. At a very early age he became a wage earner, but, aspiring to become a teacher, he entered the State normal school and was graduated in 1886, at the age of 19 years. He taught for a while and later, in 1887, became principal of the Braddock School in Frederick County, later entering Johns Hopkins University to major in a course of political economy and history. In 1890 he was graduated from the Maryland Law School and admitted to the Maryland State bar in April of the same year. He was then elected to the House of Delegates of the State of Maryland and thereafter to the State Senate.

Based on the high tributes of his great knowledge and human understanding, he was then elected to the Sixty-second Congress, and through his unfaltering effort, his fidelity, and sincere devotion to the interests of his constituents, he represented Maryland in Congress longer than any other man in the history of the State.

Though CHARLES LINTHICUM has left us, his high traditions and loyalty to the ideals in which he so sincerely believed are left as standards by which we who follow may be guided.

He was truly beloved and served Congress and his people long and well.

### CHARLES A. KARCH

Mr. KELLER. Mr. Speaker, it was my privilege to know CHARLES A. KARCH intimately for more than 20 years. During that time he was my friend, and I his. No greater thing can come to any man in this world than friendship. It is the only treasure worth coveting.

We started our public careers together as members of the house and senate in the Illinois Legislature. The public service that Charley rendered in that body was so progressive that the most progressive of all Presidents recognized him and honored him by appointment as district attorney for the eastern district of Illinois. CHARLES A. KARCH reflected honor upon that appointment as he did upon every public office that he held. When it became apparent to him that justice was not prevailing in the Federal court of his jurisdiction he boldly attacked the sitting judge and with such telling effect that the House of Representatives voted an impeachment. The judge subsequently resigned to avoid trial.

In 1930 the people of the twenty-second congressional district of Illinois sent him to represent them in the Congress. His service here was a repetition of all of his other public service, progressive and in the interest of the poor. He was fortunate in his opportunity to serve his people in both his State and his Nation during critical times. It is probable that he regarded his labor in the Seventy-second Congress as his most important public work. The work of that Congress was months of labor, without a day of recreation and

without an hour of leisure. The RECORD will show to future generations the wisdom with which he approached the questions of his time.

Throughout his long public career he exhibited a character replete with that strong moral fiber that makes men great among their fellows.

The sense of personal grief which oppresses those of us who knew him well is overshadowed by the conviction that his untimely death was a public calamity, the extent of which can not now be measured by words of eulogy. For what he has done for his fellow man his place in our hearts is secure; he has the respect and affection of us all.

Mr. ARNOLD. Mr. Speaker, I take this opportunity to pay a short tribute of respect to our departed friend, the Hon. CHARLES A. KARCH, of the twenty-second Illinois district, and to comment briefly on his life, character, and public service.

He was of a pioneer family, residents of St. Clair County, Ill., for almost a hundred years. Born and reared on a farm near Fayettesville, Ill., educated in the public schools, the State Normal University, and the Wesleyan Law College at Bloomington, Ill., he was well prepared and equipped for the useful and active life he led. He taught school for several years and became actively engaged in the practice of law. He was an able lawyer and enjoyed an extensive and lucrative practice.

He was elected to the lower house of the State legislature, and served with distinction in the forty-fourth, forty-seventh, and forty-eighth sessions of the General Assembly of Illinois. He was appointed United States district attorney by President Wilson, and served from 1914 to 1918. His training and experience peculiarly fitted him for the duties and responsibilities devolving upon Members of this body. He was nominated by the Democratic Party of his district and elected to the Seventy-second Congress in November, 1930. He was renominated by his party in April, 1932, and his reelection to the Seventy-third Congress was assured. He passed away just two days before the general election in November, 1932.

By his death the country has been deprived of an able legislator and his community of a leading spirit in civic and community affairs. It can be truly said of him that those who knew him best loved him most. All with whom he came in contact held him in the highest esteem. The news of his untimely death on November 6, 1932, came as a distinct shock to the people of his community and to his colleagues in this House.

While here but a short time, he had demonstrated his usefulness and ability as a legislator and as a true friend to the people of his district and the country. Of pleasing personality and address, with a background of training and experience, energetic and industrious, endowed with a splendid intellect, he was destined to become a leader in this body. We all mourn his passing, and I desire to record these few words in the permanent records of this House as a slight token of my affection and respect for him and of his life, character, and worth as a public servant.

Mr. CHAVEZ. Mr. Speaker, it is with something more than a feeling of perfunctory interest that I rise to add a brief tribute of respect to the memory of CHARLES A. KARCH, for he was not only an honored colleague but a warm personal friend for whom I entertained great affection.

CHARLES A. KARCH was born in Engelmann Township, St. Clair County, in Illinois on March 17, 1875. He attended the public schools of his immediate vicinity and later the Northern Illinois Normal University, where he prepared himself for the profession of teaching. After having taught school among his neighbors for several years he enrolled in a course of law at Wesleyan College in Bloomington, Ill., from which he was later graduated. Immediately upon his graduation he began the practice of law and continued to do so until the time of his death, occupying a position of preeminence in the Illinois bar. His love of country and its traditions and ideals always made him carry on in the interest of the underprivileged. He served for three terms as a member of the lower house of the Illinois Legislature and was United States District Attorney for the eastern district of Illinois during the national administration of Woodrow Wilson. It was during the time he occupied this position that he became opponent of Judge English of that Federal district and is given the credit by people acquainted with the facts with being responsible for the ousting of the said Federal judge after impeachment proceedings had been proposed. In 1926 he became attorney for the United Mine Workers of America and represented this organization up to the time of his death. He was elected to the Seventy-second Congress by the citizens of the twenty-second district of Illinois and in 1932 again received the renomination to the Seventy-third Congress by the largest majority ever given any congressional candidate in that district, but it had to be otherwise and he died at his home in East St. Louis on the 6th day of December, 1932, two days prior to his general election, leaving to mourn his death Mrs. Karch and one daughter, Miss Marguerite.

He was a man of the highest intelligence and sound judgment, with a large amount of energy that he would use in the interest of the people of his district and the Nation. He rarely spoke before the House of Representatives, but when he did it was useful and intelligent information that he would give his colleagues.

God bless the one whose day is done;
God save us all, till we
May have it said when we are dead
We lived as well as he.

Mr. PARSONS. Mr. Speaker, putting our thoughts in language that will properly express our feelings toward departed friends is, indeed, a difficult task. To pay fitting tribute to our departed colleague and statesman, CHARLES A. KARCH, is doubly difficult, because his passing is a loss not only to his family and friends but is a loss to his district, to the State of Illinois, and to the Nation.

It was not my pleasure to be long associated with him personally, but I knew CHARLIE KARCH by the record he had made in the General Assembly of Illinois and as a prosecutor as district attorney for the United States Eastern District. Having served three terms in the Illinois Legislature, the latter term under the administration of Governor Edward F. Dunne, where he was chairman of the committee on judiciary and floor leader of the Democratic Party, he came to the National Congress endowed with rare ability and experience to represent the twenty-second congressional district of Illinois. As a practicing attorney he was long identified with the labor movement and gave much of his time and energies gratis to helping build labor organization.

By environment and training CHARLIE KARCH was essentially a progressive. His public service not only in the Congress, but for a quarter of a century prior to his election to this body, was of a progressive nature. Although his service here was of short duration, he took an active part in the debates and introduced several bills touching labor and prohibition, which showed the liberal views he held.

No Congressman worked harder or more diligently for the benefit of his constituency than did CHARLIE KARCH. No doubt he regarded his labor in this Congress the most important of his public service. No Congress in history had more important decisions to make and held longer months of labor, without recreation and leisure, than the Congress of which he was a Member. It can, probably truthfully, be said that his long and continuous labor had its effect on his health and no doubt shortened his days among us.

As a friend and colleague he was delightful, warmhearted, responsive, loyal, and generous. He was one of those rare men blessed with the qualities of both heart and intellect which make men both love and admire them. In a long public career he exhibited a character filled with

strong moral stamina which can not be expressed by words of eulogy. Such a life well spent in the service of his country endears him in our affections. Peace to his memory be.

Mr. SABATH. Mr. Speaker, it was my good fortune to know the late Hon. CHARLES A. KARCH for many years prior to his election to Congress, when he was serving as the floor leader of his party in the Illinois Assembly. Then, as later, his sincerity, sense of fair play, perseverance, and cheerfulness, and his espousel of the cause of the "plain, common man" endeared him to all who knew him.

He was a man of great legal attainments, but a greater public servant; loyal, fearless, and true to the great trust placed in him by the people of his district and State.

During his brief term in Congress he served his district, State, and Nation unselfishly and nobly. Those who had the privilege to work shoulder to shoulder with him shall always cherish the memory of his scholarly attainments and the charm of his simple, unaffected manner.

His knowledge of history and his broad background made him an important member of the Foreign Affairs Committee, on which he served with distinction.

Though the loss to his family is great, the loss to the Nation is irreparable, for in him it has lost not only a valued citizen and an honorable man, but an eminent legislator and a great humanitarian. It is with profound regret and sorrow that I bid my friend Godspeed on the long journey to his Maker.

The following is the address of Hon. HENRY T. RAINEY, at the funeral of Hon. CHARLES A. KARCH, deceased, Evangelical Church, East St. Louis, Ill., November 9, 1932:

A farm boy, a printer, a school-teacher, secretary to a Member of Congress, a practicing attorney, floor leader of his party in the Illinois House of Representatives, United States district attorney for the eastern district of Illinois, attorney for railroad shopmen, chief counsel for the United Mine Workers of America, a Member of Congress; this is a brief outline of the busy, useful life of Hon. CHARLES A. KARCH, whose body lies here to-day.

A short time ago his colleagues in the House of Representatives bade him adieu and good luck, and we all expected to-day to be sending him letters congratulating him upon his reelection to Congress yesterday, but we are now here standing at his bier.

Throughout his useful life of service he sympathized always with the toilers and those in the humbler positions of life. Absolute fairness characterized always his treatment in his legislative career of all ranks of life.

The progress of nations depends upon the men who walk in cool furrows amid the rustling corn, upon the man whose face is glowing with the blazing fires of great furnaces, upon the men who delve in mines, upon the writers and brave thinkers, upon the man who fills the wintry air with the musical ringing of his ax. I have enumerated the classes with whom he sympathized and worked.

There is no death. The stars go down, but they rise on another shore. The leaves may wither and fall and the flowers fade, but they only await the warm breath of spring. In his garden of sleep he merely waits for the living.

He could always win or lose a race with perfect self-control. He was always a man in a world of men.

I like to think of life always as a journey over a broad highway. We start out when the road is wet with last night's rain, accompanied by the young, always walking and struggling and fighting for the crest which is above us, but when we reach it there comes the call of another crest, and when we reach that there is still the call of another and a higher crest. The road is narrowing now. The companions of our journey are fewer than they were when we started, but the race goes always to those who have the faculty of remaining young.

As we journey along there are cool places where the tall ferns grow, places of rest, and CHARLIE KARCH knew when to rest and how to rest. And then there is always a song somewhere if you can hear it. There is the song of the lark when the skies are clear, and he always heard it. There is the song of the thrush when the skies are gray, and he always listened for it and he always heard it. His was a bright, cheerful disposition always.

Along the road there are meadows where dreams come true. He found them often. My colleagues from the Senate and the House of Representatives who are here have found them, and so have I, and so have all of you. CHARLIE KARCH found them many times.

And there are fields where the 4-leafed clovers grow. They are the prizes of this life. CHARLIE KARCH found them often and my colleagues who are here have found them. I have found them and so have all of you, but you must wait and you must watch and you must work.

Finally there comes the call of the last crest of all; it is the call which comes from beyond the stars. It comes to some early in life. It comes to others, as in the case of CHARLIE KARCH, while the sun is still high in the heavens, but it always comes, and we slip our anchors and sail away over unknown seas to "the beautiful Isle of Somewhere" where anchored lie the craft of those of our friends who have gone before.

If all for whom CHARLIE KARCH rendered a kindly act during his journey through this life should to-night drop a flower upon his grave he would sleep beneath a wilderness of roses.

May the winds of winter blow soft where he lies. May the snows of winter lie light on his grave, and over his last resting place may the birds sing their sweetest songs during the long, sunny, summer days to come.

Good night, old friend, good night.

### JAMES C. M'LAUGHLIN

Mr. MAPES. Mr. Speaker, the biographical sketch of our late colleague, JAMES C. MCLAUGHLIN, as it appears in the Biographical Directory of the American Congress, is as follows:

JAMES CAMPBELL MCLAUGHLIN, a Representative from Michigan; born in Beardstown, Cass County, Ill., January 26, 1858; moved to Muskegon, Mich., in 1864; attended the public schools of Muskegon and the academic department of the University of Michigan at Ann Arbor; was graduated from the law department of this institution in 1883; was admitted to the bar, and commenced practice at Muskegon, Mich., in 1883; prosecuting attorney of Muskegon County 1887–1901; in 1901 appointed by the Governor of Michigan as a member of the board of State tax commissioners and State board of assessors, in the latter capacity taking part in the first assessment of railroad property of the State for taxation, and served until 1906; elected as a Republican to the Sixtieth and to the nine succeeding Congresses (March 4, 1907–March 3, 1927). Reelected to the Seventieth Congress. [Since the publication of this directory he was reelected to the Seventy-first and Seventy-second Congresses.]

He died, suddenly, in his room in a hotel in Marion, Va., on the morning of November 29, 1932, while he was on his way from his home in Muskegon, Mich., to Washington to attend the opening session of Congress in December. Had he lived until the expiration of his term March 3, 1933, he would have served continuously in this body for 13 terms, or a period of 26 years, a service longer than any other one has ever had in the House of Representatives from the State of Michigan since it was admitted to the Union and surpassed or equalled by comparatively few from any State in the history of the Government. He was a Republican, but during the major part of this time he was elected by his district without opposition, either in his own or the Democratic Party. At the time of his death he was, and for a number of years had been, dean of the Michigan delegation in the House.

I first became acquainted with Mr. MCLAUGHLIN about 30 years ago, when he was a member of the State board of assessors and engaged in the work of assessing the railroad property of the State. He won my admiration for the courage, fidelity to duty, and ability which he displayed in that work under trying circumstances. He had a high sense of duty and the courage to act as his sense of duty and his judgment dictated. My respect and admiration for him increased with the years as our association and acquaintance became more intimate.

For many years he was a prominent member of the Committee on Agriculture of the House of Representatives and came to be recognized as an authority on agricultural questions. Upon the retirement from Congress of Joseph W. Fordney, Mr. MCLAUGHLIN succeeded him as the Michigan member of the great Committee on Ways and Means of the House.

Mr. MCLAUGHLIN was a man of the highest character and integrity, a careful student of legislation, and an influential Member of the House. He commanded the respect and admiration and had the confidence of his colleagues as well as of everyone with whom he came in contact. He was faithful and conscientious in the discharge of every duty and devoted himself to the best interests of his district and of his country. Independent and able, the controlling motive of his public service was to do what was right and for the public good. After he had satisfied himself on these points, nothing could swerve him from his purpose to act accordingly. He exemplified the highest type of public servant.

Mr. McLEOD. Mr. Speaker, I wish to join in paying tribute to the memory of my late colleague and fellow Member from Michigan, the Hon. JAMES C. MCLAUGHLIN. Throughout his long and distinguished career of public service, he gave himself unstintingly in the performance of his many and arduous duties and his sterling character and outstanding ability won for him the esteem and respect of all with whom he came in contact.

Mr. MCLAUGHLIN was born in Beardstown, Ill., January 26, 1858, moving to Muskegon, Mich., six years later, where he received his education in the public schools, later attending the University of Michigan at Ann Arbor, where he studied law. After devoting several years to private practice as an attorney, Mr. MCLAUGHLIN launched into his public career as prosecuting attorney for Muskegon County in 1887. He served in various other public positions until his election to the Sixtieth Congress, serving continuously until his demise during the last session of the Seventy-second Congress.

It has been my privilege to associate and work with him during nearly half of the quarter century he spent within the Halls of Congress. His sudden death came as a great shock to his own people and to his host of friends throughout the State and the Nation. His life was marked by his worthy achievements and his name will long be remembered as that of one who wrought much and well for the district in which he lived and the State and Nation to whom he devoted his life.

Mr. HOOPER. Mr. Speaker, the death of Hon. JAMES C. MCLAUGHLIN, for 26 years Representative from the ninth district of Michigan, takes from public life and service one of the best men Michigan has sent to this House. His long span of service, in which he served under Presidents Taft, Wilson, Harding, Coolidge, and Hoover, is a record of faithful service to country and constituents. Of sturdy Scotch descent, he combined with his ancestral virtues an unbounded admiration for and belief in American institutions.

Mr. MCLAUGHLIN had served his locality and State in various capacities before coming to Congress. He was recognized as a lawyer of exceptional ability in Michigan. When he came to Congress, however, he abandoned all clients but his constituency and gave unsparingly of his time and ability to the service of the country. His unfailing kindness to younger Members is one of the outstanding traits which will be long remembered by many of the present Members of the House.

During the whole course of his life I doubt whether the integrity of any act or thought of Mr. MCLAUGHLIN'S was seriously questioned. Rugged honesty was of the very fiber of his being. He had the confidence and respect of Democrat and Republican alike, and he returned this feeling in full.

He was a stern and unbending Republican of the old school. He believed in party government and party discipline. His long service on the Ways and Means Committee was of exceptional value to the country.

His manly, kindly face will be missed in the House, and the cloakrooms and corridors will miss the brightness of his magnetic smile. But though he be dead, the sunny influence which his presence lent will be always with us, while the kindness of his generous heart and gallant nature can never be forgotten. Hundreds of loving friends who in the sunlight of his genial presence had learned to admire and love him—to love him for his manly characteristics, his nobleness of nature, his purity of heart, his deep affection—are overcome with that grief which silence, not language, can alone express.

Mr. WOODRUFF. Mr. Speaker, in the death of the Hon. JAMES C. MCLAUGHLIN this House lost one of its most respected and best beloved Members. For nearly 26 years he had represented his district in this body. There are but four of our Members whose service here exceeded his. This long, uninterrupted service was a testimonial of the affection for and confidence in him of the people whom he represented. That this feeling was amply justified is known to every Member to whom had been given the privilege of knowing and working with him.

For years Mr. MCLAUGHLIN had been the dean of the Michigan delegation in the House. We younger Members are under lasting obligations to our deceased colleague and friend for the always courteous, kindly advice and counsel given readily and freely. Out of his years of service here there grew a clear judgment of public questions and of men, rare even among those of long service in the Congress. It was this that contributed so largely to the value of his advice.

He was in every sense a national legislator. With him the welfare of the Nation as a whole outweighed the temporary welfare of any section or class. He was deliberate in reaching decisions, which once reached were immutable. He looked askance at anything even approaching a new order of things and was never so happy as when precedent could point the way.

He was a serious-minded, courteous gentleman of the old school. His standard of ethics was of the highest. His integrity and ability were unquestioned. In his death this House lost a valuable Member, and the State of Michigan lost a splendid citizen.

We are to-day writing the last chapter in the life of our distinguished colleague, Mr. MCLAUGHLIN. The record we are making will soon be filed in the archives of the Nation as a public document to be reviewed by those who come after you and I are gone. Those who read the beautiful tributes that have been paid to his memory should be inspired by the thought that here was a man who always faithfully kept every trust imposed in him; one who always conducted himself in such a way as to merit the confidence and respect of all who knew him; and one who always followed the Golden Rule: "Do unto others as you would have them do unto you."

DANIEL E. GARRETT

Mr. JOHNSON of Texas. Mr. Speaker, the passing of DANIEL E. GARRETT brought sorrow to the entire membership of the House. For 16 years he served with honor and distinction as a member of this body.

Endowed by nature with a handsome and prepossessing personal appearance, a keen intellect, and a great heart, he built a character and a personality that left its imprint upon all who knew him.

The old-fashioned virtues of honesty and integrity were a part of the warp and woof of his very life. The principles of the Christian religion he loved and lived. He abhorred hypocrisy and deceit; and loyalty to his friends was one of his cardinal virtues. He loved humanity, and was never happier than when fighting for the cause of the poor and oppressed. The record of his votes cast upon measures in the House during his long service is abundant proof of this statement.

He was earnest, eloquent, and convincing in debate. Possessing a good stock of sound common sense, a fine judge of human nature, he could weigh measures and appraise men at their real worth.

Having a finely developed sense of humor, and being a charming conversationalist and a story-teller unexcelled, together with his spirit of optimism and hope, he dispelled gloom and brought joy into the hearts of the downcast and oppressed.

The world is brighter and better and happier because he lived. God bless and revere his memory.

Mr. THOMASON. Mr. Speaker, the death of DANIEL E. GARRETT removed from this House a man who served his people, his State, and his Nation well and faithfully for many years.

Mr. GARRETT was first sent to this House in 1912 as a Representative at large from Texas. He was returned here in 1916, and he represented the eighth Texas district from that time until his death.

He was closely associated with the late President Woodrow Wilson, and that great leader leaned heavily upon his counsel and assistance during the trying years of the war period. He was a member of the Committee on Military Affairs in the war Congress and served as chairman of the subcommittee which handled recommendations for appropriations for Army supplies. On the recommendations of that committee billions of dollars were appropriated for use during the war.

To that arduous work, as to all other tasks which were assigned him during his long and honorable service here, Mr. GARRETT applied his keen intellect, his devotion to duty, and his abiding patriotism.

The record of his votes here discloses his friendship for the veteran, the laborer, and the farmer. His entire life was spent in championing the cause of the oppressed, and he was a firm believer in the high principles upon which his political party was founded. In his congressional service, however, Mr. GARRETT did not attempt to single out one class of constituents for special consideration. His ideal was to render service to all, without discrimination, and his friends and colleagues all know how well he realized that ideal.

His death occasioned great sorrow not only in this House but throughout the State of Texas. The citizens of that State, and particularly of his district, have lost an able and conscientious public servant; they will forever be grateful for his achievements and honor his memory.

Mr. SANDERS. Mr. Speaker, after the passing of our beloved colleague and friend, the Hon. DANIEL E. GARRETT, the Houston, Tex., bar, of which he was a member, passed the following resolutions:

Whereas an all-wise Providence has removed from our midst our beloved friend and fellow citizen, DANIEL E. GARRETT, lawyer, statesman, and United States Congressman, representing our eighth congressional district: Therefore be it

*Resolved*, That in the death of Congressman GARRETT, Texas lost one of its most loyal and capable public servants and Houston an outstanding, patriotic, and faithful citizen, ever diligent to promote the best interests of his adopted city and to champion the cause of good government.

PUBLIC SERVICE

That by his long life of public service, devotion to duty, and loyalty to his constituents, he earned for himself the well-merited respect, friendship, and affectionate esteem, not only of his intimate associates but of a host of admiring friends, whom he numbered by the thousands. In representing the people of his district, he served them all impartially and faithfully, regardless of their religion, political faith, or political friendship. He took the keenest interest in all legislation for the benefit of ex-service men, particularly the disabled, and for the men and women who toil. Up to the very last he aggressively fought the battles of the men who had been disabled in the service of their country, and his legislative record in behalf of laboring men and women is without a blemish.

That as a lawyer he was respected and revered by his fellow lawyers for his fidelity to his clients, his courtesy to bench and bar, and his zeal as an officer of the court in advocating substantial justice based upon common sense and right.

DEVOTED TO FAMILY

That in his home life he was a devoted husband and loving father. Among his family and friends one instantly realized the humanness and gentleness of the man and felt the charming hospitality and culture of the old South. Those very close to him never heard him make an unclean utterance in the presence of his household nor tell the most slightly suggestive story in the presence of a lady. He was a sincerely religious man, and in his last illness he expressed profound faith in immortality.

That as a man and citizen he was noble in life, always actuated by the highest and most honorable motives, true to his convictions and every trust imposed upon him, uncompromising in what he believed to be right, a staunch advocate and champion of democracy, a Christian gentleman of the highest type, whose heart went out to the masses and who, despite his high position, never lost the common touch nor let the cry of distress or need go unheeded. While he understood the frailties and weaknesses of his fellows, he did not criticize nor condemn; tolerant in his views, he understood and encouraged.

SERVICE WILL BE MISSED

That in his going a great heart and a noble soul has crossed the river. The people of his district will miss his loyal, able, and unselfish service, his colleagues will miss his mature and reliable counsel and advice, and those within the charmed circle of his personal friendship will miss the warm and wholesome influence of his gentle nature, and through the years will never forget that human and characteristic chuckle as he told or listened to a good story.

The words of the immortal poet so aptly apply to him:

"His life was gentle; and the elements
So mixed in him that Nature might stand up
And say to all the world, 'This was a man!'"

Mr. GARRETT passed away here in this city December 13, 1931, and when it was learned of his passing the entire membership of the House was deeply affected. He was loved not only by his home people, as disclosed by resolutions of the Houston bar, but by all of his colleagues here. He was an able statesman and a faithful servant of the people. He was conscientious and kind-hearted, and his good deeds will live on and on.

He was elected to the House of Representatives of Tennessee in 1892 and reelected in 1894. In 1902 he was elected to the State Senate of Tennessee and reelected in 1904.

Mr. GARRETT moved to Houston in 1905 and in 1912 he was elected to the Sixty-third Congress from the State at large. He was elected to the Sixty-fifth Congress from the State at large in 1916.

He served in the National House from the eighth congressional district of Texas in the Sixty-seventh, Sixty-eighth, Sixty-ninth, Seventieth, Seventy-first, and Seventy-second Congresses. At the last general election he was elected as Congressman from the same district to the Seventy-third Congress, which would open its sessions next spring.

During the Sixty-third and Sixty-fifth Congresses he was actively associated with President Woodrow Wilson. During this second term of his office—the famous war Congress—he was a member of the Military Affairs Committee, and served as chairman of the subcommittee to recommend appropriations for supplies for the Army.

It was on the recommendation of this committee that billions of dollars were appropriated for the World War.

"I shall always be glad that I was permitted to play my humble part of helpfulness in those days and times," was the way he modestly referred to his services during the Sixty-third and Sixty-fifth Congresses.

AIDED WILSON

During the latter session Congressman GARRETT had gotten to be one of President Wilson's right-hand men. He was a profound admirer of the war President.

Under the matchless leadership of President Wilson—

He said in an address in July, 1932—

the Sixty-third and Sixty-fifth Congresses enacted a forward-looking, progressive, and constructive legislative program in the interest of all the people that stands without a parallel in the history of the Republic.

DANIEL GARRETT has represented Port Houston before the War Department and before Congress for 12 years, and a large share of the credit for securing Federal aid in the development of the Houston Ship Channel belongs to him.

FRIEND OF LABOR

He was always an active friend of labor, the veteran, and the farmer, having lent active support to all farm-relief measures and handled compensation claims for more than 2,000 ex-service men before Federal bureaus.

It was largely through his influence that Camp Logan and Ellington Field were both located in Harris County. He was famed among Texans in Washington for his ability to get through appropriations for his congressional district.

Congressman GARRETT also piloted through a Republican Congress the bill appropriating $50,000 for the riot sufferers—widows and orphans of men shot down by negro soldiers during the 1917 mutiny—and he was very active in having the War Department move the negro soldiers from Camp Logan.

During his last campaign Congressman GARRETT's prohibition views were made an issue by his opponents.

PROHIBITION STAND

Prohibition is a great moral and economic question that belongs to the people themselves—

he said during the campaign.

It should never become a political question to be used as a yardstick to measure men for public service.

He called attention to the local vote on prohibition resubmission and declared that he would abide by the decision of the voters of his district.

"My stand on the prohibition question is well known," he declared. "For more than 25 years I have earnestly and consistently fought for the prohibition of the manufacture and sale of alcoholic liquors and the abolition of the saloon."

He pledged that he would be governed by the voters' choice, which he termed "yielding to the people's mandate without surrendering the convictions of a lifetime." The democratic principle of government is more important "than my beliefs," he declared.

HELD IMPORTANT POST

Speaking of his tenure of the office as a Representative of the eighth district, he said:

It has been my one purpose to serve all the people in every walk of life, without regard to class or creed, devoting myself wholeheartedly to the service of all.

Mr. GARRETT pioneered for woman suffrage, he helped create the Federal reserve system, strengthen the antitrust laws, give new guarantees to labor, levy taxes where there was the most ability to pay, foster the welfare of women and children by Federal effort.

At the time of his death he was a member of the powerful Rules Committee of the House, one of the most important assignments which can come to any Congressman.

As we see our colleagues constantly passing we are reminded of that great poem by that great Mason, Albert Pike:

Life is a count of losses,
Every year;
For the weak are heavier crosses,
Every year;
Lost springs with sobs replying
Unto weary autumn's sighing,
While those we love are dying,
Every year.

It is growing darker, colder,
Every year;
As the heart and soul grow older,
Every year;
I care not now for dancing,
Or for eyes with passion glancing,
Love is less and less entrancing
Every year.

The days have less of gladness,
Every year;
The nights more weight of sadness,
Every year;
Fair springs no longer charm us,
The winds and weather harm us,
The threats of death alarm us,
Every year.

There comes new cares and sorrows,
Every year;
Dark days and darker morrows,
Every year;
The ghosts of dead loves haunt us,
The ghosts of changed friends taunt us,
And disappointments daunt us,
Every year.

Of the loves and sorrows blended,
Every year;
Of the charms of friendships ended,
Every year;
Of the ties that still might bind me
Until time to death resigns me,
My infirmities remind me,
Every year.

Ah, how sad to look before us
Every year;
While the cloud grows darker over us,
Every year;
When we see the blossoms faded
That to bloom we might have aided
And immortal garlands braided,
Every year.

To the past go more dead faces,
Every year;
As the loved leave vacant places,
Every year;
Everywhere the sad eyes meet us,
In the evening's dusk they greet us,
And to come to them entreat us,
Every year.

"You are growing old," they tell us,
Every year;
"You are more alone," they tell us,
Every year;
"You can win no new affection,
You have only recollection,
Deeper sorrow and dejection,"
Every year.

Too true life's shores are shifting,
Every year;
And we are seaward drifting,
Every year;
Old places, changing, fret us,
The living more forget us,
There are fewer to regret us,
Every year.

But the truer life draws nigher,
Every year;
And its morning star climbs higher,
Every year;
Earth's hold on us grows slighter,
And the heavy burden lighter,
And the dawn immortal brighter,
Every year.

ROBERT REYBURN BUTLER

Mr. PITTENGER. Mr. Speaker, I count it a privilege to join with the many friends of ROBERT REYBURN BUTLER in a brief tribute to his memory. I met him when I entered Congress in 1929. I saw him frequently in his committee work, and in this Congress served with him on one of the House committees. We became friends. "Judge" BUTLER, as we called him, was a fine type of citizen. He was fearless and able, and in his death the House of Representatives lost one of its outstanding Members.

His was a record of service. He loved his fellow man. He took his responsibility as a Member of this House seriously, and the welfare of his fellows, the average man, was the test he applied to legislative proposals. Quick to champion their cause, he was equally fearless in opposition to legislation of an unwise or improper kind.

The first session of the Seventy-second Congress faced many trying situations. Its membership, for the most part, regardless of party, met the difficulties with courage and devotion to the public welfare. Congressman BUTLER was one who reasoned clearly and acted patriotically. When the motives of Congress were being questioned, and the enemies of the Republic were directing a flood of unfounded hatred and abuse upon our membership, Congressman BUTLER came to the defense of his colleagues. He inserted in the CONGRESSIONAL RECORD for May 10, 1932, copy of a letter he had written on this subject. It might well have been a speech, for Judge BUTLER gave a frank and powerful message on the problems with which Congress was concerned. It was brief. It was unequivocal. It was sound.

Said he, in part:

I have your letter of April 27, and, while contrary to popular belief, we are extremely busy and crowded for time, yet I feel that you are entitled to a more extended communication than a mere acknowledgment, because I think you are laboring under misinformation which has been industriously disseminated by interests apparently seeking to discredit the Congress and divert the attention of the rank and file of the American people away from some of the real causes of national distress.

* * * * * * *

While the Congress of the United States is doing its best to protect the business of the country and maintain the confidence of the people in our business institutions, these people are constantly inveighing against the Congress and against the Government, and if capitalism in this country is abolished and the Nation takes up the bloody road to Moscow it will not be through organized "reds" and communists but it will be due in a large measure to those with swollen fortunes who have joined hands with the "reds" in an effort to destroy the confidence of our people in their Government.

Such was our friend and neighbor, Congressman BUTLER. He was a man of few words. He never dodged the opposition, but welcomed the combat. He was a worthy champion and a worthy foe.

Others who knew him more intimately will discuss his long record of public service in the State of Oregon. As one of

his colleagues who knew him and appreciated his good qualities I offer this sentiment:

Green be the turf above thee,
Friend of my better days.
None knew thee but to love thee,
Nor named thee but to praise.

When hearts whose truth was proven,
Like thine, are laid in earth,
There should a wreath be woven
To tell the world their worth.

We miss our friend. The Grim Reaper has taken his toll. We will hear his kindly voice no more. His friendly face is but a memory. But his soul still lives, and in that unseen world death is not the victor.

What is this Death, ye deep read sophists, say?—
Death is no more than one unceasing change;
New forms arise, while other forms decay,
Yet all is Life throughout creation's range.

The towering Alps, the haughty Appennine,
The Andes, wrapt in everlasting snow,
The Appalachian and the Ararat
Sooner or later must to ruin go.

Hills sink to plains, and man returns to dust,
That dust supports a reptile or a flower;
Each changeful atom by some other nurs'd
Takes some new form to perish in an hour.

Too nearly join'd to sickness, toils, and pains,
(Perhaps for former crimes, imprison'd here)
True to itself the immortal soul remains,
And seeks new mansions in the starry sphere.

When Nature bids thee from the world retire,
With joy thy lodging leave, a fated guest;
In Paradise, the land of thy desire,
Existing always, always to be blest.

Mr. COLTON. Mr. Speaker, one of the saddest things in official life is to see a colleague stricken by death while in the prime of life. Such was the untimely death of Congressman ROBERT R. BUTLER.

Judge BUTLER came to Congress well prepared to serve his district, State, and Nation. His previous experience in the State senate, his service on the bench in Oregon, and his fine legal training gave him at once a standing among the Members of the House enjoyed by only a few. He had a brilliant and keen legal mind, and as soon as he was appointed on the Public Lands Committee, of which I was chairman, I recognized that he was a real asset to the work of that great committee.

Judge BUTLER was splendidly informed upon the problems of the West and experienced in unusual degree to assume the large responsibilities that fall upon a Member of the legislative body which has so much to do with the determining of the policies of our great Nation. He carried on with the intense earnestness that marks the activities of men who are impelled with the desire to render good service.

While Judge BUTLER was devoted to his country and to the welfare of the entire Nation, his chief concern, naturally, was to represent his beloved State and the people of the great western region. Actuated with this thought, he acquainted himself with the problems of that part of the United States which he represented. He made it his business to advance the welfare of that section before the committees of Congress and upon the floor of the House, and his labors were marked by high efficiency and thorough knowledge of the problems with which he was confronted.

He was a man of direct action, straightforward in his conversation and speech, and sought always to uphold the dignity of the State and Nation he represented.

Death is not to be feared; it is the next step after life and is a part of the great plan and scheme of the Creator of the Universe under which we all have our being. It is not how or when we die that counts, but rather our attitude toward life and how much we accomplish while living. Judged by that standard my friend lived a complete life. Death is the inevitable course of life, but when it comes so early it always seems saddest. It is not the death that causes our sorrow; it is the cutting short of a life of such potential possibilities. Could the Angel of Death have spared him longer I am sure the people he loved and served so well would have been even more greatly benefited and enriched by the service of his mature years. The death of my friend Judge BUTLER brought sadness to his colleagues and was a distinct loss to the House of Representatives, of which he was a conspicuous and distinguished Member.

I recall the words of Webster:

If we work upon marble, it will perish; if we work upon brass, time will efface it; if we rear temples, they will crumble to the dust. But if we work on men's immortal minds, if we imbue them with high principles, with the just fear of God and love of their fellow men, we engrave on those tablets something which not time can efface and which will brighten to all eternity.

Viewed in this light, life is a holy and sacred thing; "It is a spiritual drama, not a biological episode." In that drama Judge BUTLER played his part well.

Pale sorrow leads us closer to our kind,
And in the serious hours of life we find
Depths in the souls of men which lend new worth
And majesty to this brief span of earth.

Mr. SWING. Mr. Speaker, our friend and colleague, ROBERT REYBURN BUTLER, has passed from this life. Weary with honest toil, he laid himself down to rest and soon entered the sleep that knows no waking.

Those who were privileged to know Judge BUTLER loved him. A man of few words, and those soft-spoken except when aroused, he did not attempt to force himself upon others as is the custom of some in public life. He was no back-slapper, but he would go halfway to meet the friendly advances of any man. For those who held his confidence there burned a true and steady flame of affection and a warmth of regard that made him a real friend in every sense of the word.

I served with him on the Committee on Irrigation and Reclamation, and our acquaintance there begun grew to something more in the years that followed. On that same committee I had also served with his distinguished predecessor, the late Nicholas J. Sinnott. There was much that was akin in spirit and character between these two men, as if the great Northwest from whence they came had put its imprint indelibly upon them. Coming from the land of high mountains and mighty rivers, there certainly was nothing small or mean in the lives of these men. Lofty in purpose as they were tall in statue, they looked out over life oblivious of its pettiness.

Judge BUTLER loved humanity. He understood his people. He thought of his constituents as his friends and neighbors. His sympathy went out to them through all this period of trial and tribulation. He fought for them earnestly and courageously, although unavailingly, because the economic and financial ills of the country had their root far deeper than political remedies could reach. He forgave his people that they could not understand this. He forgave them when they blamed Congress for distressing conditions created not by Congress but by racketeers in industry and finance. He forgave them when in their despair and suffering they sought a new leadership. In his defeat he felt no tinge of bitterness. Philosophically he remarked to me that public office belonged to the people—it was theirs to give and it was theirs to take away.

And now his spirit is free to return to the land he loved—the land of which he was so much a part—the West, of which the poet sang:

Out where the handclasp's a little stronger,
Out where the smile dwells a little longer,
That's where the West begins;
Out where the sun is a little brighter,
Where the snows that fall are a trifle whiter,
Where the bonds of home are a wee bit tighter,
That's where the West begins.

Out where the skies are a trifle bluer,
Out where friendship's a little truer,
That's where the West begins;
Out where a fresher breeze is blowing,
Where there's laughter in every streamlet flowing,
Where there's more of reaping and less of sowing,
That's where the West begins.

Out where the world is in the making,
Where fewer hearts in despair are aching,
That's where the West begins;
Where there's more of singing and less of sighing,
Where there's more of giving and less of buying,
And a man makes friends without half trying—
That's where the West begins.

Mr. MARTIN of Oregon. Mr. Speaker, my colleagues, under the privilege of extending my remarks I want to take this opportunity to pay tribute to my late colleague from Oregon, the Hon. ROBERT R. BUTLER.

ROBERT REYBURN BUTLER, Representative of the second congressional district of Oregon, who died January 7, 1933, in Washington, D. C., played a prominent rôle in the life of his adopted State for a quarter of a century. Orator, scholar, a judicial mind, and deep sympathy with the views and problems of the common man, Congressman BUTLER possessed many fine qualities.

Of the 51 years of his span of life 26 were spent as an adopted son of Oregon.

It was in the little hamlet of Butler, Tenn., named for his forefathers, on September 24, 1881, that Judge BUTLER first saw the light of day. His early education was received in the hill schools of his native State, and after being admitted to the bar at the age of 22 years he practiced his profession in Tennessee for three years. Then he moved to Oregon where he became one of the best known men of the judiciary.

In the little town of Condon he established himself in 1906. Scarcely had the young Tennesseean hung out his shingle than the tall, soft-spoken young lawyer, with the politeness of the southern gentleman, began to attract attention due to his brilliancy of mind and his natural oratory.

During the political campaign of 1908 the future Congressman stumped the State and became a Republican presidential elector, and when in the following year he was appointed to the circuit bench by the then governor, the Hon. George Earle Chamberlain,, who later distinguished himself in the United States Senate, our late colleague became one of the youngest circuit judges in the history of Oregon.

After three years of distinguished service on the bench he resigned and went to The Dalles, Oreg., to live. But the desire to serve again overcame him, and in 1911 he was elected State senator from Wasco and Hood River Counties, serving four years in the Oregon Legislature.

His activities continued, and again he was named as a presidential elector in 1916, touring the State in the interest of the Hon. Charles Evans Hughes.

After that campaign, until 1925 when he was elected once more to the State legislature, his private practice demanded his full attention. A movement was started to have Judge BUTLER become a candidate for the Republican nomination for United States Senator in 1926, but at the same time friends of the Hon. FREDERICK STEIWER, who also came from the eastern Oregon district, started a boom. Realizing that the party would suffer if two candidates from the same section were in the field, Judge BUTLER eliminated himself by withdrawing.

With the resignation of the beloved Nick Sinnott as Representative of the second congressional district to accept appointment on the Court of Claims, Judge BUTLER was the choice of his party for the unexpired term of Judge Sinnott. He defeated the Democratic opponent and in 1930 was elected to Congress to succeed himself.

In Congress the duties of Judge BUTLER were many, augmented by the fact that his district is one of the largest in the United States and required constant attention.

Reclamation gave him much concern for the great Owyhee project is in the second congressional district of Oregon. He spent much time over the problems of the national forests, grazing lands, highways in public lands, and Indian affairs, as well as agriculture, for each was of particular interest to his constituents.

The development of the Columbia River was one of his hopes and desires and he was untiring in his efforts to bring attention to the possibilities of that famous river for irrigation, navigation, and power. He sponsored several bills having these objects.

He advocated open-river navigation for the Columbia, pending the wait for Federal construction of dams to create still water and power.

Always the polished gentleman, our late colleague was one of the most scholarly men Oregon ever sent to the Congress. Retiring and of a sensitive nature, he was said to prefer sitting with a friend or two discussing literature, the law, or public questions to mixing miscellaneously with strangers. The keynotes of his library were the Bible, Shakespeare, and Byron, whether he was in the Nation's Capital or in The Dalles.

His memory was uncanny for instantly he could quote from the Bible, an act from Shakespeare, an essential part of a Government report, or a poem of many stanzas. In this respect he was likened to his old friend, Nicholas J. Sinnott, his predecessor in the Congress.

It was said of him he had few equals in Oregon as an orator, and each address was carefully thought out and prepared. Politically he always was a Republican with progressive leanings, and one of his most noted political characteristics was that he could not be stampeded.

Judge BUTLER is survived by his 74-year-old mother, who still resides in Butler, Tenn., and a daughter, Elizabeth Anabelle Butler, who is attending the University of Oregon.

SAMUEL A. KENDALL

Mr. DARROW. Mr. Speaker, no words of mine can adequately and fully describe the high esteem in which our departed colleague, SAMUEL A. KENDALL, was held by all who knew him. It is said the richest possession a person may acquire is the confidence, respect, and esteem of our friends and acquaintances. He had all of these, and his memory is enshrined in the hearts of the people of his district, by his former colleagues in this House, and his host of friends in Washington and throughout the country.

We mourn the loss of a man of fine character, of a friendly, jovial nature, a man of broad human sympathy, whose heart was full of love and charity for his fellow men.

SAM KENDALL was an ardent champion of whatever cause he espoused. He was straightforward, courageous, and honest in his views. While not an eloquent orator, his direct and forceful presentation of any subject carried conviction and always commanded the respect and attention of the House.

In the 14 years of his service in Washington Mr. KENDALL rendered conspicuous and noteworthy service, not alone to the interests of his constituency, to whom he was always faithful and loyal, but in a much wider field of endeavor. Due to his membership on the Committee on the Post Office and Post Roads for many years, he was especially interested in postal legislation and the welfare of postal employees and was the author and sponsor of legislation in their interest.

SAM KENDALL loved his native State. He succeeded me as president of the Pennsylvania Society of Washington, D. C., in which capacity he served with distinction during the year 1932.

Our association during the 14 years we served together in Congress was most pleasant, and I deeply mourn the loss of a good friend with whom I was happy to serve.

Mr. BOLAND. Mr. Speaker, although I have been a Member of this House for only two years, in that time I have learned to know and respect a great number of my colleagues from all parts of the United States. Sad to say, a great many of them have passed on since I first made their acquaintance.

One of these, and one from my own State of Pennsylvania, though from an opposite corner of that State and registered under a different party, was becoming a real close friend, when he, too, was but recently called away.

This man, SAMUEL AUSTIN KENDALL, whom I am honored to have called my good friend, was born on a farm in Somerset County, Pa., and although when reaching maturity he left the State for college and spent a number of years teaching in the West, he returned to his native State in 1890 to engage in lumbering and mining, and was elected to the State legislature to represent his home county of Somerset. He was elected to this House for the Sixty-sixth Congress, where he served until his recent sad and untimely passing on, so soon after that of his loving and faithful wife.

The name of SAM KENDALL was legion throughout the State of Pennsylvania for the wonderful aid and encouragement he gave to the laboring man, the miner, the farmer, and the everyday worker; especially was he a staunch champion of the postal workers of the State and the Nation.

It is one of the sad experiences of public life that one's close intercourse with a colleague is cut so short just as one is becoming to know him and to know the true man back of the casual meeting with him as a legislator. Such was my case with SAM KENDALL. This was brought more keenly to my attention on my visit to Mr. KENDALL'S home as one of the funeral committee of the House. There I had the opportunity of seeing just how much my good friend SAM KENDALL was loved and missed in his own home, and we all know how he has and will be missed here.

The House and the country can ill spare such a conscientious, earnest public servant. We are all saddened at his sudden departure.

Mr. HAINES. Mr. Speaker, it was my pleasure to have served in the Seventy-second Congress in the House of Representatives with my very dear friend and colleague the Hon. SAMUEL A. KENDALL.

I never knew Mr. KENDALL until I met him one day, in the summer of 1931, when I made a day's visit to the office I had assigned to me in the House Office Building. He came to the office, having heard that I was down for the day, and offered to be of service to me in the event that I might need some help from one experienced.

I was so impressed with his sincerity and kindness that from that day on a friendship sprang up between us that lasted until the day of his death. I was fortunate in being assigned to the Post Office and Post Roads Committee, of which he was an honored member, and it was a pleasure to be associated with him in the work of that committee. While we differed politically, no differences ever seemed to change our respect for one another and in his passing I felt a great loss. He was deeply concerned about his country and always manifested a spirit that should characterize a truly great citizen. While our associations were for but a short period of time, I learned to love and respect him. At no time did he ever say an unkind word concerning anyone, and his love for his colleagues seemed to be limited only to the number with whom he served on both sides of the aisle. In his departure, Pennsylvania lost a fine legislator, of unusual ability, and the Nation lost a valuable servant. Death left unfinished the contribution he might have made in the last days of the session of Congress, but I feel sure that the materials he sent in advance of his going to that land beyond, will erect for him a glorious mansion. I hope we shall meet again in that spirit world.

Mr. WATSON. Mr. Speaker, the death of SAMUEL AUSTIN KENDALL is the loss of an honest type of public servant. His record in Congress placed him among the able Representatives of his time. His early training as teacher in public schools and as professor in the higher branches of scholastic studies qualified him to be an able legislator. His successful business career in industries and railroads, also as a member of the State legislature, gave him a wide source of information and ability which enabled him conscientiously to represent his constituency in Congress. He was a student of economic questions, familiar with polite literature of the ages, and enjoyed an acute knowledge of the affairs of his State. Simplicity always prevails in a noble nature, and this trait of character formed his policies. He had high regard for public virtue. His record in Congress tended to weld the principles of our Government, thereby leaving a public heritage to the American people.

Mr. MEAD. Mr. Speaker, I wish to speak briefly of the life and public service of my friend and colleague, the Hon. SAMUEL A. KENDALL, of Pennsylvania.

Mr. KENDALL and I were elected to the House of Representatives at the same time, he from Pennsylvania, and I from New York. In the following Congress I joined him on the Committee on the Post Office and Post Roads; and from that time on, until his death 12 years later, we served together on that committee, divided politically but working unitedly in the interests of the Postal Service.

He started out as a school-teacher and rose to the post of superintendent and director of schools. He progressed to the lumber and mining trades; then he broadened his activities by engaging in the banking and railroad fields. He became a member of the City Council of Meyersdale, Pa., and then of the Pennsylvania State Legislature. This wide experience and training were of direct benefit in fitting him for the work of the Post Office Committee, where he was, particularly in his later years, associated with the committee's biggest and most important undertakings.

Mr. KENDALL soon became "SAM" to all who knew him. Those who served with him can bear witness to his high qualities of mind and heart and to his charming personality, which drew around him at all times a band of faithful and admiring friends and which endeared him to all his associates. Possessed of great mental vigor and physical strength, he used to the best advantage in his service in the State assembly and in the House of Representatives his intellectual powers in the highest interests of the State and of the Nation.

We can not lose sight of such a man, the work he performed, or the influence he exerted upon the interests and activities of his Commonwealth. He had a wide knowledge of the affairs of state. He was interested in its financial, commercial, and educational welfare, was always active in promoting all measures which had for their object the uplift of the people, and throughout his legislative career was a faithful public servant.

He was an energetic worker, noted for his kindliness and even temper. It was a great pleasure to be permitted to associate with him, and I regret that I shall no longer enjoy his wise counsel, his able assistance, or his encouragement at the committee table. I miss him; every member of the committee misses him; and his vacant chair is a sad reminder of our friend who has made the last pilgrimage to the Great Beyond.

Mr. RICH. Mr. Speaker, we mourn the loss of our colleague, Hon. SAMUEL A. KENDALL, a man who was much interested in the welfare of his country, his State, and his constituents; who was untiring in his efforts, with full devotion to duty; and who always used his best judgment to mark his course in the various subjects which confronted him from day to day.

SAM KENDALL was a friendly man, enjoying the sociability of his colleagues. I voice the sentiment of all those who knew him best when I say we will miss him from our midst.

As president of the Pennsylvania Society he was interested greatly in its welfare. He was desirous of making the meetings instructive and entertaining, and his first thought was to accomplish something worth while for the assistance of our great State of Pennsylvania.

Mr. KENDALL was a sincere friend, a devoted patriot, a faithful public servant in and out of the Congress, wide sympathies for the struggling masses at home and abroad, he will not soon be forgotten, and somewhere and somehow the influence exerted by him will continue for the good of his friends and for the promotion of the best interests of the people. Busy as he was performing his congressional duties and looking after his business interests when he

could, he never forgot those whom he knew well and associated with before success and prominence came to him.

He has gone to that better land where sorrows and cares are unknown to meet those who have gone before him. Our lives will all be better and greatly enriched because we were privileged to know him and to have associated with him.

Not a charm that we know ere the boundary was crossed,
And we stood in the Valley alone;
Not a trait that we praised in our dear one is lost—
They have fairer and lovelier grown.
As the lilies burst forth when the shadows of night
Into bondage at daybreak are led,
So they bask in the glow by the pillar of light
In the land of the beautiful dead.

—Longfellow.

Mr. STRONG of Pennsylvania. Mr. Speaker, I wish to join with my colleagues in paying tribute to the life, work, and character of our late colleague, the Hon. SAMUEL AUSTIN KENDALL.

When Mr. KENDALL came to the Sixty-sixth Congress, I met him for the first time. We soon became close friends, and this friendship continued to the day of his death. Three days before he died, Mr. KENDALL visited my office and we had quite a long talk. He was in good spirits, and when I expressed my regret that he would not be in the Seventy-third Congress, and that I should miss him, he said he expected to reside in Washington practically all the time and we would continue to meet frequently. He was always cheerful and optimistic; always had a pleasant greeting and a smile for every friend he met.

He was one of those rare individuals with whom friendship and affection were not matters of slow growth, and from our first meeting I felt toward him as though he had been a lifelong friend. He was generous and courteous to those with whom he came in contact, and I think it can be truly said of him that no man ever came to injury through a transaction he had with SAMUEL A. KENDALL.

He was one of those endowed by nature with a warm sympathy for and a broad understanding of humanity, despite its frailties and imperfections. I never heard him say a harsh word to a human being, and nature seemed to have endowed him with a knowledge of the great truth, one of the greatest of all truths, that "to understand all is to forgive all."

Taking him all in all, I never met a man in the course of my long association here with men from every section of our great land who did more to make me feel that there was something about our people, our institutions, our Government, our national spirit that was calculated to make this Nation lasting and secure.

Mr. KENDALL possessed an unusually clear mind, and when discussing legislative or business matters he showed a ready grasp and understanding of detail. He was greatly interested in his committee work, and believed it to be the duty of a Member of Congress to familiarize himself with all pending legislation, but particularly to specialize in subjects over which his committee had jurisdiction. His death was a real loss to the country, to his State, and to the district which he so ably represented.

Mr. SWICK. Mr. Speaker, coming as I do from the section of the State from which Mr. SAMUEL A. KENDALL was a Representative in Congress, I feel it is my duty, because of my great admiration of this man, to place in the RECORD a few words concerning his life.

It was my privilege to attend the funeral of Mr. KENDALL at Meyersdale, Pa. It was a cold, wet, dreary day, but in spite of all this the church in which the services were held was crowded to capacity by friends and neighbors who came to pay their last respects to a leading fellow townsman.

After all, it is our friends and neighbors who measure us most accurately—those with whom we live and deal.

Mr. KENDALL was loved and respected for his untiring efforts in behalf of the common people. His passing will be mourned by all of us.

As a citizen his time and talents were ever used in the upbuilding of his section and State and the uplift and betterment of society.

Mr. Speaker, a nobler man never lived. Hospitable, gentle, and lovable, a gentleman of honor, in manners and in innate refinement he was everything that a man could be to be respected and loved. He revered the teachings and traditions of our fathers. He measured his actions by the organic law of this land, and the plain people of the Nation lost a consistent and ardent champion when he died. In his family relations he was a most devoted husband and loving father, whose constant delight was to do some act that would bring pleasure to his wife or his children. His death was a distinct loss not only to his State but to the Nation, and while to-day we are bowed in sadness, we can console ourselves with the thought that by his illustrious career and his incomparable honesty, he has left a heritage more enduring and more to be treasured than all the riches of the world.

It is not gold, but only men
Can make a people great and strong,
Men who for truth and honor's sake
Stand fast and suffer long.
Brave men who work while others sleep,
Who dare while others fly,
These build a nation's pillars deep
And lift them to the sky.

Mr. DOUTRICH. Mr. Speaker, I should feel remiss in my obligations were I not to say a few words about my departed colleague, SAMUEL A. KENDALL.

He came to Congress eight years before I entered it. But when I came here, I had the good fortune to be placed upon the same committee on which he so efficiently served, the Committee on the Post Office and Post Roads. During our mutual service on this committee I found that he was always desirous of aiding and passing good legislation, and was particularly interested in the welfare of the postal workers.

Mr. KENDALL'S geniality and kindness endeared him to all of us. His splendid abilities were seasoned by a kindly humor which lent sunshine and warmth to all his words and deeds. His service for others was outstanding, and we who have survived his departure will do well to keep vivid in our minds and hearts the story of his unselfish service.

His physical vision has departed, his face may melt away from view and mind, but his service here will live after him. Let it be said to his credit that no person ever heard him refer to his home people in other than the most affectionate terms. His love for his people and for his State approached a passion. If this trait was equaled by any other, it was his zeal and candor, supported by his persistent determination, to promote the welfare of his State and Nation by protecting, as he believed, every inherent right that belonged to the individual in the face of great opposition sometimes directed at him by those whose schemes he interfered with.

Mr. Speaker, it will always be a matter of pleasure to me that I had the opportunity to become acquainted with such a man, one whose passion was the love of his fellow men, whose eloquence was the inspiration of justice, whose hope was human freedom, and whose logic fixed its steady gaze upon the star of truth; one who did right with compelling insistence and who was not afraid that he might do wrong—a malady none too seldom found among those who are not sure of their approaches, who distrust themselves and stand with reluctant feet, holding action in subjection, on the very threshold of duty; one who, amid all the trials and tribulations, the vexations and vanities of a long life, "had kept the whiteness of his soul."

GODFREY G. GOODWIN

Mr. PITTENGER. Mr. Speaker, when I entered the House of Representatives four years ago and met my colleagues from Minnesota, I was a stranger in the group. As time passed, I learned to know and appreciate them, and there were none in the distinguished list of Congressmen

from Minnesota for whom I held a higher regard than I did for GODFREY G. GOODWIN. His recent death has taken from me a personal friend, and the people of the State of Minnesota have lost a legislator of ability and high standing. He was experienced and of sound judgment. I was always glad to consult Godfrey on many questions coming before Congress.

He served his county as prosecuting attorney for many years before entering Congress. As a lawyer, and as a citizen, he stood for the best interests of his community and his country. He traveled Life's highway without hypocrisy or cant. His duties he took seriously, and his obligations he discharged faithfully.

The finest words that can be spoken of him tell of devotion to his family. They were always uppermost in his thoughts, and he gave them a full measure of service.

Our friend has gone to that "undiscovered land from whose bourne no traveler returns." But some place, somewhere, in the hereafter, he lives and moves and has his being. Death is not the end and the grave is not the goal.

Death, be not proud, though some have called thee
Mighty and dreadful, for thou art not so:
For those whom thou think'st thou dost overthrow
Die not, poor Death; nor yet canst thou kill me.
From rest and sleep, which but thy picture be,
Much pleasure; then from thee much more must flow;
And soonest our best men with thee do go—
Rest of their bones, and souls' delivery!
Thou art slave to fate, chance, kings, and desperate men,
And dost with poison, war, and sickness dwell;
And poppy or charms can make us sleep as well,
And better than thy stroke. Why swell'st thou then?
One short sleep past, we wake eternally,
And Death shall be no more; Death, thou shalt die.

We bid our colleague farewell, but not forever. On the pages of memory, his good deeds are written. We knew him, and we think of him as a kindly and sincere man, who went about us, doing good. I close with this tribute:

And thou art gone, most loved, most honored friend!
No, never more thy gentle voice shall blend
With air of earth its pure ideal tones,
Binding in one, as with harmonious zones,
The heart and intellect. And I no more
Shall with thee gaze on that unfathomed deep,
The human soul—as when, pushed off the shore,
Thy mystic bark would through the darkness sweep,
Itself the while so bright! For oft we seemed
As on some starless sea—all dark above,
All dark below—yet, onward as we drove,
To plough up light that ever round us streamed.
But he who mourns is not as one bereft
Of all he loved: thy living truths are left.

Mr. KNUTSON. Mr. Speaker, I have just returned from a sad and melancholy task—that of accompanying the earthly remains of our late friend and colleague, Congressman GODFREY G. GOODWIN, back to his old home in Minnesota. As I stood beside the grave where the last loving service was held over all that was mortal of our beloved friend, I reflected upon our close friendship of many years.

No one in this House thought more of him. No one liked him better; no one had a greater admiration for his abilities; and no one in Congress or out of Congress had a higher appreciation than I of his good qualities of head and heart. To-day I come to place on record my tribute of affection to his memory. I knew him well as a Member of this House, and in a social way we were intimately acquainted. He was a man of noble character, sincere in purpose, of high ideals, with a genial, sunshiny disposition, and an attractive personality. He was a true friend in the best sense of the word, and those friends he had he held with ties of affection stronger than ropes of steel.

The untimely death of Congressman GOODWIN was a great shock to the Members of Congress and to his many friends in Minnesota. We will miss him more and more as the years come and go. He occupied a place in our affections which can not be filled, and we shall not soon look upon his like again. We sit in silent sadness with those who loved him; we grieve with those who were near and dear to him; and to all his relatives we extend our sincere and heartfelt sympathy. His early demise was a national loss, and those here who knew him best fully realize this, and hence feel most keenly his ultimely death.

He was the soul of honor; he loved the truth; his word was his bond; he spared no effort to serve a friend; he never forgot; he was no ingrate; he was an industrious Representative, a worker for the people, a doer of good in the vineyard of humanity, an energetic, public-spirited citizen, who did things for the advancement of mankind; he was broad-minded and liberal in his views, charitable to a fault, a gentleman of the old school; he was a Republican through and through, who firmly believed in the fundamental principles of our great party.

Such a man was Congressman GOODWIN, and such a man is not often born nor soon forgotten. He has departed for that undiscovered country, whither all must shortly journey, never to return, but he will live in his works for his fellow man and in the affectionate memory of those who knew and loved him. A grateful country will not soon forget his patriotic and self-sacrificing services; and his myriad of friends throughout the North Star State, which we so dearly love and cherish, ever remembering his kind words, his good counsel, and his noble deeds, will always keep his memory green.

Green be the turf above thee,
Friend of my better days;
None knew thee but to love thee,
Nor named thee but to praise.

Mr. NOLAN. Mr. Speaker, GODFREY GOODWIN was a man of unusually fine character, a useful public servant, a sincere friend, and a devoted father. He was modest, never disposed to force himself or his opinions on others and yet steadfast in adhering to principles in which he believed. He was long a public servant, as prosecuting attorney and Member of Congress, and during all that time he had the admiration and respect of all who knew him, or came in contact with him in the discharge of his public duties. Perhaps Mr. GOODWIN's outstanding quality was kindliness. During all the years I have known him, I never knew him to say an unkind word about anyone. He was a lovable character, and in his passing I have lost a loyal friend, and shall greatly miss his council and companionship.

Mr. STEVENSON. Mr. Speaker, one of the most popular maxims in all the books is the injunction to "Speak nothing but good concerning the dead." In case of our deceased friend, Hon. GODFREY G. GOODWIN, it is not difficult to comply with that rule.

It is true there is sometimes a tendency to indulge in extravagant laudation of the departed. It is fortunate that when death closes the lips and eyes and stills the heart and arm of a man all criticism, hatred, and revenge are disarmed, and humanity is willing to remember no demerits, but cherish and even magnify the good only. That tendency may be due to the conscious weakness common to our natures. Realizing our own frailty and knowing that sooner or later our own hearts must cease to pulsate and our own lips grow dumb, anticipating something of our own lot with involuntary dread for the untried terrors of death's lone passage, we instinctively feel for the dead the same consideration which we hope for our own memories from the attention of our survivors. In the case, however, of our lamented comrade it was not necessary to wait for death to disarm malice nor stifle criticism. There was in his life and character enough good for a long speech without hunting for faults. Every person who knew him in life loved him. He was intuitively considerate of his fellow man, because he loved his fellow man. It was delightful to acknowledge his merits while he lived, without awaiting his death to shower his bier with an avalanche or flowers or pronounce to other ears praises for virtues, admiration of which we had gladly accorded him in life.

For almost seven years I sat with him in the great Committee on Banking and Currency and worked with him in the House of Representatives.

During the seven years of my association with him I have no recollection of a duty he failed to perform nor an un-

kind word or act to any fellow Member, nor of any failure to help, oblige, and please at every opportunity.

If "by their fruits ye shall know them," these reflections convince me that he was a good man, for "a good man out of the good treasure of his heart bringeth forth that which is good; for out of the abundance of the heart the mouth speaketh." He loved his country and he loved his home State and city, to the beauty, advancement, and prosperity of which he contributed so much.

But he loved our great Republic, and if he appeared to love his own city and State more than other parts of our common country, it was more apparent than real and due to his active devotion to the true principle of our Government—that its success depends on individuals and communities locally doing their duty at home.

If every individual and every community should conform to that rule of action, all individuals and all communities would be good. The whole country would be good, and the Republic, justifying the theory and expectations of its founders, would live forever in usefulness and glory.

Of his domestic life I will leave others to speak, contenting myself with the satisfaction that, being a true and noble husband, he was also a wise, tender, and provident father, loved and honored in his home by a good wife and by lovely children, who proudly realize in their bereavement that "a good man leaveth an inheritance to his children's children." They knew and rejoiced during his life that "the just man walketh in his integrity" and in his good name among men, and in their fond recollection of his benign life and example, shedding benefactions and glowing with benediction, they feel that "his children are blessed after him." I will not say that "his like we shall not soon see again," but rather express with joy the opinion that there are many of his kind.

His tragic death was a shock to all his associates, and his memory will be cherished by them as that of a gentleman in the most refined sense of that word, endeared by his gentleness to all his companions in labor.

Mr. ANDRESEN. Mr. Speaker, I can add but little to the tribute that has been paid by my fellow Members to the memory of my departed friend and colleague, GODFREY G. GOODWIN.

It would be impossible to present in more than briefest outline the principles which guided and controlled the conduct of our late comrade in both his public and private life. Mr. Speaker, the excellencies of mind and heart which characterized him in his more intimate personal relations were truly reflected in his larger relation to the body politic as a public man and servant of the people. Loyalty, not only to friend and fellow man, but to ideal and conviction, was the great directing force of his energies in whatever sphere of action they were employed. Too often we hear the complaint that the man of lofty ideals, however competent he may be to resist evil in the restricted sphere of his private dealings and relations, is unable to cope with the far more complex and potential forces which beset the man in public life and too often tempt him to sacrifice honest conviction to political expediency. On every hand we hear that good men are prone to be weak in the open advocacy of that which they truly believe to be right, and that the bold and courageous efforts of men are most frequently directed to the service of quite selfish ends. Mr. Speaker, as a complete refutation of the cynical notion, so often expressed nowadays, that the man in public life must run counter to his own truest thought and conviction, let me point to the life of our departed friend, replete as it was with good deeds performed for the public weal under conditions requiring the exercise of moral courage of the very highest order. Here was a man who never compromised the truth as he saw and believed it, and never did he enlist his splendid talents in a cause that did not command his truest thought and sympathies.

From early manhood his naturally combative mind had been trained in that severest of all forensic schools, the court room, and when he reached this Hall, he was an intellectual foeman worthy the most seasoned debater's steel. To him political virtue consisted in something more than mere subscription to the tenets of his party's faith; to him it meant action—ceaseless and dynamic action—to bring to his fellow men the actual and present realization of the blessings of good government; to him it meant the putting on of the full armor of righteousness and the uncompromising warfare on the cohorts of special favor and privilege. Public office and station represented something more to him than the mere realization of personal ambition; it represented to him opportunity to serve his fellow men, and I need not say how well that opportunity was improved.

Mr. GOODWIN was truly a man free from envy, hatred, or malice. In both private life and public station he followed the injunction of the great apostle that—

> Whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report; if there be any virtue, and if there be any praise, think on these things.

So did he travel through life's common way in cheerful godliness.

Cut off in the prime of life, our friend has been called from this Hall, but we are comforted by the thought that in the everlasting halls above his freed spirit awaits the final convocation of the just.

Mr. MAAS. Mr. Speaker, on this occasion, words are inadequate to eulogize one of my departed colleagues, the Hon. GODFREY G. GOODWIN. No voice can give expression to the sorrow of the human heart on such an occasion. All men feel a pain which words can not paint when death has taken from them their loved ones or their friends. On such an occasion, silence is eloquence.

In this busy world men struggle, and it has ever been so from life's dawn to age's twilight. We gather wisdom, accumulate worldly goods, titles, and distinctions, and then death takes away all.

Struggles of life cease with the tomb, and for the friends of the deceased the memory of their noble aspirations and the consummation thereof remains to comfort.

Our colleague GODFREY G. GOODWIN is to be judged and praised by that high standard. His life was just and right. The story of his career tells of devotion to the general good. He was charitable and gentle, and no other man in Minnesota engaged in life's stern battles has struck so few blows that have given needless pain or has left behind as many memories of kind deeds. He fought generously. Even his antagonists were not made to suffer needlessly.

He was a rare character, brave and firm in all his dealings, but he did not leave behind scars because the quality of his gentleness was always in evidence. In his march forward to his goal his feet did not crush the weak or bring needless sorrow to others. He was a good citizen, devoted to his home and to his State. His patriotism was lofty, and he was true to American ideals.

His death was a shock to us, and the public has suffered an irremedial loss, but his memory is sweet with the fragrance of nobility, kindliness, and sympathy.

Mr. CHRISTGAU. Mr. Speaker, it was my privilege to have served two terms in the House of Representatives with my friend and colleague, Hon. GODFREY G. GOODWIN. Long before I became personally acquainted with him I knew of the high regard in which he was held by the people of the community in which he spent most of his life. It had not been my pleasure to know him prior to my service in Congress, but I had known of him through his many friends.

In the practice of his profession he was held in high esteem and warm remembrance by all. A few days before his untimely death he told me of his desire to return to the community where he spent so many years of his life and resume the practice of his profession. He was always spoken of in the highest terms for his ability and integrity as a lawyer. He was blessed with the good fortune to at once gain the respect and love of all with whom he came in con-

tact. He was genial, kind, and full of warmth for everyone. He was always easy of approach and held himself at all times on a par with the humblest of his constituents. He always seemed to me to be one of the very best-tempered men I have ever known. No difference and no opposition ever seemed to change his pleasant ways toward those who did not agree with him. His ability no one questioned and everyone recognized that he was one of the most agreeable companions and one of the pleasantest of friends. It was always happiness to meet him as he had one of the most attractive qualities, personal charm. His disposition was singularly attractive. He did not lose his temper even under great provocation. He could not be an enemy because he could not carry malice long enough to provoke resentment. He won his way to the front by a genial disposition, an excellent temper, and with determination and thorough acquaintance with the subjects that engaged his energies.

As a member of the Committee on Banking and Currency of the House he struggled with some of the most complex problems that have ever engaged the attention of the Congress of the United States. Death left unfinished his contribution to pending solutions. The Nation has lost a sincere and able public servant. His family has lost a devoted father. As we mourn his loss, we pay tribute to all that he did and all that he desired.

Mr. SELVIG. Mr. Speaker, we meet to-day according to custom to pay tribute to the memory of those of our colleagues who have passed to the great beyond since the last session of Congress. The death of our beloved colleague from Minnesota, the Hon. GODFREY G. GOODWIN, came as a shock to us all. After returning from a brief trip he had been in our midst and suddenly, without warning, he was stricken in the very shadow of the Capitol where for eight years he has given unstinted service to his State and country.

I saw him but a day or two before his sudden passing away. He was not feeling well, but he was cheerful and smiling in his usual happy manner.

It was my pleasure to meet GODFREY GOODWIN for the first time in 1926, following my nomination for Congress, when all the candidates met to discuss the campaign of that year. We became well acquainted from that meeting and that acquaintance ripened into a warm and sincere friendship which I shall ever cherish as one of the happy memories of my service in the National Congress.

Mr. GOODWIN was a man of lovable disposition and fine character. Never did I hear him utter a word of unjust reproach or criticism directed against any fellow man. Quiet, reserved in manner, and unobtrusive, his life was like that of a deep river that flowed strongly and unceasingly on without the noise and disorder of a shallower stream.

Minnesota has lost a faithful and valued servant in the passing of Congressman GOODWIN. Our Nation has lost a valued counselor, a man of integrity and character, in his sudden demise.

Mr. KVALE. Mr. Speaker, it is not my purpose to dwell at length and in detail upon the life and public services of our distinguished colleague, GODFREY G. GOODWIN. That will be done better and more eloquently than I could do it. I wish, rather, only to pay to his memory the sincere and modest tribute of a friend and comrade. It is a significant and a pleasing thing that we should gather here in these historic Halls for this purpose, where so many crises in the Nation's history have been met and where the great moments of our colleague were spent.

Mr. Speaker, I am told that in a far country, in the midst of a splendid wilderness, where towering, snow-capped peaks stand like sentinels and the roar of a cataract translates itself into a murmur of music, there has been erected a beautiful temple of white marble. I am told that this temple is surmounted by a great crystal dome, beneath which is a shrine, and that those who pray at this shrine can hear their prayers answered in a language of ineffable sweetness. I wonder if the voices of those who speak in this Hall may not come back to us.

Mr. Speaker, if it is given in that other world to remember what took place in this, I know that in the deepest sanctuary of Mr. GOODWIN's heart is cherished the memory of the hours he spent with his wife and family, and next to them his friendships, and after these, I am sure, his soul responds to the tense excitement of this place in times of national stress and crisis. He had courage—moral courage, political courage—that virtue which is both rare and valuable, and because he had courage he loved politics, with its strife, its battles, its defeats, and its victories.

He thought straight, and he voted as he thought. He loved those with whom he had been associated before he came to Congress. He never lost his interest in their welfare. He was never too busy to concern himself with their troubles. He had a broad sympathy with those in distress and found a pleasure and satisfaction in aiding them. He understood the common people, perhaps because he never ceased being one of them. He held some of the highest offices that they could give him and administered them with distinction. He labored earnestly and zealously for the interest of the people of his district, and represented them with ability. He had the charm of personality that begets enduring friendship and stimulates personal loyalty.

I liked to talk with him, and I spent many hours in his office, for he had a sound philosophy that inspired confidence and radiated good will. I came to respect his judgment and to admire his stanch integrity of mind and heart. He had faults, as who has not, but they only served to emphasize his many good qualities. When I think of him I like to remember that it is a great thing to be a statesman but a greater to be a man.

Left to mourn the loss of a devoted husband and a loving father are his wife, his son Alden, and three daughters, Marjorie, Lois, and Eleanore. To them must come that infinite consolation in their hours of loneliness and in their days of sadness that in this little family circle was wrapped everything that Godfrey held sweet and dear to him in this vale of tears; it was to this home, so richly endowed with the comforts and the happiness and the contentment that make life's battles seem so commonplace, to which he would always turn for relief after fulfilling his arduous duties in the workaday world—to that heaven on earth, the home, which is the sanctuary of that true Americanism which he so nobly represented in his principles and his ideals.

## AFTER RECESS

At the conclusion of the recess the Speaker called the House to order, and then, pursuant to House Resolution 362, as a further mark of respect to the memories of the deceased, declared the House adjourned.

### ADJOURNMENT

Accordingly (at 1 o'clock and 12 minutes p. m.) the House adjourned until to-morrow, February 18, 1933, at 12 o'clock noon.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. STAFFORD: Committee on Military Affairs. H. R. 13042. A bill to authorize the transfer of land from the War Department to the Territory of Hawaii; with amendment (Rept. No. 2062). Referred to the Committee of the Whole House on the state of the Union.

Mr. McKEOWN: Committee on the Judiciary. H. Res. 387. A resolution respecting charges against Hon. Harold Louderback, district judge for the northern district of California; without amendment (Rept. No. 2065). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MARTIN of Oregon: Committee on War Claims. H. R. 8200. A bill for the relief of Ruffin Padgett; without

amendment (Rept. No. 2063). Referred to the Committee of the Whole House.

Mr. CRUMP: Committee on Military Affairs. H. R. 10503. A bill to authorize the donation of certain land to the town of Bourne, Mass.; without amendment (Rept. No. 2064). Referred to the Committee of the Whole House.

### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DARROW: A bill (H. R. 14699) to prohibit publicity of names of individual borrowers in the reports of the Reconstruction Finance Corporation, and for other purposes; to the Committee on Ways and Means.

By Mr. HORR: A bill (H. R. 14700) to amend subsection (a) of section 201 of the emergency relief and construction act of 1932; to the Committee on Ways and Means.

By Mr. McKEOWN: A resolution (H. Res. 387) respecting charges against Hon. Harold Louderback, district judge for the northern district of California; to the Committee on the Judiciary.

### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANFIELD: A bill (H. R. 14701) granting a pension to Ida Charlotte Leive; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 14702) for the relief of George E. Moody; to the Committee on Claims.

### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10478. By Mr. DELANEY: Petition of the Italian Chamber of Commerce in New York, urging the adoption of the Senate amendment to House bill 13827, eliminating the term "canned" in the clause enabling the Secretary of Agriculture to investigate and certify the quality and condition of fruits and vegetables whether raw, dried, or canned; to the Committee on Agriculture.

10479. Also, petition of the New York State Society of Professional Engineers, petitioning the Congress of the United States to provide appropriation to permit the completion of the topographical survey of the United States; to the Committee on Appropriations.

10480. Also, petition of Clark, Chapin & Bushnell (Inc.), importers and wholesale grocers, of Brooklyn, N. Y., favoring a substantial reduction in Government expenditures; to the Committee on Ways and Means.

10481. Also, petition of the Bricklayers' Union, Local No. 9, of Brooklyn, N. Y., urging support of Senate bill 5125, the Costigan-La Follette emergency relief bill, providing for the appropriation of $500,000,000 to be used in the different States and communities; to the Committee on Appropriations.

10482. By Mr. EVANS of California: Resolution adopted by the board of directors of the city of Pasadena, Calif., protesting against taxation of States, State agencies, and publicly owned utilities and authorizing presentation of protest to the Congress of the United States; to the Committee on Ways and Means.

10483. By Mr. FRENCH: Memorial of the Idaho State Legislature, urging upon the Congress of the United States to immediately broaden the terms of the Reconstruction Finance Corporation act under which loans by the Reconstruction Finance Corporation may be made so as to include loans to irrigation districts; to the Committee on Banking and Currency.

10484. By Mr. MURPHY: Petition of 32 citizens of Barnesville, Ohio, urging the passage of the stop-alien-representation amendment to the United States Constitution; to the Committee on the Judiciary.

10485. By Mr. PARKER of Georgia: Memorial of the General Assembly of the State of Georgia, relative to the manufacture of cotton duck by Federal prison labor; to the Committee on Labor.

10486. By Mr. RANSLEY: Petition of members of the barber profession and the customers of the barber shops in Philadelphia, Pa., protesting against existing discriminatory and confiscatory tax on toilet goods and cosmetics; to the Committee on Ways and Means.

10487. By Mr. REID of Illinois: Petition of several citizens of Cook County, Ill., protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10488. By Mr. SUTPHIN: Concurrent resolution of the Senate of New Jersey, praying for appropriation sufficient to carry out the provisions of the national defense act of 1920 and its accompanying legislation; to the Committee on Appropriations.

10489. By Mr. SWING: Petition of 24 residents of Hemet, Calif., in behalf of the stop-alien-representation amendment to the United States Constitution to cut out the 6,280,000 aliens in this country, and count only American citizens when making future apportionments for congressional districts; to the Committee on the Judiciary.

## SENATE

### SATURDAY, FEBRUARY 18, 1933

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Zebarney T. Phillips, D. D., offered the following prayer:

Most Gracious God, who hast loved us into being, who hast put into our hearts such deep desire that we can not be at peace apart from Thee, hearken to the sighing of our souls' great need, for Thou art our Father, Thou knowest whereof we are made, Thou rememberest that we art but dust. Grant to us therefore that we may not go unsatisfied because of any unrighteousness of heart, and strengthen every purpose that Thy will may be our constant choice and satisfaction. Grant to the people of the United States, and especially to the Members of the Senate, that every danger may arouse in us a challenge to the quiet performance of our duty till every wrong is righted, and the people of this Nation, no longer wavering or looking back, shall march breast forward as a mighty host in the way of Thy laws, finding therein a safe and peaceful passage to the arms of Thy great love and the blessed fellowship of the saints in life; through Jesus Christ our Lord. Amen.

#### THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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| Ashurst | Copeland | Hayden | Nye |
| Austin | Costigan | Hebert | Oddie |
| Bailey | Couzens | Hull | Patterson |
| Bankhead | Cutting | Johnson | Pittman |
| Barbour | Dale | Kean | Reynolds |
| Barkley | Davis | Kendrick | Robinson, Ark. |
| Bingham | Dickinson | Keyes | Robinson, Ind. |
| Black | Dill | King | Russell |
| Blaine | Fess | La Follette | Schuyler |
| Borah | Fletcher | Lewis | Sheppard |
| Bratton | Frazier | Logan | Shipstead |
| Brookhart | George | McGill | Shortridge |
| Bulkley | Glass | McKellar | Smith |
| Bulow | Glenn | McNary | Smoot |
| Byrnes | Goldsborough | Metcalf | Steiwer |
| Capper | Gore | Moses | Stephens |
| Caraway | Grammer | Neely | Swanson |
| Clark | Harrison | Norbeck | Thomas, Idaho |
| Coolidge | Hastings | Norris | Thomas, Okla. |

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|---|---|---|---|
| Townsend | Vandenberg | Walsh, Mass. | Watson |
| Trammell | Wagner | Walsh, Mont. | White |
| Tydings | Walcott | | |

Mr. FESS. I desire to announce that the senior Senator from West Virginia [Mr. HATFIELD] is detained from the Senate on account of illness. I will let this announcement stand for the day.

I also wish to announce that the junior Senator from Wyoming [Mr. CAREY] is detained on official business. I ask that this announcement may stand for the day.

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is absent owing to illness. I ask that this announcement may stand for the day.

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained on official business of the Senate.

Mr. SHEPPARD. I desire to announce that my colleague the junior Senator from Texas [Mr. CONNALLY] is detained from the Senate by illness. I wish to have this announcement stand for the day.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

## PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of New Jersey, favoring the making of sufficient appropriations to carry out the provisions of the national defense act of 1920 and its accompanying legislation, which was referred to the Committee on Appropriations.

(See concurrent resolution printed in full when presented by Mr. BARBOUR on the 16th instant, p. 4214, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of the State of Maine, favoring the prompt passage of the bill (H. R. 13999) to prevent loss of revenue, to provide employment for American labor, and to maintain the industries and agriculture of the United States against the effects of depreciation in foreign currencies, which was referred to the Committee on Finance.

(See joint memorial printed in full when presented by Mr. Hale on the 15th instant, p. 4110, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate telegrams in the nature of petitions, dated the 17th instant, from Mrs. Hunt Henderson, Mrs. Louis H. Crawford and Josephine Crawford, Mrs. Frankline Pugh, Mrs. W. H. Claiborne, Ellen Henderson, Mrs. J. Thornwell Witherspoon, Lillian Walther, Mr. and Mrs. Lawrence M. Williams, Mrs. John R. Upton, Ethel and Louise McGehee, Mrs. James Oscar Nixon, May L. Monroe and Ellen R. Logan, Marguerite Musser, Mrs. Arthur F. Norris and Emma W. Glenny, L. L. Troy, Lydia E. Fortscher, L. L. Ihrie, Mrs. Henry Laurens, Virginia Schriever, Thelma Menard, Mrs. C. D. Augustin, Mrs. John Musser, Mrs. S. Chaille Jarruson, Clara M. Gaudet, Mrs. S. M. Blackshear, Stella McGladdry, Annie Hetzel, Aecolene H. Sharp, Lottie Miller, Catherine LaBouisse; Mrs. John N. Stewart, chairman Honest Election League, twelfth ward, Martha J. Gasquet Westfeldt, chairman legislative committee of McGehee School Parents' League, and Mrs. John F. Oechsner, president Woman's Maternity Relief League, national vice president Southern States West Unitarian Church, all of New Orleans; H. C. Drew, judge, Court of Appeals, Louisiana, and A. S. Drew, judge of city court, Connell Fort, mayor, J. R. Murp, secretary, J. M. Peace, police juror, ward five, Walton Fort, police juror, ward four, and sundry other citizens, of Minden; F. F. Mann and sundry other citizens of Monroe; and John C. Ransom and sundry citizens of West Monroe, all in the State of Louisiana, praying for a continuance of the investigation of the Louisiana senatorial election of 1932, and the necessary allotment of money therefor, by the special committee of the Senate to investigate campaign expenditures of the various presidential, vice presidential, and senatorial candidates in 1932, which were referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT also laid before the Senate resolutions adopted by the United States Conference of Mayors, at Washington, D. C., on the 17th instant, favoring the passage of remedial legislation for municipalities so as to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and create employment by providing for and expediting a public-works program, etc., which were referred to the Committee on Banking and Currency.

(See resolutions printed in full when presented to-day by Mr. LA FOLLETTE.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by members of Fianna Fail (Inc.) (Irish Republican Party of America), New York City, N. Y., protesting against any reduction being made in the debts owed to America by foreign countries and that the Government insist on due payment as already arranged, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the mayor and Council of the City of Wilmington, Del., the Common Council of Michigan City, Ind., and the Council of the City of Toledo, Ohio, favoring the passage of legislation authorizing the issuance of a special series of postage stamps of the denomination of 3 cents to commemorate the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment as brevet brigadier general of the Continental Army, of Thaddeus Kosciusko on October 13, 1783, which were referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate an affidavit from Eudarda K. Baltuff (Harris), of Savannah, Ga., relative to the so-called Coulter case, being an incident of the alleged Northwest conspiracy and Zev case, etc., which was referred to the Committee on Immigration.

Mr. BROOKHART presented a petition of sundry citizens of Clayton County, Iowa, praying for the passage of legislation known as the Frazier relief bill for the refinancing of farm mortgages, which was referred to the Committee on Agriculture and Forestry.

Mr. KING presented a memorial of sundry citizens of Blanding, Utah, remonstrating against the control of grazing on the public domain in San Juan County, Utah, by an association of the large sheep and cattle men organized as the San Juan Grazing Association, and also against the passage of legislation allowing such grazing control under private rule and regulation, which was referred to the Committee on Public Lands and Surveys.

Mr. CAPPER presented resolutions adopted by the United Presbyterian Church, of Jetmore; the Home Builders Class of the Methodist Episcopal Sunday School of Liberal; and local chapters of the Woman's Christian Temperance Union of Hutchinson (Arborhurst Park), Kansas City, Nashville, Plainville, Plevna, Sterling, Walnut, and Whitewater, all in the State of Kansas, praying for the passage of legislation to regulate and supervise the motion-picture industry, which were ordered to lie on the table.

Mr. TYDINGS presented a communication in the nature of a memorial from the Washington (D. C.) Board of Trade, signed by Ben T. Webster, its president, and Joshua Evans, jr., chairman, municipal finance committee, protesting against the accumulation of a surplus of money of the District of Columbia in the United States Treasury and especially a proposed increase in taxes as indicated in pending measures, and favoring, if it is the determination of Congress to limit the District budget to its present size, the reduction of tax rates accordingly, under the present economic situation, instead of increased taxation, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Towson Post, No. 22, American Legion, of Towson, Md., protesting against the passage of legislation reducing the present pay and allowances of officers or enlisted personnel on the active or retired list of the Army, Navy, and Marine Corps, which was ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by the Canajoharie local of the Dairymen's League Cooperative Association (Inc.), of Montgomery County, N. Y., favoring changes in the monetary system so as to cause commodity prices to be restored to the average price levels of 1921–1929, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Moravia (N. Y.) Branch of the Dairymen's League Cooperative Association (Inc.) favoring such change in the monetary system as will equalize price levels of commodities, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Grace Congregation, United Brethren in Christ, of Buffalo, N. Y., remonstrating against the imposition of any new taxes and favoring reduction in governmental expenditures, which was referred to the Committee on Finance.

He also presented a petition of the Westchester County, N. Y., district council, United Brotherhood of Carpenters and Joiners of America, praying for the enactment of legislation requiring the listing of subcontractors on Federal work, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the boards of directions of the Utica (N. Y.) and Mansfield (Ohio) Chambers of Commerce, favoring the balancing of the Budget and reduction in governmental expenditures, which were referred to the Committee on Appropriations.

He also presented a resolution of the Common Council of Buffalo, N. Y., favoring the enactment of legislation providing for the issuance of a special series of postage stamps in commemoration of Gen. Thaddeus Kosciusko, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of the State of New York, praying for the enactment of legislation providing for the exclusion of aliens in the count of population for the apportionment of Representatives in Congress, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Pierstown Grange, No. 793, Patrons of Husbandry, of the State of New York, remonstrating against the enactment of legislation providing for agricultural relief through the so-called allotment plan, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Canajoharie local of the Dairymen's League Cooperative Association (Inc.), favoring the making of substantial reductions in freight rates on milk shipments, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by Hornell Lodge, No. 836, Brotherhood of Locomotive Firemen and Enginemen, of Hornell, N. Y., favoring the enactment of legislation to protect railroads against competition by trucks or other vehicles operating upon the highways, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Woman's Home Missionary Society of Brooklyn, N. Y., favoring Federal regulation and supervision of the motion-picture industry, which was ordered to lie on the table.

He also presented a resolution adopted by the Albany County Woman's Christian Temperance Union (Inc.), of the State of New York, favoring world peace and an embargo on the shipment of arms and munitions of war, which was ordered to lie on the table.

He also presented a resolution adopted by the Woman's Home Missionary Society of the Simpson Methodist Episcopal Church, of Brooklyn, N. Y., and a resolution adopted at New York City by the New York State Bar Association favoring the prompt ratification of the World Court protocols, which were ordered to lie on the table.

He also presented resolutions adopted by Local No. 44, United Upholsterers' Union of New York, of New York City; Dolan Lodge, No. 201, International Association of Machinists, of Hornell; and Fulton County Typographical Union, No. 268, of Gloversville, all in the State of New York, favoring the passage of Senate bill 5125, to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which were ordered to lie on the table.

He also presented a resolution adopted by the Buffalo Section of the New York State Association of Highway Engineers, of Buffalo, N. Y., remonstrating against the obligation of further Federal-aid highway appropriations for repayment of Reconstruction Finance Corporation unemployment relief loans, which was ordered to lie on the table.

He also presented a resolution adopted by the Bronx County Bar Association, of the State of New York, favoring the consideration, in connection with amendment of the national bankruptcy act, of the designation by the judges of the United States District Court for the Southern District of New York of a standing receiver in bankruptcy, which was ordered to lie on the table.

He also presented a resolution adopted by the Republican Club of Queens Village, N. Y., favoring repeal of the provisions of the so-called economy act relating to furlough, automatic promotions, and reduction in night-work differential pay of Government employees, which was ordered to lie on the table.

He also presented a resolution adopted by Brooklyn Council-Kings County, Department of New York, Veterans of Foreign Wars of the United States, of Brooklyn, N. Y., remonstrating against the passage of proposed legislation incorporated in the War Department appropriation bill discriminating against officers on the active and retired lists of the Army who rose from the ranks, which was ordered to lie on the table.

He also presented the memorial of Charles J. White, of Utica, N. Y., remonstrating against proposed legislation restricting the pay of active and retired officers of the National Guard in which any service has been counted other than active commissioned service in the military or naval forces of the United States, which was ordered to lie on the table.

He also presented resolutions adopted by Lavere-Harrington Post, No. 2320, Veterans of Foreign Wars of the United States, of Oswego, and the National Society Daughters of the Union, 1861–1865 (Inc.), in the State of New York, remonstrating against inclusion of the so-called Connery and Taber amendments, affecting pay and compensation for services in the Army and Navy, in the War Department appropriation bill, which were ordered to lie on the table.

He also presented a resolution adopted by the National Society Daughters of the Union, 1861–1865 (Inc.), indorsing the amendment to the War Department appropriation bill increasing the appropriations for training, ammunition, and subsistence allowances for the Reserve Officers' Training Corps, which was ordered to lie on the table.

He also presented memorials of several organizations and sundry citizens, all in the State of New York, remonstrating against the repeal of the eighteenth amendment to the Constitution or modification of the national prohibition act, which were ordered to lie on the table.

### CONTESTED-ELECTION CASES IN WEST VIRGINIA

Mr. NEELY presented the following resolution, adopted by the House of Delegates of the State of West Virginia, which was referred to the Committee on Privileges and Elections:

Resolution (by Mr. Lubliner)

Whereas the committtee on elections and privileges of the house of delegates for the 1933 session has had under consideration the contest cases of the election relating to the unseating of the four Republican delegates of McDowell County, W. Va.; and

Whereas after due and deliberate consideration of all the evidence in record form as well as affidavits and statements of witnesses made before it, your committee is of the opinion that gross and flagrant violations of the State and Federal election laws have been committed; and

Whereas it is the sense of said committee that a thorough and painstaking investigation of the election held in McDowell County, W. Va., on November 8, 1932, be made: Therefore be it

*Resolved by the house of delegates,* That the judge of the Circuit Court of McDowell County, the judge of the criminal court of said county, the prosecuting attorney of McDowell County, the judge of the Federal Court for the Southern District of West Vir-

ginia, the two Members from this State in the Senate of the United States, and the six Members from this State in the House of Representatives, and the newly elected Members of the last-named body, and the Attorney General of the United States be forwarded a certified copy of this resolution, and each of them be requested to investigate thoroughly and completely the election held in said McDowell County on November 8, 1932, and that in the event any person or persons have been guilty of any violations of the election law, State or Federal, they be vigorously prosecuted to the full extent of the law; and be it further

*Resolved*, That a transcript of the evidence in these cases be furnished to the Attorney General of the United States, the United States district attorney for the southern district of West Virginia, and the prosecuting attorney of McDowell County.

I, John S. Hall, clerk of the House of Delegates of West Virginia, hereby certify that the foregoing resolution was regularly adopted by the house of delegates on February 8, 1933.

JNO. S. HALL,
*Clerk House of Delegates.*

FEDERAL AID FOR UNEMPLOYMENT RELIEF

Mr. LA FOLLETTE. Mr. President, I submit resolutions adopted by the Conference of Mayors, held in Washington February 17, in the nature of a petition. I ask that the resolutions may be printed as a part of my remarks in the RECORD at this point and referred to the Committee on Banking and Currency.

The resolutions were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Resolutions adopted by United States Conference of Mayors, Washington, D. C., February 17, 1933

Whereas municipal governments enjoy a more intimate contact with the people than other agencies, we, as chief executives of American municipalities through our personal knowledge of conditions, fearful of the disastrous effects which would result from municipal repudiation of obligations with resultant bankruptcy, believing that the collapse of municipal credit would mean the destruction of private enterprise and banking credit and seriously impair national stability, urge the immediate adoption of remedial legislation.

In 1932 a committee representing the chief executives of the major municipalities of the United States submitted to Congress recommendations for the protection of the American people from starvation. Certain measures of legislation as recommended by this committee in 1932 were approved by the Congress of the United States and the President. A measure providing an appropriation of $300,000,000 for aid to municipalities for the conservation of the lives of the people was adopted.

Two additional measures presented by the committee failed to receive favorable action by Congress. One measure provided for an appropriation in the sum of $500,000,000 to be made available for the municipalities of the United States to meet maturing bond obligations that the municipalities were not in a position to finance or found impossible to finance. The additional measure that did not receive the approval of Congress provided for an expenditure in the sum of $5,000,000,000 for a construction program to relieve unemployment in America. The failure of Congress to adopt the $5,000,000,000 program is unquestionably responsible for the tragic condition that to-day obtains in the United States.

In June of 1932 when this recommendation was made it was estimated that there were 10,000,000 men without employment in the United States. To-day it is conservatively estimated that the number is approximately 14,000,000 men. Welfare and relief aid and charitable drives have been found necessary to prevent actual starvation in many sections of our country and the prospects for relief of the people through employment is apparently more remote to-day than it was in June, 1932.

We accordingly recommend for the earnest consideration of Congress the adoption of a major construction program through which opportunity will be afforded the citizenship of America to preserve their self-reliance, self-respect, and earn the money necessary for the maintenance in decency of their families.

We consider the depression now in the fourth year as the greatest economic catastrophe ever known in the history of our Nation, since it is now national in scope and beyond the power of any other agency to correct, and we consider it the duty of Congress to so regard it and we urge the early adoption of such measures as in their judgment may be necessary to restore order and opportunity to work for the people of the United States.

FINANCIAL AID

*Resolved*, That in view of the foregoing recitals and in order that immediate relief may be afforded municipalities by the adoption of an act as hereinafter set forth or in substantial conformity therewith. To wit:

"An act to amend an act entitled 'An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting of a public-work program.'

"*Be it enacted, etc.*, That an act entitled 'An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting of a public-work program,' be amended by adding a new subdivision (k) to section 201 of said act, to read as follows:

"'Section 201. (k) (1) The Reconstruction Finance Corporation is authorized and empowered to make loans to any municipality or political subdivision of any State or Territory whenever, in the judgment of the board of directors of said corporation, such loan would relieve the financial condition of such municipality or any of its municipally owned public utilities and would in the opinion of said corporation be a sound investment. Such loans may be represented by notes, bonds, or such other evidences of indebtedness or contracts to repay as may be appropriate. Loans may be made at par, notwithstanding other obligations of such municipality are below par. The corporation is also authorized and empowered to purchase tax-anticipation warrants of any such municipality with or without maturity date.

"'In making such loans the Reconstruction Finance Corporation may take into consideration whether such municipality has been efficiently conducted; what economies have been made effective since January 1, 1931; and may suggest as a condition precedent to any loans such other economies or efficiencies as the Reconstruction Finance Corporation shall deem necessary.

"'Any loans may be secured by a pledge of any unpaid and/or delinquent taxes.

"'(2) This section shall be liberally construed by said Reconstruction Finance Corporation so as to extend actual help and stability to all municipalities whenever sound judgment permits such loans and/or tax-anticipation warrants purchases to be made and there is reasonable probability of the repayment of same. Interest on such loans and/or tax-anticipation warrants shall in no event be more than 6 per cent per annum, and all obligations evidencing said loans and/or tax-anticipation warrants shall be purchased at not less than par.

"'The Reconstruction Finance Corporation may offer bids for any bonds or obligations and/or tax-anticipation warrants offered by any municipality and may purchase refunding bonds of any such municipalities.

"'(3) "Municipality" as herein used shall include any political subdivision of any State or Territory.'" Therefore be it further

*Resolved*, That a copy of this resolution be submitted forthwith to the Congress of the United States by the executive committee of this organization, and that said executive committee be, and hereby is, authorized and directed to urge its immediate adoption by the Congress of the United States; be it further

*Resolved*, That we recommend that the Federal Government assume a larger measure of financial responsibility in meeting the problems of unemployment relief of the Nation, and we do recommend that such additional Federal relief funds as may be necessary and as are appropriated by Congress be made on a direct-grant basis to the municipalities of the Nation.

REPORTS OF COMMITTEES

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (H. R. 14392) to authorize the payment of taxes and assessments on family dwelling houses in the District of Columbia in quarterly installments, and for other purposes, reported it without amendment and submitted a report (No. 1245) thereon.

Mr. WALCOTT, from the Committee on Education and Labor, to which was referred the bill (H. R. 13817) to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, reported it without amendment and submitted a report (No. 1246) thereon.

Mr. NYE, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 5612) to provide for the selection of certain lands in the State of California for the use of the California State park system, reported it with amendments and submitted a report (No. 1247) thereon.

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 5456) to extend the provisions of the act entitled "An act to extend the period of time during which final proof may be offered by homestead entrymen," approved May 13, 1932, to desert-land entrymen, reported it with amendments and submitted a report (No. 1250) thereon.

Mr. STEIWER, from the Committee on Claims, to which was referred the bill (H. R. 11477) for the relief of George Charles Walthers, reported it with an amendment and submitted a report (No. 1248) thereon.

Mr. BROOKHART (for Mr. HOWELL) submitted the views of the minority of the Claims Committee on House bill 11477, just above noted, which was ordered to be printed as part 2 of Report No. 1248.

Mr. WHITE, from the Committee on Commerce, to which was referred the bill (S. 3379) for the protection and regulation of the fisheries of Alaska, and for other purposes, reported it with amendments and submitted a report (No. 1249) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK:

A bill (S. 5660) authorizing the Secretary of the Treasury to sell certain Government property in St. Louis, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. COPELAND:

A bill (S. 5661) to authorize the Secretary of War to sell to the Plattsburgh National Bank & Trust Co. a tract of land comprising part of the Plattsburg Barracks Military Reservation, N. Y. (with an accompanying paper); to the Committee on Military Affairs.

By Mr. BORAH:

A bill (S. 5662) granting an increase of pension to Truman H. Wilkinson (with accompanying papers); to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 5663) amending an act approved February 20, 1929 (45 Stat. 1249), entitled "An act for the relief of the Nez Perce Tribe of Indians"; to the Committee on Indian Affairs.

By Mr. ASHURST:

A bill (S. 5664) to amend an act approved March 4, 1929 (45 Stat. 1548), entitled "An act to supplement the last three paragraphs of section 5 of the act of March 4, 1915 (38 Stat. 1161), as amended by the act of March 21, 1918 (40 Stat. 458)"; to the Committee on Public Lands and Surveys.

INVESTIGATION OF CONDITIONS IN SOVIET RUSSIA

Mr. KING. I submit a resolution and ask that it may be read and then that the resolution be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Is there objection to the reading of the resolution? The Chair hears none, and the clerk will read.

The Chief Clerk read the resolution (S. Res. 363), as follows:

Whereas extensive propaganda has been circulated urging recognition by the United States of the Russian Soviet Government; and

Whereas early in the history of the Russian Soviet Government the United States announced a policy of nonrecognition of such Government so long as conditions then existing and policies then adhered to continued; and

Whereas this policy of nonrecognition has been steadily adhered to by this Government; and

Whereas before the Government of the United States should take any steps looking to the recognition of the Russian Soviet Government or the adoption of a different policy than that heretofore adhered to, a full and complete investigation should be made of all matters bearing upon the question of recognition: Therefore be it

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of economic, political, and other conditions existing in the Union of Soviet Socialist Republics, including the position of the Russian Soviet Government with respect to recognition by the United States of such Government, the attitude generally of the Russian Soviet Government toward the Government of the United States and other Governments, and any other facts bearing upon the question of recognition of the Russian Soviet Government. The committee shall report its findings to the Senate at the earliest practicable date.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second and succeeding Congresses until the final report is submitted, to employ such clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses, and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $_____, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. JOHNSON. Mr. President, is the resolution to be taken up now?

Mr. KING. I asked when I offered it that it might be referred to the Committee on Foreign Relations.

Mr. JOHNSON. I beg pardon.

Mr. KING. I shall seek an opportunity, if time permits, to address myself to the resolution at some later date.

The VICE PRESIDENT. The resolution will be referred to the Committee on Foreign Relations.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COLLINS, Mr. WRIGHT, Mr. PARKS, Mr. BARBOUR, and Mr. CLAGUE were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland;

S. 1705. An act for the relief of Samuel C. Davis;

S. 4576. An act to authorize the Secretary of Commerce to grant an easement for railroad right of way over and upon a portion of the helium gas bearing lands of the United States of America, in Potter County, in the State of Texas;

H. R. 7519. An act to amend the Penal Code of the Canal Zone; and

H. R. 7520. An act to amend the Code of Criminal Procedure for the Canal Zone.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who announced that the President had approved and signed the following acts and joint resolutions:

On February 14, 1933:

S. 221. An act authorizing adjustment of the claim of the Wilmot Castle Co.;

S. 487. An act for the relief of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the cargo of coal on board said schooner;

S. 968. An act for the relief of certain employees of the Forest Service, Department of Agriculture;

S. 4165. An act to remove existing discriminations incident to certain land grants and to subject them to the same conditions that govern other land grants of their class; and

S. J. Res. 167. Joint resolution to carry out certain obligations to certain enrolled Indians under tribal agreement.

On February 15, 1933:

S. 914. An act for the relief of Katherine R. Theberge;

S. 1586. An act for the relief of the estate of Peter Paul Franzel, deceased;

S. 2144. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton; and

S. 3504. An act for the relief of Lyman L. Miller.

On February 16, 1933:

S. 222. An act authorizing adjustment of the claim of B. F. Hart; and

S. J. Res. 248. Joint resolution to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933.

On February 17, 1933:

S. 188. An act for the relief of Tampico Marine Iron Works;

S. 220. An act authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.);

S. 2395. An act authorizing the conveyance of certain lands to school district No. 15, Lincoln County, Mont.;

S. 4339. An act repealing certain provisions of the act of June 21, 1906, as amended, relating to the sale and encumbrance of lands of Kickapoo and affiliated Indians of Oklahoma; and

S. 5289. An act to authorize the Commissioners of the District of Columbia to reappoint George N. Nicholson in the police department of said District.

On February 18, 1933:

S. 4694. An act to amend section 812 of the Code of Law for the District of Columbia.

PROPOSED LIMITATION OF DEBATE

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 360) submitted by Mr. BARKLEY on the 15th instant, as follows:

*Resolved*, That during the remainder of the present Congress debate on the part of any Senator shall be limited to 1 hour on any measure, including conference reports and amendments between the Houses, and to 30 minutes on any amendment or motion relating thereto.

Mr. BORAH. Mr. President, there is only one measure which I have in mind which makes me hesitate to agree to the resolution. Will the Senator consent to let the resolution go over for a few minutes until I may consult another person about the particular matter I have in mind?

Mr. BARKLEY. If I do not lose my right, I will consent to that. The resolution, however, comes up automatically at this time, and I am afraid that if it goes over it may lose its status.

The VICE PRESIDENT. The resolution may be passed over by unanimous consent.

Mr. BORAH. And it may be taken up by unanimous consent, may it not?

Mr. BARKLEY. I have no objection to it going over for an hour or so, if we can have an understanding that it will then be brought up.

Mr. LA FOLLETTE. Mr. President, I can not agree to give consent that the consideration of the resolution shall extend beyond the hour of 1 o'clock.

Mr. BORAH. Mr. President, I will not ask that it go over until 1 o'clock; I will not ask that it go over for more than an hour.

Mr. BARKLEY. I ask unanimous consent that at 12.30 o'clock p. m., if that will be sufficient time for the purpose of the Senator from Idaho, the resolution shall then be taken up for consideration.

The VICE PRESIDENT. Is there objection?

Mr. COUZENS. Mr. President, I can not consent to that in view of the probability of bankruptcy legislation and legislation affecting the reorganization of the railroads coming up for consideration. It seems to me that by agreeing to the resolution we would be hobbling ourselves without knowing what we might get into, and the consideration of the resolution might involve delay.

Mr. BARKLEY. The resolution automatically comes up now, and there is no prospect of any delay or time being consumed on it.

Mr. ROBINSON of Arkansas. Mr. President, the unfinished business will be laid before the Senate at 1 o'clock.

The VICE PRESIDENT. The unfinished business will come before the Senate at 1 o'clock.

Mr. ROBINSON of Arkansas. So that it will give the Senator from Kentucky a half hour for the consideration of his resolution, if the unanimous-consent arrangement asked shall be entered into. I doubt, however, whether the resolution could be disposed of in half an hour, although I should like to see the order entered.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. BARKLEY. I yield.

Mr. McNARY. If I may have the attention of the Senator from Kentucky, I desire to remind him that there was rather an agreement or understanding that the morning hour to-day should be given up to the consideration of the so-called cotton bill, in which the Senator from South Carolina [Mr. SMITH] is interested. I hope the Senator from Kentucky will let the resolution go over until Monday, when we will again have a morning hour and his resolution will again come up automatically.

Mr. BARKLEY. I shall not object to its going over until Monday, if we are going to have a morning hour on that day——

Mr. McNARY. We are going to have a morning hour on Monday next.

Mr. BARKLEY. And if my resolution will come up automatically at that time.

Mr. McNARY. It will come up automatically at the conclusion of the routine business.

Mr. BARKLEY. I should like to inquire of the Chair as to that?

The VICE PRESIDENT. If the resolution shall be passed over without prejudice until Monday morning, it will be laid before the Senate at the conclusion of morning business on that day as a resolution coming over from a previous day.

Mr. BARKLEY. I do not object to that.

The VICE PRESIDENT. Without objection, the resolution goes over, and morning business is closed.

CLAIMS OF CITIZENS OF THE UNITED STATES AND PANAMA—TREATY WITH PANAMA

Mr. SMITH obtained the floor.

Mr. BORAH. Mr. President, will the Senator yield to me for just a moment? I have a matter which I think can be disposed of without debate.

Mr. SMITH. I yield.

Mr. BORAH. Mr. President, in 1926 the Governments of the United States and Panama entered into a convention providing for an arbitration of claims and giving a certain length of time in which American citizens might present their claims, and vice versa. It has been found, owing to some delays that have occurred, that the time in which these claims may be presented is entirely too brief. So Panama and the United States have entered into a convention extending the time to April 1, 1933. That is a very short period of time, but it is thought it will be sufficient; and I ask unanimous consent, as in executive session, that the convention with Panama extending the time may be now considered.

The VICE PRESIDENT. Is there objection?

Mr. MOSES. Mr. President, may we not have other executive business considered at the same time?

Mr. KING. That is objected to.

Mr. MOSES. The Senator from Utah objects to what? To my suggestion or to the treaty?

Mr. KING. As I understood the Senator, he was asking that other executive business be considered, and to that I objected.

Mr. MOSES. Very well; if that is to be the attitude, to pick out one or two items of executive business, objection could be made very readily to those.

Mr. BORAH. Mr. President, I hope the Senator will not object in this instance, because this extension only goes to the 1st of April, and it is absolutely necessary, if American citizens are to have an opportunity to present their claims, that the treaty should be ratified.

Mr. MOSES. Might it not be still further extended if we did not ratify it by that time?

Mr. BORAH. We would have to enter into a new convention.

Mr. MOSES. That would not be a difficult matter.

Mr. BORAH. This convention has already been ratified by the Assembly of Panama and is the only way by which we can possibly have opportunity afforded to present claims between now and the 1st of April.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Arkansas?

Mr. BORAH. I yield.

Mr. ROBINSON of Arkansas. I do not believe that there is any substantial objection, may I say to the Senator from New Hampshire, to this arrangement.

Mr. MOSES. Yes; but my single objection would prevent action.

Mr. ROBINSON of Arkansas. I understand that perfectly, and so would the single objection of any other Senator, but I do not believe that the Senator from New Hampshire would act arbitrarily in the matter or that he would object unless he had reason for doing so.

Mr. MOSES. I have just said what the reason was—namely, that there are many items of executive business which, to my mind, are quite as important as this convention, because, in view of our relations with the Government of Panama, it does not seem to me that there would be undue delay in renewing this convention, if necessary; and if the Senator from Arkansas will give me some assurance that at a later date prior to the adjournment of the present Congress we shall have an opportunity to consider other matters of executive business, of course, I shall not stand in the way of this pressing matter.

Mr. ROBINSON of Arkansas. I can give the Senator no assurance that there will be executive sessions of the Senate. The Senator well understands that.

Mr. JOHNSON. Mr. President, will the Senator from New Hampshire yield?

Mr. MOSES. The Senator from Idaho has the floor.

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from California?

Mr. BORAH. I yield.

Mr. JOHNSON. I ask the Senator from Idaho to yield merely that I may appeal to the Senator from New Hampshire. It happens that some people whom I know very well, and I think possibly the Senator may know some of them, have claims against Panama that are dependent, in reality, for their presentation finally upon the ratification of this particular treaty. The time will expire on the 1st day of April, and the ratification of this convention will afford the only opportunity they will have between now and the 1st day of April to present their claims.

Mr. MOSES. I think the Senator is in error about that. To-day is the 18th of February.

Mr. JOHNSON. I realize that to-day is the 18th of February, and two weeks from to-day will be the inauguration.

Mr. MOSES. Yes.

Mr. JOHNSON. That will be the end of the present Congress. We face realities here; there will be no executive sessions of this body. Now, inasmuch as that is the actual situation, why deprive American citizens who have claims against Panama of the right and the ability to present their claims? That is all that is sought by this treaty.

Mr. MOSES. Mr. President, I am not actuated by any animosity or resentment or feeling with reference to those who have claims against Panama, but I do have a very deep feeling about all the other important matters of executive business in attempting to deal with which we are thwarted. It seems to me that the only way of showing that feeling is to take the attitude that I have been taking thus far with reference to the request for unanimous consent preferred by the Senator from Idaho. Of course, the pathetic appeal made by the Senator from California affects me strangely. [Laughter.]

Mr. JOHNSON. That is perfectly obvious; I knew that the Senator from New Hampshire would be affected by this appeal in behalf of justice, because the ears of the Senator from New Hampshire are always attuned to the slightest whisper of justice.

Mr. MOSES. And of necessity.

Mr. JOHNSON. And of necessity. May I suggest to the Senator from New Hampshire to take out upon those he deems responsible for the situation he suggests whatever he may wish to take out; but that in the case of this treaty, which is wholly fair and just and which is absolutely essential for the relief of American citizens, he let it be ratified.

Mr. MOSES. The Senator from California knows my susceptibility so well, Mr. President, that I have to yield to his blandishments. [Laughter.]

Mr. JOHNSON. I thank the Senator.

The VICE PRESIDENT. Is there objection to the present consideration of the treaty.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the treaty Executive B, Seventy-second Congress, second session, convention between the United States of America and the Republic of Panama, signed in Panama December 17, 1932, which was read, as follows:

The United States of America and the Republic of Panama desiring to modify certain provisions of a Convention for the settlement and amicable adjustment of claims presented by the citizens of each country against the other, signed at Washington July 28, 1926, have decided to conclude a Convention for that purpose and have nominated as their plenipotentiaries:

The President of the United States of America, Mr. Roy Tasco Davis, Envoy Extraordinary and Minister Plenipotentiary of the United States to Panama; and

The President of the Republic of Panama, His Excellency Doctor J. Demóstenes Arosemena, Secretary for Foreign Affairs of the Republic of Panama;

who after having communicated to each other their respective full powers found to be in due and proper form, have agreed upon the following articles:

ARTICLE 1

The second paragraph of Article VI of the Convention between the United States of America and the Republic of Panama for the settlement and amicable adjustment of claims by citizens of each country against the other, signed at Washington July 28, 1926, is amended to read as follows:

The Commission shall be bound to hear, examine and decide, before July 1, 1933, all the claims filed on or before October 1, 1932.

ARTICLE 2

Article VIII of the Claims Convention signed at Washington on July 28, 1926, by plenipotentiaries of the United States of America and the Republic of Panama is amended to read as follows:

The total amount awarded in all the cases decided in favor of the citizens of one country shall be deducted from the total amount awarded to the citizens of the other country, and the balance shall be paid at the city of Panama or at Washington, in gold coin or its equivalent the first of July, 1936, or before, to the Government of the country in favor of whose citizens the greater amount may have been awarded.

ARTICLE 3

The present Convention shall be ratified by the High Contracting Parties in accordance with their respective Constitutions. Ratifications of this Convention shall be exchanged in Panama as soon as practicable and the Convention shall take effect on the date of the exchange of ratifications.

In witness whereof, the respective Plenipotentiaries have signed and affixed their seals to this Convention.

Done in duplicate in Panama this seventeenth day of December, 1932.

[SEAL.] ROY T. DAVIS

J. D. AROSEMENA [SEAL.]

The treaty was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification will be read.

The Chief Clerk read as follows:

*Resolved* (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of Executive B, Seventy-second Congress, second session, a convention with Panama for the settlement and adjustment of claims, signed in Panama, December 17, 1932.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the ratification of the treaty? [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is adopted and the treaty is ratified.

Mr. BORAH. I ask unanimous consent to have inserted in the RECORD in connection with the treaty just ratified a statement by the Secretary of State.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEBRUARY 14, 1933.

The Hon. WILLIAM E. BORAH,
*United States Senate.*

MY DEAR SENATOR BORAH: On July 28, 1926, the Governments of the United States and Panama signed a claims convention providing for the arbitration of claims of American citizens against the Republic of Panama and claims of Panamanian citizens against the United States. Under the terms of this convention, which did not become effective until October 3, 1931, the commission provided for therein is required to hear, examine, and decide within the period expiring April 1, 1933, all claims presented to it. It having become apparent to both Governments that the commission would be unable to complete its labors within this period, the Governments signed a convention on December 17, 1932, extending until July 1, 1933, the period for the hearing, examination, and decision of claims by the commission. On January 19, 1933, the President transmitted this convention to the Senate to receive the advice and consent of that body to its ratification. The Legislative Assembly of Panama has already given its advice and consent to the ratification of the convention, but unless the advice and consent of the Senate is previously given the functions of the commission will terminate on April 1, 1933, leaving unadjudicated the most important claims of the United States.

It is extremely important that action respecting this convention should be taken by the Senate during the present session. The time provided for the decision of these claims, under the pending convention, is very limited, and it appears that unless the commission is permitted to function uninterruptedly it will pass out of existence without completing its labors. Any interruption to the work of the commission between April 1, 1933, and the date upon which the Senate might act on the convention following the present session of the Congress would, therefore, result in the inability of the commission to complete its labors under these conventions, and the Panamanian Congress will not meet again in regular session until September, 1934.

Any steps which you may be able to take to expedite action with a view to obtaining during the present session the advice and consent of the Senate to this convention will be greatly appreciated.

Sincerely yours,

JAMES GRAFTON ROGERS.

## PURCHASE AND SALE OF COTTON BY THE GOVERNMENT

The Senate resumed legislative business.

Mr. SMITH. Mr. President, I move that the Senate proceed to the consideration of Senate bill 5122.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 5122) to provide for the purchase and sale of cotton under the supervision of the Secretary of Agriculture, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That there is hereby created in the Department of Agriculture a cotton board (hereinafter referred to as the board). Such board shall consist of six members, to be appointed by the Secretary of Agriculture, all of which members shall be residents of the cotton-producing States and all of whom shall be qualified and experienced in either the purchasing, handling, or production of cotton. The members of the board shall receive no compensation for their services but shall be paid their actual and necessary expenses incurred in the performance of their duties. They shall hold office during the pleasure of the Secretary of Agriculture.

SEC. 2. The Secretary of Agriculture, the Farm Board, and all other departments and agencies of the Government are hereby directed—

(a) To sell to the said Cotton Board at such price as may be agreed upon by the Secretary of Agriculture and the board all cotton now owned by them.

(b) To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton on which money has been loaned or advanced, upon such terms as they may deem fair and just, and to sell this cotton also to the board in the same manner as is provided in the preceding paragraph hereof.

SEC. 3. The board is also hereby authorized to acquire by purchase at the market price the cotton previously given by the Government to the Red Cross Society for relief purposes and now being sold by that society.

SEC. 4. The board shall also be authorized to acquire by purchase at the market value thereof any other cotton owned by the producers thereof in all cases in which such producers will agree in writing to reduce their acreage planted in cotton in the manner hereinafter set out.

SEC. 5. The board shall have authority to borrow money upon all cotton in its possession or control and deposit as collateral for such loans the warehouse receipts for such cotton.

SEC. 6. The Reconstruction Finance Corporation is hereby authorized and directed to advance money and to make loans to the board in such amounts and upon such terms as may be agreed upon by the board and the Reconstruction Finance Corporation, with such warehouse receipts as collateral security.

SEC. 7. The Secretary of Agriculture, under such rules and regulations as he may prescribe, is hereby authorized and directed to enter into contracts with the producers of cotton to sell to every such producer an amount of cotton in the hands of the board equivalent in amount to the amount of reduction in production of cotton by such producer below the amount produced by him in the preceding crop year, in all cases where such producer agrees in writing to reduce the amount of cotton produced by him in the previous year by not less than 30 per cent, without increase in fertilization per acre.

To every such producer so agreeing to reduce production the Secretary of Agriculture shall deliver an option contract agreeing to sell to said producer an amount of cotton equivalent to the amount of his estimated reduction of the cotton in the possession and control of the board.

The producer is to have the option to buy said cotton at its market value on the day of the execution of his agreement to reduce his production, and is to have the right at any time up to the 15th day of August, 1933, to exercise his option, upon proof that he has complied with his contract and with all the rules and regulations of the Secretary of Agriculture with respect thereto, by taking said cotton upon payment by him of his option price and all actual carrying charges on such cotton; or the board may sell such cotton for the account of such producer, paying him the excess of the market price at the date of sale over the market price at the date of his contract after deducting all actual and necessary carrying charges: *Provided*, That in no event shall the producer be held responsible or liable for loss incurred in the holding of such cotton or on account of the currency charges therein.

SEC. 8. The board shall sell the cotton held by it at its discretion.

SEC. 9. The Secretary of Agriculture is hereby authorized and directed to make all necessary rules and regulations and to employ such officers and employees as are necessary to execute the provisions of this and the eight immediately preceding sections.

Mr. SMITH obtained the floor.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. COPELAND. Do I understand that the Senator from South Carolina is seeking to bring up this measure by unanimous consent?

The VICE PRESIDENT. No; it has already been taken up by motion and is now before the Senate.

Mr. COPELAND. At the proper time I wish to say something about it.

Mr. McKELLAR. Mr. President, will the Senator from South Carolina yield to me?

Mr. SMITH. I yield.

Mr. McKELLAR. I move to strike out section 2 and insert the matter which I send to the desk.

Mr. SMITH. Let it be read.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. The Senator from Tennessee offers the following amendment to the amendment of the committee.

Strike out section 2, being lines 1 to 12, both inclusive, and insert the following:

SEC. 2. The Secretary of Agriculture, the Farm Board, and all other departments and agencies of the Government, are hereby directed:

(a) To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton on which money has been loaned or advanced by them upon such terms as they may deem fair and just: *Provided*, That no amount in excess of outstanding advances to individual producers and charges paid or accrued for storage, transportation, insurance, and interest against the cotton so acquired shall be allowed by the Farm Board in such settlement: *Provided further*, That if the amount of such advances and charges on the actual cotton so acquired can not be determined, no amount in excess of the market value of the cotton shall be allowed by the Farm Board except that it may cancel such part of any loan or advance, and only such part, as it ascertains to be not recoverable from the borrower.

(b) To sell to the said board at such price, not exceeding the market price, as may be agreed upon by the Secretary of Agriculture all cotton now owned by them or acquired by them under the provisions of section (a).

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee to the amendment of the committee.

Mr. SMITH. Mr. President, I have gone over this amendment. I have no objection to it.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator to state briefly what is the important distinction between the amendment and the language of the bill?

Mr. McKELLAR. It is that the new board shall buy from the old board at the market price, except in the few instances where the carrying charges may be involved. In other words, it fixes the market price as the basis of the negotiations between the two boards. It seems to me it is a very proper matter. Otherwise, one board could pay any price it saw fit to the other.

I hope the amendment to the amendment will be adopted.

Mr. SMITH. Mr. President, I have agreed, so far as I am concerned, to this amendment to the amendment.

Now I want to make just a brief statement about this bill.

If it is in order now, I should like to have the amendment that has been proposed by the Senator from Tennessee adopted.

Mr. KING. Mr. President, I desire to make some observations upon this amendment, and I prefer to make them later on.

The VICE PRESIDENT. The Senator from South Carolina has the floor.

Mr. SMITH. I move that the amendment be adopted.

The VICE PRESIDENT. That motion is debatable.

Mr. KING. Mr. President——

Mr. SMITH. Mr. President, before there is any debate on this amendment I prefer to make my statement. I shall make it as brief as possible.

There is, and has been for several years, held over the market of cotton this Government owned and controlled cotton. We have now in sight practically a 2-year supply of actual cotton, physical cotton. The great problem with us is how to get rid of the cotton, and also how a reduction of acreage can be brought about.

The Government has already invested its money in this cotton. Now the proposition is—and we have had conferences with the different departments that hold this cotton—to take the cotton as it now stands, and to give an option to the grower so that he can have a stake in this cotton held by the Government at the price that the Government has the money invested in it, if he will agree to reduce his production bale for bale in accordance with the amount of cotton that is sold to him by the Government.

There are approximately 3,000,000 bales held by the Government. If I produce 100 bales of cotton, the Government enters into a contract with me that it will give me an option on part of this cotton at this price if I will reduce my acreage bale for bale with the amount on which I take an option.

Suppose I am contemplating making 100 bales. The Government sells to me 50 bales and holds the cotton as collateral against my contract. I agree not to produce, in 1933, in excess of 50 bales. When the sale is to take place, if these 3,000,000 bales are then allocated among the growers, it means a reduction in the American cotton crop of 1933 to the amount of 3,000,000 bales of cotton. The farmer, however, still has an option in the cotton that is already existing. That means that we not only get him to reduce his acreage—which is the only hope for the South and for the Nation, so far as the billion dollars is concerned that up to 1929 came into this country in exchange for the exportation of raw cotton—but we give him an opportunity to recover some of the disastrous loss that he has sustained by virtue of the terrible condition in which the country finds itself.

When August 15 comes he exercises his option. The cotton then becomes the property of the producer, less the amount that the Government has invested in it. It is not a question here of setting up another farm board and having another Government agency. Six men are appointed who shall be the officers to receive these contracts and to dispose of this cotton, and they serve without pay, except their necessary expenses.

If we can reduce the cotton crop from three to four million bales, and at the same time give the producers a stake in that which the Government already has on hand, the Government stands not to lose a penny, for it holds the cotton as collateral against the contract, while the farmer stands to make the difference between what the Government has invested in the cotton and the advance in the market.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. SMITH. Yes.

Mr. VANDENBERG. Do I correctly understand that the system is predicated entirely upon the assurance that there will be an increase in the price of cotton?

Mr. SMITH. It is not upon that assurance; it is the inevitable doom of the cotton that the Government holds now, if we make another crop this year, if there is not a substantial reduction in acreage—every cotton man in the world will understand that—and, if we do have such a reduction, we have a prospect of a rise in price. If we make a crop, it means that the cotton the Government now has will be greatly depreciated in value unless it is disposed of at once, and if it is that will break the market; and if the Government holds it, and there is a prospect of an increased production this year, the Government stands to lose still.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. ROBINSON of Arkansas. Is it correct to say that the primary purposes of the bill are as follows:

First, to concentrate the holdings of existing surpluses in one authority.

Mr. SMITH. In one authority.

Mr. ROBINSON of Arkansas. Second, to reduce production by the amount of the existing surplus.

Mr. SMITH. Right.

Mr. ROBINSON of Arkansas. Third, to dispose of that surplus in an orderly way.

Mr. SMITH. Right.

Mr. ROBINSON of Arkansas. And, fourth, to give producers the benefit of any rise in price which is likely to occur by reason of the reduction of production approximately three and a half million bales.

Mr. SMITH. That is correct.

Mr. ROBINSON of Arkansas. The statement of the Senator from Michigan [Mr. VANDENBERG], I think, is almost, if not entirely, correct. The whole theory of the bill is that upon the absorption of the existing surplus there will result a rise in price; at least, there can be expected no reduction.

Mr. VANDENBERG. That is precisely what I am trying to find out. I am not critical of the Senator's program. I sympathize fully with his objective. I want to know the mechanics of the matter. In the unexpected event, the fatal event, that the price of cotton continues to go down, would there be a loss to the Government in the operation of the plan?

Mr. SMITH. Not a penny more than there would be as the matter now stands.

Mr. VANDENBERG. In other words, the Senator means that the present holdings would go down with the market?

Mr. SMITH. Why, certainly; so that the Government does not stand to lose a penny.

Mr. ROBINSON of Arkansas. But there is this difference: The proposal assures a reduction to the amount of the present surplus.

Mr. SMITH. That is right.

Mr. ROBINSON of Arkansas. And everyone who has studied the subject concedes that it is the existing surplus that is depressing unduly the price. If the surplus be concentrated and then disposed of by what is practically an absorption during the next year by reason of the reduction that is required, it is expected that some rise in price will take place.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. VANDENBERG. May I pursue this matter just one step further?

Mr. KING. Certainly.

Mr. VANDENBERG. How much Federal credit would be involved in the course of this process?

Mr. SMITH. Credit of the Federal Government?

Mr. VANDENBERG. Yes.

Mr. SMITH. Not a penny beyond what is now involved.

Mr. VANDENBERG. Which is how much?

Mr. SMITH. It is whatever amount of cotton it is up to at the present market price.

Mr. ROBINSON of Arkansas. Mr. President, the plan really contemplates the possibility of private financing of this arrangement. I have been assured that if such an arrangement could be authorized sources of private revenue would become available, and the Government would be relieved, although, as I understand it, there is provision in the bill which authorizes loans from the Reconstruction Finance Corporation.

Mr. VANDENBERG. That is what I am getting to.

Mr. ROBINSON of Arkansas. I think that, with assurance that the production was to be diminished, anyone who had money to lend would be inclined to invest in that sort of security, because if a reduction of three and a half million bales in the cotton crop does not tend to stabilize or increase the price of cotton, I do not know how that end could be accomplished by any action which might be taken on behalf of the producers with the existence of the surplus that has depressed the price below what everyone concedes to be a fair standard.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from South Carolina yield to the Senator from Tennessee?

Mr. SMITH. I yield.

Mr. McKELLAR. May I say further, in answer to the question of the Senator from Michigan, that whatever is paid out, if it is borrowed from the Reconstruction Finance Corporation, will be paid to the governmental agency known as the Farm Board. So that the Government is just getting the money from one of its corporations and turning it over to another.

Mr. KING. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. KING. Is the Senator from Tennessee entirely accurate? The Senator will see, if he will read section 4 of the bill, that under that section there is no limitation to the acquisition of cotton by this board which is to be set up to that which is now controlled by subsidiaries of the Farm Board, but they can go out, under section 4, and purchase all the cotton there is in the United States, and at the expense of the Reconstruction Finance Corporation.

Mr. McKELLAR. Mr. President, the very question that arises in the mind of the Senator from Utah rose also in my mind, and I have an amendment prepared to section 4, that this provision shall expire on June 30, 1933, so as to prevent just the thing the Senator desires to prevent.

Mr. KING. Mr. President, will the Senator from South Carolina pardon me further?

Mr. SMITH. Just let me explain section 4. There is held by some of the banks throughout the South cotton of individual farmers; and I would like to have the Senate give me its attention now. They have borrowed 4 or 5 cents a pound on that cotton. The banks are in such a distressed condition that they are likely to put that cotton on the market now.

This bill provides that the board to be set up can take cotton at the amount a bank holds against it, put it into a pool, and then get from the Reconstruction Finance Corporation that amount, and hold the cotton, if the owner thereof agrees to reduce his acreage by just the number of bales that are thus taken into the pool.

Mr. McKELLAR. Mr. President, if that were done, it would mean that there would just be that much greater limitation on the crop to be produced this year.

Mr. SMITH. Just that much; and that is the main object we have, because in order for a farmer to get relief through this measure he would have to agree that he would reduce his acreage in the amount of the cotton thus pooled for him.

Mr. VANDENBERG. Mr. President, will the Senator yield again?

Mr. SMITH. I yield.

Mr. VANDENBERG. I want to revert to the question I was asking the Senator before. Section 6 states that "The Reconstruction Finance Corporation is hereby authorized and directed"—not only authorized, but directed—"to advance money and to make loans," and so forth. I want to know what prospective investment is involved under section 6.

Mr. SMITH. I have just described the process. The banks have the privilege now. The banks could go and put up the cotton as collateral, with other security, and hold the cotton for the farmer. But the banks are not doing that. So that I maintain that the Reconstruction Finance Corporation can take this cotton at the price the bank has loaned on it, as collateral, and advance that amount to the bank to hold the cotton against the reduction of acreage by the individual. The Reconstruction Finance Corporation is financing cotton now, and this direction to the Reconstruction Finance Corporation is to give this board the same access to them, with the cotton as collateral, as the banks now have.

Mr. VANDENBERG. Has the Senator made an estimate of the capital account that might be involved at the Reconstruction Finance Corporation in the operation of section 6?

Mr. SMITH. That is almost impossible of determination. We all confidently expect, if this bill goes through and cotton begins to advance, that the Reconstruction Finance Corporation may not have to advance on any cotton whatever, because the banks will then say, "With that improvement in the matter of the quantity, we will hold the cotton for this man if he will sign." We wanted to make it safe, so that this surplus cotton shall not be dumped on the market or duplicated in production this year.

Mr. VANDENBERG. Does the Senator say there is any limitation in this bill which would prevent the new cotton board from broadening its stabilization program and paraphrasing what the Federal Farm Board can do?

Mr. SMITH. I want to assure the Senator that I am, by this bill, doing all I can to get the Government out of this business and give the farmers an option on all this cotton.

Mr. VANDENBERG. Is not section 4 a straight license to an unlimited speculation?

Mr. SMITH. It is limited to producers of cotton.

Mr. McKELLAR. Mr. President, may I say to the Senator from Michigan that the question he is asking about section 4 came to my mind and to the minds of other men interested in cotton. We went over the matter very carefully, and I have an amendment which I intend to offer, and which I will ask the Senator from South Carolina to accept, reading in some such words as these, "*Provided*, That this privilege shall expire June 30, 1933." It has been suggested by the Senator from Rhode Island [Mr. HEBERT] that he thinks that ought to be limited to May 1, and I agree with him. The Senator from South Carolina is perfectly willing to accept that amendment, so that it will be allowed to go on only until May 1 and be applicable to producers only. I think that will cover the defect the Senator from Michigan has in mind.

Mr. VANDENBERG. Mr. President, by way of further illumination, and translating this thing into a situation which I might better understand, will the Senator tell me whether this same system would work in respect to wheat?

Mr. McKELLAR. I do not know.

Mr. VANDENBERG. I am asking the author of the bill.

Mr. SMITH. The wheat people two or three years ago suggested a plan of this kind, but there is now practically no wheat owned by the Government. There would have to be an appropriation so that the Government could go out

and buy it. Under this bill, the Government would not buy any cotton, except what is indicated in section 4.

Mr. KING. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. KING. That which is indicated in section 4 means all the cotton in the United States.

Mr. McKELLAR. There is practically very little in the hands of the producers at this time.

Mr. SMITH. It is almost negligible.

Mr. McKELLAR. It is almost negligible, but with the amendment that this privilege shall expire May 1, 1933, it would be reduced to a minimum, in my judgment.

Mr. SMITH. Mr. President, may I say that the board we propose to set up, six members of which are to come from the cotton States, will finance the cotton that is held by the producers.

Let us suppose there is a small farmer who is hoping that he might get enough out of his cotton to meet his obligations, and he hypothecates his cotton, and borrows from the bank, say, 5 cents a pound. The bank, on account of the accumulated interest and storage charges, says the farmer must sell it. He comes to this board and says, "I have 30 bales of cotton. I want to put that cotton into this pool and have the Reconstruction Finance Corporation take the cotton as security, and I will agree not to reproduce an equal amount in the 1933 crop." That would result in melting down the surplus, reduce the acreage, and give an opportunity for the cotton to rise in price, but with the amendment proposed by the Senator from Tennessee, the board would ascertain what farmers were in need of assistance, and if they were willing to put their cotton into the pool and reduce their acreage by May 1, the whole thing could be consummated.

Mr. McKELLAR. The act to be confined entirely to producers.

Mr. SMITH. To producers.

Mr. HEBERT. Mr. President, will the Senator yield to me?

Mr. SMITH. I yield.

Mr. HEBERT. I assume the purpose of the provision in section 4 of the bill was to enable the board to be set up to allot a certain number of bales in proportion to the amount of acreage reduced by the cotton farmer.

Mr. SMITH. That is right.

Mr. HEBERT. That being so, would it not be well to limit the operation of section 4 in order that the board may purchase sufficient quantities of cotton so as to enable it to make the allotment if it be necessary?

Mr. SMITH. If the Senator will read section 4, he will see that it is to be automatic. No purchase can be made from a producer unless the owner of the cotton agrees that he will reduce his production just in proportion to the number of bales he puts up.

Mr. HEBERT. But, if the Senator will permit me another interruption, I am speaking of the activities of the Government in this process. The idea is that the Government is to hold under an option that number of bales by which the production is reduced by the planter.

Mr. SMITH. That is right.

Mr. HEBERT. If the Government now has enough cotton on hand to supply those options to the planters, why purchase any more?

Mr. SMITH. There is not enough. There is really not enough to go clear around, but there is enough to assure an appreciable decrease of the surplus and a rise in price.

Let me suggest to the Senator that under the system of crop-production loans now being operated there is a provision that no cotton farmer may get any money to make a crop unless he agrees in writing and under a contract that he will reduce his acreage 30 per cent. We are hoping that when the fund under that act is exhausted the proposed law will carry out the purpose we have in mind to such an extent that we may be guaranteed such a production as will call for the consumption of the remaining surplus.

Mr. HEBERT. Mr. President, I can understand the process through which it is proposed to go, and I understand, too, that the Government may not have a sufficient supply on hand with which to furnish options to the planters.

Mr. SMITH. To all the planters.

Mr. HEBERT. To all the planters. So I would provide in section 4 that the board be authorized to acquire so many bales as might be necessary to make up the deficiency.

Mr. SMITH. I have met objection to that from the Senator from Utah. That would suit me exactly, if the cotton could be gotten at a price that would warrant the investment. But we wanted to try this plan in conjunction with the farm-production loan plan, and the prospects are that the result will be a reduction in the cotton crop, certainly to the extent of 3,000,000 bales, if this measure shall be enacted, and then a 30 per cent reduction on the part of all those who avail themselves of the crop-production loan.

Mr. HEBERT. Mr. President, I see much promise in the bill as it is explained to the Senate by the Senator from South Carolina. But the Senator has not answered my suggestion as to why that would not be effective if put into the bill.

Mr. SMITH. If the board could acquire sufficient cotton to give an option to every grower to the amount of 50 per cent, it would be ideal; but in an attempt to get that cotton it might be that the price would rise to such a point that there would be no margin at all for the allocation. So we have to take what we can get.

Mr. HEBERT. If that does produce a rise in the market, it will be beneficial to the planter anyway.

Mr. SMITH. It will be beneficial unless it induces such a rise immediately as perhaps to cause them not to sign the contract.

Mr. HEBERT. It seems to me the minute they see the effect of the bill upon cotton production, the producers, seeing the rise in the market, would want to do that very thing and reduce their crop.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. Certainly.

Mr. McKELLAR. The trouble about it is that that plan might possibly give rise to a larger surplus in the hands of the Government, and that is what we do not want to deal with any more. We believe by the operation of this bill that we can substantially, within one year, get rid of the entire surplus by making these contracts with the producers. If we can do that, it will be the greatest thing we have ever done, not only for cotton but for the entire country, because if there is a reduction in the crop the present year and a consequent rise in the value of cotton, it will mean a great deal, not only to the cotton producer but to the entire country.

Mr. SMITH. I want to make one further observation to the Senator from Michigan to show the disaster in the present slump in the price of cotton. In 1929 the American cotton crop, 60 per cent of which we export, brought $1,558,000,000. In 1928 it brought $1,460,000,000. In 1931 it brought $500,000,000. The Senator can now understand why not only the banks of the South melted like snow in the sunshine but why the mills of the country—all the cotton mills—are standing face to face with ruin and bankruptcy, and why some of the larger banks of the country have gone under. That was brought about by the menace of this tremendous surplus. If we can reduce that surplus and at the same time give the producer a stake to a certain per cent in what is already existing, we are trying the first plan that has ever offered a profit or an inducement to the farmer to reduce his acreage, outside of the hope of an increased price on the reduced production. Not only do we give him that but we give him a stake in that which is already existing.

Mr. VANDENBERG. Mr. President, may I ask the Senator from South Carolina how many individual farmers are involved in the prospective contracts?

Mr. SMITH. I could not say. That would be problematical.

Mr. VANDENBERG. In a general way?

Mr. SMITH. In a general way, perhaps some 2,000,000 or 3,000,000.

Mr. VANDENBERG. Does that involve a serious problem in mechanics in the administration of the bill?

Mr. SMITH. No. We have the machinery already set up in the Farm Loan Board.

Mr. VANDENBERG. The existing mechanism can be used?

Mr. SMITH. Yes; it is all set up.

Mr. VANDENBERG. I would like to invite the Senator's attention to one point, possibly minor in its nature, and yet I find a challenge in it. When he is defining the qualifications for the members of the cotton board he provides that they must be qualified and experienced either in the purchasing, handling, or production of cotton. I should say that is quite necessary. But in addition to that does the Senator think it is necessary to require that they shall all be residents of cotton-producing States when after all he is dealing with the credit of the whole Federal Government?

Mr. SMITH. The reason why I did that, and I think the Senator will join with me when he understands it, is that we have had the habit of appointing men to discharge certain duties who did not know the A B C's of the problem.

Mr. VANDENBERG. Mr. President, I move to strike out, on page 4, line 18——

Mr. McKELLAR. There is an amendment to the amendment pending.

The PRESIDING OFFICER. Yes; there is an amendment pending. The question is on the amendment offered by the Senator from Tennessee to the amendment of the committee.

Mr. SMITH. So far as I am concerned I have accepted the amendment of the Senator from Tennessee, and as soon as that is disposed of the Senator from Michigan can offer his amendment.

Mr. VANDENBERG. Very well.

Mr. KING. Mr. President, it is with reluctance that I take the floor in opposition to the pending bill. I have not objected to its consideration, but I can not reconcile myself to vote for its passage. In my opinion it is not founded upon sound principles or safe policies. It continues the Federal Government in activities foreign to the purpose for which it is organized and beyond its legitimate constitutional authority. The limitations upon the Federal Government seem to have been ignored and a policy of expediency entered upon. It has been the boast of the Democratic Party that it was a defender of local self-government, of the rights of the State, and of the prerogatives of individuals. Both political parties have inveighed against the Federal Government entering the fields of business activity and of asserting a power to control indirectly business activities which concededly are within the domain of private endeavor. This bill attempts to coerce agriculturists engaged in the cotton business into contracts with the Federal Government and confers upon a governmental agency almost dictatorial powers in dealing with persons who are the owners of cotton or who are engaged in the production of cotton. It provides that producers of cotton, if they will restrict their planting and crop production, may obtain a contract from the governmental agency created by the bill to purchase from such agency the quantity of cotton which would have been produced if they had not refrained from limiting their planting. This bill makes the Government a bargainer and contractor with the thousands of cotton producers in the United States. It establishes a relation of debtor and creditor, of contractor and contractee, between individuals and the Government; it projects the Government into the cotton business on a scale heretofore never conceived of. It authorizes the Government to not only purchase all of the cotton which may be owned and held by existing governmental agencies but under section 4 it authorizes the board created by the bill to acquire by purchase any other cotton owned by the producers in the United States.

Mr. President, we are witnessing during these days radical departures from the paths of safety which were regarded as prudent by the fathers of this Republic. We are converting our Government into a gigantic mechanism and endowing it with authority and powers coveted by autocrats but denied by those who framed the Constitution and the National Government. If the Federal Government in peace times may use the taxing power to obtain funds for the purpose of engaging in the buying and selling of cotton, then there would seem to be no restriction upon its authority to engage in any and every form of private business. It is claimed that this enormous power to confer upon the Government to buy substantially all of the cotton now owned and held by thousands, if not tens of thousands, of individuals will be beneficial to the owners of the cotton, because the plan contemplates that the commodities so purchased shall be sold at higher prices, which will thus advantage the purchasers. Apparently this scheme does not take into account the consumers—those who will have to buy the clothing and commodities into the composition of which the cotton must enter. Broadly, if I understand the situation, this is a plan to increase the prices of cotton and to use the credit of the Government and funds which it must provide in order to accomplish that end. It is obvious that this measure will be regarded as a precedent and for the adoption of a similar policy with respect to other commodities. If the Government may purchase millions of bales of cotton and hold the same, and sell it at its pleasure, then we may expect demands for the Government to take over other commodities and hold and dispose of the same. It is conceded, as I understand, that the purpose is to raise prices, and the claim is made that the plan embodied in this bill will accomplish that result.

May I pause a moment to inquire whether this is the function of the Federal Government to use its great powers, and funds obtained from taxes imposed upon all of the people, to enter into the market and purchase substantially all of a given commodity in order that through this monopolistic control the prices of such commodity may be increased, though such increase will be reflected in increased prices to the consumers of such commodity or of products manufactured therefrom? If the Government may spend hundreds of billions of dollars to acquire five or six million bales of cotton and to hold the same, sustaining whatever losses that may result from its action, is there any reason why it should not be asked to purchase wheat or corn or other agricultural commodities, or the great stocks of lead, or zinc, or copper, or coal, and withhold them from the market until prices are forced to higher levels, thus compelling consumers to pay higher prices for the same?

Antitrust laws forbid monopolies, but this bill seeks to create a cotton monopoly. It may be urged that there is justification for a measure of this kind, because of the policy declared by the Government in the creation and operation of the Federal Farm Board. Nearly everyone admits that the Federal Farm Board act was a mistake; that it embarked the Government upon a dangerous, if not to say, disastrous policy; that it established a precedent which will be relied upon in the years to come for other unsound and unwise and meretricious enactments. The operations of the Federal Farm Board have been condemned almost universally. That organization has done much to demoralize agriculture and to injure the farmers of our country. It has squandered more than $300,000,000 and created an army of Federal employees that have vexed the country and disturbed legitimate business activities. It has acted with an audacity unparalleled and with a lack of wisdom and sound judgment characteristic of bureaucratic institutions. Notwithstanding its follies and mistakes, its representatives and some of its pampered beneficiaries are demanding a prolongation of its life and even the extension of its authority.

The unfortunate situation of the cotton producers in the United States is largely due to the unsound and indefensible policies of the Federal Farm Board. It created a cotton stabilization organization which, in turn, under the ægis and direction of the Federal Farm Board, caused to be organized what was called the American Cotton Cooperative Association. The Cotton Stabilization Corporation and the last-named organization have cost the taxpayers of the United States more than $200,000,000 and the Farm Board and the

organization to handle wheat have added tens of millions of dollars to the Government's losses. Senators will recall that the Federal Farm Board, immediately after the organization of the American Cotton Cooperative Association, promptly paid $20,000,000 to insolvent cooperative cotton organizations and proceeded to take over the managers and executives of these insolvent and defunct so-called "cooperatives." This new creation, known as the American Cotton Cooperative Association, then under the guidance and direction of those who had contributed to the insolvency of various cooperatives, under the direction and with the approval of the stabilization corporation and the Federal Farm Board, proceeded to obtain from the Federal Farm Board tens of millions of dollars with which it improvidently and unwisely purchased cotton; it engaged in speculation and cotton transactions, incurring a loss of more than $63,000,000 which the taxpayers of the United States had to pay. This huge sum represents a difference in the value between the cost of cotton purchased by the American Cotton Cooperative Association at the Federal Farm Board's suggestion and its present-day value. There is a loss of at least $63,000,000 on the transactions of this organization.

The Federal Farm Board and its subsidiaries now hold, as I am advised, approximately 1,700,000 bales of cotton. I should add that the American Cotton Cooperative Association, after it was organized, had a paid-in capital of $79,500. It had an authorized capital of $30,000,000, but it was not a farmers' cooperative. It was an organization for speculative purposes and largely for the benefit of those who were in control of the same. With this small capital it proceeded to borrow from the Federal Farm Board a total of approximately $90,000,000, as shown by the second and third annual reports of the Federal Farm Board. The American Cotton Cooperative Association having caused these enormous losses to the Government, is now endeavoring, as I am advised, to preserve some assets which have been set aside but which belong to the Treasury of the United States, in order that the stupendous losses of the Federal Farm Board and its subsidiaries may obtain some little relief.

Mr. President, I repeat that the follies of the Farm Board, its departure from sound business methods, constitute the genesis of the bill before us. Their wrongs and transgressions against all sound business principles undoubtedly proved injurious to the cotton producers; but I repeat that the initial mistake and blunder was in the creation of the Farm Board. Immediately after its organization it adopted fantastic and absurd policies; it created organizations to speculate in wheat and cotton, and it loaned money in many instances where there was no justification for the extension of credit, and apparently for the object of destroying legitimate business. It flooded the country with agents and representatives, many of whom resorted to unfair representations to tear down industry and business institutions, to create bewilderment, suspicion, and animosities among agriculturists throughout the country. Its whole career has been strewn with the wrecks of business organizations and institutions which functioned to the advantage of the people and to the benefit of the country. The stabilization corporations which it set up have contributed to the wreck created, to the waste of Federal funds, and to the folly and extravagance with which the whole proceedings of the Farm Board and its subsidiaries must be branded.

It is said that these governmental agencies, having acquired enormous quantities of cotton, the result has been to demoralize the market, to prevent normal trade, to create doubt and uncertainty not only in the cotton and textile business but also to bring bankruptcies to many cotton producers and serious injury to many manufacturing institutions.

It is urged for this bill that it is imperative that the cotton controlled by the Government be gotten out of the hands of its subsidiaries and disposed of in a proper way so that the market may not be further demoralized, and that the price of cotton now held as well as that produced of the next cotton crop, may not be forced to the lowest levels to which cotton has ever been sold. This proposed legislation is justified, as I understand, because of the derelictions of the Government and the blunders to which I have so imperfectly referred, committed by the Farm Board, the Stabilization Corporation, and the American Cotton Cooperative Association.

Mr. President, I do not believe the bill will accomplish all that is claimed for it, and I can not support it because as I have imperfectly indicated, it rests upon unsound principles, governmental as well as economic. The mechanics of the bill are complicated and in its administration serious difficulties will be encountered. Of course, the plan may be rescued from complete defeat because the Public Treasury—through the Reconstruction Finance Corporation—is to be placed back of it.

Permit me to briefly refer to the bill. It creates a new Federal agency, to be called a cotton board, having a membership of six persons. This board is to acquire all the cotton held by governmental agencies, and in addition, as provided in section 4, it is authorized to purchase any other cotton owned by producers thereof in any part of the United States. The Secretary of Agriculture, as Senators know, has in his possession approximately 800,000 bales of cotton which he has taken as security for loans made to farmers. My understanding is that the cotton producers have, if not the legal title, at least an equitable title in this cotton. The Secretary of Agriculture has loaned upon this cotton, as I am told, 3 cents a pound more than the market price. The loss to the Government if settlement were made now would be many millions of dollars. Apparently the Agriculture Department was not unwilling to follow in the footsteps of the Farm Board and its subsidiaries. At any rate it bids fair to increase the already stupendous deficit resulting from the operations of the Federal Government during the past few years.

The bill provides that the Secretary and the Farm Board and its agencies shall sell to this new Federal creation known as the cotton board all the cotton which is under their control. Of course, this new cotton board has no money, and whatever payments are required or expenses incurred provision must be made to meet the same by the Federal Government. The agency to furnish this money, as provided further in the bill, is the Reconstruction Finance Corporation. Apparently that organization is to be the umbrella under which a multitude of derelicts and insolvents are to find refuge. It is to furnish money for railroads (and the record shows that many of them are insolvent), and bankrupt and other agencies, organizations, and activities; but it has no money, and the Treasury must provide the same, and that means, of course, the sale of bonds which the taxpayers ultimately have to meet.

But to return to the bill: This board is to take over all this cotton and make settlements for the same in order that it may acquire full legal title to all such cotton. The board is also authorized to purchase the cotton previously transferred by the Government to the Red Cross for relief purposes. It is worthy of note that 500,000 bales of cotton last year were delivered to the Red Cross to be used for the unemployed. This cotton had liens and charges against it amounting to nearly $40,000,000, and the Treasury of the United States was compelled to advance this sum to be in turn, as stated, paid by the taxpayers of the country. Only a few days ago 350,000 bales of cotton controlled by the Farm Board and its subsidiaries were acquired and transferred to the Red Cross. There were liens and charges against this cotton amounting to more than $10,000,000, and an appropriation was obtained from the Treasury of the United States to pay a portion of these charges.

This bill now proposes to buy this cotton which was turned over to the Red Cross, if it has not disposed of the same, and then probably have the board sell it back to the Red Cross. A rather unique circle of activities is presented. The Farm Board furnishes money to the stabilization corporation and the latter and the Farm Board furnish money to the American Cotton Cooperative Association, and it enters the market and buys cotton from producers, the prices being far in advance of the market price, upon which the losses

are great, and it then sells this cotton back to the Government, which transfers it to the Red Cross; and now this bill provides that the Government shall buy it back again and then resell it to the Red Cross.

I have referred to section 4, which authorizes the purchase of all the cotton in the United States owned by the producers thereof. Perhaps most of this cotton is pledged to banks or persons who have extended credit to the cotton producers. Under this bill, as stated, the cotton board is authorized to purchase all this cotton, and section 6 of the bill states that the Reconstruction Finance Corporation—

is hereby authorized and directed to advance money and make loans to the board in such amount and upon such terms as may be agreed upon, etc.

As stated, there are several million bales of cotton owned by producers in the United States. To acquire all this cotton and to purchase that owned by the Farm Board and its subsidiaries and the Red Cross would require, perhaps, the stupendous sum of one and a quarter billion dollars.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield.

Mr. COPELAND. Does the Senator know why section 3 was added? I can not understand its purpose.

Mr. McKELLAR. Mr. President, will the Senator yield to enable me to answer the Senator from New York?

Mr. KING. Certainly.

Mr. McKELLAR. The purpose of that provision was to do away with the outstanding surplus as far as possible by making it available to reduce acreage. That is all.

Mr. COPELAND. But the Red Cross had already been given that cotton.

Mr. McKELLAR. But they have not used it.

Mr. GEORGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Georgia?

Mr. KING. Certainly.

Mr. GEORGE. The whole purpose is to enable the board to take over this lot of cotton which is still being administered as a Government project. The Red Cross has been given the cotton. The Red Cross is not a cotton merchant. All of its operations are disturbing and disorganizing to the trade. The Red Cross is simply selling the cotton and with the proceeds is buying goods to be delivered over to the needy. The only thought in putting this provision in the bill is to authorize the acquisition of that lot of cotton as a lot, if it were possible to obtain it from the Red Cross. Of course if they have already sold it there would be none they could supply.

Mr. COPELAND. I do not want to take the time of the Senator from Utah, but later I shall want to say something about this provision myself.

Mr. KING. Mr. President, the bill as reported authorizes the Farm Board to give credit to certain organizations, with which it has been dealing, on obligations due to the Farm Board from those subsidiary organizations for the money which has been loaned and which has been wasted. I have an amendment which I shall offer at the appropriate time, relating to the settlement of accounts between the subsidiaries such as the stabilization corporation and the American Cotton Cooperative Association, which will require the latter organization, which has some assets, to turn them over to the Farm Board instead of profiting by its unwise and injurious conduct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. McKELLAR. May I invite the attention of the Senator to the fact that the Farm Board only gets the market price for the cotton in the settlement?

Mr. KING. Yes; but I want the Farm Board to obtain from the stabilization corporation and the American Cotton Cooperative Association whatever assets they may have, because they have caused losses to the Farm Board, and, of course, to the United States, of approximately $200,000,000, and if they have any assets, in the adjustment of the accounts between them, they should become the property of the Farm Board and its subsidiary organizations.

Mr. McKELLAR. I agree with everything the Senator says about the Farm Board.

Mr. KING. Mr. President, I particularly object to section 4, to which attention was called by the Senator from Michigan. Let us examine that for just a moment. It provides—

SEC. 4. The board shall also be authorized to acquire by purchase at the market value thereof any other cotton owned by the producers thereof in all cases in which such producers will agree in writing to reduce their acreage planted in cotton in the manner hereinafter set out.

I am told, Mr. President, that there are between two and four million bales of cotton, directly or indirectly, controlled by producers, the legal title to which is in the producers, upon which some of the consumers have borrowed considerable sums of money, but, nevertheless, the producers under this provision would find a market for all the cotton, whether two or four million bales, which they may own. Now——

Mr. GEORGE. Mr. President——

Mr. KING. Let me finish the sentence.

Mr. GEORGE. Would it not be fair to say that they have the same market now, because the board can not buy for more than the market price?

Mr. KING. That may be true.

Mr. GEORGE. They buy on the market at the market price; they have to do that.

Mr. KING. But, Mr. President, I object to the Government, having made such improvident contracts in the past, resulting in losses of approximately $200,000,000 from cotton transactions, buying more cotton, and not only buying 1,700,000 bales of cotton now under the control of the Stabilization Corporation and the American Cotton Cooperative Association and 800,000 bales from the Agricultural Department, but acquiring from two to four million bales more owned and controlled by cotton producers in the United States. In other words, we are proposing to have the Federal Government become the holder, the possessor, the purchaser, the distributor, the broker of most of the cotton in the United States to-day.

Mr. McKELLAR. Mr. President——

Mr. KING. I yield.

Mr. McKELLAR. May I suggest to the Senator that I have proposed an amendment to this section, and the Senator from South Carolina has accepted it, providing that this privilege to buy shall expire on May 1, 1933, which greatly minimizes the difficulty to which the Senator refers.

Mr. KING. Replying to the suggestion just made by the Senator from Tennessee, I agree that the amendment proposed minimizes the danger, but nevertheless the board to be created by the bill, the personnel of which is to be exclusively from the cotton States, may within 24 hours after this bill becomes law, if it desires, purchase substantially all the cotton in the United States; and under the terms of the bill——

Mr. SMITH. Mr. President——

Mr. KING. Let me complete the sentence—under the terms of the bill the Reconstruction Finance Corporation is not only authorized but is directed—and that language seems to be compulsory—to advance sufficient money to purchase all the cotton in the United States.

Mr. GEORGE. Mr. President——

Mr. KING. I yield first to the Senator from South Carolina.

Mr. SMITH. I merely wish to call the Senator's attention to the fact that those who collaborated in drawing this bill restricted it to the producers. The Senator says "all the cotton in the United States." The board may only buy it from the producers.

Mr. McKELLAR. And only before May 1.

Mr. SMITH. That is correct; and only before May 1.

Mr. KING. I concede that the amendment that has been offered by the Senator from Tennessee improves the bill. I thank the Senator from South Carolina for his suggestion.

Mr. GEORGE. Mr. President, let me also call the Senator's attention to the fact that the board can buy only from the producers who will agree to reduce their acreage planted to cotton by the quantity which such purchase represents.

Mr. KING. Perhaps my statement was a little too broad. I assumed that all the cotton in the United States was either held by the Government or its subsidiaries or by producers who have an interest therein which is held in warehouses and by brokers, and so on, in the United States. Probably that which has been acquired by mills would not come within the limitations of the provisions of section 4, but we know that, in view of the depression, the acquisition of cotton by mills to-day is really from day to day, from hand to mouth, so that they have no considerable amount in their possession. At any rate, the producers of the United States, according to the information given to me by some cotton men, own to-day between 3,000,000 and 4,000,000 bales of cotton upon much of which, it is true, they have borrowed money, but the legal, or equitable title is in them, and immediately if this bill should become law that cotton which those producers own, legally or equitably, could be acquired and would be acquired by the board, because that is the purpose of the bill. The purpose is to get control of all the cotton, so far as possible, and the Reconstruction Finance Corporation has no option when the board demands money for the purchase of cotton; it must supply the money required to pay for the same.

Mr. GEORGE. Mr. President——

Mr. KING. I yield.

Mr. GEORGE. Will the Senator permit me to say that this measure does not add one single power to the Reconstruction Finance Corporation which it does not possess under existing law, unless the Senator wishes to take exception to the word "directed." The power is in the Reconstruction Finance Corporation to do precisely this thing at this time, but the intent is to authorize the board, rather than the Reconstruction Finance Corporation, to deal with this particular type of marketing operations.

Mr. KING. Mr. President, I hope that my friend from Georgia does not think that the Reconstruction Finance Corporation feels that there is any obligation now resting upon it, legally or morally, to loan money to all the holders of cotton in the United States whether producers or bankers; to brokers, mills, and producers, and also to the auxiliaries of the Government?

Mr. GEORGE. I do not know what obligation is resting on the Reconstruction Finance Corporation, but the same obligation is resting upon it to finance any sort of marketing enterprise in farm products that rests upon it to finance the railroads and the banks.

Mr. KING. My friend from Georgia must concede that the Reconstruction Finance Corporation has some limitations to which it is subject. Certainly it can not respond to all the demands for credit that may come from cotton producers or from public or private organizations. If it met all demands, the Treasury of the United States would be unable to furnish the needed funds.

Mr. GEORGE. Of course, there is a limitation on it, because there is a limitation on the entire amount that it can advance, and, of course, there is a limitation here, because it makes no advance except upon such terms and conditions as may be agreed upon.

Mr. VANDENBERG. Mr. President, will the Senator from Utah yield to me for a moment?

Mr. KING. I yield.

Mr. VANDENBERG. Does the Senator from Georgia know what limitation in the original Reconstruction Finance Corporation act applies in dollars and cents to the section under which he says similar loans now can be made?

Mr. GEORGE. I do not recall the dollars and cents provision.

Mr. VANDENBERG. I should like to suggest to the Senator that he might find it necessary, if this measure is to be effective and practicable, to increase the limitation in that act.

Mr. GEORGE. We would not seek to do that, because they are bound by whatever limitations that act imposes, I will say to the Senator.

Mr. VANDENBERG. But the Senator does not know how much money they may be permitted to expend.

Mr. GEORGE. I would not want to increase it.

Mr. VANDENBERG. And, therefore, the Senator does not know whether that limit would be practical in carrying out the plan of this bill.

Mr. GEORGE. The plan of this bill would necessarily be limited by that limitation, whatever it is; they can not go beyond that.

Mr. VANDENBERG. I understand that; but the Senator is unable to tell me whether that limitation is sufficient to make this bill practicable.

Mr. GEORGE. Yes; it is sufficient to make the bill practicable.

Mr. VANDENBERG. If it is sufficient, what is the limitation?

Mr. McKELLAR. Mr. President, the limitation is $3,800,000,000.

Mr. VANDENBERG. That is the total limitation?

Mr. McKELLAR. Yes.

Mr. VANDENBERG. But what is the limitation of the subdivisions of the Reconstruction Finance Corporation?

Mr. GEORGE. Mr. President, I will be pleased to ascertain the facts and advise the Senator.

Mr. KING. Mr. President, the question, I believe, was propounded by the Senator from Michigan a few moments ago as to the possible or probable draft which would be made upon the Reconstruction Finance Corporation in carrying out the provisions of this bill. My recollection is that no answer was given—or, if so, I do not recall it. Mr. President, the measure before us gives no indication of the demands which will be made for Federal funds if this bill becomes law. The amount required to purchase and hold and sell all the cotton which it is designed shall be handled by the cotton board may be a $50,000,000 or $500,000,000. No one can tell. If there are 6,000,000 bales of cotton in the United States and cotton is worth $25 a bale, the amount required would exceed $1,000,000,000.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. COPELAND. As I understand the situation now, what the Reconstruction Finance Corporation may do is permissive, but under the terms of this bill, as the Senator has pointed out, it could be directed to buy the cotton, regardless of what consequences might occur, and what might happen to other interests in other parts of our country.

Mr. KING. I think that the Senator having the bill in charge should, upon his own motion, agree to strike out the words "and directed" so that the Reconstruction Finance Corporation would not be compelled to loan money to the cotton board.

I am advised sotto voce by my friends Mr. McKELLAR and Mr. SMITH that they will consent to the suggestion to strike out the words "and directed" and so I pretermit any further discussion of that particular provision of the bill. I do, however, if the Senate will indulge me, return to section 4 of this bill. I think Senators ought to consent to eliminate that provision. If they shall eliminate it, I shall, after I submit two amendments, which I am sure they will accept, withdraw any objection to the bill.

Mr. President, I wish to make a few general observations in regard to this matter.

The Federal Farm Board, having disposed of all the wheat and the cotton it accumulated as part of the stabilization operations, ought to be abolished, but I find a bill before us, which we will take up probably to-day or Monday, continuing the Farm Board and giving it a new lease on life and an appropriation of $500,000 with which to pay the expenses of its employees for the next fiscal year or a part of the next fiscal year only.

The operations of the board were chiefly to attempt to stabilize prices of agricultural commodities, and an attempt

was made greatly to enlarge the cooperative marketing program.

I want to say that cooperative marketing associations were proceeding in an orderly and in a progressive way until the Farm Board bill was passed. I think that measure—which received the benediction of President Hoover, and of which he is the father—is in part responsible for the demoralization of agriculture.

Mr. McKELLAR. Mr. President——

Mr. KING. I yield.

Mr. McKELLAR. May I make a suggestion to the Senator? The Senator said that his principal objection was to striking out section 4.

Mr. KING. Yes; but there are other features of the bill which are very objectionable. As I stated a few moments ago, I shall vote against the bill.

Mr. McKELLAR. Then he said he had two amendments. Will the Senator suggest what those amendments are?

Mr. KING. Yes; I have two prepared, but intended to offer several more.

Mr. McKELLAR. I will tell the Senator why I make that request. It may be that we can arrange to meet the Senator's views in regard to striking out section 4, if the amendments can be stated.

Mr. KING. The first one I am sure the Senator will accept. It is to add at the end of line 20, on the last page of the bill, after the word "section," the following:

*Provided*, That no salary or compensation shall be paid to any person in excess of that paid to Federal employees for like or similar services.

Mr. McKELLAR. I am perfectly willing to accept that, and I hope the Senator from South Carolina will.

Mr. SMITH. I will.

Mr. McKELLAR. Will the Senator from South Carolina ask unanimous consent that that amendment may be made?

The PRESIDING OFFICER. There is an amendment pending.

Mr. McKELLAR. I know; but the Senator can perfect his bill.

Mr. KING. I ask unanimous consent that, notwithstanding the pendency of any amendment—this does not relate to the amendment which is under consideration—the amendment I have just suggested be adopted.

The PRESIDING OFFICER. Will the Senator please state the amendment again?

Mr. KING. On page 7, after the word "section," change the period to a colon and then add the following words:

*Provided*, That no salary or compensation shall be paid to any person in excess of that paid to Federal employees for like or similar services.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. McKELLAR. Now what is the other amendment?

Mr. KING. The other amendment I have called to the attention of the Senator from Tennessee, and we are not in disagreement. The only question is, he thinks that the amendment which he has suggested covers the matter. I do not.

Let me make myself clear first.

The American Cotton Cooperative Association claims to have made some profit in its speculations in cotton and in its alleged cooperative transactions; if it did, it made the profit by unloading the losses resulting from its operations and which it ought to have paid, upon the stabilization corporation, and the stabilization corporation upon the Farm Board. The American Cotton Cooperative Association has, I am told, from five to ten or fifteen millions of cash and liquid assets. Mr. Creekmore and his associates desire to perpetuate this organization, claiming it to be a cooperative association when it is not, and to keep their hands upon whatever assets it may possess.

That organization owes the stabilization corporation and the Farm Boards tens of millions of dollars growing out of its speculations and unsound practices. I insist that those assets in the hands of the American Cotton Cooperative organization be delivered to the Farm Board, thus effecting a pro tanto settlement of its gigantic indebtedness to the Farm Board.

Mr. McKELLAR. Where would that amendment come in?

Mr. KING. Following the Senator's amendment about salaries.

Mr. McKELLAR. The first one?

Mr. KING. Yes. I think it can be properly integrated there:

*Provided*, That in making such settlements the Farm Board shall, before allowing any credits to any organization or subsidiary—

That is, the stabilization corporation or the American Cotton Cooperative organization—

to which it has loaned money, obtain a transfer of all assets of every kind, character, and description owned, held, or possessed by it, and the value of such assets so transferred may by said Farm Board be credited upon any amount due it from said debtor organization or subsidiary.

The bill as drawn contemplates that there shall be a settlement of the accounts due from the subsidiary to the Farm Board. I want this subsidiary organization in that settlement to turn over to the Farm Board any assets that it has.

Mr. SMITH. The Senator means any assets pertaining to cotton?

Mr. KING. Yes; exactly.

Mr. SMITH. I think the amendment of the Senator from Tennessee covers that ground exactly.

Mr. KING. If the Senator will accept this amendment, I shall discuss it no further.

Mr. McKELLAR. Can we not vote on the amendment now, and have the Senator offer that as an amendment to it? I imagine it would be agreed to.

Mr. KING. All right.

Mr. McKELLAR. May we have a vote on the amendment that I offered?

Mr. COPELAND. Let it be stated, please.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Tennessee.

The LEGISLATIVE CLERK. The Senator from Tennessee proposes to strike out all of section 2, and to insert in lieu thereof the following:

SEC. 2. The Secretary of Agriculture, the Farm Board and all other departments and agencies of the Government are hereby directed:

(a) To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton on which money has been loaned or advanced by them upon such terms as they may deem fair and just: *Provided*, That no amount in excess of outstanding advances to individual producers and charges paid or accrued for storage, transportation, insurance, and interest against the cotton so acquired shall be allowed by the Farm Board in such settlement: *Provided further*, That if the amount of such advances and charges on the actual cotton so acquired can not be determined, no amount in excess of the market value of the cotton shall be allowed by the Farm Board except that it may cancel such part of any loan or advance, and only such part, as it ascertains to be not recoverable from the borrower.

(b) To sell to the said board at such price, not exceeding the market price, as may be agreed upon by the Secretary of Agriculture all cotton now owned by them or acquired by them under the provisions of section (a).

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator from Tennessee a question.

Mr. KING. I yield.

Mr. WALSH of Massachusetts. I should like to ask the Senator whether or not his amendment or this bill tends to continue the Farm Board in the cotton business, or to get the Farm Board out of the cotton business.

Mr. McKELLAR. Quite the contrary; it gets the Farm Board out of the cotton business.

Mr. KING. Mr. President, the amendment which I offer would be subdivision (c), and I offer it to the amendment.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Utah to the amendment of the Senator from Tennessee.

The LEGISLATIVE CLERK. It is proposed to insert at the end of the amendment the following:

(c) That in making such settlements the Farm Board shall, before allowing any credits to any organization or subsidiary to which it has loaned money, obtain a transfer of all assets of every kind, character, and description owned, held, or possessed by it, and the value of such assets so transferred may by said Farm Board be credited upon any amount due it from said debtor organization or subsidiary.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah to the amendment of the Senator from Tennessee.

Mr. McKELLAR. I see no objection to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McKELLAR. Now, Mr. President, I move to strike out section 4. That, I believe, was agreed to awhile ago.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all of section 4, reading as follows:

The board shall also be authorized to acquire by purchase at the market value thereof any other cotton owned by the producers thereof in all cases in which such producers will agree in writing to reduce their acreage planted in cotton in the manner hereinafter set out.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from Tennessee to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. McKELLAR. Now, Mr. President, one more amendment that the Senator from South Carolina has offered.

Mr. WALCOTT. Mr. President, I should like to clear up a matter before we go any further. I think it is in doubt.

Mr. McKELLAR. Very well.

Mr. WALCOTT. The Senator from Utah mentioned it, but I did not hear any vote on it. I refer to the striking out of two words in the second line of page 6, section 6—"and directed."

Mr. McKELLAR. Oh, yes!

Mr. SMITH. That has gone out.

Mr. McKELLAR. That has gone out by unanimous consent.

Mr. KING. I suggested that amendment.

The PRESIDING OFFICER. There has been no vote on it yet.

Mr. McKELLAR. I ask unanimous consent that those words be stricken out.

The PRESIDING OFFICER. The Senator from Tennessee moves to strike out, on page 6, line 2, the words "and directed."

The amendment to the amendment was agreed to.

Mr. McKELLAR. Now I offer the next amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Tennessee.

The LEGISLATIVE CLERK. It is proposed to amend section 8 to read as follows:

SEC. 8. The board shall sell the cotton held by it at its discretion: *Provided*, That it shall dispose of all cotton held by it by March 1, 1935: *Provided further*, That the board is authorized to sell unlimited amounts at any time at a price equivalent to not less than 10 cents basis middling, seven-eighths inch staple, at the ports can be procured.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Tennessee to the amendment of the committee.

Mr. KING. Mr. President——

Mr. McKELLAR. Will not the Senator allow that amendment to be adopted?

Mr. KING. May I suggest this to the Senator: Is not this a better amendment? I am not sufficiently familiar with the cotton business to know:

The board shall sell the cotton held by it prior to August 15, 1935, as follows: Thirty-five per cent between August 15, 1933, and February 15, 1934——

Mr. SMITH. Mr. President, I am familiar with that amendment. If the Senator will allow me, every man familiar with the cotton business knows that if we set any definite time at which anyone holding cotton must dispose of it he is at the mercy of those who more or less control the cotton market.

Mr. KING. I agree with the Senator; but it seems to me that if they have the discretion they will hold it just as the Farm Board has been holding wheat and cotton; and if it is piled up, we will have a mountain of cotton instead of having a diminishing quantity.

Mr. McKELLAR. I agree with the Senator about it, and first offered the very amendment that the Senator now suggests; but upon conferring with the Senator from South Carolina and others about it, we have modified it as has been suggested, and I hope the Senator will let it go through.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Tennessee to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, several Senators have inquired of me what was the attitude of the textile manufacturers of the North toward this measure. They were violently opposed to the so-called allotment bill. I am surprised to find that they are in accord with the textile manufacturers of the South and with the cotton planters in favoring the pending measure.

I want to read one of the many telegrams I have received, which indicates the view many textile manufacturers have taken of this legislation:

BOSTON, MASS., *February 18, 1933.*

Hon. DAVID I. WALSH,
*United States Senate:*

Cotton relief bill, proposed by Senators SMITH and GEORGE, we consider admirable. This plan should result in material curtailment in planting and result in price improvement not only for the farmer but for all textile industry. Prompt action is of vital importance if it is to affect this year's crop and bring the desired relief to agriculture and industry so necessary at this time. We commend to you the Smith bill as a substitute for the proposed Jones domestic allotment bill which we regard as unsound, highly destructive, and unworkable.

WATERMAN CURRIER & CO. (INC.).

Several similar telegrams have come to me, and I ask unanimous consent to have them inserted in the RECORD.

The PRESIDING OFFICER. Without objection, that order will be made.

The telegrams are as follows:

SALEM, MASS., *February 10, 1933.*

Senator DAVID I. WALSH,
*Senate Office Building, Washington, D. C.:*

National Association Cotton Manufacturers indorse Smith bill (S. 5122). Still opposed to so-called domestic allotment plan. Please advise status of Smith bill and suggest any way in which we can help.

ERNEST N. HOOD, *President.*

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GREENVILLE, S. C., *February 17, 1933.*

Senator DAVID I. WALSH,
*United States Senate:*

As you know, I am very much opposed to the so-called allotment bill. Believe Smith cotton bill would be of real benefit to cotton growers and mill interests. Hope you will support it in the Senate.

B. H. BRISTOW DRAPER.

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BOSTON, MASS., *February 16, 1933.*

Senator DAVID I. WALSH,
*United States Senate Office Building:*

Understand substitute farm allotment plan bill, known as Smith bill (S. 5122), reported yesterday favorably by Senate Agricultural Committee, and that same comes up for vote in Senate to-day. Will appreciate your support.

M. R. ABBOTT.

Mr. WALSH of Massachusetts. Now, I should like to ask the Senator from South Carolina whether the so-called agricultural allotment bill has been abandoned.

Mr. SMITH. Mr. President, I can not give the Senator an answer to that. All I can say is that in a certain modified form it is on the calendar, and my opinion is——

Mr. WALSH of Massachusetts. Is the Senator proposing this in the nature of a substitute that is more acceptable to the cotton planters than the other?

Mr. SMITH. I am proposing it to take care of the cotton situation.

Mr. McKELLAR. On the merits of it. I hope the Senator will not object to our having a vote, because I think this

means more to the cotton industry than any other bill that could possibly be passed.

Mr. WALSH of Massachusetts. I am not objecting. I should like to know something about the status of the allotment bill, so far as the views of the Senator from South Carolina are concerned.

Mr. SMITH. Individually, Mr. President, I will never support the bill.

Mr. WALSH of Massachusetts. That is what I hoped were the views of the Senator.

Mr. KING. Mr. President, I ask that the clerk be authorized to change the numbers in the bill to conform with the amendments which have been made.

The PRESIDING OFFICER. Without objection, that order is entered.

Mr. GEORGE. Mr. President, I move, on page 7, line 19, to strike out the words "the provisions of this and the eight immediately preceding sections," and to insert in lieu thereof the words "this act," so as to read:

SEC. 9. The Secretary of Agriculture is hereby authorized and directed to make all necessary rules and regulations and to employ such officers and employees as are necessary to execute this act.

Mr. SMITH. Yes, Mr. President; that is necessary in order to make the various sections conform to each other.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. VANDENBERG. Mr. President, I revert now to the subject we were discussing earlier in the afternoon. I think the Senator from South Carolina is in agreement, respecting the qualifications for membership on the cotton board, that certain language should be stricken out. Therefore I move, on page 4, line 18, that the following words be stricken out: "Residents of the cotton-producing States and all of whom shall be." With that stricken out the clause will then read, "all of which members shall be qualified and experienced in either the purchasing, handling, or production of cotton."

Mr. McKELLAR. Mr. President, I think that amendment ought to be agreed to. I doubt whether we have the right to restrict the President, anyway. I hope the Senator from South Carolina will agree to the amendment.

Mr. SMITH. Mr. President, I accept that amendment.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. On page 4, lines 18 and 19, the Senator from Michigan moves to strike out the words "residents of the cotton-producing States and all of whom shall be," so as to make the section read:

That there is hereby created in the Department of Agriculture a cotton board (hereinafter referred to as the board). Such board shall consist of six members to be appointed by the Secretary of Agriculture, all of which members shall be qualified and experienced in either the purchasing, handling, or production of cotton. The members of the board shall receive no compensation for their services but shall be paid their actual and necessary expenses incurred in the performance of their duties. They shall hold office during the pleasure of the Secretary of Agriculture.

The amendment to the amendment was agreed to.

Mr. COPELAND. Mr. President, if it were possible to give relief to any person suffering in the United States, I should be glad to join in doing that. I hate human suffering. I am unhappy when I find human misery. But the bill before us seems to me like the rankest kind of class legislation. It seeks to benefit one section of this great country.

I do not find anything in the bill that would help the farmers in my State—the farmers who raise potatoes, onions, celery, fruit, who make maple sirup, who engage in many activities which, under the stress of present economic conditions, are decidedly at low ebb.

I am regretful for having any part in raising any sectional objection to the bill, but I have striven for a number of weeks to have the Committee on Agriculture and Forestry report a simple resolution authorizing the Red Cross to exchange cotton which it received under recent action of the Congress for garments made of wool. I pointed out in the committee that in the strenuous climate of northern New York, Michigan, Wisconsin, Montana, and the Dakotas there are many citizens who can not be kept warm by garments made of cotton.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. SMITH. The Senator suggested that before the committee. The program of the Red Cross is such that they are disposing of the cotton and using the money for the purpose of taking care of those who are in need of woolen clothes or any kind of clothes that are necessary for the comfort of the people under these distressing conditions. So far as I am concerned and so far as my influence in the committee is concerned, I shall be very glad, when the chairman of the committee calls the bill up, to vote for the measure. I will say, before I sit down, that really I think the Red Cross will do what the Senator seeks anyway, because they are selling the cotton. They are not converting the cotton into cotton goods, but are selling it and using the proceeds to do with as they please.

Mr. President, I have just received the following telegram:

ST. MATTHEWS, S. C., *February 18, 1933.*

Hon. E. D. SMITH,
*United States Senator:*

Census made cotton growers, 850 counties, shows 100 per cent indorsement your bill and subscription excess of 5,000,000 bales carrying reduction cotton acreage proportionately. Passage your bill benefit every line cotton industry and entire Nation. You release this.

J. SKOTTOWE WANNAMAKER,
*President American Cotton Association.*

Mr. COPELAND. Mr. President, I have listened with interest to what the Senator from South Carolina has said; but unfortunately the Red Cross, if I rightly understand its attitude and the letters from Judge Payne which I have received, is not permitted to exchange the cotton which has been turned over to it for anything except garments made of cotton. I offered an amendment to the original proposal and withdrew it because of appeals made to me not to interfere with the passage of a measure which was so important for the relief of human suffering; and, of course, I yielded to those appeals, as I always do to appeals made for the relief of human suffering, wherever it may be.

Then I presented an independent resolution, having been assured that the Red Cross could not make the exchange without authority of Congress, because in the act which was passed here it was stated—I can not give the language literally, but I remember very well the spirit of it—that the Red Cross might change the cotton for garments or blankets made of cotton. Cotton garments and cotton blankets do not mean much in climates where the temperature falls to 42 below zero. A similar resolution was presented and referred to the Committee on Agriculture and Forestry. I appeared in person to present my cause, and the resolution remains in the Committee on Agriculture and Forestry. Why is it, Mr. President, that when there is human suffering in the North and in the West and in New England such an appeal falls on ears not willing to listen?

The bill before us to-day is a bill which will be sectional in its advantages and in its functions if it is enacted into law. It is not a national bill. It would not confer benefits upon the United States of America. It would confer benefits upon one crop, in one section of our country.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. McKELLAR. That is only because that crop happens to be raised in one part of the country. If cotton could be raised all over the country, the bill would apply to the whole country.

I have great sympathy with the Senator's arguments in reference to the use of wool, and I regret very much that a provision as to wool was not included in the Red Cross bill which was passed. I would be willing to cooperate with the Senator. It is now 5 minutes of 1 o'clock, and I hope he will not destroy the chance to pass this very excellent measure because of the committee not reporting out his bill in regard to wool. I will say that I would be very happy

to join the Senator in any effort to have wool used in the way he suggests.

Mr. GEORGE. Mr. President, may I say to my friend the distinguished Senator from New York that while the bill before us does deal with cotton, it undertakes to deal only with the problem of disposing of that cotton which is held by some agency of the Government, and to do it effectively it must be done prior to the extra session of the Congress, which we understand will be convened in April. In April or May it will be entirely too late for us to procure any cotton legislation which will be of any benefit. However, it will be time enough to procure general legislation dealing with other crops, and there are other farm bills which have been introduced. For that reason this particular matter is segregated from the general farm legislation, in an effort to get the advantage of whatever benefit the law may bring in this particular year. If it stood upon the same basis as other crops with reference to planting, which is the material fact we are trying to affect here, there would be no necessity for considering it separate and apart from other general farm legislation.

Mr. COPELAND. Mr. President, what the Senator from Georgia says and what the Senator from Tennessee says mean a lot to me because of my affection for them. Nevertheless I insist that this is class legislation. It does not seek to benefit the great country at large.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. PITTMAN. It occurred to me that cotton being the largest crop raised in this country, and it being admitted that the most necessary thing at this time is to raise commodity prices, if we can raise commodity prices by this method with this largest crop, there would be probably 20,000,000 people to-day who can not buy automobiles or other manufactured products who would buy them. The Senator's position seems too narrow a way to look at this price problem.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. McKELLAR. May I make a statement to the Senator? I want to read the first paragraph of the Red Cross act to which the Senator has referred, and I venture to say that under it there is no reason in the world why this cotton could not be exchanged for woolen blankets or woolen clothes. It provides:

> That the Federal Farm Board is authorized and directed to take such action as may be necessary to make available, at any time prior to May 1, 1934, on application of the American National Red Cross, or any other organization designated by the Red Cross, the remainder (not in excess of 350,000 bales) of the cotton of the Cotton Stabilization Corporation, for use in providing cloth, wearing apparel, and bedding, comforters, and blankets for the needy and distressed people of the United States and Territories.

There is no limitation or inhibition against swapping the cotton for woolen blankets or woolen clothes of any kind, and I hope the Senator will see his way clear to letting us pass this bill. Cotton is the largest exportable crop there is in the United States. It means more to the Senator's State than it does to mine, I have no doubt, because there are more people dealing in cotton in the Senator's State than in the State of Tennessee. I hope the Senator will let the bill pass.

Mr. COPELAND. Mr. President, I want to show the Senator how mistaken he is. He read the preamble of the Red Cross act. He did not read section 2.

> In order to carry out the purposes of this act, such cotton may be manufactured into, exchanged for, or disposed of and the proceeds used for acquiring cloth or wearing apparel or other articles of clothing or bedding made of cotton.

The PRESIDING OFFICER. The hour of 1 o'clock having arrived the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

Mr. McKELLAR. Mr. President, will the Senator kindly withhold the suggestion for a moment?

Mr. LA FOLLETTE. Very well.

Mr. McKELLAR. I wish to ask unanimous consent. We have agreed on the bill entirely down to the point of its passage. May we not have unanimous consent now to vote on the bill before the quorum is called? I ask unanimous consent to that end.

The PRESIDING OFFICER. Is there objection?

Mr. COPELAND. Mr. President, I have not yet finished what I want to say about the bill.

The PRESIDING OFFICER. Does the Senator from New York object?

Mr. COPELAND. If it is proposed to put it on its immediate passage, of course I must object.

The PRESIDING OFFICER. The Senator from New York has the floor. Does the Senator yield to the Senator from Wisconsin?

Mr. LA FOLLETTE. Mr. President, the unfinished business has been laid before the Senate. If the Senator from New York desires to proceed with his remarks on the bill I shall not insist upon the point of no quorum.

Mr. COPELAND. If the Senator will wait just a moment I shall conclude.

Mr. LA FOLLETTE. Very well.

Mr. COPELAND. Mr. President, it was because of the language in the bill to which I have just referred, providing for the use of the cotton or its exchange for articles made out of cotton, that I was induced to offer the resolution which I did. I can not see how it makes any difference to those who raise cotton whether that cotton is used in exchange for cotton garments or for woolen garments. But the bill says it must be in exchange for cotton garments, so I made the appeal and submitted my resolution to the Committee on Agriculture and Forestry, where it reposes in the icebox of the committee while the people who are suffering in the North are deprived of woolen garments because of the failure of the committee to report out a measure which has to do with the relief of human suffering.

Mr. President, suffering in my State means just as much to me as suffering in any other State, and a little bit more. I can not understand why it is that we should have to divide our interests and our thoughts, and take one part of the country and give it this favor and to propose legislation like this for its benefit, while at the same time refusing similar aid and benefits to another section of the country. The father of this bill, now that it has been amended as it has, would not recognize his own baby. We have cut off its ears, its arms, and its feet. Nobody knows now what the bill means. It has been amended on the floor in the most informal way. It will not hurt us to have the bill printed with the amendments already agreed to and presented here for the further consideration of the Senate.

Mr. McKELLAR. Mr. President, the only trouble about that is that it is so near the end of the session that unless we get the bill over to the House it will be impossible to have it enacted into law. I ask unanimous consent that we may now vote upon the cotton bill.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Mr. President, I do not intend to interpose any objection to the immediate passage of the bill or to the request for unanimous-consent vote. I merely wish to say that I am as deeply interested as any Senator from the South or elsewhere in the relief of the cotton farmer. I am willing to vote for any measure for relief of the cotton farmer or any other farmer which I think will accomplish more of good than harm. I doubt if this bill will do so. I am afraid it will prove an illusion and a cheat to most of the farmers, perhaps not so grievously as the Farm Board, but perhaps not less. I shall not, however, obstruct its passage or object to the unanimous-consent request.

The PRESIDING OFFICER. Is there objection to voting upon the bill immediately? That will require the calling of a quorum.

Mr. KING. Mr. President, I do not object to voting, but I shall vote against the bill. I share the views expressed by the Senator from Oklahoma. I think the bill is a very unsatisfactory measure. I think it is embarking upon a policy that is disadvantageous and dangerous.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that we continue consideration of the Smith cotton bill.

Mr. LA FOLLETTE. I could not agree to that, Mr. President, unless the Senator provides that there shall be an immediate vote without further debate.

Mr. McKELLAR. I include that in my request.

The PRESIDING OFFICER. Is there objection?

Mr. COPELAND. What is the request?

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent to lay aside temporarily the unfinished business and to vote immediately upon the cotton bill without further debate.

Mr. COPELAND. I understand a quorum has to be called for that purpose.

Mr. McKELLAR. I think not, under these circumstances.

The PRESIDING OFFICER. The Parliamentarian informs the Chair that a quorum will have to be called.

Mr. McKELLAR. I want to get unanimous consent first.

Mr. COPELAND. I assume there must first be a quorum called.

Mr. McKELLAR. Very well. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator's request for unanimous consent will be submitted after the presence of a quorum is ascertained. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Keyes | Sheppard |
| Austin | Dale | King | Shipstead |
| Bailey | Davis | La Follette | Shortridge |
| Bankhead | Dickinson | Lewis | Smith |
| Barbour | Dill | Logan | Smoot |
| Barkley | Fess | McGill | Steiwer |
| Bingham | Fletcher | McKellar | Stephens |
| Black | Frazier | McNary | Swanson |
| Blaine | George | Metcalf | Thomas, Idaho |
| Borah | Glass | Moses | Thomas, Okla. |
| Bratton | Glenn | Neely | Townsend |
| Brookhart | Goldsborough | Norbeck | Trammell |
| Bulkley | Gore | Norris | Tydings |
| Bulow | Grammer | Nye | Vandenberg |
| Byrnes | Harrison | Oddie | Wagner |
| Capper | Hastings | Patterson | Walcott |
| Caraway | Hayden | Pittman | Walsh, Mass. |
| Clark | Hebert | Reynolds | Walsh, Mont. |
| Coolidge | Hull | Robinson, Ark. | Watson |
| Copeland | Johnson | Robinson, Ind. | White |
| Costigan | Kean | Russell | |
| Couzens | Kendrick | Schuyler | |

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present. The Senator from Tennessee [Mr. McKELLAR] asks unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to vote immediately on the bill (S. 5122) which has been under consideration, the cotton purchase act, without further debate. Is there objection? The Chair hears none, and it is so ordered. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The bill was ordered to be engrossed and to be read a third time.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill was passed.

### FEDERAL AID FOR UNEMPLOYMENT RELIEF

The Senate resumed the consideration of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

The PRESIDING OFFICER. The pending question is the amendment of the Senator from Kentucky [Mr. BARKLEY] to the substitute amendment of the Senator from New York [Mr. WAGNER].

Mr. BARKLEY. Mr. President, when we adjourned yesterday we had under consideration the amendment which I had offered to strike out certain language at the bottom of page 2. The Senator from Georgia [Mr. GEORGE] and I have conferred and have agreed upon an amendment which he will offer as a substitute for my amendment. Therefore I desire to withdraw my amendment and I hope the amendment which he will now offer will be agreed to.

The VICE PRESIDENT. The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, I offer the following amendment to the amendment of the Senator from New York.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 25, strike out the period, insert a comma, and the following:

except upon the approval of the Reconstruction Finance Corporation, and all such expenditures shall be reported to the corporation as often as required by it.

Mr. GEORGE. Mr. President, I believe the amendment will be acceptable because it permits the administrative cost to be borne by the fund as so many of the Senators seemed to think yesterday should be done in order to secure administration of the provision in their States.

Mr. KING. Mr. President, I was detained yesterday from the floor while this bill was under consideration. I ask the Senator, Who is to administer the fund and who is to be responsible for the administration, including the cost of administration?

Mr. GEORGE. The governor of the State, as I understand, and such agencies as are in existence or may be created. I will say to the Senator further that the Wagner substitute, of course, has not yet been voted upon, though it has been offered and is now under consideration. One of the proposed amendments in the Wagner substitute is this:

No part of the amounts paid to the governor of a State of Territory under this section shall be used for payment of administrative expenses incurred in furnishing relief and work relief under this section.

A motion was made by the Senator from Kentucky [Mr. BARKLEY] to strike out that provision, and that was the subject of debate when the Senate adjourned yesterday afternoon.

The amendment which I now offer, and which the Senator from Kentucky accepts, is to leave this provision in the bill with the proviso and exception that no amounts shall be paid for administrative purposes, "except upon the approval of the Reconstruction Finance Corporation," and all expenditures made from the fund for administrative purposes shall be reported to the Reconstruction Finance Corporation as it may require.

Mr. KING. But primarily, as I understand the Senator, the States and such instrumentalities as they may select will be responsible for the cost of administration, except that, with the consent of the Reconstruction Finance Corporation, the expenses may ultimately come out of the fund?

Mr. GEORGE. Or all of them, I may say, because it was stated by several Senators that some States were not able to administer this particular fund without drawing upon it. I am seeking to safeguard it as much as possible by making the expenditure of any part of the fund for administrative purposes subject to the approval of the Reconstruction Finance Corporation and the accounts of those expenditures subject to their audit and control.

Mr. WAGNER and Mr. BARKLEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. First I should like to ask the Senator from New York a question. As I understand, the substitute provides for a direct contribution to the States?

Mr. WAGNER. The Senator has the amendment confused, I think, with the proposal offered by the Senator from Colorado and the Senator from Wisconsin. My amendment does not change the method of distribution; it is still

in the form of loans or advances to the States. The administration of the fund is not changed; it remains in the same control as the bill of last year provided, but we are making a further restriction upon the fund by providing that no part of the sum advanced may be used for administrative expenses by a State except with the consent—in effect, that is it—with the consent of the Reconstruction Finance Corporation. This amendment also, as I understand, provides that a report must be made of the expenditures for administrative purposes.

Mr. KING. Mr. President, it is a little unfortunate that some of us are attending committees when important measures such as this are under consideration. I have not had an opportunity of knowing the terms of this bill. I am speaking now of the La Follette-Costigan bill, as well as the substitute. It does seem to me, however, that if the Government is to make these advances to the States in the shape of loans, then the States ought to assume the responsibility for the administration of the funds, and that the cost of administration ought not to come out of the funds advanced to the States but out of the States themselves; and they having the responsibility of administering it, knowing that they will have to meet the expense, will be far more economical and their administration will be far more effective than if they can put their hands into the fund for the purpose of administering it.

Mr. ROBINSON of Arkansas. Mr. President——

Mr. KING. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. There is a provision in both bills which contemplates grants to the States for the relief of a certain class of persons called "transients" who need assistance, and that provision in both bills, as I understand, is in the nature of a grant or gift.

Mr. WAGNER. Yes.

Mr. ROBINSON of Arkansas. The amendment of the Senator from New York carries $15,000,000 for that purpose, and it is not contemplated that that part of the fund shall be reimbursed.

Mr. WAGNER. That is correct.

Mr. KING. I am in sympathy with that provision.

Mr. ROBINSON of Arkansas. That arrangement, I think, is a fair one.

Mr. WAGNER. Yes; I think everybody agrees to it.

Mr. ROBINSON of Arkansas. I believe it is a necessary one, too, and I think it ought to be incorporated in the bill.

Mr. WAGNER. Mr. President, I might say to the Senator that a survey which has just been made, and which was referred to in yesterday's newspapers, indicates that over a million and a quarter people are wandering through the United States, men, women, and children, absolutely homeless.

Mr. KING. Mr. President, I make no criticism of the suggestion that in the administration of the fund to care for what might be denominated transitory indigents the cost should come from the fund itself or from the Federal Government, but I was speaking of the larger fund which is contributed to the States. As it strikes me, the States themselves ought to administer the fund and ought to be responsible for it and pay the cost of administration.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia [Mr. GEORGE] to the amendment proposed by the Senator from New York [Mr. WAGNER].

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. WAGNER. Mr. President, in view of the observation made by the Senator from Arkansas a moment ago, I desire to read just a few lines into the RECORD, as follows:

> The survey conducted by the National Committee on Care for the Transient and Homeless made public yesterday shows that there are approximately 1,250,000 persons, including men, women, and children, now without homes and wandering up and down the country seeking relief.

Mr. ROBINSON of Arkansas. Mr. President, I trust that nothing I said indicated that, in my opinion, there was no necessity for this provision. On the contrary, I think it is one of the most important and essential provisions in the bill.

Mr. WAGNER. I know the Senator's great interest in this subject, and I wanted to give him the latest figures upon that phase of the matter.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment, the question is on the amendment in the nature of a substitute.

Mr. COSTIGAN. Mr. President, if in order, I should like at this time to ask for reconsideration of the vote whereby an amendment was adopted yesterday to the amendment of the Senator from New York [Mr. WAGNER].

The VICE PRESIDENT. That is in order.

Mr. COSTIGAN. I make the suggestion with the concurrence of the author of the bill. Yesterday, following the word "canal," in section 3, language was inserted by the Senate which I will ask the clerk to read.

The VICE PRESIDENT. The clerk will read as requested.

The LEGISLATIVE CLERK. On page 2, in line 22, in the amendment offered by the Senator from New York, the words were inserted "reservoirs reasonably essential to the operation of such canals."

Mr. COSTIGAN. I should like, Mr. President, to substitute for the language in question the words "urban water systems, irrigation systems."

The VICE PRESIDENT. The question is on reconsidering the vote whereby the amendment referred to to the amendment of the Senator from New York was agreed to.

Mr. ROBINSON of Arkansas. Mr. President, may I ask who offered the amendment that the Senator has asked to have reconsidered?

Mr. COSTIGAN. I myself offered it, I will say to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. Very well.

Mr. COSTIGAN. With the consent of the Senator from New York [Mr. WAGNER], who, I believe, has no objection to the language to be substituted——

Mr. WAGNER. No; I think it is clearer than the amendment adopted yesterday.

Mr. KING. Mr. President, will the Senator yield?

Mr. COSTIGAN. Certainly.

Mr. KING. May I inquire of the Senator to what particular provision of the substitute he is now directing attention?

Mr. COSTIGAN. The reference is not to the substitute before the Senate at this moment. It goes back to the amendment proposed yesterday to the bill S. 5125 and refers to section 3 of that amendment and not to the substitute which the Senator from Utah apparently has in his hand at this moment.

Mr. KING. I am sure that I do not understand the Senator. I understood the Senator was directing his attention to the amendment offered by the Senator from New York [Mr. WAGNER], which begins:

> Title 1. Relief of destitution——

Mr. COSTIGAN. The motion does not relate to the substitute. It refers to the action taken yesterday with reference to Title I. On page 2, subdivision 3, line 22, following the word "canal," the language now attempted to be substituted would be inserted.

Mr. KING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. If the motion of the Senator from Colorado should prevail, then it would bring back for the consideration of the Senate all of section 22 of Title II of the amendment offered by the Senator from New York.

Mr. COSTIGAN. I hope not.

The VICE PRESIDENT. It would open up the entire amendment of the Senator from New York.

Mr. KING. I have no objection. I understand the question is on the motion to reconsider.

The VICE PRESIDENT. The question is on the motion to reconsider the vote whereby the amendment to the amendment was agreed to.

The motion was agreed to.

The VICE PRESIDENT. The vote whereby the amendment was agreed to having been reconsidered, the Senator from Colorado proposes an amendment to the amendment, which will be reported.

The LEGISLATIVE CLERK. On page 2, line 22, in the amendment of the Senator from New York [Mr. WAGNER], in lieu of the language heretofore adopted it is proposed to insert the following: "urban water systems, irrigation systems."

Mr. KING. Mr. President, there may be good reasons for broadening the powers of the Reconstruction Finance Corporation, but they must, in my opinion, be imperative to justify an extension of the authority of that organization. Already, in view of the multiplicity of loans which it has made, loans for a multitude of purposes, there have been some criticisms upon the ground that its authority was too broad, and that if it exercised the full authority given to it it would impose upon the Government—and of course that means upon the people ultimately—an unnecessary burden.

My attention was not called until a moment ago to the amendment offered by the Senator from New York [Mr. WAGNER] yesterday, under the head "Title I, relief of destitution; Title II, amendments to emergency relief and construction act of 1932."

Quoting from the proposed amendment, I find that the authority heretofore granted to the Reconstruction Finance Corporation is considerably broadened. For instance, in line 7 I find that the Reconstruction Finance Corporation is authorized—

(1) To make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest; such loans or contracts to be made through the purchase of their securities—

I am told—and I shall be glad to be advised whether my information is accurate—that some of the provisions of the existing law have been so modified that these so-called public projects need not be self-liquidating.

If that is the case, Mr. President, I think we are embarking upon a sea of trouble, and expanding the authority of the Reconstruction Finance Corporation in a way that may result in dangerous consequences, certainly in serious drafts upon any funds conveyed to the Reconstruction Finance Corporation—and that means, of course, upon the Treasury of the United States.

I think there is some question as to the broadening of this authority so that anything that is needful may be the basis of justifying a loan from the Reconstruction Finance Corporation, and justifying the Reconstruction Finance Corporation in granting the credit for such alleged needful improvements.

There is scarcely anything connected with political subdivisions that may not come within the category of needfulness, if I may use that expression. The paving of the streets in many municipalities may be denominated as needful. The putting in of new sewers, the extension of electric-light systems, the broadening of many of the activities of the municipalities, many of the people within the city might regard as needful. It does seem to me that in broadening the powers of the Reconstruction Finance Corporation we are opening the door for rather dangerous invasions of the public credit.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Oklahoma?

Mr. KING. I yield.

Mr. GORE. The Senator from Utah says he is afraid we are embarking on a policy that may lead to ruin or jeopardize or destroy the credit of the United States.

I should like to say to the Senator that we embarked on that policy long ago. It is the nature of this sort of policy to grow worse and worse and worse. It spreads like a plague spot. It can not be isolated. We are soaping the rails, not sanding them. There is no kind of brake that will stop a runaway car like this. It is like Hugo's runaway cannon that broke its moorings in a heavy sea.

I think we are deliberately destroying the credit of the United States, the only reservoir of credit that is now left. As I see it, credit is to a nation what honor is to a man, what chastity is to a woman. Without it, nothing counts. We are deliberately destroying the credit of the United States and, I think, precipitating a state of chaos which may compel us one day to look back upon these times, evil as they are, as "the good old days," as "the golden age."

Mr. KING. Mr. President, I think the observations made by the distinguished Senator from Oklahoma should challenge the attention of the Senate to some of the legislation which has been suggested, and some which undoubtedly will be brought to the bar of the Senate within the near future.

I have wondered what will be the effect if we continue these improvident expenditures by the Federal Government upon its credit. Obviously there can be only one result—the impairment of the credit of the United States. That credit to-day is like a great dam that holds back tumultuous floods that threaten devastation and ruin to the valleys below. If we imperil that dam, or if by our course we so weaken it as that it will ultimately be destroyed, it is manifest that our industrial and economic if not our political system will be destroyed.

I have marveled at the eagerness with which some powerful States have sought appropriations from the Federal Government. I was amazed when I learned that the great State of New York sought Federal credit and that the State of Pennsylvania came to the Reconstruction Finance Corporation for credit—the two richest States in the Union; States which have profited by high-tariff legislation and by many discriminatory laws that have found a place upon the statute books of our country.

Mr. President, I think that when the States feel that they are to be compounded into one vast colloidal mass and that the Federal Government is to take over the duties and responsibilities and functions of the States not only is our form of government imperiled but we are not using extravagant language when we say that it is destroyed.

We have boasted that this was a Republic of republics; that we have sovereign States; and that under our form of government those States had responsibilities which they could not, if they observed the Constitution, devolve upon the Federal Government. But the States now seem to have forgotten their responsibilities; and municipalities and individuals, for that matter, feel that they can look to the Treasury of the United States, which is now empty, for relief. It is to be a cornucopia that will pour forth its golden treasures in order to relieve the situation, to furnish work and employment, and to sustain the activities of the States and municipalities and various political subdivisions.

Mr. WAGNER. Mr. President——

Mr. KING. I yield to the Senator from New York.

Mr. WAGNER. I desire to ask the Senator whether he knows that the State of Utah has borrowed from the Reconstruction Finance Corporation.

Mr. KING. I have no doubt it has applied. Every State has done so.

Mr. WAGNER. I am sure it was done only because the burden was so heavy that the State itself could not cope with the situation.

Mr. KING. That may or may not be. My State undoubtedly will pursue that course if we open the door and say, "Come; we will loan to you." Every State will take advantage of it; even the State from which the Senator comes, with its great wealth, and the fact that it contributes such a large part of the taxes of the country.

Mr. WAGNER. I am sure that none of these States would apply to the Reconstruction Finance Corporation for a loan to cope with the situation of destitution except that the burden was too heavy for the State itself to carry under the present practice.

Mr. KING. I do not quite agree with the Senator from New York.

The State of New York, with its great wealth, certainly ought to be able to cope with the questions that come before it; and so of the State of Pennsylvania, and the State of Illinois, and other States. When they come to seek loans from the Federal Government, it does seem to me that they are just postponing a situation which as the days go by will become more aggravated, and in the end will impose upon them greater burdens, greater troubles and tribulations, than those through which they have passed and might pass if they did not seek relief at the hands of the Federal Government.

Mr. SHIPSTEAD. Mr. President——

Mr. KING. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. The Senator is aware, I assume, that the country's "best minds" have been in control of the credit system, and they have approved of this kind of a program in the last three years.

Mr. KING. Mr. President, I am not sure whether the Senator is seeking to entrap me into an admission that the best minds of the country have given us the wisest policies or, speaking ironically, that we have followed the "best minds" in fantastic propositions which they have submitted or approved.

Mr. SHIPSTEAD. They told us they were the best minds, did they not?

Mr. KING. Undoubtedly. Like the Senator from Minnesota, if I properly interpret his views, I have some doubt as to the infallibility of these so-called "best minds."

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. KING. I yield to the Senator from Ohio.

Mr. FESS. I understand that the amendment we are now considering provides for a loan instead of a gratuity. A statement of the Senator from Georgia [Mr. GEORGE] last night during the debate has disturbed me very much.

Mr. KING. May I interrupt the Senator to say that I was not addressing myself to the amendment offered by the Senator from Colorado [Mr. COSTIGAN].

Mr. FESS. No; I assumed that the Senator was discussing the general proposition.

Mr. KING. The Senator is right.

Mr. FESS. The statement which the Senator from Georgia made yesterday, which so disconcerted me, was this:

> As long as this appropriation was in the nature of a loan, and a loan at least chargeable to the State, there was some restraint and restriction on the expenditure of the money. I have already said, however, that it has become now practically a bounty to the State.

Are we to understand that when this law becomes operative, although we are voting now in good faith a loan, it is to be regarded later as a bounty to the States?

Mr. KING. May I say to my friend that I hope not. I have understood that this was to be a loan. If it is a bounty, there would be greater objection to the measure than there is at present.

Mr. FESS. That is the statement of the Senator from Georgia which is very disconcerting to me.

Mr. GORE. Mr. President——

Mr. KING. I yield to the Senator from Oklahoma.

Mr. GORE. As a rule, the Senator from Utah [Mr. KING] and the Senator from Ohio [Mr. FESS] do not sojourn with Alice in Wonderland; but I wonder if they imagine that there is any distinction, real or fancied, between a loan to a State and a bounty or a gratuity to a State?

Mr. KING. I yield to the Senator from Ohio to reply.

Mr. FESS. If the Senator will permit me to make the statement, if we make a loan, I should not suppose that a State would accept it without the understanding that it is an obligation to be repaid and that it will be repaid.

Mr. GORE. Mr. President, that is certainly an illusion for the Senator from Ohio to indulge. The pressure which constrained us in the first instance to make these loans will return here when pay day comes and insist, first, on postponement, then perhaps on reduction, and finally on cancellation.

The relationship of one sovereign to another as creditor to debtor is not only an undesirable relationship, it is an impossible relationship. We have had some experience with our debtors across the sea. We ought to learn a lesson from our experience.

I have a theory that wise men learn from the experience of others. The average man learns from his own experience. There is another class, however, that does not learn from experience, either from its own or from that of anyone else. I do not characterize this class in terms. I make no invidious comparisons. I will make this observation, however, before I sit down, that the day on which we began to make these loans by the Federal Government to States, counties, and cities was a more evil day in the history of this Republic than the day on which the Confederacy fired upon Fort Sumter.

That revolution did not succeed. That rebellion could not succeed. It was bound to fail. The Union was preserved in all its integrity; and the Republic, threatened as it was, survived the threats and survived the assaults involved in the secession of a dozen States. I doubt if this Union can survive policies as fundamentally evil and vicious as this, not, indeed, being initiated, but being expanded.

Is any Senator surprised? I took the time of the Senate a year ago to forecast that this measure would come before us in this session. Does anybody imagine that there is any period which can be set to a policy like this, if and when these States and municipalities once become attached to the body politic as leeches, as leeches, as leeches, sucking, not the blood of others, but sucking their own blood?

Imagine a hospital with 48 patients, in which a method of treatment was adopted of universal transfusion of blood from one patient to another, and one patient to another, until the circuit was completed. Let a man bite into his forearm and suck his own blood. Can he live on that diet and from that source indefinitely?

Who is supplying these resources? Who is paying these taxes? The State of New York, the State of Pennsylvania, and the State of Illinois, pay more than their share of our Federal taxes. They pay taxes out of proportion to their population. If the money which they borrow here should ever be repaid, they would repay more than their share. Yet hither they come flocking in hungry bands.

Mr. President, I do not know what the end will be, but I do know that when these States once attach themselves to the breast of this Republic and become nurslings, become sucklings at the breast of the General Government, they will never be sundered from that attachment, and when the day comes these States will return here and demand cancellation, and Senators will yield to that demand.

We had a little experience here the other day on the part of one of our officers. Neither this Republic nor the people of this Republic are in any danger from the corruption, or the alleged corruption, of Congress. Neither this Republic nor its people are in any serious danger from the incompetency of Congress. This Republic and its people are in jeopardy on account of the lack of courage. I use the word "courage" because I will not say that the danger arises from cowardice. I do not wish to be guilty of any impropriety toward my colleagues in this body. But there, sir, lies the danger.

The VICE PRESIDENT. The time of the Senator from Utah has expired on the amendment.

Mr. KING. Mr. President, I did not know we were speaking under a limitation of debate. I shall take my time on the bill.

Mr. SHIPSTEAD. Mr. President, I send to the desk an amendment and ask that it be read.

The VICE PRESIDENT. The amendment pending is the amendment of the Senator from Colorado [Mr. COSTIGAN] to the amendment of the Senator from New York [Mr. WAGNER].

Mr. KING. I understood the Senator from Minnesota desired to present a matter to the Senate.

Mr. SHIPSTEAD. I have an amendment to present, but I can not present it now.

Mr. KING. I would like to ask the Senator from New York to what extent this measure which he has presented

as a substitute would broaden the functions of the Reconstruction Finance Corporation?

Mr. FESS. I notice that the Senator from New York is not in the Chamber at the present moment, and will not the Senator from Utah yield to me a moment, until he comes in?

Mr. KING. I yield.

Mr. FESS. I think the Senator from Utah will agree with me that the utterances of the Senator from Oklahoma [Mr. GORE] sound like a voice from the great past, when, in other days, men stood upon the floor of this Chamber and in the other House demanding that the rights of the States be preserved and that nothing be done by the Federal Government in the way of an appropriation that might ultimately result in buying the independence of the States. His utterances are so unique in this day that I think there ought to be a word of appreciation, at least for his courage, which is quite unusual in these modern times.

Mr. KING. Mr. President, the views expressed by the Senator from Oklahoma [Mr. GORE] are entitled to serious consideration by the Senate as well as by the country. In periods of depression the temptation is great to forget the paths of safety and the fundamental principles of government. History furnishes many examples where conservative and thoughtful people have in moments of stress abandoned principles upon which they have relied and which they have regarded as adequate to meet all contingencies. It seems to me that when storms arise there should be no abandonment of principles and doctrines which have guided the past but rather a determination to follow those policies which have contributed to the happiness and welfare of the people. This is no time, in my opinion, because our economic situation is unsatisfactory, for the American people to forsake the precepts and teachings of the fathers and the principles upon which this Republic is founded.

It is evident, however, that for a number of years past there has been an increasing disposition upon the part of the people to aggrandize the Federal Government and to look to it for the performance of duties and responsibilities which rest upon the States and their political subdivisions or upon individuals.

The struggle of the centuries was to decentralize authority; to obtain freedom for individuals and authority for local communities to control their own internal and domestic affairs. Many battles have been fought and many revolutions have occurred because of the efforts of brave and courageous men and women to seek freedom and to oppose powerful centralized authority or oppressive bureaucratic institutions. This Republic was organized as a protest against tyranny; against imperialistic policies; against autocratic authority; against restrictions and limitations upon individual conduct. The people insisted upon local self-government; they believed in their competency to govern themselves and to deal effectively and adequately with their internal and domestic problems.

There was a time when the people of this Republic paid reverence to their States; they were deeply attached to the States in which they lived. To preserve and protect the States was to them an obligation and a duty which could not be ignored; but within recent years there is a perceptible change to be noted in the attitude of the people toward their States and the political subdivisions therein. The eyes of the people have been turned to the Federal Government and as it has extended its authority, much of which has been usurpatory in character, there has been a diminished regard for the rights of the States and for local institutions. More and more the people have regarded the Federal Government as the source of authority, the fountain of power, the dispenser of favors and benefits. When attention has been challenged to this powerful movement which seeks the conference of additional power upon the Federal Government at the expense of the States and their political subdivisions it has aroused but little interest and has failed to revive the waning spirit back of local self-government.

Undoubtedly the part which the United States has played in world affairs has been in part responsible for the diminishing interest in local government and the growing indifference upon the part of the people to the fundamental principles upon which rests our dual form of government. There are some writers of distinction who contend that there is a world movement against democracy and the preservation or maintenance of strong local units of government; that the movement is in the direction of highly centralized governments with more or less unlimited power. An eminent writer has declared that the unitary form of government must ultimately prevail; that governments are not now tending to decentralization of authority but rather to centralization of authority. Attacks are made upon our dual form of government, and persistent efforts are made to strengthen the power of the Federal Government and to project its authority into the States.

The German people, following the World War, set up a republican form of government. It was believed that they no longer desired a powerful central government such as that which existed under Bismarck and the Kaiser, but recent events in Germany have been disturbing to the democratic forces there and elsewhere, and the movement toward dictatorship is undoubtedly increasing in strength. The Ebert constitution was liberal in form and promised opportunity for the development and maintenance of strong local units.

Mr. GORE. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Utah yield to the Senator from Oklahoma?

Mr. KING. I yield.

Mr. GORE. Just one observation at that point. I am afraid that this Republic has crossed the Rubicon.

Mr. KING. I do not go so far as the Senator from Oklahoma. Undoubtedly there have been departures from constitutional government and many of the policies which we have recently adopted have tended to devitalize the States and to impose unwarranted restrictions upon individual conduct and local self-government.

Mr. President, I rose a few moments ago only for the purpose of commenting upon the fact that under the measure before us, if I understand its terms, there is an attempt to enlarge the powers of the Reconstruction Finance Corporation. There are many who question the wisdom of our Government in organizing that corporation. There are some who believe that our economic situation would have been better if this corporation had not been created. Doubtless there will always be controversy as to whether the purpose for which it was organized has been or will be accomplished or whether the good resulting from its operations will compensate for the possible harms which may result therefrom. Undoubtedly conditions which called this organization into being were serious, but there are many who believe that the situation to-day is more serious and critical than it was when the Reconstruction Finance Corporation was organized. There is no occasion at this time to examine the record of this organization or to pass a final judgment upon its accomplishments. I do think, however, that we should proceed cautiously when propositions are submitted to broaden the scope of its activities and to give to it enlarged powers. I do not mean to say that present conditions do not justify augmenting the authority of this organization.

I should regret to learn that conditions are such as to imperatively require an extension of the power of this organization. The duty rests upon Congress to take no step that will impair the credit of the Government. In my opinion it would be unfortunate if there should be a general belief throughout the United States that this organization was an inexhaustible treasure to which resort might be had whenever credit was desired. I am afraid that too generally there is a feeling that the credit of the Federal Government may never be weakened, that it is a perennial fountain to which resort may be had for money and for credit to meet every contingency and every situation, individual, local, or national.

From information brought to my attention I have been somewhat alarmed to learn of the attitude of many people

with respect to the question or matter of Federal credit. Cities, counties, States, private corporations, and individuals seem more and more to be relying upon the Federal Government to provide funds and credits to meet their needs. Many people believe that Congress should enact measures that will relieve them from their debts or provide them with ample funds with which they may discharge their obligations. Undoubtedly there is developing a feeling that local communities, cities, counties, and States should be relieved from obligations which, under our form of government, rest upon them and that the Federal Government should assume responsibilities which do not belong to it.

Mr. President, it may be that a situation to-day calls for an amendment to the Reconstruction Finance act in order that it may provide further loans to States and municipalities to provide for the needs of the unemployed and the destitute. With that provision of the pending measure I make no criticisms, but I am somewhat concerned when I learn that it is designed to greatly enlarge the authority of the Reconstruction Finance Corporation, the result of which would be that the Federal Government would be required to furnish hundreds of millions of dollars additional in order to supply funds to meet the loans made by the Reconstruction Finance Corporation for private and other purposes. If loans are to be made for purposes other than those provided in existing law it would be well to emphasize the wisdom of making them for the purpose of furnishing work to the unemployed. Jobs are needed more than anything else, aside from providing for the destitute.

Many States and municipalities are borrowing money to meet their expenditures. Corporations and individuals are overwhelmed with debt, and bankruptcies and insolvencies march through the land with devastating effects. This situation calls for prudence and wisdom and should compel most serious thought when proposals are made for further increased indebtedness of the Government. Unfortunately many people do not understand that the Reconstruction Finance Corporation is dependent upon the Government, not only for its existence but for the credit which it extends. It is evident that many of the people believe that this corporation has unlimited funds, and that it should make loans for public and private purposes, with but indifferent regard as to the ability of the debtors to repay the Government.

Mr. President, I entertain a fear that the loans made to States and municipalities, if not repudiated, will arouse opposition when demands are made for payment. In my opinion it would be most unfortunate if the American people conceived it to be the duty of the Federal Government to maintain the States and their political subdivisions and to bestow upon them bounties and gifts and subsidies. If that view should prevail it would be disturbing evidence that there was a lack of fidelity to the States, and to the spirit of our democratic institutions. Indeed, it would justify the fear of the historian of a movement toward a form of government different from that conceived by the fathers of the Republic.

Mr. President, I think we should discourage the growing view that it is only necessary to knock at the doors of Congress or at the Reconstruction Finance Corporation in order that loans and credits may be obtained for any and all purposes.

We frequently hear the statement made that bonds should be issued by the National Government to the extent of billions of dollars for all sorts of purposes, and that the printing presses should turn out unlimited quantities of paper money. It is to be hoped that the American people will not follow false prophets or dangerous paths destructive of the credit of the Government.

Mr. President, perhaps many of the people do not know that the money which has been loaned by the Reconstruction Finance Corporation has been procured from the Treasury of the United States; that the bonds or debentures issued by the Reconstruction Finance Corporation, in order to provide loans which have been made, were not sold to the public but were acquired by the Treasury of the United States. Of course, the Treasury did not have the funds with which the obligations of the Reconstruction Finance Corporation were met, and it was therefore compelled to issue additional Government bonds for sale to the public. With the growing demands upon the Treasury, and inadequate receipts from taxes, customs, and other revenue sources, the Government will be compelled to issue bonds to the extent of billions of dollars, in addition to the enormous bond issues required to meet deficits and growing expenses, and to provide funds for the Reconstruction Finance Corporation and other governmental agencies, and also to meet maturing obligations of the Government, amounting to many billions of dollars.

It must be evident to every thoughtful person that the strongest government may not indefinitely continue to issue its obligations without disastrous consequences. If the debentures of the Reconstruction Finance Corporation were offered to the public, I have been asked upon a number of occasions what the result would be. I have responded that under present conditions I believe a market might be found for the same.

However, if its issues were offered for sale they would come into competition with securities issued by the Treasury. It has undoubtedly been considered wise to avoid such competition and, therefore, as I have stated, the Federal Government has purchased the bonds of the Reconstruction Finance Corporation. If Congress broadens the authority of the Reconstruction Finance Corporation to make loans, further additional funds must be obtained by the Federal Government in order that the Reconstruction Finance Corporation may properly function. We should not authorize it to make loans for various purposes without making provisions to supply funds to meet the obligations of the corporation.

Mr. President, if the Federal Government shall continue to pile up deficits, it must be apparent, even to the most incorrigible, that the financial integrity of the Government will be weakened; its financial strength will be impaired. If this situation should arise the consequences to our economic and industrial system and, indeed, to our political system, would be serious beyond description. The credit of our Government, Mr. President, has been maintained; its credit must be maintained in future.

Mr. PITTMAN. Mr. President, I have addressed the Senate with regard to the pending measure for relief of the destitute on other occasions and I shall not take much time at present. I believe my views are well understood. I approved of relief being undertaken first by States, counties, and local charity boards, but those instrumentalities have exhausted their resources so we are relegated now to the only institution in the United States that has any credit, and that is the National Government. We have only one alternative and that is either to deny relief that is imperative or grant that relief through the National Government which still has credit.

I am inclined to believe, in addition to the relief of destitution, that we should also go to the limit in furnishing employment for the unemployed of the country. We have exactly the same alternative there apparently that exists in the relief of destitution, that either they must be employed by the Federal Government or not employed at all. We can not expect manufacturing industries to employ men when they have no purchasers for their manufactured articles. They will never have any purchasers for their manufactured articles as long as there are 12,000,000 people in the country unemployed and 30,000,000 or 40,000,000 people dependent on the farmers who can not earn sufficient to pay cost of production.

The matter is hardly subject to argument. Of course, I understand that we have a fetish called the balancing of the Budget. I do not think there is any business man but what thinks it is a good idea to balance the Budget, not only the Budget of our Government but the budget of one's own private affairs. It happens that at the present time no one can balance the budget of his private affairs and apparently we can not balance the Budget of the Government. Taxes are paid with money, but the assessment of taxes is made on

property. Property values are constantly decreasing. Consequently no estimates and no promises in regard to balancing the Budget have any true foundation whatsoever.

Again we have not time to coordinate the expenditures of the Government and the Budget system. The $500,000,000 we are asked to appropriate to meet destitution and unemployment is charged against the current expenses of the Government. That is an item which has not been taken into consideration in any estimate of balancing the Budget. There will be other expenditures essential to meet unemployment that will be charged against the current expenses of the Government. They are not taken into consideration in balancing the Budget at all. It is obvious that until we segregate those things that are naturally current expenses, such as the employment of officers, from those things that are in the nature of capital investments or emergency investments, we can never balance the Budget.

We know now that at the special session of Congress there are going to be large business institutions of the country coming before the Congress and asking the Congress to authorize the Reconstruction Finance Corporation to loan those institutions hundreds of millions of dollars out of the Treasury of the United States. Those loans will be charged against current expenses unless some plan is devised to treat them as an emergency matter or as a capital investment. The whole thought of balancing the Budget at this time is weak in that it does not take into consideration expenditures that we know must be made and will be made.

When we speak with regard to the unsoundness of authorizing the Reconstruction Finance Corporation to go farther into the banking business, all of us will admit it. We will admit it is perfectly unsound for the United States Government to lend to banks, insurance companies, trust companies, and railroad companies. It is contrary to our whole financial system and our economic system, and yet those great financial institutions have said it was necessary, and it was necessary. The result of the situation is that we have established in a sense a new banking system under the Reconstruction Finance Corporation. The question is, shall we enlarge it? I know the Senator from Utah [Mr. KING] is opposed to enlarging it. All of us were opposed to its very existence. We are opposed to the very necessity that brought about its existence.

We are told there are $600,000,000 of surplus funds in the banks of the country over and above their legal reserve good for a credit of $9,000,000,000. We know that the Glass-Steagall bill passed by this body provided for possibly $4,000,000,000 additional credit to the banks through the Federal reserve act. But, as a matter of fact, the $4,000,000,000 was not utilized. The $4,000,000,000 did not become available credit for those institutions of the country that are crying for credit. We know that, although the power exists in the banks to extend the credit of the country by $9,000,000,000, it has not been extended and is not being extended and can not be extended under existing conditions.

It is said, "Have confidence, and we will be all right." To whom are we talking about having confidence? Are we talking to the man who is being foreclosed or to the bank itself? How can a man have confidence as he sees everything he possesses being taken away from him? The only way to reestablish his confidence is to save his property, at least temporarily. The banks say they can not save it. It is perfectly evident, whether we admit having gone so far astray from our banking system as we have, that the establishment of the Reconstruction Finance Corporation was absolutely essential. It has done good work. In my opinion, it has failed only wherein we have limited its power.

It would seem to me that the time may come when it might be necessary to have another Glass-Steagall bill which would authorize the utilization of the $4,000,000,000 of credit of the reserve-bank system more directly to those who need it, possibly through the Reconstruction Finance Corporation, than the futile effort of attempting to put it out at this time through the banks. It may be necessary even for our Government to take over the functions of certain banking institutions with regard to this surplus which they can not use at the present time. I am not blaming the banking institutions. With constantly falling market prices for land and commodities, no loan is safe. As the commodity prices and land values fall, then liquidation becomes more intense; and as liquidation becomes more intense, in turn it further depresses the value of property and the value of commodities.

It may seem radical, but whenever we start in to employ 2,000,000 men under a process, if that process is sufficiently sound under any form of government, I would see whether it could not be made equally sound by the employment of 6,000,000 men. That is another problem that will arise. I have expressed myself too often and too strongly in favor of this character of legislation to require any further argument on the matter. This is a temporary relief measure made necessary by abnormal conditions in our country. I do not believe there can be prosperity returned to the United States—no, I may say to the world—until there is a better balance made between property values and the comparative values of what we call money. I realize that whenever we speak of that we are then impinging upon the idea of inflation—too much inflation. I still contend that there must be a distinction in the definition of the words "inflation" and "reflation." It is inconceivable to me that we can not understand that there has been a deflation of our money in this country. It is admitted that the circulation of money has decreased enormously in the last two and one-half years. I do not mean the amount of currency.

Mr. WALCOTT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Connecticut?

Mr. PITTMAN. I yield.

Mr. WALCOTT. May I add just one figure on that point to clinch the Senator's argument? I looked the matter up with the Treasury Department only recently. The turnover of currency in the United States was only one-sixth in 1932 of the volume of the turnover of currency three years ago, in 1929.

Mr. PITTMAN. I thank the Senator for the statistics. Of course, the turnover is the main question involved. If $1 turns over six times in a day and pays six debts, it is just as valuable as $6 would be if they turned over only once a day. The whole history of the situation shows the deflation. There is a deflation. Our Secretary of the Treasury recently stated his opposition to inflation. What he has in mind about inflation may be an entirely different thing from what I have in mind about reflation, but he said, of course, inflation would raise commodity prices and temporarily be beneficial, but in the long run the reaction would be worse.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Ohio?

Mr. PITTMAN. I yield.

Mr. FESS. Is not that generally true? Consider the world price to-day. With 56 countries in a state of depression, 26 are off the gold standard, and yet the world price which at first went up is now below what it was. That is inevitable.

Mr. PITTMAN. It is inevitable. There is no doubt about it. But the fact remains that when we speak of there not being any such thing as a quantitative theory of money, every time we need it we deny it ourselves. When the Secretary of the Treasury says inflation of currency and credit in this country would raise commodity prices, he admits the quantitative theory of money. We have to buy money with products just as money buys products, and the whole law of supply and demand works. There is no doubt about that whatever. When we speak of a depreciated currency, I think we thoroughly realize the disastrous effect the depreciated currencies of the world are having particularly on our domestic markets as well as export markets. They deal with depreciated currencies among themselves, so the cost of living does not go up much, the cost of production does not go up much, but when they come to sell to us and

receive their pay in gold and take it back to their own country, they buy as much more of their own depreciated money with that gold as their currency has depreciated, while the unit cost in their own country has hardly risen at all. That applies everywhere.

The strange thing to me is that we can now understand that fact with regard to the depreciated currencies of governments who were formerly on the gold standard and who have gone off of it, and we can not see that we have been suffering since 1928 in exactly the same manner from the depreciated currencies of silver-money-using countries who used to be our best customers. They are identical. The only difference is that the remedies are different. The depreciated currencies of silver-using countries have nothing on earth to do with the causes that put the former gold-standard countries off the gold standard. There is no relation to speak of.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. PITTMAN. Mr. President, I ask unanimous consent to print in the RECORD a very splendid article by Prof. Irving Fisher on the question of inflation, reflation, and currency depreciation. While I do not agree with him in every way, I think it is a valuable article touching the matter under discussion.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

BUDGET CURRENCY EXPANSION AND ECONOMIC DINNER

Speaking at the banquet at the Waldorf Astoria, February 6, 1933, attended by brokers from the various New York exchanges, business men and representatives from financial institutions, Dr. Irving Fisher, professor of political economy at Yale University, said in part as follows:

"Bankers are being quoted as opposing inflation. But only the other day Reginald McKenna, president—or as they say in England, chairman—of the Midland Bank, the largest bank in the world, and former Chancellor of the British Exchequer, said at the annual meeting of his bank: 'I confess the thought of inflation, so long as it is controlled, does not alarm me. In these days the word no longer is a term of reproach, though some tender consciences find ease in using the innocent substitute, reflation.'

"So here is a conundrum: When is inflation not inflation? Answer: When it is reflation!

"Reflation may be defined as that moderate degree of inflation which is justified to offset recent rapid and great deflation.

"Uncontrolled or immoderate inflation would, after a while, become as harmful as deflation.

"Ever since stumping against Bryan in 1896, I have been writing against such inflation and am against it now. Three of my books have been very largely devoted to fighting inflation as well as deflation. Practically every other economist is opposed to inflation and deflation.

"To-day there is a blind fear of inflation because people picture it as uncontrolled and wild like the German inflation after the war, which bears no analogy to the present. For one thing, it came on top of a previous war inflation and so was unjustified from the start.

"But reflation really is not inflation. The distinction between the two is important. We should aim, like a good chauffeur, to keep in the middle of the road, veering neither to the inflation side of the road nor to the deflation side. But once we find ourselves, as at present in the deflation ditch, our first task must be to get back in the middle of the road. That is, reflation is, in my opinion, not only a need but a necessity if we are to recover from this depression soon and without great further bankruptcies and unemployment.

"And if we do reflate and raise the price level, say, half as far as it has fallen in the last three years, I believe we could snap out of the depression in a few weeks. By this I merely mean that the average man would feel that the depression was over. For reflation can not bring the suicides to life nor restore the farms of the dispossessed nor compensate the 50 million unemployed of this world for the losses and griefs of the last few years.

"This depression will leave its impress on the world for generations.

"We must also admit that reflation may hurt a few people, namely the few new creditors of the last year or two. This is the price we must pay to relieve the far more numerous debtors of the antecedent years. Moreover, everybody, even the creditor, will be helped by restoring prosperity through a moderate reflation. I believe that reflation all the way back to the level of 1926 from which we have fallen 45 per cent would do more harm to creditors than it would do good to debtors. That would now be inflation. There is a golden mean, about half-way back, which is reflation.

"On both sides of the Atlantic, far-sighted bankers, like Mr. McKenna, realize that reflation will help bankers most of all because it will help business and unfreeze loans. Anyone who opposes such a halfway reflation is either blinded by self-interest as a short-term creditor—or rather, in most cases, by a fancied self-interest—or does not know the facts in the case. The supposed opposition to reflation is mostly a misconception. Most who say they oppose it really want a rise in the price level but do not realize that a rise in the price level can only come about by reflation.

"Some, like Secretary Mills, say that they want a rise in the price level but only through what he calls 'controlled credit expansion,' not through currency expansion; or they want it through a restoration of confidence which will stop hoarding and increase the velocity of circulation of all currency, including bank deposits.

"I myself believe that the two great means of reflating the price level are credit expansion and increased velocity. We should avoid wild currency expansion, which might weaken confidence and really destroy the credit currency which we circulate by checks, and so defeat itself. I am not at all in sympathy with such plans now before Congress, but I am in favor of a common-sense mitigation of our deflation plague by using credit expansion and improving velocity.

"Before going further on these means of reflation, I would like to say a word about the deflation since 1929. We can better remedy the disease if, first, we diagnose it. This diagnosis, at least the diagnosis which I have made in my book recently published, on Booms and Depressions, is, I believe, practically identical with the diagnosis of Sir Arthur Salter in his book on Recovery, and with that of Robert Eisler in his book on Stable Money, as well as with that of almost every other intensive student. This diagnosis is that there was and still is a complication of several but chiefly two diseases. We started with the debt disease and then caught the dollar disease.

"The overgrown debts caused an overgrown dollar, and this overgrown dollar—in other words, a lowered price level—is what is now mainly the matter.

"The debts in 1929, according to Merz in last Sunday's Times, amounted to $155,000,000,000 as compared to $115,000,000,000 in 1922, showing an increase of 35 per cent in seven years. As a matter of fact, Merz leaves out of account urban mortgages, brokers' loans and other bank loans, foreign loans and several other categories, which bring the total up to $254,000,000,000. The fact that some of these debts are based on others as assets does not diminish but increases the size and dangers of the overgrown debt structure. Real-estate mortgages are held by banks and are the basis for bank loans. If the mortgage goes bad, the bank loan crashes with it.

"If A owes a million dollars to B and B owes a million to C, and so on, the same sum being owed to D, then to E, F, and so on down to the last man Z, who owes his million to A, thus constituting a perfect circle of 26 persons, standing, so to speak, in a circle, each owing and being owed one million to and by his nearest neighbors in the circle, but knowing nothing of the financial affairs of the others, the net debt is not $26,000,000, nor even $1,000,000. It is zero. Yet, it is the gross debts, not the net debt which counts. If A can't pay his million to B, he may have to go into bankruptcy, which may put B into bankruptcy, and then C, D, and all along the line to the last man, like a row of blocks each toppling over the next in a circle. All this despite the theoretical mutual cancellability of all 26.

"This was what happened beginning with the stock-market crash in 1929. The brokers' loans collapsed first. In the stampede to sell in order to pay debts stocks crashed and this started the long train of events which is still going, including the fall of commodity prices.

"The selling at first is normal selling, that is, selling induced by the high prices. But as this cuts prices, the selling soon turns into distress selling, that is, selling compelled by low prices, i. e., forced selling, selling to preserve one's solvency. This sets up a vicious circle. The more stocks and commodities are sold because of sinking prices, the more prices sink and compel further selling.

"This selling is for the purpose of liquidating debts. But the liquidation of bank loans reduces bank deposits, the great circulating medium of America. As deposits contract so that there is less and less of checking accounts and less and less of checks exchanged, this contraction contracts the price level still more.

"This fall of prices is deflation. It is the dollar disease. For, if prices are cut in two, the dollar is doubled in value. This hypertrophied dollar doubles outstanding debts. So even if some debts are paid the remaining debts are doubled in burden.

"In a depression distress selling and contraction of deposits may expend each dollar of debt still owed faster than the number of dollars of debt is decreased. The very effort to decrease the burden of debt increases it. The more the people pay on their debts, the more they owe in terms of wheat and corn and cotton and iron and other real things.

"This is what has actually happened. When my 'Booms and Depressions' was being written a short time ago, the $234,000,000,000 of debts of 1929 had been reduced to $197,000,000,000 in 1932, an apparent reduction of 16 per cent. But this $197,000,000,000 in 1932 dollars was the equivalent in terms of commodities of $302,000,000,000 of 1929 dollars. Thus, in spite of the partial payments, in fact because of them, the $234,000,000,000 had, in terms of 1929 dollars, grown to $320,000,000,000 by June, 1932, an increase of 36 per cent.

"Since these calculations were made the dollar has appreciated still further. In June last the dollar was 1.6 in terms of 1929 dollars. To-day's dollar is $1.80 in terms of the 1929 dollar; that is, the wholesale price level is 55 per cent of what it was in 1929.

"It is said we can not get out of depressions except by liquidation. But the liquidation must be real. We have had liquidation which does not liquidate. As we have let the apparent liquidation magnify the dollar, we find ourselves more hopelessly in debt than we were to start with! This increase in the dollar and so in real debts is the source of almost all our troubles.

"As the price level falls, the business man's balance sheet becomes thrown out of balance through no fault of his. His assets shrink in terms of dollars, while his liabilities do not. So his net worth, or excess of assets over liabilities, often vanishes and he is bankrupt.

"This is what happens to his balance sheet or capital account. His income account is affected in the same way. With falling prices his receipts fall, while his expenses are largely fixed in terms of dollars. So his profit or excess of receipts over expenses often gets wiped out, and he finds he is running his business at a loss. He therefore stops running it and dismisses his laborers. Thus the falling prices, or swelling dollars, cause unemployment.

"That this is a great, powerful cause of unemployment is clear from the statistical charts before you, covering the period 1903–1932.

"Bankruptcies and unemployment are the two great tragedies of a depression, and both are symptoms of the dollar disease or falling price level. The swelling dollar causes bankruptcies by upsetting the capital accounts of business men and it causes unemployment by upsetting their income accounts.

"These two tragedies, the bankruptcies of the rich and the unemployment of the poor, cause pessimism and loss of confidence which, in turn, cause hoarding and slow down velocity of circulation of money and credit, which, in turn, reduce prices still more.

"In fact, the hoarding and sluggishness of circulation have depressed the price level at least twice as much as the contraction in the quantity of the circulating medium.

"Until recently, no very workable plan for combating this sluggishness has been employed. But now the stamp scrip plan has been found and has worked well. It is self-liquidating. It is not inflation. Used locally, as it is, it can not even appreciably affect the price level. Its main idea is, while money is not being used, to provide a substitute which will be used. It brings no strain on our gold reserve. It is actually working on a small scale and has caused no alarm, but only satisfaction.

"The best example and longest-tried stamp scrip is in Worgl, Austria, a small town, but the seat of a great and successful laboratory experiment, so to speak.

"Similar plans are being tried in the United States, the latest and largest city being St. Paul, which has voted to adopt it. Toledo, Des Moines, and San Antonio have it under consideration.

"One great advantage of dated stamp scrip is its rapidity of circulation. The holder of a dollar of scrip which requires a 2-cent stamp every Wednesday will always try to pass it on before the next Wednesday. The stamp acts as a tax on hoarding. In Worgl, Austria, where this sort of scrip has been used longest, the mayor calculates that it circulates twenty times as fast as money. A little goes a long way and the public will not need to be alarmed by so large an issue as would be needed if other sorts of circulating medium were used. The main object should be to reflate not pocket money but bank deposits.

"The stamp tax is a very peculiar sort of tax, for it pays its own way, so to speak. It creates the profit out of which it is paid. Any merchant is glad to allow a 2 per cent discount to get trade.

"I believe that stamp scrip if made nation-wide could prime the pump enough in a few weeks to bring our idle bank funds into play. The bond-buying campaign of the Federal reserve system last year pumped the banks full of credit, but little of this credit has as yet flowed from the banks to their customers because these customers, the merchants, will not borrow until they find buyers for their own wares. Stamp scrip starts the buying and so starts the use of bank credit.

"There are other sound ways of reflating. Mr. James H. Rand, jr., president of the Remington-Rand Co., is the author of several. Another is that suggested by M. C. Rorty, formerly vice president of the American Telephone & Telegraph Co. Another is that of Fred I. Kent, vice president of the Bankers Trust Co. Another is the bond buying last year used by the Federal reserve system which ought not to be abandoned or reversed as seemingly wished by the Chicago Federal Reserve Bank.

"It is important that any new circulating medium, whether credit or money, should be used to start up normal production and trade rather than diverted to unnecessary public works.

"In particular there should be loans, with little or no interest and preferably in stamp scrip, to producers who will use it for labor and materials and to holders of frozen deposits in failed banks.

"I think these measures would amply suffice and that it would be well to drop all others, at least all so far proposed, and concentrate on these. My fear as to the other measures proposed is not that they will turn into uncontrolled inflation in the end, but that in the beginning they may act in a deflationary way. It was partly on this ground that I opposed the Patman bonus bill. Anything which frightens the public will be apt to contract bank credit which we need to expand.

"The reflationary efforts of the Federal reserve system, approved by President Hoover and Secretary Mills, were not wholly in vain and now afford a good basis on which to build. All we now need to make that reflation effective is a little priming of the pump such as I have just suggested—stamp scrip and easy loans, preferably in stamp scrip, to depositors in failed banks and to producers for increased inventories and employment.

"But the most important experiment is that of Sweden, which is the first country to adopt a true commodity standard for money. Since she went off the gold standard in September, 1931, and adopted a managed currency through the credit control under the Riksbank, her price level has remained practically invariable week by week up to the present time. While some of our bankers have been telling us this thing can not be done, Sweden has been doing it. The chart shows the startling contrast between the instability of our price level and Sweden's.

"If Sweden can stabilize the purchasing power of her krona, why can not we stabilize the dollar?

"Sweden's success in this pioneer work is the high-water mark of sound economics and banking policy of all time. Such stabilization in the long run is even more important than reflation. For it means the practical abolition of depressions.

"Countries which have had some reflation, like England, Japan, and Brazil, have experienced improvement. In Brazil, according to a competent resident American observer, there is practically no unemployment.

"Reflation and stabilization are the two great economic needs of the day both in America and abroad. In this conclusion I am joined by numerous authorities including besides economists many bankers, besides Reginald McKenna, some of whom do not want to be quoted. I suggest that the time has come to speak out.

"The only sane alternative to reflation is debt scaling. Theoretically, this would solve the problem even better because each individual debt could be scaled according to when it was contracted; but, practically, this can not be worked out in detail. For one thing, the time when a debt began is not the same for the debtor as it is for the creditor if, for instance, the debt has been bought up since it was first contracted.

"A bonded debt is constantly changing hands. Take Uncle Sam's bonds of war time. They date back 15 years so far as Uncle Sam, the debtor, is concerned. But if they were to be paid in the cheap money of 1918, the present holders would be defrauded of half of the value they parted with.

"Nevertheless, despite its practical imperfections, I am glad to see the new debt scaling, or bankruptcy legislation, attempted by Congress, and hope something good may come out of it. But I fear the results can only be meager, so some reflation will be urgently needed in any event. Moreover, stabilization should certainly be our policy for the future.

"My conclusion is that by starting up the use again of bank credit through stamp scrip and otherwise we may get the necessary reflation. This will afford the farm relief so important to our most basic industry, agriculture. It will lessen bankruptcies and unemployment; it will give us control of our price level as Sweden has control of hers but as we have never had.

"The idea that there is something 'unnatural' in this control is the result of an illusion. There is no natural price level or natural dollar, any more than there is a natural yardstick. The only good yardstick of length is one that is constant in length, and a good dollar is one that is constant in value, which means that the price level must be constant. We must so manage and control as to keep the price level constant.

"The choice is not between a natural and an unnatural price level but between a price level left to accident and one controlled by design.

"If in Chart IV we should include the Chinese price level, its curve would be different from that of the United States or that of Sweden. Often the Chinese level was rising, as between 1926 and 1931, while ours was falling. The Chinese standard is just as 'natural' as ours, which means that both are accidental. China has a silver standard and we a gold standard. Both are left to the tender mercies of chance, of mining and unregulated banking; whereas, under the Swedish standard, the krona is a real standardized unit of purchasing power, just as our yardstick or kilowatt is standardized. Every unit is artificial. The yardstick in America is as artificial as the krona in Sweden. In fact, our dollar is already artificial—absurdly so. It is a unit of weight of gold instead of a unit of value. It is as absurd as if a yardstick were defined as the length of any stick which weighs a pound. We ought not to care what our dollar weighs, but only what it buys.

"It is the choice of the monetary unit which determines the price level. It is a question of a good choice or a bad choice. Our choice is a slip-shod one and so is China's.

"'Natural' supply and demand of goods fix individual prices relatively to each other but do not fix the price level. If they did, the price levels of China and the United States would not be so divergent.

"Anyone who wants uncontrolled inflation is as much an enemy of society as those who want no control over deflation. We must have control over both. We must get our great machine, now out of control, under control. We must get it back into the middle of the road and keep it there."

Mr. PITTMAN. I also ask unanimous consent to have published in the RECORD a very excellent statement made by Mr. René Léon before the Finance Committee along somewhat the same lines, and while I do not agree in toto with it, I agree with so much of it, and it is such a valuable con-

tribution to this study, that I ask that it may be published in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. RENÉ LÉON BEFORE THE FINANCE COMMITTEE OF THE SENATE, FEBRUARY 15, 1933

A much greater volume of business has been transacted in America with a much smaller stock of gold than the present one, and with much less currency in circulation than is now outstanding. Hence, we have no shortage of currency.

Money-market rates for all maturities, quotations for short-term Government obligations, and large banking reserves all bear testimony to the fact that credit is superabundant. Hence, we have no shortage of credit.

Having neither currency nor credit problems, it follows that our dollar needs no alteration. But we have a problem which is basic and fundamental, one upon which our welfare depends and which requires immediate solution; it is the problem of prices.

Our well-being depends upon the level and stability of prices, without which our present system must collapse and give way to a new order, which may be better or which may be worse, but which certainly will be different. If reversion to prehistoric barter is an indication of progress, then we are justified in believing that it will be better. Many communities have already reverted to barter because their price system had broken down. If this condition spreads, government as we conceive it can not longer function. Government is purely administrative; upon price and volume of taxable units is predicated the income which it derives from taxation and which is indispensable to its very life. If we revert to barter, we shall have volume without price, so that government will be left without a basis for taxation, and therefore without income, unless it undertakes to levy taxes in commodities. Having no income, how could government function, let alone meet its obligations?

When mankind supplanted barter by the price system and adopted instruments of exchange, it took the longest step forward in the development of civilization. Of all price-measuring instruments of exchange ever used by man there are two which by common consent have outlasted all others. Either or both of them form the bases of all currency systems, of all credit systems, and, where redeemability still exists, they represent ultimate redeemability for all instruments of credit. Gold and silver are these two basic price-measuring instruments of exchange.

In the game of trade the world uses yellow and white chips to figure the prices which measure and regulate every human activity. In approaching the price problem we can not permit our judgment to be restricted by the notion that the chips which we use to figure prices constitute the true values; because if we do, we will merely continue to waste time "preserving the integrity of gold" or attempting to "do something for silver," the while prices crumble about our ears, carrying with them our whole price system.

To-day our prices suffer, from the dollar's position of inequality or disparity, in its relation with the currencies of over four-fifths of the world's population. This disparity between home and alien currencies also creates a disparity between home and alien prices which results in our inability successfully to compete in the world's markets with those whose currencies and prices are depreciated, thus causing our normal exports to back up onto our local market and depress our prices. It also results in the flooding of our market with goods produced in those countries where depreciated currencies are the bases of prices. This, in turn, forces the readjustment downward of our home prices, which carries us further from our debts and taxes which are payable in the dollar proceeds of our commodities, our labor, and our services.

By their surpluses of imports and exports all nations make their contribution to the international price level, to which they are thus tied and which, under natural conditions, should reflect a normal balance of goods and services between them all. No such condition now exists. To-day the natural forces are either impeded or unduly stimulated by a series of local measures designed either to protect local markets from external competition or artificially to stimulate exports at the expense of competing nations. Tariffs, quotas, exchange restrictions, etc., are merely different expressions of the same desire to achieve favorable balances at some one else's expense.

The more recent and, let it be recognized, the most effective artificiality devised to achieve favorable balances, is the deliberate depreciation of exchange. Its effectiveness is the more complete because it is the most insidious and deceptive instrument of price destruction hitherto conceived. The principle of low exchange as a stimulus to exports through the reduction of local costs of production would, if reduced ad absurdum, carry both exchanges and costs to the vanishing point. To establish this principle is to challenge competition in the same way, and this competition, by seeking still lower levels of exchanges and costs, would ultimately drive all concerned to the zero level. The gold standard countries are particularly vulnerable to this system because their obligations, which are fixed in gold, become the more onerous as prices fall.

This system must be broken up at all costs if we are to avoid a general collapse. It can be terminated by international action, failing which, local measures of protection must at once be adopted.

Some time prior to December 15 last the suggestion was put forth that the British Government pay its debt installment in pounds sterling. It was suggested that by converting these pounds into dollars as opportunity offered, the problem of transfer would be facilitated and the exchange market subjected to a minimum of disturbance. The British demurred on the ground that (1) substantial holdings of pounds sterling by the United States would constitute an interference with British control of exchange, and (2) that if Britain were to guarantee the dollar equivalent of these pounds sterling, payment in the latter fashion would be tantamount to a payment in actual gold. The British objections, which were eminently proper, were sustained and payment in gold effected.

If the American Secretary of the Treasury were to issue $500,000,000 in Treasury notes and, with the proceeds were he, an American official, to enter the exchange markets and buy pounds sterling, thus lifting the rate of exchange of British currency, Britain would have every right to resent our intrusion, because it interfered with British control of British currency and, through it, with their control of the British price level. Yet, without so much as a by-your-leave, Britain has placed at the disposal of the British Treasury a 150,000,000-pound secret "exchange equalization fund" (about $500,000,000) through which Britain, by purchasing gold currencies in the exchange market, dollars included, gives to England the control of dollar exchange and, consequently, the control of American prices.

Because of their noncommercial character, all exchange transactions for the account of the "equalization fund" are artificial in their influence upon the reciprocal relations of the pound sterling and the gold currencies, the dollar included, as well as upon the reciprocal relations of prices within the sterling area on the one hand and the prices of the gold standard nations on the other. They constitute an artificial interference by Britain with the economy of the gold-standard countries, America included, whose prices are thus controlled by Britain through exchange.

That which Britain would not for one minute countenance from America she practices every minute upon America with disastrous consequences to every phase of our economy. Every man, woman, and child in this country is the victim of this ruthless policy.

The control of dollar exchange and, through it, of American prices, depends entirely upon Britain's ability to complete these artificial noncommercial exchange operations whereby she realizes her objective. It is only by our leave that Britain is enabled to complete them. Because we maintain a free international gold market, and thus grant her free entry into and free exit from our money markets, we allow her, together with other aliens, to use the dollar as a lever for the intensification of this condition of disparity, or inequality, existing between the depreciated currencies and the gold-standard currencies and, consequently, between their prices and the prices of the gold-standard nations. We thus become a party to the crime and the coauthors of our own destruction.

It now remains for us to decide whether we shall continue to maintain a free international gold market for the benefit of alien exploiters, at the expense of our prices and at the sacrifice of our economy, or whether, by maintaining a free internal gold market for Americans, we shall raise American prices, save the American economic structure, and thus return control of American affairs to American hands.

It also remains for Great Britain to decide whether she will force us to adopt defensive measures or whether she will abandon her attempt at price control and join with us in a common effort to raise world prices and thus help to restore international trade. Before engaging with Britain in a bargain involving trade advantages and disarmament in return for a readjustment of debts we might both usefully bear in mind that the short road to prosperity and to disarmament is the lifting of the economic pressure created by low prices, because this very pressure, as expressed by punitive and retaliatory measures affecting trade, engenders the suspicion which grows to hatred and leads to armament and to war.

Let us now examine the factors underlying Britain's deflationary policy. Debt cancellation is avowedly Britain's immediate objective, because if America can be saddled with the debts American industry must foot the bill through future taxes, which thereafter will have to be figured in the American cost of production. With this cost of production thus presently raised, American industry would henceforth be permanently handicapped when competing with British industry in the world's markets.

If the debt-cancellation policy is to succeed, debts must be made to appear to Americans to be the one insurmountable obstacle in the way of their prosperity. By way of superinducing this feeling among Americans, British policy is intensifying the American depression by driving down gold (dollar) prices. Gold and silver being the only two international instruments of exchange, Britain uses them as her implements of price destruction through the "exchange equalization fund" in the West and the Indian silver-dumping policy in the East.

The "exchange equalization fund" was ostensibly created for the purpose of "adjusting" the pound sterling to the British price level. British economy was in need of such adjustment; but the very proportions of the "equalization fund" are conclusive evidence of a desire not alone to achieve equilibrium between the British currency and the British price level but to control world prices as well, and to wield that control for political ends. However acute may have been the pressure of self-preservation, it never did and never could justify Britain's attempt to control world prices. Moreover, Britain's Indian silver-dumping policy is absolutely indefensible on any ground.

The deliberate depreciation of one of the two principal money metals by shifting upon the other the whole burden of world finance has merely succeeded in rarifying it and has initiated the mad rush for gold which is still raging and which is disrupting the economic structure of the entire world. Times without number Britain was warned of the consequences of such action. No less eminent figures than the governors of the two principal central banking institutions of the empire have issued the warnings. Both Mr. Montagu Norman, of the Bank of England, and Sir Osborne Smith, of the Imperial Bank of India, are on record.

Added to these are innumeral Britons of distinction who constantly are calling their Government's attention to the frightful conditions which it has brought about and which it persists in perpetuating. Yet not a word is spoken by the responsible government officials in justification of their action. Those who profit by low silver, because they control the China trade, seem firmly intrenched in the British treasury and in the India office. There are also British officials who believe that low silver makes for better control of Indian affairs. Be they interested slave drivers or misguided politicians, the result is the same. By their action white men the world over, Britons and Americans alike, are being subjected to the ruinous competition of the coolie. By injecting into our price system the powerful factor of price destruction, which low silver constitutes, they are wrecking the world's industrial machinery, and of the once imaginary yellow peril they are making a reality.

Enlightened America, viewing the plight of a world torn asunder by retaliation, and realizing that retaliation is a losing game for all concerned, should be the last to retaliate. But our very existence demands an immediate correction of these conditions, failing which we must lose no time in adopting measures of self-protection.

The instruments of self-defense are in our hands. Were the Executive, in whom power is vested, to exercise his prerogative, one-half the program of defense would be effectually established within 24 hours. A prohibitive fee on the export of gold would achieve this result. The President's authority to act is vested in him under section 5, subdivision B, title 50, United States Code, Annotated, pages 204–205.

Let us now analyze the consequences of such action on our economy; the founders of this country did not create the dollar as an international currency but as the currency of the people of the United States. The duty of government is to maintain its redeemability, in accordance with the law of the land, for the benefit of American citizens. The application of a license fee on shipments of gold for export would in no wise threaten the redeemability of the dollar. On the contrary, it would insure it by removing certain destructive foreign elements which, because they undermine our economy, threaten our currency system. Under the new condition any citizen could redeem his notes in gold on demand.

Deprived of free exit from our market, gold would no longer take free entry into it, thus effectively stopping its concentration, sterilization, and consequent appreciation. Aliens could no longer buy a free "call" on gold by buying dollars in the exchange market. This is another way of saying that they could no longer freely sell and depreciate their currencies by the purchase of dollars through exchange and by the operation also widen the disparity existing between their prices and our own. As a result, the value of gold at once would fall when measured in terms of all commodities and depreciated foreign exchanges which once again is another way of stating that all the commodities and depreciated foreign exchanges would rise in terms of the dollar. This rise in the foreign exchanges would be the measure of the rise of all external costs of production in their relation with our own, thus eliminating external dumping from our home markets without recourse to increased tariffs. Our prices would rise at home and fall abroad, thus facilitating both our home and export markets. The rate of dollar exchange in the foreign markets would henceforth alone be fixed by the supply of and demand for dollars resulting from commercial transactions. The utilization of the dollar by aliens as a lever on their prices and on our own would be terminated once and for all. The few remaining gold-standard countries would be likely to follow suit, thus paving the way for the establishment of a sound international money system. This is now being retarded because certain nations find it profitable at the moment to remain off the gold standard which they exploit for selfish ends in utter disregard of the devastating effect of their actions upon the price structure of the gold-standard nations. Our own country is especially affected because the credit system is more fully developed in America than in other gold-standard countries; hence the undermining of our price level threatens a greater structure.

Once freed from external pressure on our prices, our commodity and security markets would definitely reverse their downward trend and, by gaining in price and volume, would furnish to Government that basis for taxation which is indispensable to its function. Credit expansion as an aid to prices has been tried and has failed because the instrumentality was local in its nature; adverse international factors were unaffected thereby and therefore remained uncorrected.

Some may object to this procedure on the ground that we would lose prestige as a free gold market; but what is prestige? Webster defines it as "a weight or influence derived from past success." Let us therefore review the past and squarely face our achievements. For the sake of maintaining a free gold market for aliens we have sacrificed our price level, and thus upset the normal basis of economic relations between our creditor and debtor classes. Our debts and taxes having become unbearable, we are now facing all manner of unsound legislation designed to relieve us of the intolerable burden which is breaking our backs. If this be the price of such prestige as we derive from the maintenance of a free gold market for aliens, then together with the Romans we can well explain "Venenum in auro bibitur," because we are indeed drinking poison from a golden vessel.

The second half of the program consists in further correcting the disparity of the dollar in its relation with the important silver exchanges. The influence of silver-using countries on world economy has been consistently underestimated by pointing to their relatively small contribution to the total of world trade. No greater blunder could be made. If artificial stimulus through low exchange is given to oriental exports, then the coolie will drag the white man down to his level. He is doing it now, as evidenced by the statistics of foreign trade, which show that the dollar volume of Chinese trade has shrunk less than that of any one of the leading nations. Were this trade to be translated in terms of its physical volume, it would be found that it had grown enormously, while our own unemployment has grown apace. China has been forced into an export position by the artificial depreciation of the (silver) Chinese exchanges. Had the purchasing power of the Chinese remained unimpaired, their indispensable import needs would not have forced them into this export position at the expense of western labor. Hence the imperative necessity of doing something through silver for American agriculture, American industry, and American labor, instead of merely "doing something for silver."

Authority should be given the Treasury to purchase $200,000,000 in silver at a cost not to exceed 50 cents per ounce, purchases to be made in the world's markets, and not restricted to American production. The financing of this operation could be effected by expanding by an equal dollar amount our issue of silver certificates now outstanding in the sum of approximately $500,000,000, or by utilizing part of the gold now held as reserve for gold certificates and United States notes combined, now outstanding in the sum of approximately $1,500,000,000. The gold thus thrown upon the world's markets could not fail to affect its value when measured in terms of all other commodities. Our gold certificates and United States notes would be left with a gold coverage of approximately 85 per cent, which should be considered as adequate. On completion of this operation we would have less silver in this country, in proportion to gold stocks than we had in 1914. As a powerful influence on world prices and on American trade this measure would have incalculable consequences. The last important available stock of silver, now held in the Indian treasury, and said to approximate 200,000,000 ounces, would be removed from the world's markets. Faced by this vast sale of gold and by a reduced production of silver, the precious metals would regain a measure of equilibrium. Meanwhile the fall in the Chinese internal price level, caused by the rise of the China exchange, would cause little disturbance, owing to the limited size of the Chinese credit structure, while further compensation would be found in the restoration of the purchasing power of the Chinese currency. Dumping on our market from that quarter would be terminated.

While unemployment and misery stalk this land of plenty, many measures of relief are being offered. While well inspired they are usually inadequate because their sponsors fail to grasp the true nature of our basic problem. How can we ask bankrupt industry to rescue bankrupt agriculture? How can the bankrupt white-collar class be asked to support those in uniform who are also bankrupt, all because of low prices? No; class legislation will never do. We must find a remedy which will bring relief to all classes; one which will lift the burden from the backs of all our people. Low prices are diffusing poverty among us all. The distribution of wealth can only come through the raising of prices, which, by first creating wealth, will lead to its distribution among all classes.

While no country can pretend to a monopoly of the control of prices, it is equally true that no nation alone can succeed in raising world prices. However, an Anglo-American understanding will constitute a force of such numerical proportions as will insure the realization of our objective. Therefore the part of wisdom is for the United States to assume an attitude of enlightened selfishness by adopting a policy of give and take toward our friends across the sea. Provided Britain will work with us to raise prices and to restore international trade, we should work with her to enable her to put the pound back to its former time-honored gold parity and assure stable monetary conditions for England which can only come about if the burden of her debts to our Treasury is not such as to constitute a constant menace to her currency.

If we are resolute in pursuing this aim, those enlightened and influential Britons to whom I have already referred will do their part, so that certain success will crown our joint effort.

Mr. FESS. Mr. President, the Senator from Nevada [Mr. PITTMAN] has sounded a note so different from the usual note which is sounded in discussing inflation and reflation that I wish to take this opportunity to say that I have great appreciation for the manner in which he has discussed this very sensitive subject. I had intended to devote some time to the discussion of this question, but we are under a limitation of debate, and I can not do it under that limitation. However, I do wish to do it as soon as possible, and I should

like to have the Senator from Nevada present when I discuss the question.

Mr. PITTMAN. Mr. President, I want to thank the Senator from Ohio for his suggestion, and to say that I shall be present on that occasion, because I always enjoy hearing the Senator discuss any scientific, commercial, or economic question.

Mr. FESS. I thank the Senator.

Mr. PITTMAN. And I desire once more to say I think that the most important matters that our Government has before it to-day are the questions that we have been discussing—the question of proper reflation, the proper availability of credit, and some form of adjustment of or protection against the depreciated currencies of all the world.

WHAT IS MONEY?—ADDRESS BY SENATOR WHEELER

Mr. WALSH of Montana. Mr. President, on the evening of Tuesday last, my colleague [Mr. WHEELER] delivered over the radio an interesting address on the subjects related to those treated of in the two addresses just now ordered to be printed in the RECORD. I ask that this speech may likewise be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of the radio audience: In times like these, when millions of men are walking our streets wanting employment and unable to find it, when futile attempts are being made to foreclose farm mortgages by the wholesale because farmers in the richest farm sections of the country are unable to pay principal or interest, when factories are closed because they are unable to sell their products and people in many communities are using various substitutes for the thing we call money, it is proper that we should ask ourselves the question: What is money?

Regarding the invention of money, absolutely nothing is known. The earliest recorded mention of money is found in the Bible. In Genesis, "Abraham returned from Egypt very rich in cattle, silver, and in gold." The invention of money was so remote that there can not be even conjecture by whom devised, or where, or when. Even the invention of coinage is obscure. By some of the highest authorities, it is claimed that the Lydians, an Asiatic people about 1200 B. C. were the inventors.

Almost every commodity has been selected as the exchange medium. Some articles such as paper and wampum were made valuable solely by the fiat of government, while others as silver, gold, platinum, copper, possessed more or less commodity worth. Before governments were instituted, the mediums of exchange, money, were evidently articles having great utility, or otherwise they could not have so acted. But since the earliest history of finance, money has been the creature of law. Our forefathers wrote into the Constitution of the United States this provision, "Congress shall have the right to coin money and regulate the value thereof." Congress, however, has not seen fit, during recent times, to exercise this duty but has turned this most important function of government over to the great banking interests of this country and they can not shirk responsibility for the economic chaos in which we find ourselves to-night.

Up until 1873 gold and silver together were the world's money metals. In other words, anyone mining either metal could take that metal to a mint where it would be coined for him without charge. At times both gold and silver mines of the world were very productive, and this, of course, brought about a money inflation. Such periods were known as good times, with rising prices; manufacturers were prosperous, laboring men could find employment at good wages, and farmers were able to get good prices for their commodities. Then there would be other periods when either or both of the mines became less productive. This caused a money deflation. Prices then began to fall, and hard times ensued. But when both gold and silver mines of the world were seemingly exhausted money became scarcer and scarcer, and times became harder and harder. Sometimes these money famines continued for hundreds of years until new discoveries of silver and gold were made, and were known as the Dark Ages. One can trace the cause of economic progress or retrogression of any period of the world's history to the amount of gold and silver produced at the time. The relationship between man and money is so close that the history of one is the history of both.

There are at least three kinds of money; there is primary money which at the present time is gold, and gold is the yardstick of national and international trade. There was not enough gold, so paper money, based upon gold, was created. That currency is represented to-day by dollar bills and silver coins in your purse. Then there is the kind of money called credit money, represented by checks and paper written by banks. It is only through the use of currency and credit money based upon gold that trade can be carried on successfully, but for us gold is the only real measure of trade.

As I have pointed out before, up until 1873 the monetary system of the world, with the exception of England, was based upon gold and silver, which system is known as bimetallism.

England demonetized silver in 1816, largely, it is claimed, by reason of a family of bankers who owned billions of dollars of bonds of various nations and 90 per cent of the gold mines of the world, realizing that by striking down silver, one-half of the money supply of the world, it would double the value both of their bonds and their gold mines.

The demonetization of silver in the United States in 1873 became known as the crime of '73. Congressman Bright, who was a Member of the House at the time the demonetization act was passed, declared, "It passed by fraud in the House, never having been printed in advance, being a substitute for the printed bill; never having been read at the Clerk's desk, the reading having been dispensed with by an impression that the bill made no material alteration in the coinage laws; it was passed without discussion, debate having been cut off by operation of the previous question. * * * Aye, sir, it was fraud that smells to heaven."

Other leaders in Congress issued similar statements. President Grant declared, "I did not know the act of 1873 demonetized silver; I was deceived in the matter." John G. Carlisle, at one time Secretary of the Treasury, stated, "Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population and industry. According to my views of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three-sevenths to one-half of the metallic money of the world, is the most gigantic crime of this or any other age. The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the world."

My contention is that the present world-wide deplorable conditions are due to (1) the failure of the gold mines of the world to produce enough money metal to supply the world's increasing needs; and, secondly, and perhaps of more importance than the first, is the maldistribution of the gold of the world, 70 per cent of which is held by France and the United States.

Opponents to the bill introduced by me something over a year ago, to remonetize silver on the basis of 16 to 1, the exact ratio which we maintained up to 1873, are challenging the statements which I have just made by statements such as was made by the Secretary of the Treasury, Mr. Mills, in a speech read in Kansas City on February 11, 1933, in which he said: "They start with the unwarranted assumption that the supply of gold and money both in the world and in the United States, is inadequate to support a satisfactory price level. As far as the world is concerned, since 1913, the world monetary gold reserves have increased from nearly five billion to about twelve billion, or nearly 150 per cent, while the production of basic commodities at the highest point of 1929 was nearly one-third larger than in 1913."

HOW ABOUT WORLD DEBTS AND WORLD COMMERCE?

"As far as this country is concerned," he continued, "as compared with 1929, our gold stock has increased, our bank reserves have increased, and currency thus increased. The present difficulty arises from inability to put to work our ample monetary reserves."

I cite this as a typical statement of those who are in favor of continuing the present gold standard with accompanying low commodity prices. Every student of political economy should realize by now that in order for the gold standard to function properly in the world so that the various countries can expand their currencies and thereby expand their purchasing power in the world markets, it is necessary for them to have their proper share of the gold reserves of the world. They do not have this to-day.

One of the great difficulties in the world to-day is that more than 40 countries have had to go off the gold standard because of the fact that they did not have and could not get the gold in sufficient amount to expand their currency in accordance with the development of their industries and commerce or to meet the payment of their obligations to foreign countries.

If a country has to contract its currency and does contract it by reason of the fact that it has not sufficient gold as a basis for its currency, then it must have the effect of depreciating commodity prices in that country in relation to gold; and if a sufficient number of countries find themselves in the same position, then it must have the effect of not only depreciating prices throughout the world but drying up the purchasing power. To-day the leading commercial nations of the world, with the exception of France and the United States, find themselves in a position where they are unable to get and retain gold. It necessarily has the effect of depreciating world commodity prices in terms of gold, because as the demand for gold becomes keener the supply becomes insufficient, and whether it is caused from hoarding by one or two countries or for any other reason matters little. The fact is that these countries had to go off the gold standard, depreciate their currencies; and when they depreciated their currencies the effect upon this country was immediately felt, as is evidenced by the statements of President Hoover, Charles E. Mitchell, and Mr. Harriman, president of the United States Chamber of Commerce.

In his message to Congress December 19, 1932, President Hoover said: "It is certain that the most urgent economic effort still before the world is the restoration of price levels. * * * That price levels have been seriously affected by abandonment of the gold standard by many countries and the consequent instability and depreciation of foreign currencies * * *. The depreciation of foreign currencies lowers the costs of production abroad compared to our costs of production."

He reaffirmed in substance the above statement last evening.

President Hoover here calls attention to the fact that depreciated currency in other countries lowers their costs of production com-

pared to our costs of production. That is the reason why these countries can undersell the American manufacturers in the markets of the world.

On December 16, 1932, Mr. H. I. Harriman, president of the Chamber of Commerce of the United States, in an open letter declared: "For a year and three months depreciated currencies have been exerting an undermining influence upon our economic situation. First, by negativing our tariffs so that in our home markets American goods have been displaced, factory output cut down, and unemployment increased; second, by depressing price levels and preventing any upward price movement to a basis of fair return for American labor and capital. * * *."

In the Chicago Tribune of January 11 appears a statement by Mr. Charles E. Mitchell, of the National City Bank of New York, as follows:

"Of vital importance to the progress of recovery in this country is the reestablishment of a stable relationship between the dollar and foreign currencies, thus relieving our price structure from the most destructive of all kinds of competition, namely, that of depreciating currencies of competing nations."

Here we have three clear-cut, concise statements from the President of the United States, from the president of the Chamber of Commerce of the United States, and from Charles E. Mitchell, of the National City Bank, each of them declaring that the depreciated currencies of other countries, which are off the gold standard, enjoy a distinct advantage over the United States for the reason that their depreciated currencies give them a lower production cost for commodities and manufactured goods than the costs of production in the United States.

I repeat, it should be borne in mind that these countries depreciated their currencies because of the fact that they were unable to get or retain a sufficient amount of gold upon which to base their currency. It has been suggested we insist that they go back on the gold standard. How? I ask. By giving them our gold?

Again, I want to call as a witness to refute the statements made by Mr. Mills and others, one of the leading experts of Great Britain and the world on gold and money matters, the late Mr. Joseph Kitchin. According to the Associated Press of Sunday, February 12, 1933, his contention was "that an adequate world supply of gold for use as monetary reserves is not in itself sufficient under the conditions of an international gold standard to insure a stable price level."

"The total supply," he goes on to say, "must also be distributed among the different national monetary systems in such a way that each important country or group of countries is assured of having large enough reserves to expand the gold basis of its currency in accordance with the development of its industry and commerce.

"If the distribution is not equitable in this sense, and if the steady concentration of gold in a few countries causes a progressive shrinkage of resources in the other countries of the world, restriction will spread to the whole world. The gold-accumulating countries will find their ample reserves are no safeguard against falling prices and the attendant depression of trade.

"Gains of gold in such circumstances are therefore of no advantage to the receiving countries and the cause of much misery to the world as a whole."

Is there anyone who would challenge the correctness of Mr. Kitchin's statement in the light of the experience of this and other countries during the past few years? What, then, becomes of the argument that there is enough gold and enough currency either here or abroad?

The question of whether or not there is enough gold in the United States or enough currency in this country is not all-important. It is not only necessary to have a sufficient amount of gold or a sufficient amount of currency in a country, but it is necessary to have that currency circulate among the people with a sufficient velocity to maintain commodity prices. The answer to those who say that there is sufficient gold in the United States and sufficient currency is to say that it is not being circulated with sufficient velocity among the people of the country to do us any good. The farmers and workers to-day as well as the commercial interests and manufacturing interests of the Nation, are truly being crucified upon a cross of gold.

More than a year has passed since I introduced my bill in the Senate, the purpose of which was to remove the trade barriers which President Hoover brought to the attention of Congress in his message of December 19, 1932, almost a year later, and to stabilize monetary exchange rates between gold-standard and silver-using nations, as well as the countries off the gold standard entirely.

I asserted on the floor of the Senate that the enactment of my bill into law would, first, immediately thereafter nearly double the volume of the world's primary money, with the resultant increased conservative credit basis of twenty times the amount of primary money thus added to the world's stock.

Second, within one year after the enactment of this bill the world's price of wheat, cotton, and all agricultural products would be more than trebled.

Third, the purchasing power of over 50 per cent of the entire world's population now using silver as their sole yardstick of exchange and business transaction would contemporaneously be quadrupled; that is, the value of the silver stock would increase from 30 cents to $1.30, resulting in the creation of a market which would more than absorb all the surplus of our raw materials and manufactured products.

Within two years all our present agricultural land values throughout the United States would be more than quadrupled, thereby transforming the present frozen assets of the country banks in agricultural communities into liquid assets.

The unemployed labor problem would be rapidly solved.

Both labor and capital would be benefited.

Contentment, happiness, and lucrative occupation would be substituted for discontentment and despair, with their inevitable resultant tragedies to follow.

It would relieve starvation in the midst of plenty.

This legislation would do more than all suggestions heretofore combined toward reviving, encouraging, vitalizing, and resuscitating business in this country and throughout the world.

The market prices of securities, especially the common stocks of all corporations enjoying honest, efficient managements and being properly financed, where listed on some of the great stock exchanges of this country, would almost contemporaneously show increased activity and market value.

Since I made this declaration on the floor of the Senate, no Senator has accepted the challenge and brought forth any valid reason or argument to show why the passage of my bill would not accomplish these things.

Questions have been raised, and some have expressed fears, but no argument has been brought forth that would tend to prove the unsoundness of my bill.

On the contrary, since that statement was uttered on the floor of the Senate, several outstanding economists and bankers have uttered statements favorable to the adoption of the same.

Let me now quote briefly what two prominent Englishmen have recently said about the importance of remonetizing silver: First, the statement by Sir Osborne A. Smith, governor of the Imperial Bank of India, quoted in the London Times, January, 1933, which is in substance as follows:

"The economists throughout the world are agreed that maldistribution of gold and overproduction of goods are two of the fundamental causes of the depression. If we consider the fact that the great masses of the Orient are half starved and less than half clad, one can not say that there is overproduction in terms of requirements, but rather that there is overproduction in terms of purchasing power. Our job, then, is to recreate purchasing power and we have the instruments at hand in silver, of which these masses are possessed. The remonetization of silver will furnish us with a needed purchasing power and will cause to disappear through consumption, the world overproduction of goods."

The statement by Sir Robert Horne, ex-Chancellor of the British Exchequer, quoted in the New York Times, January 30, 1933, declares:

"* * * Rehabilitation of silver would help more rapidly than any other device to raise commodity prices and restore trade, which in recent years has disappeared owing to the abnormal decline in the value of silver. * * * Depreciation in the value of silver in recent years through government sales of discarded silver coin in the silver countries has lessened the values of savings of a thousand million people in the East, and it has imposed a check upon purchases which would have been made from the factories of America * * *. If the leading nations were to again constitute silver a part of their metallic reserves, this degenerating process would be reversed."

I now quote from the Saturday Evening Post of January 14 1933, on "Boom China":

"With their [silver] money at such a disadvantage outside their country, Chinese consumers must turn overwhelmingly to native-made goods. It—the fall of silver—made China's raw produce so cheap for gold-standard countries that her export trade has remained through the depression at nearer to normal than that of any other nation * * * with Chinese mills registering one of their most profitable years, expanding in full production in this third year of world-wide idleness."

I would also like to quote from an article in the Washington Herald of January 22, 1933, by Mr. G. Bowie Chipman, Washington resident partner of the New York Stock Exchange firm of Harriman & Co. in which he says:

"On January 5 of last year, Senator WHEELER, of Montana, introduced a bill in the Senate known as the Wheeler bill, S. 2487, the enactment of which would reestablish the honest or stable dollar of our forefathers as initiated by them in 1792 and enjoyed by the people of this country to 1873. In my opinion, this is the most important piece of legislation that has been suggested either in the United States or any other country in the whole world since 1873, when silver was demonetized by the United States.

* * * * * * *

"Under the Wheeler bill it is not proposed to purchase silver but to place the stamp of the United States mint on silver bullion on a ratio of 16 to 1."

I now want to call your attention to a telegram which was forwarded to the International Monetary Conference held in England in 1894. It will show you what the outstanding statesmen believed the remonetization would do for the world.

"We desire to express our cordial sympathy with the movement to promote the restoration of silver by international agreement, in aid of which we understand a meeting is to be held to-morrow, under your lordship's presidency. We believe that the free coinage of both gold and silver, by international agreement at a fixed ratio, would secure to mankind the blessings of a sufficient volume of metallic money, and, what is hardly less important, would secure to the world of trade immunity from violent exchange fluctuations. (Signed) John Sherman, William B. Allison, D. W. Voorhees, H. C. Lodge, G. F. Hoar, N. W. Aldrich, D. B. Hill, E. Murphy,

C. S. Brice, O. H. Platt, A. P. Gorman, W. P. Frye, C. K. Davis, S. M. Cullom, J. M. Carey."

What a galaxy of statesmen.

The adoption of my bill would force upon the world what these men were seeking by international agreement. I would like to see it accomplished by international agreement if it could be done, but I agree with Will Rogers that "America never lost a war but she never won a conference." We have the power at the present time, by reason of our economic position in the world, to force the rest of the world to adopt bimetallism. This can be done by the Congress of the United States passing my bill. England and France would have to adopt bimetallism or lose the trade of South America and the Orient, as well as other countries. They did not consult us when they depreciated their money. Why do we have to consult them.

To those who fear that this country would be flooded with silver if my bill were enacted into law, let me say, where would this flood of silver come from?

According to official figures, the largest annual world production of silver was in 1929, when it reached 260,970,029 fine ounces.

We need not fear a flood of silver, because silver is usually a by-product of copper, lead, or zinc, and its production is governed by the production of these other metals.

Again, much of the hoarded silver of India and China is in the form of ornaments, which are prized highly because of family or religious associations, and would not be used in any commercial way unless all other sources of revenue had been exhausted.

It has been suggested to me that if this bill passed we might get large withdrawals of gold, and gold would go into hiding. In the first place, let me say that my understanding is that practically all of the gold that was earmarked in this country left the United States about a year ago or more. There are some commercial balances in this country. They might possibly be withdrawn; likewise, there might be some withdrawal of gold upon the part of our own people; but I am informed by what I consider to be one of the highest authorities in this country that in any sort of an inflation, whether it be by managed currency, fiat money, passing the bonus, or the expansion of currency through Government expenditures of large sums of money in payment of projects which it might start, there would be immediately some gold withdrawn, not because of the remonetization of silver, but because of the fact that any sort of an inflation will cause gold to be hoarded for a short time; but I repeat, because of our strategic position, our trade balance, our economic situation and financial position in the world, gold would continue to come into this country, and what little gold was taken out would soon come back again. Our trade balances are bound to increase rather than decrease if we remonetized silver.

To those who fear that the United States should not adopt bimetallism alone, let me call to your attention the fact that the Latin Union was able to successfully operate under bimetallism although their combined wealth and commerce was relatively less than that of the United States.

One of three things is going to happen in the immediate future: Either we are going to raise world commodity prices and thereby increase the purchasing power of the people or we will have to have a wholesale slashing of wages, together with increased unemployment, more bank failures, more railroad receiverships, more bankruptcies, and more sales and foreclosures of farms for taxes and mortgages. In other words, we are right at the crossroads and the Congress of the United States has got to decide as to which road it is going to travel. We can go along the lines of least resistance by letting conditions drift and get worse and worse. We can cut wages further, thereby adding to the deflation and making it impossible for debtors to pay what they owe. As a result there would of necessity be a general liquidation of indebtedness and a complete reorganization of all business and commercial enterprises in the United States. The wealth of the Nation would thereby be accumulated in the hands of still fewer and fewer people. On the other hand, we can take a more courageous stand; double the primary money of the world by the adoption of bimetallism, thereby raising world commodity price levels, giving purchasing power to over one-half of the world's population, which they do not possess to-day; put men back to work in our factories and mines instead of letting them tramp the streets; save the farmers' homes; and hurt no individual or class of individuals in this or any other country.

Have we the intestinal stamina to do it? We have not unless you people in your homes start now—to-night—and demand of your Representatives that it be done and done quickly to save this country and your home and your fireside.

In conclusion, let me quote a short poem by George E. Phair, entitled "Oh, for a Lincoln Now," as follows:

His was the hand that broke the iron chain
And raised the burden from a bonded race;
His was the hand predestined to efface
A Nation's guilt—and wipe away the stain.
And now across the years he hears again
The cries he strove to make the world forget:
Despairing farmers chained by hopeless debt,
White-collar slaves reduced to want and pain,
Slaves of the bread line, standing in the cold,
Begging a humble crust of bread to eat,
While granaries are overwhelmed with wheat
And in the banks the coffers burst with gold.

Oh, for a Lincoln now with dauntless hand
To break the golden chain that gripes the land!

FEDERAL AID FOR UNEMPLOYMENT RELIEF

The Senate resumed the consideration of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. DAVIS. Mr. President, time and circumstance have much to do with our outlook. In some instances conditions are even arbiters of our vocabularies, and words we once held in contempt we now use of necessity. Public relief measures carrying large appropriations would but yesterday have been called "doles" by millions who to-day are seeking relief.

The ravages of time, brief though the period may be, have dealt unkindly with the worker of high and low estate, whether he be laborer, banker, shopkeeper, or practitioner, and the men and women who once answered the factory's whistle or bell are now, against their will, going to the relief stations and are saying, "We must live, but we are unable to find work." These American citizens in their humility have arrived at their conclusion by descending steps. In my neighborhood the first step to the relief station was in a roundabout way, through back streets and alleys. However, with no hope of work, they have pocketed their pride and accepted the inevitable as a matter of course. Nor can they be blamed. They are unable to find work. Meanwhile, although the cost of living has not increased, it has not declined anywhere near the reduction in the size of the part-time pay envelope or the community relief check.

Although to-day seeking public and private relief, there are hundreds of thousands now unemployed who in days gone by gave, and gave freely, to private community chests. But when the funds of private philanthropy were exhausted, the community turned for aid first to the town or township or to the county. The step to State relief was a short one, and now, in their dire distress, they are appealing to the National Government.

In the county in western Pennsylvania in which I was reared and where my aged father still resides, I am reliably informed that out of the 100,000 people who live in that county, 20 per cent are receiving public relief. I am personally acquainted with many of them, and I am sure not one is accepting relief who would not prefer a thousand times to go proudly to the mills or to the factories to toil and support his family rather than to go, with head bowed low, to a relief station for food for his family.

When the Army appropriation bill was before the Senate, the senior Senator from Michigan [Mr. COUZENS] paved the way for an appropriation of $22,000,000 whereby young men traveling over the country from city to city seeking employment would be cared for in the citizens' military training camps. Many of these young men, in their search for work, have appealed not only to me but to many other Senators. Some of these young men who came to see me were the sons and grandsons of men I have known for half a century; they are real, genuine citizens of their respective communities. They know the conditions at home; they know there is but little left to provide for those who are unable to travel elsewhere to seek work; and so they start on their way, earnestly seeking work, with the one thought in their minds, that they may help provide the necessities of life for other members of their families. The proud spirit of America is their armor.

To those without funds who are seeking relief, prices mean very little. Cut-throat prices mean the destruction of buying power; they mean that investors receive no return upon their money, and that employers' and workers' incomes are reduced to such a low state that those gainfully employed are unable to help those who are unemployed. To continue cut-throat competition until prices reach European and Asiatic levels will mean that the buying power of the gainfully employed in America will be on the same basis as in Europe and the Orient.

Mr. President, let us face the facts. Ten million American workers are idle; many millions more are on part time. In the past these workers, when employed, have contributed most liberally to those in need. They have saved, built their homes and tried to pay for them, and now they find themselves not only penniless but in many instances de-

prived of the ownership of their homes. Many who still own their homes are unable to secure loans on them and are driven to seek public relief. Unable to pay taxes; yea, even unable to buy the necessities of life, they must seek public relief. Credit is no longer available to them at the stores or banks; hence, what is there left for them to do but to seek relief?

No one will deny that those who are now unemployed have had extended to them credit running into hundreds of millions of dollars; so when they do return to work it will be many, many months before they will be able to participate in the buying power of the Nation other than to the extent of purchasing the bare necessities of life. Wages have been reduced, and all they can earn will go to paying off what are termed "bills payable."

Mr. President, those of us who have given some thought to the question of undernourishment incident to the war know that in the sections of countries immediately affected by the war the greatest damage was that which in the future will be directly traceable to the undernourishment of children. We owe no higher duty than the duty we owe to childhood, even at the expense of an unbalanced Budget. We have always had pity for the homeless child.

Did it ever occur to you, Mr. President, that in the current depression the children of the unemployed are in a worse plight than those that inhabit orphanages or other institutions dedicated to the welfare of childhood? Innumerable citizens, now unemployed, have donated to such institutions through the church-collection basket, the welfare-board solicitor, and other fund-raising agencies. To-day, after hopelessly canvassing the employment offices in quest of any kind of a job, many of those who in the past have been generous contributors trudge home, only to hear the bitter wails of their famished families. Is it not therefore time, Mr. President, for the Congress to give a practical interpretation to the biblical promise that bread cast on water shall return; that the five talents shall be returned an hundredfold?

Shall we treat mankind with less consideration than we show the beasts of the field, the birds of the air, or vegetation of our fields and forests? In this very Chamber we annually appropriate funds to combat the cattle tick, to exterminate the boll weevil, to protect our game and our forests; and in doing so we boast of an altruistic spirit toward these animate and inanimate, though dumb, wards. Can anyone honestly be generous to one and penurious to the other?

What a stupendous economic loss to society there is involved in the failure to develop the human resources of thousands of dependent children! If the campaigns to conserve forests, water power, and petroleum were all to be abandoned in favor of the scientific development and conservation of the potential ability of the neglected children of America, I believe that the Nation's gain would be immeasurably greater. As it is now, too many of the dependent children of America are placed on a dead level, thus killing the hope and ambition and talent of those who possess such qualities, and filling the lives of the others with a ruinous sense of inferiority and despondency.

Will the people of America have done their duty until they establish, at least, the same standard for the thousands of children of idle but honest citizens as is maintained for the children who populate our institutions? The child who is thoroughly equipped to earn an honest living, to the limit of his mental and physical capacity, will repay society a thousandfold for the appropriation now being considered.

Mr. President, there is no charity like the charity of the poor to the poor. They welcome another to their household when it is difficult to provide for their own. To-day three and four families are huddled in one house. They have a community of interest now as never before. Think what this means in the curtailment of the consumption of fuel and lights and in other items, such as the use of the telephone. It is contribution to the seemingly endless cycle of a reduced buying power.

Mr. President, I know what it is to be in the same condition as that of the young men who are to-day traveling the highways and byways or riding freight trains, going from town to town seeking employment. I, too, in years gone by, followed that harrowing path, and at that time I had but one hope—to find work in order that I might be able to be helpful to those who were responsible for my coming into the world.

Mr. FESS. Mr. President, will the Senator yield?

Mr. DAVIS. I will conclude in just a moment.

Mr. FESS. I should like to ask the Senator a question at that point.

Mr. DAVIS. Very well.

Mr. FESS. The Senator from Pennsylvania is a fine example, one of the best I know, of a self-made man. But when he was roaming around looking for work he was not expecting the Federal Government or anybody else to support him; in his search for work he was willing to do anything necessary to make himself self-supporting. Are we now pursuing the course that was being pursued when the exigencies under which the Senator who is now speaking labored were operating to make the man that has been made out of him. That is a question that I should like to have the Senator answer.

Mr. DAVIS. The circumstances are now somewhat different, because of the fact that many of these men have been idle for nearly three years—probably four years in the case of some of them. Their credit is gone. The city and the community and the State are unable to provide for them. To whom must they look for relief?

Mr. FESS. The Senator knows very well that if he had had some wet nurse to look after him, in the form of the city or the State or the Nation, he would not be the man that he is to-day.

Mr. DAVIS. Well, I do not know. If I had been idle as long as most of those who are now out of work have been idle, perhaps I would have had to have some one wet-nurse me.

I do not challenge the assertion, Mr. President, that it would be well to balance the Federal Budget; but we should not think of balancing our Budget without first satisfying the needs of our needy people.

No child should go to school ahungered or athirst, nor should the adults of his family be neglected; for if we neglect the health of the child of to-day we will pay the price, and pay for it dearly, when that child shall attain his majority; the Nation's regimen will be impaired and our courts of justice—yes, even our penal institutions—will be overcrowded. The child of to-day is the citizen of to-morrow; and, in my opinion, the most practical lesson in patriotism can be taught him through the stomach, which is far more sensitive than his eyes or ears. To me, the child is the hand of God recording on the universal pages of time the history of the human race.

I hope, Mr. President, the pending legislation will be approved by the Senate of the United States.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is upon the amendment as amended.

Mr. COSTIGAN. Mr. President, a short time ago the Senator from Massachusetts [Mr. WALSH] suggested that he had an amendment which he desired to offer. He said he would be in the restaurant. I have not seen him since; but I feel under obligations to state the fact that he desires to offer a slight amendment.

Mr. LA FOLLETTE. Mr. President, if the Senator from Massachusetts desires to offer an amendment, now is the time it should be submitted. Personally, I do not care to address the Senate on this question until the substitute offered by the Senator from New York [Mr. WAGNER] has been perfected, and is the pending question.

In view of the statement made by the Senator from Colorado I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Cutting | Keyes | Sheppard |
| Austin | Dale | King | Shipstead |
| Bailey | Davis | La Follette | Shortridge |
| Bankhead | Dickinson | Lewis | Smith |
| Barbour | Dill | Logan | Smoot |
| Barkley | Fess | McGill | Steiwer |
| Bingham | Fletcher | McKellar | Stephens |
| Black | Frazier | McNary | Swanson |
| Blaine | George | Metcalf | Thomas, Idaho |
| Borah | Glass | Moses | Thomas, Okla. |
| Bratton | Glenn | Neely | Townsend |
| Brookhart | Goldsborough | Norbeck | Trammell |
| Bulkley | Gore | Norris | Tydings |
| Bulow | Grammer | Nye | Vandenberg |
| Byrnes | Harrison | Oddie | Wagner |
| Capper | Hastings | Patterson | Walcott |
| Caraway | Hayden | Pittman | Walsh, Mass. |
| Clark | Hebert | Reynolds | Walsh, Mont. |
| Coolidge | Hull | Robinson, Ark. | Watson |
| Copeland | Johnson | Robinson, Ind. | White |
| Costigan | Kean | Russell | |
| Couzens | Kendrick | Schuyler | |

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

Mr. WALSH of Massachusetts. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from Massachusetts offers the following amendment:

On page 6, line 5, after the word "markets," insert the following: "including markets for the purpose of buying, selling, warehousing, or storing of agricultural commodities and livestock."

Mr. WALSH of Massachusetts. Mr. President, the purpose of this amendment is to broaden the interpretation of the word "markets for public use."

The Reconstruction Finance Corporation, I think very properly, in view of the language of the existing law, has defined in general terms a public market as a place that is open to anyone who wishes to hire space for the transaction of business and where sales transactions are made. The Boston Terminal Co. sought a loan from the Reconstruction Finance Corporation, claiming that its purpose came within the term "market," and was denied the granting of a loah, although I think the Reconstruction Finance Corporation was not unsympathetic with the plan and purpose.

The Boston Terminal Co. was to be a receiving warehouse for agricultural products which were to be held and later distributed to the public markets of the city of Boston and its vicinity.

The matter was in great doubt as to whether legally the Reconstruction Finance Corporation could make a loan to the Boston Terminal Co. for building an extensive market for the purpose which it outlined, and the opinions of various people were sought, among others, that of Mr. Nicholas P. McNair, professor of marketing at Harvard University Graduate School of Business Administration. He was of the opinion that the project for the Boston distributional terminal seemed to fall definitely within the terms of the act. The purpose of this amendment is, as I stated in the beginning, to broaden the interpretation of the term "market." I understand it is acceptable to the Senator from New York, and therefore it is unnecessary to debate the matter any longer. I ask for a vote.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. DICKINSON. Mr. President, is the substitute of the Senator from New York the pending amendment?

The VICE PRESIDENT. The question now is upon the amendment offered by the Senator from New York.

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator from New York a question?

Mr. WAGNER. Certainly.

Mr. WALSH of Massachusetts. I have received inquiry from private educational, charitable, and religious institutions which have, during the depression, been desirous of expanding their activities; but, though no question has been raised as to their financial standing, they have been unable under existing law to make any loan with the Reconstruction Finance Corporation. I inquire of the Senator whether the language in his amendment is sufficiently broad to permit loans being made to educational, charitable, and religious institutions which are financially sound, and which would be considered by the ordinary banking institution in normal times capable of meeting their obligations?

Mr. WAGNER. Private institutions?

Mr. WALSH of Massachusetts. Private educational institutions, such as Harvard University or Yale University.

Mr. WAGNER. No; the proposed act would not permit loans to be made to such an institution.

Mr. WALSH of Massachusetts. What would be the view of the Senator in reference to presenting an amendment proposing that the act be expanded to permit such a class of institutions to borrow money at this time?

Mr. WAGNER. When the bill was before us last year for the relief of unemployment, efforts were made to enlarge the powers of the Reconstruction Finance Corporation so as to extend them to loans to private institutions, and an amendment looking to that end was rejected by the Senate as tending to take the Government into a tremendous field, probably beyond the power of the Federal Government to go.

Mr. WALSH of Massachusetts. I was in sympathy with that object, but it seems to me that it is a question whether certain educational institutions are not self-liquidating.

Mr. WAGNER. Undoubtedly this depression has presented a number of these very difficult problems. The Banking and Currency Committee to-day had before it a committee representing the mayors of the United States seeking to enlarge the powers of the Reconstruction Finance Corporation so that loans may be made in order that the municipalities may pay their fixed charges, pay interest upon their outstanding bonds, and refinance the bonds which are coming to maturity. The Senator can understand that while the committee is in sympathy with their plight, if we open that field, the Federal Government will be called upon to finance all the municipalities of the country, probably.

Mr. WALSH of Massachusetts. That is exactly true, and, of course, it would not add anything to the relief of unemployment, which is the objective the Senator seeks.

Mr. WAGNER. Exactly.

Mr. WALSH of Massachusetts. But would it not be wise, in an effort to relieve unemployment, to expend millions of dollars during this time of depression, when costs of building are low, for educational purposes and religious purposes, where the security is unquestioned; and, of course, that is the basis of all loans of the Reconstruction Finance Corporation; they must find that the things are safe. It seems to me, with the contracted means of borrowing money from the banks, we might perhaps add to the relief of unemployment by some legislation in the direction I have indicated.

Mr. WAGNER. The Senator knows I am in sympathy with any action by Congress which would have the effect of putting men and women to work on useful projects, and I sympathize with the Senator's views, and perhaps it might be well for him to test the Senate on the proposition as to whether we want to extend the activities of the Reconstruction Finance Corporation so that loans may be advanced to purely private institutions. It is a pretty large field.

Mr. WALSH of Massachusetts. I refer to private institutions which are educational, charitable, religious, and, of course, I would not think of such a proposal if I did not have in mind the objective the Senator has, that during this period of depression, not being able to get funds from the banks, but knowing that it is necessary to expand their institutions, they would adopt this course of getting the necessary money to extend certain projects. I would not, of course, propose it as a Government-loaning undertaking under any other circumstances.

Mr. WAGNER. I understand that. Of course, all of this is legislation we would not think about if we were in normal times. But I can state to the Senator that there is hardly an activity—educational, eleemosynary, or business—representatives of which have not made appeals to me to enlarge the powers of the Reconstruction Finance Corporation so

that these purely private enterprises might be financed by the Government because of the depressed condition of the financial market. I do not know that we can go that far without breaking down the credit of the Federal Government.

Mr. WALSH of Massachusetts. I am in sympathy with the Senator's views; and, let me add, I think many of us often wonder whether the step we have already taken will prove in the long run to be a wise one. Therefore I think we should proceed very cautiously in the expanding of this unusual and extraordinary governmental activity.

Mr. McKELLAR. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. I yield.

Mr. McKELLAR. Will the Senator state whether or not there is anything in this bill by which a home owner would be enabled to borrow money from the Reconstruction Finance Corporation for the purpose of saving foreclosure on his home which has been mortgaged?

Mr. WAGNER. Not in this bill, but there is legislation pending, I may say to the Senator, which has that in view, which undoubtedly is emergency legislation, and I am very confident it will be considered by the Congress before we adjourn.

Mr. McKELLAR. I do not believe it could be passed unless it were passed on this bill. Would the Senator have any objection to enlarging the scope of the pending bill so as to authorize home owners in some way to borrow from the Reconstruction Finance Corporation?

Mr. WAGNER. I would not want to interfere with the very worthy activities of the colleague of the senior Senator from Tennessee, who has such legislation in charge, which has been reported by the Committee on Banking and Currency, and, as I understand, is about to be considered by the Senate.

Mr. McKELLAR. I hope it will be considered. I really think we should not adjourn without making some provision for the home owners who are losing their homes all over the country.

Mr. WAGNER. It would be a tragedy if we adjourned without at least making an effort to alleviate that very serious situation.

Mr. McKELLAR. I think it would be, and I wish that my colleague and the Senator from New York would get together and agree upon a provision to go into the pending bill, because I think this bill is very likely to pass, and the end of the session is drawing near; and, as the Senator has well stated, it would be a tragedy if we adjourned without protecting in some way, if we can, the home owners who are not only about to lose their homes under mortgages but are losing them every day through mortgage-foreclosure sales.

Mr. WAGNER. As I understand it, the proposal is to take up next the very legislation to which the Senator refers.

Mr. COUZENS. Mr. President, if I may have the attention of the Senator from New York, I observed that, while I was out of the Chamber yesterday afternoon attending a meeting of the Committee on Banking and Currency, an amendment was adopted to the pending bill which appears on page 4315 of the RECORD, at the middle of the page, first column. I dislike to have to repeat anything that may have occurred yesterday, but I observe that the Senate adopted the following provision:

"SEC. 22. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"'(3) to make loans to private corporations to aid in carrying out the construction, replacement, or improvement of aircraft suitable for overseas transport and port facilities essential thereto, bridges, tunnels, docks, viaducts, waterworks, canals, and markets, devoted to public use and which are self-liquidating in character, and to make loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing to aid in financing projects undertaken by such corporations which are self-liquidating in character.'"

Mr. WAGNER. There are only two new features in that. Most of the language appears in the law now. The new features are for loans to private corporations for the construction of aircraft suitable for overseas transportation, and at the end, "loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing." Those are the new features.

Mr. COUZENS. Why does the Senator pick out private corporations manufacturing aircraft, balloons, and lighter-than-air machines?

Mr. WAGNER. That proposal was not in the bill as I originally introduced it, but a witness appeared before the committee urging this particular loan on the theory that it would give an opportunity for the development of aircraft of the overseas type without requiring a subsidy from the Government. His prediction was that eventually a subsidy perhaps would be sought to develop that method of transportation, because he said he regarded it as of great benefit to our commercial interests.

After that testimony the committee itself adopted this amendment to the bill as I originally introduced the measure. That is as much as I can tell the Senator about it, unless I read to him the testimony.

The amendment with regard to the cooperative community farming and crop marketing was an amendment offered by the Senator from Florida [Mr. FLETCHER], and he persuaded the committee to include that. That also was a committee amendment, not in my original bill. I am sorry the Senator from Florida is absent from the Chamber. I am sure he is ready to defend his own amendment.

Mr. COUZENS. Was this amendment proposed by the Senator from New York adopted by the Senate?

Mr. WAGNER. This language was in the bill as reported by the Committee on Banking and Currency.

Mr. COUZENS. But the Senator has added it to the so-called La Follette-Costigan bill, has he not?

Mr. WAGNER. Yes; in that way it was an amendment.

Mr. COUZENS. Has that amendment been voted on yet?

Mr. WAGNER. Yes.

Mr. COUZENS. That was voted on yesterday?

Mr. WAGNER. Yes.

Mr. COUZENS. I understand from the senior Senator from Wisconsin [Mr. LA FOLLETTE] that the vote by which it was agreed to has been reconsidered.

Mr. WAGNER. I do not think so.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. LA FOLLETTE. It was my understanding that the Senate voted to reconsider the vote whereby the amendment offered by the Senator from New York on yesterday afternoon, to which reference has been made by the Senator from Michigan, was agreed to. Upon the motion of the Senator from Colorado [Mr. COSTIGAN] the vote was reconsidered, and the Senator from Colorado then proposed a perfecting amendment, which was agreed to, but the amendment as amended has not yet been voted upon and is therefore pending.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). The Chair may say that the statement made by the Senator from Wisconsin is correct.

Mr. WAGNER. Mr. President, I beg the Chair's pardon. I do not think that is accurate. I have proposed my whole bill as a substitute for the bill of the Senator from Wisconsin; and that being now before the Senate, the Senator from Michigan may offer amendments to this particular provision.

Mr. LA FOLLETTE. Mr. President, if the Senator from Michigan will yield to me for a further interruption, the parliamentary situation is that the vote by which the amendment offered yesterday by the Senator from New York was agreed to was reconsidered, and the amendment of the Senator from New York is now open to further amendment.

Mr. McKELLAR. Or defeat.

Mr. LA FOLLETTE. It is open to amendment and to final disposition.

Mr. WAGNER. Very well. The reconsideration took place while I was out of the Chamber; but I have no objection to that, of course.

Mr. LA FOLLETTE. Mr. President, the Senator from New York was in the Chamber. It was done at the request of the Senator from Colorado [Mr. COSTIGAN], in order that he might perfect the amendment with regard to reservoirs and waterworks, and reconsideration had to be had in order that his amendment might be offered.

Mr. WAGNER. It does not matter one way or another. The amendment is now up for consideration.

The PRESIDING OFFICER. The question before the Senate is the amendment of the Senator from New York [Mr. WAGNER] as amended. It is still open to amendment. The Senator from Michigan has the floor.

Mr. COUZENS. Mr. President, I do not want to take action while the Senator from Florida [Mr. FLETCHER] is out of the Chamber.

Mr. WAGNER. I think the Senator from Florida ought to be sent for because it is an amendment in which he is interested.

Mr. COUZENS. Yes; he should be sent for. I intend to move to strike out the whole of section 3. If the other provisions to which the Senator from New York refers are already in the law, there is no necessity for repetition and the whole section might go out.

Mr. WAGNER. Except that the Senator from Colorado [Mr. COSTIGAN] offered another amendment to this section this morning, to which I do not think the Senator from Michigan will object, which would also be wiped out if the entire section were stricken out of the bill.

Mr. COUZENS. Was the amendment offered by the Senator from Colorado adopted by the Senate?

Mr. WAGNER. I understood that it was.

Mr. COSTIGAN. Yes; it was.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Tennessee?

Mr. COUZENS. I yield.

Mr. McKELLAR. Is the language to which the Senator objects that which I am about to read?—

(3) To make loans to private corporations to aid in carrying out the construction, replacement, or improvement of aircraft suitable for overseas transport and port facilities essential thereto, bridges, tunnels, docks, viaducts——

Mr. COUZENS. The Senator need read no further. I had particularly in mind the first three lines which the Senator from Tennessee has just read, because, as I understand from the Senator from New York, bridges, tunnels, docks, viaducts, and waterworks are already in the law.

Mr. WAGNER. Yes. I think the Senator will accomplish his purpose if he simply offers an amendment striking out the provision permitting loans for the construction, replacement, or improvement of aircraft suitable for overseas transport and port facilities essential thereto.

Mr. COUZENS. That is the only amendment that I want.

Mr. WAGNER. The other provision follows:

To make loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing to aid in financing projects undertaken by such corporation which are self-liquidating in character.

Mr. COUZENS. That is the other amendment.

Mr. WAGNER. That will accomplish the Senator's purpose?

Mr. COUZENS. Yes; in part. I want to make sure of another provision, and that is whether or not these loans are to be secured in any way.

Mr. WAGNER. That provision has not been changed in any way.

Mr. COUZENS. What has not been changed?

Mr. WAGNER. The provision in the present law that adequate security shall be provided, and in addition the project must be of a self-liquidating character.

Mr. COUZENS. But we have already stricken out the words "other than by taxation."

Mr. WAGNER. The private corporations have no power to tax.

Mr. COUZENS. I understand; but if a private corporation, as proposed by the Senator from New York, desires to——

Mr. WAGNER. I told the Senator under what circumstances it was proposed. These are amendments inserted by the committee in the bill which I have produced.

Mr. COUZENS. I am not disputing the Senator in that connection. I am pointing out that no matter what the committee did——

Mr. WAGNER. I may say that taxation is not involved in this particular section, because private corporations have no power to levy taxes.

Mr. COUZENS. I am coming to that. Let me give the Senator an illustration of what might happen. I understand this is under consideration in the States now. A private corporation organizes a market, a place where they set up stalls for farmers and others to dispose of their produce. It is possible to work with the community so that the expenses in part will be paid by taxes and a part by private interests. For example, there are public markets now in many cities that are supported by taxation and fees.

Mr. WAGNER. Private corporations supported by taxation?

Mr. COUZENS. No. It works both ways. Sometimes it is a private corporation which has the use of the land free or other concessions which obviously are supported in part by taxation, because when a property is exempt from taxation of course it contributes to extinguish the taxable property. But that is not what I particularly have in mind.

Mr. WAGNER. The Senator from Florida [Mr. FLETCHER] has entered the Chamber. May I say to him that we are discussing the proposal of developing cooperative community farming and crop marketing. The Senator will remember the amendment was proposed in the committee. The Senator from Michigan is addressing himself to that feature of the bill.

Mr. FLETCHER. Mr. President, I think it is a very important subject. I know of opportunities where people who may be without work and without any prospect of work are able to join a cooperative organization and develop certain land areas where they can make a living. They may not make a great deal of profit. It is not strictly a colonization scheme, but it partakes of that nature, where people are put on farms where they can make a living. It is cooperative in its nature and they must be given some financial help.

Mr. COUZENS. What is the money to be used for?

Mr. FLETCHER. For taking care of their operations. For instance, a farmer sometimes needs a little money for financing his actual cultivation, for fertilizer, seed, and similar expenses. I think the land will be acquired by a cooperative organization and the buildings will be put up by private capital or by the capital of the organization, but the people who buy lots and houses will need some capital to finance their operations.

Mr. COUZENS. In other words, under the provisions of the bill as I read them, any real-estate-promotion scheme could come under the provisions of the bill if a cooperative organization was formed to deal with it.

Mr. FLETCHER. I would not say that is the case, because the Reconstruction Finance Corporation looking into the proposal, will determine whether it is a real estate promotion scheme. It is intended in good faith to furnish an opportunity for all kinds of people, lawyers, bankers, and other professional men who are without any work at all in the big cities, and other people as well who have been workers and are now without jobs. It is to afford them an opportunity to acquire a home under this system and enough land, 20 or 30 or 40 acres, to enable them to make a living. It would give them not only something to do, but thousands of people would take advantage of it and be able to make a living.

Mr. COUZENS. I have no desire or thought of impugning the intentions of the Senator from Florida, but when

he leaves the interpretation of this provision to the Reconstruction Finance Corporation I am unwilling to agree. In other words, the Senator from Florida would leave to the directors of the Reconstruction Finance Corporation the decision under this broad language, and I still insist that under the language there would happen exactly what I said before—the incorporation of great real-estate subdivision developments into a proposal such as indicated here which would receive money from the Reconstruction Finance Corporation.

There is no provision in the amendment whatsoever about security for the Government. If the beneficiaries about whom the Senator just spoke are poor and without work and this enables them to get a living, how in good conscience are they going to buy the real estate and put up the homes?

Mr. FLETCHER. I happen to know of philanthropic people who are interested in finding work to care for the distressed all over the country, who are advancing funds for this purpose. It is more of a philanthropic or benevolent enterprise than it is any money-making scheme.

The PRESIDING OFFICER. The time of the Senator from Michigan on the amendment has expired. He is recognized on the bill if he so desires.

Mr. COUZENS. I desire to offer another amendment, and then I shall have 15 minutes on that amendment, I believe?

The PRESIDING OFFICER. That is correct.

Mr. COUZENS. I offer an amendment to strike out the words "to aid in carrying out the construction, replacement, or improvement of aircraft suitable for overseas transport and port facilities essential thereto."

Mr. BLAINE. Mr. President will the Senator permit an interruption?

Mr. COUZENS. Certainly.

Mr. BLAINE. I would suggest that there be stricken out only the words "of aircraft suitable for overseas transport and port facilities essential thereto," leaving the language as it is in the present law:

To make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks, canals, and markets—

And so forth.

Mr. COUZENS. I adopt the suggestion of the Senator from Wisconsin. I am not going to discuss that particular amendment now because it seems to me obvious that that language should not be in the act. I am going to discuss for a moment the other amendments which I shall propose later to eliminate the words:

To make loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing.

The Senator from Florida has the best of intentions, I have no doubt, but a study of the loans made by the Reconstruction Finance Corporation and a consideration of the political influences directed to the making of loans for specific purposes should be a warning to the Congress not to leave these matters wide open to their discretion.

Mr. President, I suggest the absence of a quorum before we are called upon to act upon this particular amendment.

The PRESIDING OFFICER. The Senator from Michigan suggests the absence of a quorum. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Connally | Grammer | Moses |
| Austin | Coolidge | Harrison | Neely |
| Bailey | Copeland | Hastings | Norbeck |
| Bankhead | Costigan | Hayden | Norris |
| Barbour | Couzens | Hebert | Nye |
| Barkley | Cutting | Hull | Oddie |
| Bingham | Dale | Johnson | Patterson |
| Black | Davis | Kean | Pittman |
| Blaine | Dickinson | Kendrick | Reynolds |
| Borah | Dill | Keyes | Robinson, Ark. |
| Bratton | Fess | King | Robinson, Ind. |
| Brookhart | Fletcher | La Follette | Russell |
| Bulkley | Frazier | Lewis | Schuyler |
| Bulow | George | Logan | Sheppard |
| Byrnes | Glass | McGill | Shipstead |
| Capper | Glenn | McKellar | Shortridge |
| Caraway | Goldsborough | McNary | Smith |
| Clark | Gore | Metcalf | Smoot |
| Steiwer | Thomas, Okla. | Vandenberg | Walsh, Mont. |
| Stephens | Townsend | Wagner | Watson |
| Swanson | Trammell | Walcott | White |
| Thomas, Idaho | Tydings | Walsh, Mass. | |

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present. The pending question is the amendment submitted by the Senator from Michigan to the amendment, which the clerk will report.

Mr. COUZENS. Mr. President, the amendment has been somewhat changed and I will state it myself, if the Chair will permit me to do so. The amendment is to strike out the following words in section 22, subsection (3):

aircraft suitable for overseas transport and port facilities essential thereto.

The PRESIDING OFFICER. The question is on the amendment as stated by the Senator from Michigan to the amendment.

The amendment to the amendment was agreed to.

Mr. COUZENS. Now, Mr. President, I move to strike out the following language, beginning in line 23, page 2:

and to make loans to private corporations formed wholly for the purpose of developing cooperative community farming and crop marketing to aid in financing projects undertaken by such corporations which are self-liquidating in character;

The PRESIDING OFFICER. The question is on the amendment submitted by the senior Senator from Michigan to the amendment.

Mr. FLETCHER. Mr. President, that is the matter about which we had some discussion a little while ago. I will not repeat it, but I think it would be a great mistake to strike out the language referred to. The provision, if adopted, would open an opportunity for a great many people who have no work and who are without means of obtaining a living. There are enterprises ready to be put into operation, if sufficient capital can be obtained, more or less philanthropic in character, to enable such people to go upon farms in the country, on small tracts of land where they may make a living. That is the whole purpose of this provision and I hope the amendment will be defeated.

Mr. BLAINE. Mr. President, the language of the provision, of course, is broad enough to permit the obtaining of loans by real-estate companies engaged in the business of subdividing tracts of land into small lots of a few acres—5 or 10 acres—that may be near some city. That is one power that is granted. It would also permit loans to be extended to colonizing schemes, where real-estate organizations form private companies to go out and buy large areas of land and subdivide them into 5, 10, 20, or 40 acre tracts, and then induce people from the cities to go out and occupy those subdivided tracts of land. I say that the language incorporated in the bill as reported by the committee would permit loans to be made to activities of that sort.

I do not assume that the Government of the United States ought to engage in the project of aiding to finance the subdivision of lands near cities or the colonization of lands out in a State. We have had some experience with both such subdivision and colonization schemes and in most instances they have resulted in utter financial failure and have brought great distress to the people who were induced to move upon the tracts. I know of no case where they have been a success outside of some cooperative community farming that has been carried on by some religious cult. There have been some successful cooperative-farming operations under the keen zeal of religious inspiration; but those communities are not the ones intended to be benefited by the language of the bill. As a matter of fact, the language would permit real-estate agencies to subdivide land near cities, to colonize out in a State anywhere, and to finance the subdivisions and the colonization by money that would be borrowed from the Reconstruction Finance Corporation. I think it is an unwise policy in the first instance to finance such undertakings, which, in the very nature of things, are speculative, and, in the second place, I think it is no part of the function of government to assist those who seek to induce innocent people to settle upon such subdivisions or to take up land under a colonization scheme.

I do not assume that the Senator from Florida had in mind or had the design to aid such undertakings as I have briefly outlined; but I have spoken merely for the purpose of indicating what can be done and in all probability would be done if the Congress of the United States should take such action as is proposed.

Mr. FLETCHER. Mr. President, may I interrupt the Senator to say that it is my purpose to find, if possible, homes for people who are without homes, and opportunity for people who are without opportunity. I have no interest in any money-making project at all; but to give people who are without homes and without resources and without opportunity, people who are idle and helpless, a chance to make a living and have homes of their own.

Mr. BLAINE. I have no doubt about the real sentiment which animates the Senator in promoting this provision of the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan to the amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment as amended.

Mr. COUZENS. Mr. President, I offer another amendment to the amendment. On page 3 of the amendment, I move to strike out section 23. That section provides—

> Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

Mr. President, the question involved was carefully considered when the original Reconstruction Finance Corporation act was passed. It was not contemplated that money should be borrowed from the Reconstruction Finance Corporation for self-liquidating projects which would eventually have to be paid by placing further taxation upon the people. Everyone knows that there is not a municipality or a county or a political subdivision in the United States to-day that is not overburdened with local taxes; and yet, if this proposal should be agreed to, it would be possible to start all kinds of so-called self-liquidating projects which would in themselves not be self-liquidating but which would eventually have to be financed by taxation and further burden the local citizens. I do not think the Congress should undertake any proposal which would eventuate in such conditions.

Mr. WAGNER. Mr. President, I merely want to say to the Senate that if this amendment is adopted there is no use in passing the legislation at all so far as it proposes to enlarge the authority of the Reconstruction Finance Corporation to make loans for public projects, for we are eliminating the self-liquidating feature of it because it is too restrictive a class to employ any large number of people.

We had evidence before our committee from representatives of municipalities and States, large business organizations, and leading engineers. All of them enumerated a number of projects throughout the country, very needful and in the public interest, that ought to be constructed now, and will have to be constructed within the next three or four years in any event in the progress of government. Their contention was, and rightly so, that this is the time to construct these projects, so as to help take up this economic slack. That was the original purpose of this whole legislation, to put people back to work; and the amendment of the Senator—though I know he does not mean it in that way—would restrict those efforts by the Federal Government to put people back to work.

We never will get out of this depression unless the Federal Government assists in efforts to reemploy people. Thus far our efforts have been directed toward holding up the financial structure of banks and railroad companies, which was undoubtedly necessary at the time to prevent a further depression, but it did not put anybody to work. This effort is to reemploy the workers of the United States. If the Senator's amendment is adopted, all these efforts will be meaningless, and I might just as well withdraw the entire legislation and all my efforts in that direction.

Mr. COUZENS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Michigan?

Mr. WAGNER. Yes.

Mr. COUZENS. May I ask the Senator if he expects that these loans that are to be made, to be paid off by taxation, will eventually be paid to the Federal Government?

Mr. WAGNER. Why, of course, they will be paid to the Federal Government. The committee's attention was called to a number of projects throughout the country where a good part of the expense of constructing the projects will come out of income after they are finished, but a part of it will have to be made up by taxation; and this great number of projects are ineligible under the present state of the law.

It is to make these projects eligible that this amendment was proposed. Those who came before our committee, the members of the board of the Reconstruction Finance Corporation, favored it as a necessary liberalization if we are to pursue this policy of attempting, by a public-works program of a substantial size, to absorb some of the unemployment.

Yesterday I put into the RECORD some figures showing that if the municipalities, the States, and the Federal Government had, as was proposed in a bill which was enacted two years ago, planned in advance their public construction beginning with the year 1925, we would have had about $4,000,000,000 available during the last two years for public construction. Instead of that, as the Senator knows, the municipalities, the States, and the Federal Government did most of their public construction at a time when we were prosperous, and, of course, added to the boom. The sane, sensible policy is to do our public construction at a time when there is an economic slack.

Everybody now agrees, I think—economists agree—that a public-works program in time of depression is one of the few ways we have of getting back to normalcy. Italy did it during this winter, and saved a possible serious depression and a large unemployment in that country.

Mr. COUZENS. Mr. President, will the Senator yield further?

Mr. WAGNER. Yes.

Mr. COUZENS. From the study and the hearings in which the Senator has participated, has he any idea what percentage of these costs will be paid out of taxation, and what percentage will be paid out of revenues?

Mr. WAGNER. No; but I think a very substantial percentage will be paid out of revenues, I might say to the Senator, because attention was called, for instance, to waterworks projects. Water is paid for mainly by the users in municipalities, but a good portion of the water is also used for fire-fighting purposes; so attempts have been made to estimate the amount of water which is consumed for fire-fighting purposes, and calculate that as part of the expense of maintenance of the particular public-works project. Therefore, the entire income is not sufficient to amortize the bonds and pay the annual interest upon those projects; but they are scattered all over the country. I am giving the Senator that just as an illustration.

The VICE PRESIDENT. The question is on the amendment of the Senator from Michigan [Mr. COUZENS] to the amendment of the Senator from New York.

Mr. WALSH of Montana. Mr. President, I ask to have the amendment stated.

The VICE PRESIDENT. The amendment to the amendment will be stated.

Mr. COUZENS. Mr. President, I do not think I sent the amendment to the desk. I have it in my hand; and I direct the attention of the Senator from Montana to page 3. My motion is to cut out section 23 of the amendment which is now pending.

Mr. WALSH of Montana. Section 23?

Mr. COUZENS. Yes; on page 3.

Mr. WALSH of Montana. Mr. President, I am very deeply interested in that section of the amendment by reason of a situation which exists in my State. I have spoken about it on the floor of the Senate before. It seems to me the matter

presents a project much to be commended, and on which the Reconstruction Finance Corporation has refused to make a loan by reason of this provision of the act.

Let me explain.

The State of Montana levies a gasoline tax of 5 cents a gallon. That 5-cents-a-gallon tax is devoted to the purposes of road construction. Our State is 600 miles long and 400 miles wide, so that it will be perceived that with a population of 600,000 the burden is a very heavy one; yet the people of the State are willing to burden themselves with a tax of 5 cents a gallon for the purpose of constructing these highways, principally highways that are transcontinental in character. Two of them traverse the State from east to west, and another crosses diagonally from southeast to northwest.

In order to make this fund available presently for the rapid construction of the work and the prosecution of the work on an economical basis, the people of the State by a referendum vote have agreed to issue what are known as highway-commission bonds, for the payment of the interest on which, and the eventual redemption of which, all receipts from the 5-cent gasoline tax are pledged until the bonds are entirely redeemed. The revenues derived are entirely adequate to meet the current interest and eventually to retire the bonds.

My contention is that the words "by taxation" in the original statute did not include revenues derived in that way; and it seemed to me that the project was clearly a self-liquidating project not to be taken care of by taxation. I think that the words "by taxation," as used in the statute, meant revenues derived from the general taxation of the people of the State upon their property, or their income, or that kind of thing.

Mr. COUZENS. A sort of an ad valorem tax on the whole property?

Mr. WALSH of Montana. Exactly; either on all property or upon income or other revenues, general revenues going into the general pot of the State, and not those revenues which are really derived, either immediately or otherwise, from the project itself; that is, from the enterprise upon which the money is expended.

The Reconstruction Finance Corporation, however, has ruled otherwise and insists that it is unable to do anything at all with these bonds—the entire value of which it concedes, the probability of their being paid from the resources back of them being confessed—on account of this provision; and, labor as I might, I was unable to convince the board of the correctness of my attitude with respect to the language "by taxation" in the original act.

Mr. COUZENS. Will the Senator yield further?

Mr. WALSH of Montana. I yield.

Mr. COUZENS. Can the Senator give an illustration of a new project that might come under the classification he has just described?

Mr. WALSH of Montana. Yes. We could easily conceive that the State of Montana never undertook to improve the roads within its boundaries. Formerly, until within very recent years, the State of Montana never did undertake to construct any roads. That was left to the various counties of the State. We can very readily conceive that the State of Montana might now undertake to improve certain roads within the State. That would be a new enterprise being now installed by the State; but aid to it is forbidden under the construction given by the Reconstruction Finance Corporation.

Mr. COUZENS. Mr. President, will the Senator yield further?

Mr. WALSH of Montana. Yes.

Mr. COUZENS. Would a project of this sort come under the jurisdiction of the Reconstruction Finance Corporation? Assume that a city or a county wanted to put up a big office building, and rent one-third of it. That would be self-liquidating in part; and the other two-thirds would be collected as an ad valorem tax, in all probability, on all the property. Would the Senator approve of that sort of a loan?

Mr. WALSH of Montana. Mr. President, I should say that that would not be a self-liquidating enterprise. It would not be at all a self-liquidating enterprise if only one-third of it was rented, unless it might be anticipated that the rents from the one-third would cover the entire cost. Obviously, there the general revenues of the State would have to be relied upon for the discharge of the obligation.

Mr. COUZENS. Mr. President, will the Senator yield further?

Mr. WALSH of Montana. I yield.

Mr. COUZENS. The Senator from New York just illustrated that a project might be built from which the revenue would pay for a part of the cost, and the rest might have to be collected by taxation. It is clearly the intent of the Senator from New York that the kind of a project that is described would come under the provisions of the act; and that is the kind of a project that I have my doubts about the wisdom of having built by Government money.

Mr. WALSH of Montana. I suggest to the Senator, then, that instead of striking this out, perhaps it would be wiser to make some provision which would take care of the objectionable loans which the Senator has in mind.

Mr. COUZENS. Will the Senator yield further?

Mr. WALSH of Montana. Yes.

Mr. COUZENS. Does the Senator believe it would be possible to draft an amendment providing that a certain percentage should come from self-liquidation, and another percentage from general taxation? I will ask the Senator from New York that question, if the Senator from Montana will yield for that purpose.

Mr. WAGNER. Mr. President, I think it would be exceedingly difficult, and I do not think it ought to be done.

What the Senator is trying to do is to frustrate all of these efforts to bring about a public-works program and put people back to work, because he is attempting to limit the type of project upon which loans may be made to those which are permitted under the present law; and experience has shown that there are not enough projects of that type to make a dent in our effort to fight this depression.

That is the reason why we were required to liberalize the law, so that in the case of any project which the Reconstruction Finance Corporation may deem needful and in the public interest, and for which adequate security is given, so long as it is for a public purpose and is being handled by a public body, a municipality or a State, the loan may be made. That is the effort I am trying to make here; and if the Senator's amendment is agreed to, it simply means we are not going to have any public-works program with the aid of the Federal Government, and we might just as well give up all these efforts which some of us at least are trying to make to bring about better conditions.

Mr. COUZENS. Mr. President, I assure the Senator that I am just as anxious to put people back to work as he is, but I am also anxious that we not do the job in such a way that we shall be worse off in the end than when we began.

I ask the Senator whether he contemplates in his program that a city may design and build a great convention hall, the fees for which might pay, in part, the cost and amortization of the building, and, at the same time, place the great balance of the cost of it on the taxpayers? In other words, is he not encouraging, by this proposal, without any limitations, the doing of that very sort of thing?

Mr. WAGNER. No; because, in the first place, we have the limitation that the project must be needful as well as in the public interest, and undoubtedly an auditorium of the kind the Senator mentions would not be regarded in these days, in which we have dramatized economy, as a needful project. In all these things we have to lodge some responsibility, as well as discretion, somewhere, and we have to trust the officers administering these powers to exercise their own judgment in extending these loans.

I am sorry the Senator was not before the committee at the hearings. If he had been, he would have been persuaded that there is a large number of needful projects—for health service, water service—and all these different municipal as well as State services, which projects need to

be erected very soon, and those proposing them persuaded us that the work ought to be undertaken at the present time.

I hope the Senator is not making his suggestion to defeat the legislation, because I think it is an unintentional calumny upon our municipalities to suggest that they are not going to repay the money which they borrow for the erection of their public buildings. It is unthinkable that they would not meet their indebtedness in that respect.

Mr. COUZENS. I think I have a very clear conception of the future, and that they will not be able to meet many of the debts they have already contracted, whether they be through issue of bonds sold to private people or whether they be obligations for money borrowed from the Federal Government.

Mr. WAGNER. If we do things to put people back to work, to restore the purchasing power to the pockets of the wage earners who support the business interests of the country, the municipalities will be in a position to collect their taxes and to pay their debts, because of the greater prosperity of business.

Mr. COUZENS. Mr. President, I ask unanimous consent to withdraw the amendment now proposed, and later on I will draw an amendment which will be more in consonance with the views of the Senator from New York and the view expressed by the Senator from Montana, because I have no desire at all to prevent projects such as those described by the Senator from Montana, but I have a definite desire to prevent wastefulness in communities which might come to the Federal Government and get money for all their projects, in the hope that it never will be repaid.

The VICE PRESIDENT. The Senator withdraws his amendment to the amendment.

Mr. BLAINE. Mr. President, I send to the desk an amendment, which I ask to have reported.

The VICE PRESIDENT. The clerk will report the amendment to the amendment.

The CHIEF CLERK. The Senator from Wisconsin proposes the following amendment, to be inserted on page 5, after line 19:

SEC. —. Section 5 of the Reconstruction Finance Corporation act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is further authorized and empowered to make loans to any fund created by any State for the purpose of insuring the repayment of deposits of public moneys of such State or any of its political subdivisions in banks or depositories qualified under the law of such State to receive such deposits. Such loans may be made at any time prior to January 23, 1934, and upon such terms and conditions as the corporation may prescribe; except that any fund which receives a loan under this paragraph shall be required to assign to the corporation, to the expense of such loan, all amounts which may be received by such fund as dividends or otherwise from the liquidation of any such bank or depository in which deposits of such public moneys were made. As used in this paragraph, the term 'State' includes the several States and Alaska, Hawaii, and Puerto Rico."

Mr. BLAINE. Mr. President, I desire to make a very brief explanation of the amendment.

This is not a bank-guaranty proposal. After the depression had proceeded for some time and banks began to fail, the surety companies which guaranteed the public deposits in the banks withdrew from that business, so that all public funds belonging to the States, counties, towns, cities, villages, and school districts were deposited in banks without any security whatever. It therefore became very obvious that it was necessary for the States to provide some method by which there could be some guaranty that the public deposits would be paid as they were needed to operate the respective governments, from the local government to the State government.

In my own State the policy was established of creating a public corporation. The State not being able to issue bonds, or go into debt, or function in a private capacity, it organized what was known as a public corporation, the directors of which are the supervisory authorities over our banks and, as I recall, the State treasurer.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. BLAINE. I yield.

Mr. COUZENS. Are none of these deposits insured by surety companies?

Mr. BLAINE. The surety companies entirely withdrew from the field, so there was no available security for public funds unless per chance some good citizens who had sufficient property to list would go upon the bonds, which of course the Senator will appreciate was an utter impossibility.

Mr. COUZENS. Did any of the banks put up with the State treasurer any securities they had to guarantee the deposits?

Mr. BLAINE. I would assume that wherever what I have referred to has occurred, they did not, because it was wholly inconceivable that a State would permit public funds to be preferred over the funds of general depositors. That would, I think, not be sound public policy.

Mr. COUZENS. But that has not been done in all cases, because I know of cases where banks have taken collateral out of their portfolios to insure the State treasury against any loss of public money.

Mr. BLAINE. The Senator will admit that it is scarcely fair treatment to the citizens of the State.

Mr. COUZENS. I agree, but it was quite prevalent when there was no alarm about any depositors, as a matter of fact.

Mr. BLAINE. It might have been done. In my State this public corporation was created, and it receives 2 per cent of the daily balances on all public funds. That goes into a fund out of which may be paid the public funds in closed banks.

The purpose of my amendment is to permit a public corporation organized, as I have indicated, owned and operated by the State, to borrow money from the Reconstruction Finance Corporation to meet the necessities of providing public funds with which to pay the going expenses of the several localities, towns, cities, vilages, counties, and school-district treasuries.

The amendment proposes that this corporation shall assign all dividends that are collected in the liquidation of the closed banks, or assign that portion of the funds from the liquidation of the banks as might otherwise go to the State.

We all appreciate that in most cases the receiver declares dividends and a distributive share, usually never less than 40 per cent, and oftentimes as high as 75 to 80 per cent. The right to that dividend, or the right to that distributive share, is to be assigned by the corporation obtaining the loan. In addition thereto, the Reconstruction Finance Corporation may require the corporation to pay a portion of the assessments or premiums that are collected from the bank holding public funds.

The Reconstruction Finance Corporation in the first instance held that insurance companies did not include surety companies, but afterwards reversed its position, and to-day is lending the surety companies of the country large sums of money. In one instance, the National Surety Co. has obtained a loan of $10,000,000. Those are the companies which ought to come to the rescue of these banks which are holding public deposits, but they decline to do so, and yet the Government of the United States is financing those very surety companies which ought to be assuring these funds.

The amendment I have offered simply proposes to put the States which may organize these corporations on a parity with the national surety companies which are failing in their duty and responsibility toward the public.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin to the amendment of the Senator from New York.

The amendment to the amendment was agreed to.

Mr. COUZENS. Mr. President, may I ask the Senator from New York to turn to his amendment?

Mr. WAGNER. Which one?

Mr. COUZENS. Not the substitute, but the amendment which I understand was offered yesterday.

Mr. WAGNER. I have it.

Mr. COUZENS. Referring to page 3, subsection (d), the amendment reads:

(d) The Reconstruction Finance Corporation is authorized and empowered to make loans to bona fide institutions, organized

under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States, and the products manufactured directly therefrom.

Does the Senator understand that by any provision in the act these loans are to be secured?

Mr. WAGNER. Yes, because there is a general provision in the law that all loans which the Reconstruction Finance Corporation can make must be adequately secured. That applies to all loans.

Mr. COUZENS. But not to self-liquidating projects?

Mr. WAGNER. Yes, they have to be secured.

Mr. COUZENS. By what?

Mr. WAGNER. By whatever security they may demand. It may be by the particular charge upon the project, the tolls or fees or whatever it may be, which may be required as sufficient to amortize the loan. But in addition to that they take the security of the particular public body which makes the loan. A municipality gives its bonds. The public corporation gives its bonds. The State gives its bonds. The loans are secured by the bonds of the particular corporation or political subdivision, in addition to an agreement for the collection of tolls, speaking now of self-liquidating projects.

I can assure the Senator that all loans made by the Reconstruction Finance Corporation can be made only upon adequate security. If there is any doubt about it, let us add the particular words in this particular section. It will be tautology, but I have no objection.

Mr. COUZENS. Then I move to amend at the end of line 4, page 4, by adding the words "if adequately secured."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Michigan to the amendment.

The amendment to the amendment was agreed to.

Mr. WAGNER. Mr. President, may I ask the Senator to wait a moment to see if the amendment is in the proper place? I think it would be better to insert it after the word "loans," so it would read:

The Reconstruction Finance Corporation is authorized and empowered to make loans, if adequately secured, to bona fide institutions—

And so forth. Would not that cover it?

Mr. COUZENS. Yes. I ask unanimous consent that the vote by which my other amendment was just agreed to may be reconsidered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. COUZENS. I withdraw the amendment and offer it at the place suggested by the Senator from New York.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The CHIEF CLERK. After the word "loans," insert the words "if adequately secured," so as to read:

The Reconstruction Finance Corporation is authorized and empowered to make loans, if adequately secured, to bona fide institutions—

And so forth.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Michigan to the amendment of the Senator from New York.

The amendment to the amendment was agreed to.

Mr. COUZENS. Mr. President, I would like to ask the Senator from New York a question. Under the provisions of his amendment, where loans are made to private corporations to carry out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks—and I understand there is added an amendment by the Senator from Colorado [Mr. COSTIGAN] including canals and markets, I ask the Senator if in his opinion the bill requires adequate security?

Mr. WAGNER. Absolutely. We do not change that at all. The Senator may take my word for it. Of course, it must be both self-liquidating and adequately secured.

Mr. COUZENS. I do not want any misunderstanding to arise. The value of this debate is that it will determine in part, I think, how the Reconstruction Finance Corporation interprets the act.

Now, I invite the Senator's attention to page 4 of his amendment, line 15.

*Provided further*, That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan.

Does the Senator mean that to be interpreted that the loans now being made for five years, the last one being at the rate of 2⅝ per cent——

Mr. WAGNER. Three per cent was the rate on the last issue of Government bonds.

Mr. COUZENS. In other words, if the Federal Government shall be able to sell a 10-year bond for 1½ or 2 per cent, then in that event the Reconstruction Finance Corporation may charge only one-half of 1 per cent above that rate?

Mr. WAGNER. That would be the interpretation, except that there are no 10-year bonds issued that I know of. They are either short-term certificates extending not over a year or they are bonds beyond 20 years.

Mr. COUZENS. I understand.

Mr. WAGNER. I assume the Government would not change its fiscal policy to the point of issuing a 10-year bond.

Mr. COUZENS. We issued 5-year bonds just a short while ago at 2⅝ per cent. The Senator would not construe a note to be a bond?

Mr. WAGNER. Oh, no; that is specified in the law. The term "bond" has a very definite meaning. A short-term certificate or note has a very definite meaning.

Mr. COUZENS. There are bills pending now before the Banking and Currency Committee to refinance farm mortgages at the rate of 1½ per cent, 2 per cent, and 3 per cent.

Mr. WAGNER. Yes; and 4 per cent.

Mr. COUZENS. Assuming that the Congress refinances all farm mortgages by issuing 50-year bonds at 1½ per cent, does the Senator mean by his provision that the Reconstruction Finance Corporation may not charge more than one-half per cent above that rate?

Mr. WAGNER. If the Federal Government can get $50,000,000 on 20-year bonds at 1½ per cent?

Mr. COUZENS. Yes.

Mr. WAGNER. That is what it would mean, but such a thing is inconceivable.

Mr. COUZENS. I am not so sure. In other words, there are proposals before the Congress now—and I want to make it perfectly clear that we may not have any misunderstanding—to sell the bonds, to issue 50-year bonds at 1½ and 2 per cent per annum and take up all of the farm mortgages. In all probability the owners of the farm mortgages would be glad to take 2 per cent Government bonds running for 50 years. I want to know if the Senator believes, if that took place, that the Reconstruction Finance Corporation would have to lend this money to projects at 2 and 2½ per cent.

Mr. WAGNER. That would not be a bond issue as covered by this provision of the bill.

Mr. COUZENS. I want to make it plain for the RECORD just what is intended.

Mr. WAGNER. I am ready to cooperate to make it as plain as we can.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York as amended.

Mr. WALSH of Montana. Mr. President, I was temporarily called from the Chamber. What is the status of the amendment?

Mr. COUZENS. May I say to the Senator that I withdrew my amendment relating to taxation and said I would propose something else that would be more definite.

Mr. WALSH of Montana. I have in the course of preparation an amendment to take care of the situation to which I adverted. I dare say there will be no objection to it. It will be ready in just a minute or two. Will the Sena-

tor from New York be good enough to defer action for a moment?

Mr. WAGNER. Of course.

Mr. WALSH of Montana. In that situation, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Kendrick | Schuyler |
| Austin | Cutting | Keyes | Sheppard |
| Bailey | Dale | King | Shipstead |
| Bankhead | Davis | La Follette | Shortridge |
| Barbour | Dickinson | Lewis | Smith |
| Barkley | Dill | Logan | Smoot |
| Bingham | Fess | McGill | Steiwer |
| Black | Fletcher | McKellar | Stephens |
| Blaine | Frazier | McNary | Swanson |
| Borah | George | Metcalf | Thomas, Idaho |
| Bratton | Glass | Moses | Thomas, Okla. |
| Brookhart | Glenn | Neely | Townsend |
| Bulkley | Goldsborough | Norbeck | Trammell |
| Bulow | Gore | Norris | Tydings |
| Byrnes | Grammer | Nye | Vandenberg |
| Capper | Harrison | Oddie | Wagner |
| Caraway | Hastings | Patterson | Walcott |
| Clark | Hayden | Pittman | Walsh, Mass. |
| Connally | Hebert | Reynolds | Walsh, Mont. |
| Coolidge | Hull | Robinson, Ark. | Watson |
| Copeland | Johnson | Robinson, Ind. | White |
| Costigan | Kean | Russell | |

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. WALSH of Montana obtained the floor.

Mr. McNARY. Mr. President, will the Senator from Montana yield for a moment in order that I may submit a request for unanimous consent?

Mr. WALSH of Montana. I yield to the Senator.

Mr. McNARY. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock Monday, and that at 4 o'clock in the afternoon the Senate proceed to vote upon the pending bill and all amendments and motions that may be offered thereto.

The VICE PRESIDENT. Under the rule, before such an agreement could be entered into, the roll would have to be called.

Mr. ROBINSON of Arkansas. I suggest that the Senator make the hour not later than 4 o'clock.

Mr. McNARY. Very well, I will make the hour not later than 4 o'clock. I ask unanimous consent that the call of the roll may be waived, inasmuch as a roll call has just been had.

The VICE PRESIDENT. Is there objection to waiving the call of the roll? The Chair hears none. Now, is there objection to the request for unanimous consent preferred by the Senator from Oregon?

Mr. WAGNER. Mr. President, may I suggest to the Senator that he make the hour 4.30 instead of 4?

Mr. McNARY. I have no objection to such a modification, and will make the hour 4.30.

The VICE PRESIDENT. Is there objection to the request for unanimous consent as modified?

Mr. COSTIGAN. Mr. President, reserving the right to object, I should like some reasonable assurance that, after the Senator from Wisconsin [Mr. LA FOLLETTE] shall have concluded, if he proceeds on Monday, as I expect him to do, I shall have an opportunity to take the floor. In other words, without asking undue consideration, I hope under such an agreement not to be excluded from an opportunity to speak on the pending measure.

Mr. ROBINSON of Arkansas. I ask unanimous consent that, following the address of the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Colorado [Mr. COSTIGAN] may be permitted to take the floor.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. I have no objection to that.

The VICE PRESIDENT. The Chair hears none, and it is so ordered. Now, is there objection to the request for unanimous consent, as modified, submitted by the Senator from Oregon? The Chair hears none, and it is so ordered.

Mr. WALSH of Montana obtained the floor.

Mr. McNARY. Mr. President, may I ask the Senator from Montana a question?

Mr. LA FOLLETTE. Mr. President, will the Senator from Montana yield to me for a moment?

Mr. McNARY. I should like to ask the Senator from Montana if he desires to go further or will he permit a recess at this time?

Mr. WALSH of Montana. I have an amendment to offer to the pending amendment of the Senator from New York, which will take only a moment or two.

Mr. LA FOLLETTE. Mr. President, I was only going to suggest that I sincerely hope all amendments to the pending amendment may be offered and disposed of this evening, so that the issue before the Senate on Monday will be between the pending bill, as amended, and the substitute which I understand the Senator from New York intends to offer.

Mr. WALSH of Montana. Mr. President, I propose the following amendment to the amendment offered by the Senator from New York: On page 2, line 3 of that amendment, I move to insert the following:

SEC. —. Nothing in subsection (a) of section 201 of the emergency relief and construction act of 1932 shall be held to render ineligible to purchase by the Reconstruction Finance Corporation debentures issued by any State or commission or other agency thereof secured by the pledge of receipts from taxes or other impositions upon or derived from the sale of gasoline, the avails of the sale of such debentures to be devoted exclusively to the improvement of the highways of such State.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment of the Senator from New York [Mr. WAGNER].

Mr. COUZENS. Mr. President, I understand that amendment relates only to highways?

Mr. WALSH of Montana. That is all.

Mr. COUZENS. In other words, it does not run counter in any sense to the objection that I raised to the inclusion in the bill of city halls, convention halls, libraries, art museums, and structures of that character which may be, in part, paid by fees but in most part are paid by taxes?

Mr. WALSH of Montana. It does not cover anything of that kind.

Mr. COUZENS. I still have my objection to the elimination of the words proposed to be eliminated in section 23; but I have no objection, of course, to the amendment proposed by the Senator from Montana to the amendment of the Senator from New York.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment of the Senator from New York.

The amendment to the amendment was agreed to.

Mr. SHIPSTEAD. Mr. President, I send to the desk an amendment and ask for its consideration.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. The Senator from Minnesota offers the following amendment to be inserted at the proper place as a new section:

SEC. —. The Reconstruction Finance Corporation is authorized and empowered to make loans, in an aggregate amount of not to exceed $25,000,000, under the Reconstruction Finance Corporation act, as amended, to any public or private hospital organized under the laws of any State upon the same terms and conditions and subject to the same limitations as are applicable in the case of loans to financial institutions specified in section 5 of such act, as amended.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Minnesota to the amendment of the Senator from New York.

Mr. WALSH of Massachusetts. Mr. President, I inquire what is the purpose of the amendment?

Mr. WALSH of Montana. Mr. President, it seems to me that some explanation of the amendment ought to be made.

Mr. SHIPSTEAD. I will be glad to make an explanation.

Mr. President, it has come to my attention from various parts of the country that many hospitals are being closed for lack of credit facilities. The adoption of this amendment would make it possible for them to borrow money on the same terms as other institutions which are willing to put up security. I think that under existing economic con-

ditions the last institution that ought to be closed is the hospital. At the request of the National Hospital Association, I have offered this amendment.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Massachusetts?

Mr. SHIPSTEAD. Yes.

Mr. WALSH of Massachusetts. In the absence of the Senator from the Chamber, a colloquy took place between the Senator from New York and myself with reference to a somewhat similar proposal. I asked him if the committee had given consideration to the idea of making it possible for loans to be extended by the Reconstruction Finance Corporation to educational, charitable, and religious institutions. He said that that matter had been discussed; that the attitude of the committee was unfavorable, inasmuch as they did not want to depart from the policy of loaning to self-liquidating projects. I pointed out that in a measure educational institutions are self-liquidating, especially so far as dormitories are concerned, where revenue is derived from the renting of rooms. I also pointed out a condition to which the Senator has referred, namely, the difficulty religious and charitable institutions have had in raising money. The Senator from New York, however, thought it would be opening the door pretty wide and that it would be a mistake to enter that field. I do not know whether or not the Senator from Minnesota will be able to explain his amendment so as to change the attitude of the Senator from New York.

Mr. SHIPSTEAD. Well, Mr. President——

Mr. COUZENS. Mr. President, will the Senator from Minnesota yield to me?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Michigan?

Mr. SHIPSTEAD. I yield.

Mr. COUZENS. Do I understand that the Senator intends by this amendment to permit publicly owned hospitals to apply for a loan without any State supervision of the loan or the consent or the approval of the mayor or the governor of the State in which the hospital is located?

Mr. SHIPSTEAD. I assume that the application would go through the official channels. If the city council should control a hospital, it could borrow for hospital purposes through the city administration.

Mr. COUZENS. May I point out to the Senator that in the substitute proposed by the Senator from New York the amount which may be loaned to the States and political subdivisions for the care of the unemployed and distressed has been increased from $300,000,000 to $600,000,000, and there is no provision in the measure, so far as I can see, which would prevent publicly owned hospitals from getting money through that source.

I want further to ask the Senator if, in his judgment, loans made to private hospitals would be able to be secured as is required under section 5 of the original act?

Mr. SHIPSTEAD. If such hospitals can not comply with the provisions that are required of all others, of course, they could not borrow money. The amendment specifies that they shall be permitted to borrow under such terms as are provided in section 5 of the original act.

Mr. COUZENS. I understand that, but I did not want to hold out any false hope to the hospitals, which have been conducting a very vigorous campaign, that under this amendment they could come in and get money without any security.

Mr. SHIPSTEAD. No; I do not want to do that, either. If the Senator from Michigan and the Senate feel that the provisions already adopted for cities and States provide for the loaning of money to help public hospitals, of course, this amendment would be unnecessary as to public hospitals, and I might strike out reference to such hospitals.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. SHIPSTEAD. I yield.

Mr. KING. I am not quite clear as to the intention of the Senator or the meaning of the amendment which he has offered. Does the Senator intend by this amendment that money may be loaned to private organizations and corporations that are maintaining hospitals?

Mr. SHIPSTEAD. Yes; provided they give sufficient security as required by the original act. Certainly they could not do it unless they complied with the provisions of the act. Like any other institution, they would have to put up security. If they have not it, they just can not get the money. I assume they can not get it, because that is the intention of the law.

Mr. KING. I thought the Senator, in his colloquy with the Senator from Michigan, indicated that the intention of this amendment was to deal with hospitals that were maintained by and perhaps were the property of municipalities; and therefore that a city, if it got a loan, might apply that loan for feeding the hungry and for caring for those who might be in the hospitals. It seems to me the authority in the bill would permit that; but I confess that if we open the door for every eleemosynary institution or every hospital in the United States operated and owned by private corporations to come here and borrow money we are going to be flooded with applications, and we are going to open the way for other invasions of the fund that will be created, and finally the fund will be exhausted, and the whole system is going to break down.

Mr. SHIPSTEAD. I think the funds are going to be exhausted and the whole system is going to break down anyway. This is the most insane piece of legislation that has ever been proposed in any form in any legislative body in the history of this country, and I say that of the Reconstruction Finance Corporation act from the beginning. I am trying, out of this mess, to take care of some people who are sick and can not now be taken care of in hospitals. Out of these billions that we are spending, I am trying to get $25,000,000 on the same terms as others get them. I think we will get back as high a percentage of this money as we will in the case of any of the others. I think we are driving this country into bankruptcy with our Reconstruction Finance Corporation, and I thought in this mess of insanity we could have one bright spot for humanity.

Mr. KING and Mr. BARKLEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Minnesota yield, and to whom?

Mr. SHIPSTEAD. I yield first to the Senator from Utah.

Mr. KING. Mr. President, I want to say to the Senator before he takes his seat that I in part agree with his strictures upon the policy which we have pursued and are now pursuing. I think we are going to break down the credit of our country if we continue this policy. I think we ought, so far as possible, to confine our loans to those organizations that will furnish work to the unemployed.

I am willing to vote for loans that will furnish employment; but when we are embarking upon speculative ventures and loaning money for what are really speculative activities, such as many of them are, loaning large sums to railroads and other organizations and getting collateral that is shrinking in value—pretty soon we shall have left upon our hands hundreds of millions of collateral that is valueless—we are pursuing a course that, if we do not pause and interrupt it, is going to lead us into ruin.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. In just a moment.

Mr. President, under the Reconstruction Finance Corporation act we are taking the money, the credit of the Government, to pay interest on railroad bonds, interest on mortgages that have been piling one on top of the other for the last 50 years, without one cent of amortization—without amortizing one cent in 50 years. Under these conditions these mortgages and the interest on them can not be paid. We are using the Federal credit to do it, and it is only a question of time when we will have "busted" the Federal credit. Then we will be at the end of the rope; and we are simply postponing the inevitable day of reckoning. Under the policies that we have pursued in the last 15 years, we have "busted" the private credit system, and now we are "busting" the Government credit system. The whole sys-

tem depends upon credit, and we are destroying the foundation of it. We are going to have a great many people who are sick, who can not be taken care of; and I thought that out of all this we might get $25,000,000 to loan to these institutions which can not operate, because of the "busted" credit system, to take care of the sick.

Mr. BARKLEY. Mr. President, will the Senator yield there?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Minnesota yield to the Senator from Kentucky?

Mr. SHIPSTEAD. Yes; I yield.

Mr. BARKLEY. I am interested to know how this amendment, if it is adopted, is going to work. If we eliminate the word "public" on the theory that those institutions can be taken care of now, under the language of the act, without this amendment, then we limit the amendment to private hospitals. The private hospital, of course, is operating for profit. To be sure, many of them are not making any profit; but they were not organized as charitable, eleemosynary institutions.

Would it be possible for a private hospital to borrow money from the Reconstruction Finance Corporation to enable it to operate and pay its expenses in lieu of the collection of fees and charges otherwise assessed upon the patients who were operated upon, or who, for any other reason were treated in the hospital? Would that be possible?

Mr. SHIPSTEAD. If they could repay the loan out of charges?

Mr. BARKLEY. Well, aside from that, of course if the "bright spot" which the Senator has in mind is to earmark $25,000,000 of this money for the purpose of looking after the sick, there ought not to be any requirement that it shall be paid back. There ought not to be any requirement that the hospital give security. If it is a charitable gesture, then we ought not to be hard-boiled about it. We ought to give it to them; and if any such amendment as this should be adopted, even with the requirement that they give security for the repayment of the money, I am wondering if it might become a practice of these private hospitals to take in everybody as patients, to keep their hospitals full all the time, and then collect the fees out of the Reconstruction Finance Corporation fund, or out of this $25,000,000. If we are going that far in order to use the Government's funds to treat sickness, then why not use them to pay doctors' bills? Why require people to go to hospitals to get the benefit of the funds? If they can not pay the doctor, why not let the doctor borrow the money from the Reconstruction Finance Corporation, in lieu of the fees he would charge his patients?

I am wondering, in all seriousness, just how far this theory would carry us in the elimination of losses on the part of anybody who is engaged in the practice of medicine or in conducting hospitals.

Mr. SHIPSTEAD. This is not for the purpose of eliminating any loss. This is not for the purpose of loaning money or giving money. It is not a gift. It is to loan money under the terms of the original act where the hospitals can put up security like other borrowers under the act. If they have not the security they can not comply with the provisions of the act, and therefore can not borrow money.

Mr. BARKLEY. If we are going to appropriate this money for the benefit of hospitals already in existence, why not enlarge it and say that where there is no hospital the persons wishing to do so can come here and get the money to build one, if the Government is going to put the Reconstruction Finance Corporation into the hospital business?

Mr. SHIPSTEAD. We are putting the Government into every other business. This is to enable the hospitals to keep open and take care of the sick, if they have security to put up to get the money to permit them to operate.

Mr. BARKLEY. What sort of security has the average hospital, that can not pay its way now, to put up with the Reconstruction Finance Corporation for a loan? They do not, as a rule, have any bonds. If they do, they ought to sell them rather than come here and borrow money. If they have any security in the way of stocks or bonds which they could put up with the Reconstruction Finance Corporation as security for a loan, that is an indication that they are not in such hard straits.

Mr. SHIPSTEAD. That is true of any organization borrowing from the Reconstruction Finance Corporation. The same thing might be said of the airplane factories.

This is not a question of sympathy. This bill from its origin has been heralded as an economically sound proposition to loan money on adequate security. Some element of sympathy was injected into it when we permitted Government credit to be used to pay interest on bonds. If we have so much sympathy for the bondholder, whose security I do not consider a bit better than that of a private hospital will be, why can we not have some sympathy for the sick?

These loans can not be made to many of these other institutions on any other basis than sympathy. Certainly there is nothing in many of these loans that has anything to do with adequate collateral; but I am willing to go so far that if hospitals have not sufficient collateral, I would not loan the money to them. If I were a member of the Reconstruction Finance Corporation, and if these hospitals could not furnish better collateral than these railroad companies, I would not let them have the money.

Mr. BARKLEY. Of course, if that is to be the criterion, the result would be that the hospitals that would be best able to operate independently would be the hospitals that would get this money. If they had acceptable security to come here and put it on the table and get $25,000,000, or any portion of it, based on that security, then those that are least able to operate, those that will close the soonest, those that have no collateral at all, will never get any money; and they may be the ones that need it most.

Mr. SHIPSTEAD. That is true also of banks, and we let them close. When they borrow enough money so that they can pay their correspondents, we let them close.

Mr. BARKLEY. The question of sickness and health does not always enter into it, although of course the closing of a bank has a tendency on a whole to make people ill.

Mr. SHIPSTEAD. Yes; and therefore we ought to make provision for hospitals to keep open, so that they can be taken care of.

Mr. WAGNER. Mr. President——

Mr. SHIPSTEAD. I yield to the Senator from New York.

Mr. WAGNER. I want to inquire, first, whether the Senator's indignation at the futility of the Reconstruction Finance Corporation to aid in recovery has application to the effort here to provide a public works program by which men could be employed. I do not think the Senator is opposed to that kind of a program.

Mr. SHIPSTEAD. I will say that my sympathy for people out of work makes me very reluctant to criticize the program of the Senator from New York but so far as it is an aid to recovery, I should say that it is to make death more easy.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired. The Senator has 30 minutes on the bill.

Mr. SHIPSTEAD. Very well.

Mr. WAGNER. Mr. President, of course I sympathize with the efforts of the Senator from Minnesota and his desire to help these particular institutions. The bill, if passed, will permit the making of loans to build public hospitals. What the Senator desires to do is to make these funds available also to build private hospitals which are operated only for profit.

Mr. SHIPSTEAD. Oh, no; not to build them—to operate them; to operate hospitals already in existence.

Mr. WAGNER. Yes; but it is confined to private hospitals.

Mr. SHIPSTEAD. I am willing to have "public hospitals" stricken out, because I am informed that under another provision of the bill public hospitals can be taken care of.

Mr. WAGNER. Yes. What I wanted to say was that we have avoided extending the provisions of this bill so as to

include private enterprises, except certain specified ones devoted to public use, which were included in the bill of last year. If the Senator's amendment prevails, there is not any reason why educational institutions, eleemosynary institutions, and other types of private enterprises may not be included, too.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. Yes.

Mr. WALSH of Massachusetts. The Senator's proposition is not one seeking to promote employment. It is one that seeks to permit the loaning of Federal funds for carrying on an existing undertaking, for operating these hospitals.

Is there any provision in the Reconstruction Finance Corporation act, as now constituted, that moves in that direction?

Mr. SHIPSTEAD. No; there is no such provision.

Mr. WALSH of Massachusetts. So that this would open the door for the first time to assuming, on the part of the Federal Government, the obligation of advancing from time to time the necessary funds to keep a public or a private institution in operation.

Mr. WAGNER. It undoubtedly would be exploring an entirely new field, namely, lending public money for the operation of private institutions.

Mr. WALSH of Massachusetts. The proposition about which I inquired was in the nature of a movement to increase employment by permitting educational and hospital associations, and religious institutions, to build plants which they desire to build now but for which they can not get money. The Senator thought that would be going pretty far, and I was inclined to agree with him. But this is a proposal to go into the business of maintaining, of carrying on, of operating, of advancing from time to time, these various institutions.

Mr. WAGNER. Municipalities have appealed to us to amend the bill so as to permit the borrowing of money for the operation of purely municipal affairs, because of the taxation situation in the communities, but the committee and the Senate, of course, have not seen fit to go as far as that. The Senator's proposal goes even beyond that and asks us to advance funds for the operation of private enterprises.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator a question?

Mr. WAGNER. Certainly.

Mr. SHIPSTEAD. I would like to ask the Senator whether he does not believe that, under the liberal interpretation of the provisions of the act, it would not also be possible to consider the operation of a hospital as an employment institution? If a hospital closed for lack of credit, of course, the people working in the hospital would be put out of employment.

Mr. WAGNER. I am for liberal construction, but I could not go as far as that with the Senator.

Mr. SHIPSTEAD. The Reconstruction Finance Corporation, in my opinion, has gone far beyond that. I would like to ask the Senator another question. Does the Senator think that the ownership of a railroad bond could be classed as a public concern or as a private concern?

Mr. WAGNER. I am not dealing with railroads or banks in my legislation.

Mr. SHIPSTEAD. I am talking about the provisions of the Reconstruction Finance Corporation act. If the Federal credit is employed in order to raise money to pay interest which I or some one else may have coming to me on a railroad bond, how can that be done in the name of giving employment?

Mr. WAGNER. It never was, as I understand it, done in the name of giving employment; and I had no share in formulating that particular program, so the Senator need not look at me as if I were responsible for that particular public venture.

Mr. SHIPSTEAD. As I understand it, the Senator's bill was offered as an amendment to the Reconstruction Finance Corporation act.

Mr. WAGNER. Yes; but it deals purely with the employment situation; is an effort to put people back to work.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD] to the amendment.

Mr. McNARY. Mr. President, I have heard an expression from many that this matter should go over until Monday, if that is agreeable to the Senator from Minnesota.

Mr. LA FOLLETTE. Mr. President, did the Senator address himself to me?

Mr. McNARY. No. The Chair had stated the question, and was about to ask for a vote, and in view of a number of Senators stating to me that they would like to be present when this matter was voted upon; and in view of the fact that earlier in the day we entered into a unanimous-consent agreement about taking a recess at the conclusion of business to-day, I suggest that we should take a recess now.

Mr. LA FOLLETTE. Before the Senator moves for a recess, I would like to obtain recognition.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. I yield.

Mr. WALSH of Massachusetts. The Reconstruction Finance Corporation has to-day released a valuable bit of information. It sets forth the amount of money loaned by the Reconstruction Finance Corporation up to and including the close of business on February 15. It sets forth a list of the States which have borrowed money under subdivision (c) of section 1. It also sets forth the amounts of money borrowed under subsection (e) of section 1 of the act.

I find, in reviewing the table, which I shall ask to have printed in the RECORD, that every State in the Union has borrowed money except Connecticut, Delaware, Maryland, Massachusetts, Nebraska, New Jersey, Rhode Island, Vermont, and Wyoming. The table also shows that subdivisions have borrowed money in the States of Illinois, Michigan, North Dakota, Ohio, and Washington.

I ask that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

III. UNDER SECTION 1 OF THE EMERGENCY RELIEF AND CONSTRUCTION ACT

Up to the close of business on February 15 the corporation had made $169,458,948.22 available to 39 States and 2 Territories for relief purposes, and of that amount $144,744,097.22 had been disbursed in cash as of that date.

Advances for relief purposes are authorized under two subsections of section 1. Advances authorized under subsection (c) are to be repaid to the Federal Government by deductions from future Federal contributions to States to aid in constructing roads. Under that subsection advances totaling $150,063,667.22 had been authorized. Advances under subsection (e) are made to political subdivisions of States and are to be repaid by the subdivisions. Under that subsection $19,395,281 had been authorized to be advanced. The following table shows the amount made available to States under both subsections as of February 15:

| State | Subsection (c) | Subsection (e) | Total |
|---|---|---|---|
| Alabama | $1,753,631.00 | | $1,753,631.00 |
| Arizona | 847,700.00 | | 847,700.00 |
| Arkansas | 2,869,519.00 | | 2,869,519.00 |
| California | 2,255,455.00 | | 2,255,455.00 |
| Colorado | 2,201,048.00 | | 2,201,048.00 |
| Florida | 2,668,153.00 | | 2,668,153.00 |
| Georgia | 700,659.22 | | 700,659.22 |
| Idaho | 649,095.00 | | 649,095.00 |
| Illinois | 26,241,478.00 | $12,252,000.00 | 38,493,478.00 |
| Indiana | 2,114,004.00 | | 2,114,004.00 |
| Iowa | 1,134,851.00 | | 1,134,851.00 |
| Kansas | 1,805,995.00 | | 1,805,995.00 |
| Kentucky | 2,563,151.00 | | 2,563,151.00 |
| Louisiana | 7,602,506.00 | | 7,602,506.00 |
| Maine | 37,000.00 | | 37,000.00 |
| Michigan | 10,027,474.00 | 2,116,000.00 | 12,143,474.00 |
| Minnesota | 1,706,779.00 | | 1,706,779.00 |
| Mississippi | 2,759,425.00 | | 2,759,425.00 |
| Missouri | 2,450,341.00 | | 2,450,341.00 |
| Montana | 1,175,546.00 | | 1,175,546.00 |
| Nevada | 200,567.00 | | 200,567.00 |
| New Hampshire | 1,366,603.00 | | 1,366,603.00 |
| New Mexico | 172,000.00 | | 172,000.00 |
| New York | 6,100,000.00 | | 6,100,000.00 |
| North Carolina | 3,036,000.00 | | 3,036,000.00 |

| State | Subsection (c) | Subsection (e) | Total |
|---|---|---|---|
| North Dakota | $109,609.00 | $100,680.00 | $210,289.00 |
| Ohio | 6,361,504.00 | 3,851,601.00 | 10,213,105.00 |
| Oklahoma | 2,178,308.00 | | 2,178,308.00 |
| Oregon | 1,047,738.00 | | 1,047,738.00 |
| Pennsylvania | 26,705,446.00 | | 26,705,446.00 |
| South Carolina | 1,700,800.00 | | 1,700,800.00 |
| South Dakota | 1,393,995.00 | | 1,393,995.00 |
| Tennessee | 1,875,088.00 | | 1,875,088.00 |
| Texas | 4,135,134.00 | | 4,135,134.00 |
| Utah | 1,998,589.00 | | 1,998,589.00 |
| Virginia | 2,776,130.00 | | 2,776,130.00 |
| Washington | 1,546,700.00 | 1,075,000.00 | 2,621,700.00 |
| West Virginia | 4,823,441.00 | | 4,823,441.00 |
| Wisconsin | 8,304,770.00 | | 8,304,770.00 |
| Hawaii | 307,435.00 | | 307,435.00 |
| Puerto Rico | 360,000.00 | | 360,000.00 |

Mr. SHIPSTEAD. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. SHIPSTEAD. May I have the attention of the Senator from New York for a moment?

Mr. WAGNER. Certainly.

Mr. SHIPSTEAD. In what I said in the general discussion of the policy of extending Government credit under the Reconstruction Finance Corporation act I would like to have the RECORD show that I was not addressing myself specifically to the provisions of the amendment of the Senator from New York. I referred to the general policy which has been pursued ever since the Reconstruction Finance Corporation law was enacted by the Congress.

Mr. WAGNER. I was sure the Senator did not mean to criticize the efforts involved in the attempt to get through this legislation.

RECESS

Mr. McNARY. Mr. President, I move that the Senate take a recess until 12 o'clock Monday.

The motion was agreed to; and the Senate (at 4 o'clock and 50 minutes p. m.), under the order previously entered, took a recess until Monday, February 20, 1933, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate February 18, 1933*

UNITED STATES DISTRICT JUDGE

Walter H. Newton, of Minnesota, to be United States district judge, district of Minnesota, to succeed William A. Cant, deceased.

PUBLIC HEALTH SERVICE

Joseph M. Dalla Valle to be assistant sanitary engineer in the Public Health Service, to rank as such from December 3, 1932.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY TO QUARTERMASTER CORPS

Capt. Lyle Meredon Shields, Infantry (detailed in Quartermaster Corps), with rank from December 3, 1931.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

*To be captain*

First Lieut. Matthew Corell Pugsley, Medical Corps, from February 5, 1933.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Capt. Frederick J. Horne to be a rear admiral in the Navy from the 1st day of February, 1933.

Commander Russell S. Crenshaw to be a captain in the Navy, from the 1st day of February, 1933.

Lieut. Clement B. White to be a lieutenant commander in the Navy from the 4th day of June, 1931.

Lieut. Albert T. Sprague, jr., to be a lieutenant commander in the Navy from the 30th day of June, 1932.

Lieut. Harry B. Slocum to be a lieutenant commander in the Navy from the 1st day of November, 1932.

Lieut. Cuthbert A. Griffiths to be a lieutenant commander in the Navy from the 1st day of December, 1932.

Lieut. (Junior Grade) Lester K. Rice to be a lieutenant in the Navy from the 1st day of July, 1932.

Lieut. (Junior Grade) John W. C. Brand to be a lieutenant in the Navy from the 8th day of November 1932.

Lieut. (Junior Grade) Homer B. Wheeler to be a lieutenant in the Navy from the 1st day of January, 1933.

Ensign John B. Webster to be a lieutenant (junior grade) in the Navy from the 6th day of June, 1932.

Asst. Dental Surg. Paul M. Carbiener (temporary) to be an assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade), from the 21st day of January, 1933.

Civil Engineer Reuben E. Bakenhus to be a civil engineer in the Navy, with the rank of rear admiral, from the 11th day of November, 1932.

Lieut. Commander Donald F. Patterson to be a commander in the Navy from the 1st day of February, 1933.

## WITHDRAWAL

*Executive nomination withdrawn from the Senate February 18, 1933*

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Roderick Nathaniel Matson, of Wyoming, to be envoy extraordinary and minister plenipotentiary of the United States of America to Greece.

# HOUSE OF REPRESENTATIVES

## SATURDAY, FEBRUARY 18, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we pray in the name of Him who is the supreme example of human life. O let the magnet of His holy cross hang high and may its invisible power sweep through the waywardness, folly, and fury of this present day. May we soon hail the hour in which we shall see better things in the social and industrial orders and man to man shall brother be. Forgive our unbelief and our indifference and turn all hearts to Thee. The trust that has been conferred upon us is the greatest honor in the land. The Lord God forbid that our zeal should slacken, our faith get weak, or our love grow cold. May we take anew our bearings and carry ourselves as the sons of God. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had concurred without amendment in a concurrent resolution of the House of the following title:

H. Con. Res. 49. Concurrent resolution authorizing the Clerk of the House in the enrollment of the bill, H. R. 7522, to omit Senate amendments numbered 15 to 23, inclusive.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 5659. An act authorizing the State of Georgia to construct, maintain, and operate a toll bridge across the Savannah River at or near Lincolnton, Ga.

The message also announced that the Senate had agreed to the amendments of the House to bills of the Senate of the following titles:

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland; and

S. 1705. An act for the relief of Samuel C. Davis.

C. M. WILLIAMSON ET AL

Mr. SWANK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BLACK], chairman of the Committee on Claims, may be permitted to file a supplemental report on the bill (S. 458) for the relief of C. M.

Williamson, Mrs. Tura Liljenquist, administratrix of C. E. Liljenquist, deceased, Lottie Redman, and H. N. Smith, on the Private Calendar.

The SPEAKER. Is there objection?

There was no objection.

WAR DEPARTMENT APPROPRIATION BILL—FISCAL YEAR 1934

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, with Senate amendments, disagree to the Senate amendments and ask for a conference.

Mr. BLANTON. Mr. Speaker, I reserve the right to object, to ask the gentleman a question. The Senate has put in this bill $22,000,000 to put 88,000 17-year-old boys into an Army camp during peace time for a year. Is the gentleman going to agree to this ridiculous amendment?

Mr. COLLINS. I have been advised that the hospitalization cost, plus the Veterans Bureau benefits, which would result from such action, would probably cost in 10 years' time, $100,000,000 annually.

Mr. BLANTON. And it would absolutely ruin 88,000 American boys.

Mr. COLLINS. It would do the Army irreparable harm.

Mr. BLANTON. If you put this number of 17-year-old boys in an Army camp in peace time for a year, it would demoralize these boys, fix bad habits upon many of them, and they would not be worth a continental after they came out.

Mr. COLLINS. The addition of $22,000,000 to the War Department appropriation bill for Citizens' Military Training Camps for one year for upwards of 88,000 boys between the ages of 15 and 21, now roaming the country without jobs, seems incredible to thinking people. Of course, no such number can be accommodated; but for advertising purposes the number must be made large.

The bill carried $2,500,000 for this activity providing for 37,500 boys for one month. The War Department estimated that the cost of training each boy will be $1 per day, not including free issues. Every one who is familiar with the costs of administration in the War Department is bound to know that the number to be trained for one year with the $22,000,000 added in the Senate will be very much smaller than the country has been led to believe. It can not therefore, approximate 88,000.

There is no good reason why transient boys should be preferred over any other class of individuals who may be hard pressed. I question whether all of these boys now tramping the roads are hard pressed anyway. Doubtless some of them are, but many of them are not. Therefore, if Congress is intent upon giving relief to transient boys, it is my opinion that the most costly method has been selected. It is generally known that a direct dole can be given to as many as eight persons for the amount necessary to keep one soldier in the Army. On this very question I quote the following from Liddell Hart, one of the world's leading military authorities:

> Unfortunately, one now hears the argument that the military need to replace man power by machine power must yield to the need of keeping soldiers in employment. The practical reply would seem to be that even the dole is but a fraction of what an infantry soldier costs the hard-pressed finances of the country. And all infantry beyond the proportion who can be provided with, and backed by, up-to-date armament, are militarily superfluous. They are, indeed, merely a present charge on and a potential pension increase of the national debt in case of war. (Army Journal, January, 1932, p. 239.)

From the standpoint of the training to be given to the boy himself it would be very much better if he were taught a vocation rather than be given the training necessary to qualify him for soldiering. If these men are to be permanently kept in the Army and expect to make soldiering their vocation, a different method of selection should be made; still it does not carry out the purpose of the proposal. The Couzens idea is to take them off the roads. The amendment, however, carries no such language; so in the administration of it the War Department will be governed solely by the statements of the applicants that they have been unemployed for six months, since this is the only qualification necessary for entrance. The probabilities are, therefore, that the boys who will be accepted will be largely from the homes of the country rather than from the roads of the country. The Army wants worth-while recruits, not the lawless or irresponsible type nor those with flat feet or other physical handicaps, and, unfortunately, many of this type are unemployed and roaming the highways.

If the Army accepts this responsibility, it will be upon the ground that they expect to have an additional number of reservists capable of fighting in the event of war. They have no disposition to want to train for reservists a lot of irresponsible and physically handicapped youths. Whatever the country may think to the contrary, the boys to be selected will not come from public highways of the country. Recruits for this new war activity will come from households fully capable of supporting their sons and providing for them. The boys will be without a job, as are most boys of this tender age, and therefore able to qualify.

They will know that in entering the citizens' military training camps they will not have to enlist or pledge support and allegiance to the country in the event of war or an emergency. The boys know that they can take this training, but if they do not like it they can leave it. Since there is no enlistment there can be but very little, if any, military authority over them.

It is much better for the Government, if it is intent upon work of this character, to expend this money in providing vocational education for these young men in training them to do the kind of work that they can do after the year's training period is over.

If the statements that have been made to the Congress by the War Department are true, I doubt if the Army can properly house these men. The Congress has appropriated millions for quarters for officers and enlisted men and still all responsible officers of the Quartermaster Corps contend that even now the quarters are inadequate and in bad repair, and more than $100,000,000 is necessary to give existing units of the Army proper living quarters. Certainly, if their statements are true, the living quarters in which these young men will be housed will be wholly uninhabitable and we may have the repetition of influenza conditions that existed during the war when large numbers of men were congregated in camps without previously providing proper sanitary safeguards and housing.

If the Couzens amendment is to care for unemployed, the money could be spent to very much better advantage by using it to repair buildings and arsenals that are now in a run-down condition. This would give employment to men who have no desire to take up the military as a vocation, but who nevertheless are equally entitled to the same generosity from their Government.

If the idea is to give relief to those who wish a military life, then it is infinitely better that it be given to the National Guard. More than 100,000 men could be added to the National Guard with this money. National Guard men are given 4 drills a month and 15 days at camp during the summer. The National Guard, too, is a real organization of soldiers. In addition to this these citizen soldiers would live at home with their own families and among their own friends, free from the dangers and influences that come from the congestion of large numbers in cantonments. Furthermore I doubt if a majority of the American people are willing as yet to concede that family life is a failure and should be destroyed by sincere but hysterical persons who imagine that barracks life is the ideal existence for the youth of our country.

The Couzens amendment, adding as it does $22,000,000 to the Army appropriation bill, makes the military activities of the War Department appropriation bill for 1934 cost about $27,000,000 more than the military activities of the appropriation bill for 1933, and, if measured by the purchasing power of the dollar, makes it the largest peace-time appropriation bill in the history of our country.

Moreover, these youths temporarily quartered with the Army will be in the same camps with military men more permanently attached to the Army. Hence arises the difficulty of attempting to handle one camp under two different sets of rules and regulations, one set requiring strict discipline, the other a relaxation of Army rules. The one group receives pay and thus has money to spend; the other receives no compensation and has none to spend. This condition is not conducive to good military discipline and also prevents any real harmony within the system. Worse still, it will probably result in the greatest discord between the Army and these transient boys. Both will demand all the privileges and perquisites that the other gets.

I believe I am stating a fact not unknown to the people of the country when I refer to conditions now as perhaps as bad as have ever existed in this country. I am not stating an unknown fact when I say that the costs of government are nearly $1,000,000,000 per year more than the taxes collected with which to support it. So in times like these I seriously doubt if the people of the country who take the time to think are willing to venture upon a wide-eyed scheme such as this one to supply a doubtful number of young men with the bare existence of life and congregate them in the very formative period of their young lives and away from their home influences.

Let us remember also there will be more than one pay day if we take these men into the Army even temporarily, especially if we bring in, as some believe we will, those roaming the roads of the country. Many of them will be diseased. Others will incur diseases and bodily injury when they are congregated, for they are young men in their teens. The hospitalization costs will demand additional funds. More hospitals, doctors, nurses, medicines, supplies of all kinds, as well as buildings and so forth, must be supplied. The funds will not be carried in the 1934 bill but will be reflected in future appropriations as the medical and other reserves will be depleted. In addition, it is idle for us to say we will not compensate these men for injuries or diseases incurred in or incident to service. Veterans' benefits must therefore increase, and in future years the increase will be enormous. It is my opinion—and I am not speaking without investigation—that if 88,000 men are taken into alleged citizens' military training camps for one year's time, as newspapers have estimated hospital costs and veterans' benefits will aggregate, within 10 years, $100,000,000 annually. The tax-paying public should know these facts.

A still better reason for the refusal of the Congress to appropriate this large sum of money is the fact that other countries of the world will charge, and correctly so, that we are increasing the size of our Regular Military Establishment by nearly 100,000 men. They will charge that it is a permanent addition. They know the present size of our Regular Army and the number of our reservists, because all the nations, including ours, make reports to the League of Nations. Foreign nations know, counting our reserves, that our Army is as large as any of them and that its cost is the largest. The increase by us of our Regular Establishment by this large number of men would in turn be followed by similar increases in the size of their military establishments.

Thus this country would be charged, and rightly so, with beginning another race in armaments, which folly is to a larger extent than any other responsible for present conditions. I doubt if under present world conditions we can afford now to do anything that would create any additional hostile feelings toward us on the part of other nations. It seems to me that we should be the first of the nations to bring about international good will rather than to commit acts designed to promote international discord and hatred.

The press of the country is critical of this relief evasion. Excellent editorials condemning the proposal have appeared in many of our leading daily papers, such as the New York Herald Tribune (February 16), the Baltimore Sun (February 16), and the Washington News (February 15).

The taxpayers will never relieve themselves of such extravagances unless they make themselves heard as these wide-awake newspapers have done. Under such circumstances, silence is not golden.

The editorial from the Washington News follows:

A $22,000,000 EVASION

After riding through almost an entire session of Congress in the worst depression of our history without even discussing direct relief for the hungry, the Senate has capped its evasion by giving the care of transient youth to the Army.

To the Army appropriation bill $22,000,000 was added for citizens' military training camps to accommodate 88,000 of the estimated 200,000 boys roaming the country without jobs. As a method of increasing the Army appropriation at a time of needed economy this method is very effective. But for solving a serious social problem it would be difficult to find a worse method.

Social workers and Government experts are agreed, and so stated during the recent hearings on the Cutting bill, that these transient youths should not be isolated in large concentration camps far from home. General Glassford, who has been traveling among these homeless boys to study conditions, recommended to the committee that civilian camps should not include more than 750 boys, and preferably 500. Grace Abbott, Chief of the United States Children's Bureau, pointed out that large Federal camps would "attract many who would otherwise stay at home," thus increasing rather than decreasing the problem. Social workers emphasized that these proposed large military camps would create the same serious difficulties which surrounded the Army cantonments during the war.

Just because our Army is efficient as an army it is not equipped to be a school and a home and a place of employment for young boys made tramps by the depression. Instead of pauperizing the boys by inviting them to remain in an Army camp for one year, as the Senate proposes, they should be handled in small units by trained workers intent on getting them back to their homes and to work as soon as possible.

This half-baked legislation is a sample of what happens when Congress ignores an explosive situation for many months and then suddenly pulls a cure-all out of its hat as a gesture between appropriation bills.

It is high time that this evasion of the vast relief problem is stopped. The first and immediate job of Congress is to provide quick relief through local agencies for the millions who are hungry and cold. The La Follette-Costigan and Wagner bills covering the many-sided relief needs are ready for action. But nothing is done.

Senator LA FOLLETTE has just warned the Senate that it must begin night sessions and that, rather than permit adjournment of Congress without action, he will force the issue. Senator LA FOLLETTE is too patient. He should force the issue to-day—every day more people go hungry, every night more people go cold.

A vote should be forced now in which every member of Congress is made to declare himself for feeding or for starving the unemployed.

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[From the Baltimore Sun]

WANDERING BOYS

The concern which Senator COUZENS feels for the "wandering boys," who are reported from every section of the United States to be maintaining a precarious existence on the edge of vagrancy, is shared by everybody. Like him, every American citizen rebels at the thought that some 200,000 young men are roaming the highways able to say, "I have nowhere to go." The Senator's proposal to allow these homeless boys to find shelter in Army cantonments will receive sympathetic consideration throughout the country.

Before accepting it, however, Congress will do well to consider rather critically the multitudinous problems raised by the Couzens amendment to the Army appropriations bill. The first thing that will occur to most people is that the wandering boys, despite their pathetic appeal, are but a phase of the whole weight of human misery growing out of economic depression and unemployment. As was pointed out by Senator LA FOLLETTE, the whole problem of unemployment and relief awaits solution, and behind that, of course, is the problem of economic recovery itself. It would be a pity to rush through a proposal to deal, at great expense, with a mere fraction of the problem of relief without rather careful consideration as to how this scheme fits into the pattern as a whole.

The War Department has estimated the cost of maintaining these boys in Army camps at about $250 a year each. For the 88,000 boys estimated by Senator COUZENS as the number likely to avail themselves of this privilege, the annual cost would be around $22,000,000. If the number should prove to be 200,000, the cost would be $50,000,000. Obviously these are important sums to be appropriated for a purpose the essential wisdom of which is the least in doubt. And, as the debate in the Senate makes plain, there is considerable doubt, at least, upon a variety of problems which would be created by the addition of so large a number of these boarders to the Army's responsibilities.

Surely, before embarking upon a scheme of such import, the Senate will want to investigate the nature and background of this homeless army. From what homes do they come, and what local resources could be tapped for their support? It appears to be the opinion of social agencies that most of them are not orphans but the sons of families in which the breadwinner is unemployed. Many of them have fled from conditions of destitution, but it

appears that many more have been driven from home by a commendable shame at the necessity of accepting support from fathers with small incomes. In Baltimore, for example, a boy in the family of an unemployed man would receive from the community fund an allowance of $1 a week for food. The estimated cost of maintaining him in an Army camp is five times as much. From the taxpayer's point of view it is clear enough that some effort should be made to take care of him in his own locality—even if no other doubts assailed us.

But, of course, other doubts arise at once, doubts as to employment, discipline, social conditions surrounding the camps, "militarization," psychological effect of such concentration, effect on Army discipline and a myriad of others. After all, if boys are wandering, their sisters must be in an equally deplorable state. To provide in this way for boys merely because they wander, while ignoring the plight of the rest of the family, hardly commends itself as more than a sketchy and fragmentary approach to the desperate problems growing out of our depressed economy. It is admitted to have the advantage of being possible for immediate application, but it can not take the place of action in the wider field of general relief and recovery.

This from the New York Herald Tribune:

RELIEF WITH THE CITIZENS' MILITARY TRAINING CAMPS

By abruptly voting the War Department an additional $22,000,000 wherewith to convert the citizens' military training camps into a form of depression relief, the Senate has presented something of a poser, both in depression relief and in military policy. One can not help being struck by the irony of a spending policy which first devotes months to scraping Army appropriations to the bone, and then, upon the magic words, "human misery," turns around and presents the Army with a sum which must appear to that harassed service as beyond the dreams of avarice. But let that pass; it is only another instance of those congressional confusions which are too familiar already.

The proposal itself may still be regarded with a certain caution. There is an obvious danger in establishing as a principle that any kind of Federal grant to the unemployed is all right if it can be made to appear as a form of relief to "human misery." As with so many other congressional attempts to kill two birds with one stone, it is too likely to end with millions of dollars expended and neither bird dead—with relief bestowed where it is not needed and with national defense weakened rather than strengthened. To say that the principle is dubious, however, is not enough to prove that a specific proposal is unjustified on its own merits.

In the present case the vagrant-youth problem is undoubtedly one which has been treated with more emotion than statistics. The estimate that there are 200,000 youths in a condition so serious as to demand immediate Federal rescue is open to considerable reservation, but there seems ample evidence that the highways and the byways are filled with these wandering youngsters who would be worth anchoring to some definite activity and some definite place in the national life. On the military side the proposal would abruptly remake the whole citizens' military training camp system and present the Regular Army with a trained reserve of 88,000 men—more than the full strength of the active Army within the United States. This would be a very considerable gift to the national defense.

Opinions differ as to the military value of the present citizen's military training camps, though it can not be very high, on the most generous estimate. Though they normally receive about 37,000 trainees a year, it is impossible to make these into soldiers in a month. A year's training is something of an altogether different character. Even though the 88,000 youths would not be regularly enlisted, they might well supply the Army with formations useful in its own scheme of training, and they should be admirable reserve material when the year was over. Moreover, if the United States Government is to support 88,000 youths for a year the least it could ask in return would seem to be that they should become a part of the regular reserve, as citizens' military training camp trainees are not now required to do. The point is that if Congress is going to spend $22,000,000 in such an enterprise it would be folly for it to do so purely as a charitable matter, without fitting the expanded camps into an intelligently adjusted military policy. This proposal would introduce an entirely new and important element into our Army structure, and properly to make use of it requires care and legislation.

And this from the Washington News:

It would be infinitely better to make $22,000,000 available to public educational institutions, which are qualified to give our wandering youth a practical vocational education that will enable them to be self-sustaining.

Few military instructors are schooled in the civil walks of life and they are unqualified to be entrusted with the complex social and educational problem presented by wandering boys. Not many of these boys will offer themselves for military discipline and practice at the hand of military authorities. But they would welcome an opportunity to obtain a practical education suitable to their talents.

Apparently the proposal is an excuse for increasing the military appropriation.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees:

Messrs. COLLINS, WRIGHT, PARKS, BARBOUR, and CLAGUE.

CLERICAL SERVICES IN ENROLLING ROOM

Mr. WARREN. Mr. Speaker, I offer the usual privileged resolution from the Committee on Accounts submitted at this time at each session for additional clerical services in the enrolling room.

The Clerk read the resolution, as follows:

House Resolution 388

*Resolved*, That there shall be paid out of the contingent fund of the House of Representatives during the remainder of the present session not exceeding $200 for additional clerical services in the enrolling room.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. WARREN. Certainly.

Mr. SNELL. I know we do this, but why is it necessary?

Mr. WARREN. Because at the last of the session it is absolutely necessary to get the bills enrolled in time to be submitted to the President; and as the gentleman knows, there are a great many bills rushing in right at the very last minute.

Mr. SNELL. And you put on extra help?

Mr. WARREN. This has been the custom every session, I understand.

Mr. SNELL. As a general thing this session we have not had as many bills as we have usually put through in the short session.

Mr. WARREN. I agree with the gentleman about that, but the Clerk informs me he thinks this is absolutely necessary; that he has been getting some extra help from the Government Printing Office, but on account of the economy act they will be unable to get compensation for it.

Mr. SNELL. I know we have done this, but I am wondering if this is absolutely necessary, in view of the fact that we are not passing as many bills as usual.

Mr. WARREN. I am so informed by the Clerk.

The resolution was agreed to.

MORRISTOWN NATIONAL HISTORICAL PARK, N. J.

Mr. POU, from the Committee on Rules, submitted the following privileged resolution, which was referred to the House Calendar and ordered printed:

House Resolution 384

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 14302, a bill to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committe on Public Lands, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

CALVIN COOLIDGE

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to have inserted in the RECORD an address delivered by an attorney of my district, Mr. J. A. Nelson, of Decorah, Iowa, on Calvin Coolidge, in memory of our late former President, to the Decorah Chamber of Commerce, and a poem by Selmer Grovdahl, of Ossian, Iowa, which I feel are both expressive of the tender feelings of the good people for Calvin Coolidge.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

[From the Decorah (Iowa) Public Opinion, February 2, 1933]

ADDRESS OF J. A. NELSON

The history of our country is a story of great men and great deeds. They constitute inspiring tales that never grow old. It is the résumé of our country's traditions which will ever live in prose and song. If we are conscious of this, we are also impressed by the unparalleled courage and the matchless deeds of the men who have made our history—even from the very beginning when the so-called Revolutionary patriots broke with the old order of things, especially in government, and ushered in the era of human freedom. The ideas then advanced and ac-

cepted, had for centuries been hidden like seeds in the breasts of men, but with fertile thoughts and true reason, burst forth and ripened into a new Republic, patterned from ideals hitherto unknown in practice, and only transiently experienced in the visions and dreams of men. It is inspiring indeed, to recall the characters who brought to a realization these great gifts, the men who have come out upon our national arena, and after performing some valuable service, departing from it, not infrequently lavishly enriching our Nation's lore.

With the passing of the years, our attention is called to the rich sprinkling of noble men, hailing from every part of our country, from every walk of life, from farm, town, and hamlet, who in spite of poverty and hardship and adversity, have seized opportunities, harnessed them and ridden to high places in the affairs of our Government. Our racial mixture has not retarded our political and social progress, but rather quickened it; brought it to a fuller realization of our national purpose and in giving due credit to these forces we are also impressed by those stern, serene, and dependable New England faces, hailing from that same stock, that have as a matter of second nature, or of duty, if you please, carried with them the idea of freedom, independence, and democracy, from generation to generation.

In this connection it is interesting to reflect on the life of Calvin Coolidge, especially in view of his recent demise. And, mind you, it is not his greatness but his inherent humility that commands our attention; not his power and splendor but his humane and continuing simplicity that causes us to pause and recount briefly the events of that life.

It is only about two weeks ago that just as Senator GLASS, of Virginia, was expounding his bank bill, his colleague, Senator SWANSON, nudged him and whispered that former President Coolidge had just dropped dead. Almost immediately—numb from the shock—the Senate adjourned.

At the White House President Hoover was lunching with Secretary of State Stimson. An usher tiptoed into the dining room, whispered into the President's ear that Coolidge had just passed away from heart failure. The President arose, walked with quick step to his office, and hastily dispatched a message to Congress, issuing a proclamation of 30 days for public mourning. Within a few minutes down came the White House flag and with it the flags of the Nation. They are still at half-mast. Within a few minutes the President's resolution reached the House of Representatives. It was read, "It is my painful duty to inform you of the death to-day of Calvin Coolidge. There is no need for me to recount his eminent service; his entire lifetime has been one of single devotion to his country." The House adjourned.

This was the official effect of the sad news. A duplicate of this event takes us back to the death of George Washington, in 1799, leaving the Nation now as it did then without a living ex-President.

Calvin Coolidge was born of Puritan stock in Plymouth, Vt., July 4, 1872. A grandfather of his grandfather was a captain in the Revolutionary army. The home was plain, surrounded by a picket fence, a few shade trees, and the customary lilac bush to give beauty and fragrance in springtime. His father had a little store and kept the post office. From different angles could be viewed collections of farm buildings. Over yonder was a hotel building with a dance hall—in front was a spacious corner known as a bar. It had been dormant for years. Calvin said that sometimes he would play ball instead of filling the wood box. For these and similar derelictions he would do penance.

Calvin Coolidge never forgot his old home and the dear ones there.

As to speaking of his mother, who died when he was 12, he says, "It is impossible for any man to adequately describe his mother. I can not describe mine. They laid her away in the blustering winds of March." In substance he uses the language of Lincoln when he continues, "The greatest grief that can come to a boy came to me. Life was never to seem the same again. It always seemed to me that the boy I lost was her image. They all rest together in the sheltered hillside among five generations of the Coolidge family."

He says many nice things about his father also. Words that have a special significance as, "The work he did endured." In this connection let us recall the hour of 2.47 in the morning on the 3d day of August, 1923, when father and son were seated at a plain table in the faint light of a kerosene lamp, then suddenly both arose and John Coolidge, the father, as a notary public and justice of the peace, administered to Calvin, his son, the oath that made him President of the United States.

In his boyhood days Calvin's dress was plain. A gingham shirt with overalls in the summer, and barefooted, which clothing was exchanged for woolen garments and cow-hide boots in winter. Mittens and stockings were knitted by his grandmother. He said, "I have some of them now."

His descriptions of the people who were his neighbors while a boy are exemplary. "Their speech was clean—their lives above reproach—credit was good—debts were paid—the money was saved." "The break of day saw them stirring" which "continued until twilight. They cherished the teachings of the Bible. The conduct of the young people was modest and respectful. During my boyhood I attended Sunday school superintended by Grandmother Coolidge until her advanced years when the place was taken by my father."

"There was no class distinction except toward those who assumed superior airs. They were held in contempt." The school he attended when 5 was built of stone, was unpainted, with desks wide enough for two. Here he mastered the common-school subjects.

Conscious of value of these surroundings, in a few words he alludes to it as a fine atmosphere in which to raise a boy; how clean it was; not "artificial," but close to nature and in accordance with nature. The streams ran clear; the people were clean. Even when I try to divest it of its "halo," he writes "I am unable to."

He is so taken up with it that he even speculates as to whether or not the country was the best place to bring up a boy, stating "I am prejudiced in behalf of the country. It would be hard to imagine better surroundings for a boy than those which I had. If I had the power to order my life anew, I would not dare change that period of it; it abundantly provided the best there was for me."

Delving earnestly into important details of his life, he suggests that "going away to school was his first great adventure." It was "breaking with the past and entering a new untried field, large and alluring." He says one of his first subjects was civil government, and describes the impression it left on his life: "This was my first introduction to the Constitution of the United States. Although I was but 13 years old, the subject interested me exceedingly. The study of it which I began has never ceased, and the more I study of it the more I have come to admire it, realizing that no other document devised by the hand of man ever brought so much progress and happiness to humanity. The good it has wrought can never be measured."

Coolidge could create a humorous atmosphere. Many episodes could be cited to prove this. A story from school days gives an insight that has a special interest. Says Coolidge: "Of course, our school life was not free from pranks. The property of the townspeople was moved to strange places in the night. One morning as the janitor was starting the furnace he heard a loud bray from one of the classrooms. His investigation disclosed the presence there of a domestic animal noted for his long ears and discordant voice. In some way during the night he had been stabled on the second floor. About as far as I deem it prudent to discuss my own connection with these escapades is to record that I was never convicted of any of them, and so must be presumed innocent."

He was endowed with literary talents, which were timely and fittingly used. He could express himself with brevity as he did in his summer camp in South Dakota when he came out with some narrow slips of paper on which were written "I do not choose to run." He could mass his ideas in masterly fashion when the occasion demanded it. The tribute he once paid to his academy teachers discloses this: "It was under their teaching that I first learned the glory and grandeur of the ancient civilization that grew up around the Mediterranean and in Mesopotamia. Under their guidance I beheld the marvels of old Babylon, I marched with the Ten Thousand of Xenophon, I witnessed the conflict around beleaguered Troy which doomed that proud city to pillage and to flames, I heard the tramp of the invincible legions of Rome, I saw the victorious galleys of the Eternal City carrying destruction to the Carthaginian shore, and I listened to the lofty eloquence of Cicero and the matchless imagery of Homer. They gave me a vision of the world when it was young and showed me how it grew. It seems to me that it is almost impossible for those who have not traveled that road to reach a very clear conception of what the world now means.

"It was in this period that I learned something of the thread of events that ran from the Euphrates and the Nile through Athens to the Tiber, and thence stretched on to the Seine and the Thames to be carried overseas to the James, the Charles, and the Hudson. I found that the English language was generously compounded with Greek and Latin, which it was necessary to know if I was to understand my native tongue. I discovered that our ideas of democracy came from the agora of Greece, and our ideas of liberty came from the forum of Rome. Something of the sequence of history was revealed to me, so that I began to understand the significance of our own times and our own country."

He was a philosopher who ever sought for the best in human nature. He stressed the fact in his autobiography, that "good influences had always come into his life."

"Perhaps," he says, "I have been more fortunate in this respect than others. I am not disposed to minimize evil; yet good predominates and is constantly about us, ready for our service if we only accept it. The spiritual nature of men has a power of its own that is manifest in every great emergency from Runnymede to Marston Moor, from the Declaration of Independence to the abolition of slavery.

"Our talents," he says, "are given us that we may serve ourselves and our fellow men. It is not industry but idleness that is degrading."

His public service is well known. Great deeds were not in his category; but his sublime, faithful, and upright service will enshrine his name with the good and the great.

His public life need only be centered about three incidents: (1) The Boston police strike, and how it was stopped; (2) his father administering the oath when he became President; (3) the sentence "I do not choose to run." To us these should portray his belief in self-government, his admiration of things worth while, and his unselfish devotion to his country. Anything added other than this is superfluous.

Calvin Coolidge, having finished his course, now rests from his labors. The example of his courage, the integrity and the purity of his life, while a priceless heritage to this Nation, is also a

sacred and solemn benediction as we behold his silent passing to the great beyond. It seems almost, as we reverence his memory, that he was created specially to bring a new and wholesome atmosphere into our national life. And it is not unfitting, as we think of him, to shut out the world for a moment with its cares and calls, and unite in an affectionate reverence to his memory. He attracts our attention because by simple, unassuming, and faithful service he ascended step by step higher and higher, until he reached the very summit of American greatness.

His life shines out to-day from the granite hills of Vermont, where he rests on a hillside with generations of his forebears, as a noble example of one richly endowed with wholesome philosophies of life, with respect and admiration for law and order, with reverence for God, with affection for home and home folks, with a willingness to serve and sacrifice, and with an intense love of country so serious, so unique, so true, that it is destined to live on and inspire this generation and others to come to give more interest to public and private affairs, more respect to the nobility of toil, more attention to the sanctity of life.

His memory will live on with the Nation's great, adding another star to our Nation's hope, another sunrise to our Nation's day, another power to our Nation's might, another chapter to our Nation's history.

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CALVIN COOLIDGE

By Selmer Grovdahl

He did not shout his wares from hilltops high, this silent one;
He calmly reasoned deeds have voices, too, when toil is done.
His boyhood days among New England's hills; each rocky slope
A grave and silent sermon heard by him of faith and hope.
On this foundation firm he builded dreams his life to share
In all its fullness; and the seeds thus sown did blossom fair.
When memories mellow with the pace of time, so confident
With reverence we'll tell, recall, and praise Cal Coolidge, President.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 14643, the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. PRALL in the chair.

The Clerk read the title of the bill.

Mr. CANNON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CANNON. As I understand it, debate on this item was concluded at the recess on Thursday and the vote comes immediately on the pending amendment.

The CHAIRMAN. The gentleman is correct.

Mr. CANNON. Mr. Chairman, I ask unanimous consent for one minute to address the committee out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. Mr. Chairman, if the committee will permit, may I suggest that it is important that we finish this bill to-day. Unless we conclude consideration and dispose of the bill this afternoon it will seriously interfere with the legislative program of the coming week. For that reason I trust Members will stay within call of the floor.

Mr. STAFFORD. Mr. Chairman, I ask that the pending amendment be again reported.

The Clerk read as follows:

Page 37, line 2, strike out the period, insert a comma and the following: "*Provided further*, That the children of officers and men of the United States Army and Navy and the Marine Corps and the children of other employees of the United States stationed outside of the District of Columbia shall be admitted to public schools without payment of tuition."

Mr. CHINDBLOM. Mr. Chairman, I wish to submit this inquiry. This amendment is only for the current appropriation bill?

Mr. CANNON. Only for the current appropriation.

The CHAIRMAN. The question is on the amendment.

The question was taken, and on a division (demanded by Mr. SMITH of Virginia) there were 21 ayes and 47 noes.

So the amendment was rejected.

The Clerk, proceeding with the reading of the bill, read as follows:

Not to exceed $50,000 of the unexpended balance of appropriations for buildings and grounds, public schools, contained in the District of Columbia appropriation act, fiscal year 1932, is hereby made immediately available and shall continue available until June 30, 1934, for the improvement of grounds surrounding public-school buildings, constructed under appropriations for the fiscal year 1932 and prior fiscal years, such work to be performed by day labor or otherwise in the discretion of the Commissioners of the District of Columbia.

For beginning the construction of a senior high school building at Forty-first and Chesapeake Streets NW., in the Reno section, $500,000, and the commissioners are authorized to enter into contract or contracts for such building, at a cost not to exceed $1,000,000.

Mr. DE PRIEST. Mr. Chairman, I have two amendments which I desire to offer at this time, and I ask unanimous consent to proceed for 10 minutes now, instead of five minutes each at different times.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto be limited to 15 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. DE PRIEST: Page 38, line 24, strike out "$500,000" and insert "$433,000."

Mr. BRIGGS. Mr. Chairman, inasmuch as both of these amendments are going to be discussed at one time, for the information of the House can we not have the other read?

The CHAIRMAN. Without objection, the Clerk will report the other amendment.

There was no objection, and the Clerk read as follows:

Second amendment offered by Mr. DE PRIEST: After line 2, page 39, insert the following paragraph:

"For purchase of land adjacent to Phelps Trade School on Vermont Avenue, $67,000."

Mr. BLANTON. Mr. Chairman, on that I reserve the point of order.

Mr. DE PRIEST. Mr. Chairman and gentlemen of the committee, it has been customary in the committee to divide the funds provided for buildings and grounds for schools in proportion to the school population of the District, white and colored, as nearly as possible. Since I have been in Congress, in 1930 the school population of the District, so far as the blacks are concerned, was 34.1, and the remainder white. The appropriation for that year for the colored schools was 29.4. In 1931 the population, colored, was 34.5, and the appropriation 31.1. In 1932 the school population, colored, was 34.6, and the appropriation 38.86; and in 1933 the school population, colored, was 34.9, and the appropriation 37.33. We have had, therefore, a fair distribution—some years a little over and some years a little under. For this year in the bill the appropriation is 26.01, while the school population now, colored, is 34.9.

The Bureau of the Budget, the Board of Education, and the District Commissioners made their recommendations this year to the committee that $67,000 be appropriated with which to purchase grounds around Phelps Trade School on Vermont Avenue. I am not trying to increase the appropriation. I am trying to hold it down to what it was originally, as recommended by this committee. Five hundred thousand is appropriated to build this new high school on Forty-first and Chesapeake Streets NW., with an authorization of $1,000,000. By reducing the $500,000 by $67,000 from this year's appropriation, it will not reduce the total cost of the school, but does reduce the total expenditure this year for that particular school. They have to draw the plans and let the contracts and start the work, and they will not need the $500,000 this year. It will mean an increase in the appropriation next year on that school from $500,000 to $567,000, up to a total of $1,000,000. I am asking an appropriation of $67,000 this year to buy this ground around Phelps Trade School, which is on Vermont Avenue, between T and U Streets, so as to provide room for additional buildings there next year. If that is not done, they will have to put up portables. I know the members of

the committee wish to carry out the program as laid down by the Board of Education and the District Commissioners, and as recommended by the Budget Committee. They are trying to economize, and I am trying to help them. I do not wish to increase the total expenditure. I am simply taking it from one place and allocating it to another place, to the extent of $67,000. If that would interfere with the building of the high school that is authorized I would not do this, but I know and the members of the committee must know that they can not possibly use all of that $500,000 this year. I take this opportunity to ask the chairman of the committee, Mr. CANNON, if I am not correct in that the Budget Bureau did recommend this appropriation of $67,000 this year?

Mr. CANNON. That was recommended, yes; but with a number of other items. We cut it down, in proportion to the others.

Mr. DE PRIEST. I know that you are not attempting to discriminate.

Mr. CANNON. We made no distinction.

Mr. DE PRIEST. I am not making any distinction at all, but I am simply trying to economize. The neighborhood around Phelps Trade School is thickly settled, and they will have to have more rooms for that school shortly or put up portables which will be an additional expense, and in addition to that they will not last very long. I am asking that this appropriation be made at this time, and I am going to ask my friends on the opposite side of the aisle to support the amendment. It will not interfere with the total amount of the appropriation which is about $865,000 for buildings and grounds this year. I think it would be economical to allocate $67,000 from the $500,000 for that other school and make this purchase at this time. [Applause.]

Mr. CANNON. Mr. Chairman, so far as the first amendment is concerned, the committee is glad to accept it.

The CHAIRMAN. The question is on agreeing to the first amendment.

The amendment was agreed to.

The Clerk read as follows:

Second amendment offered by Mr. DE PRIEST: After line 2, page 39, insert the following: "For purchase of land adjacent to the Phelps Trade School on Vermont Avenue, $67,000."

The CHAIRMAN. Does the gentleman from Texas withdraw the reservation of the point of order?

Mr. CANNON. Mr. Chairman, I do not see the gentleman from Texas present. In his absence, I would have to oppose this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DE PRIEST].

The question was taken; and on a division (demanded by Mr. LANKFORD of Georgia) there were ayes 50 and noes 58.

Mr. DE PRIEST. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. CANNON and Mr. DE PRIEST to act as tellers.

The committee again divided; and the tellers reported there were ayes 71 and noes 94.

So the amendment was rejected.

The Clerk read as follows:

None of the money appropriated by this act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which, exclusive of heating, lighting, plumbing, painting, and treatment of grounds, shall not have been awarded in one or a single contract, separate and apart from any other contract, project, or undertaking, to the lowest responsible bidder complying with all the legal requirements as to a deposit of money or the execution of a bond, or both, for the faithful performance of the contract: *Provided*, That nothing herein shall be construed as repealing existing law giving the commissioners the right to reject all bids.

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. HOLADAY: Page 39, line 20, after the end of line 20, insert "For the purchase of school building and playground sites as follows: For the purchase of additional land for a site for the Jefferson Junior High School, to be immediately available, $110,000, together with the unexpended balance of the appropriation of $75,000 provided for such a site in the District of Columbia appropriation act for the fiscal year 1933."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto be limited to 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. HOLADAY. Mr. Chairman, two years ago the Congress appropriated $201,000 to purchase a site for the relocation of the Jefferson High School in southwest Washington. The commissioners proceeded to secure the site. They bought part of it and paid $126,000. They started condemnation proceedings to secure the remainder of the proposed site. That proceeded to trial, and a verdict was returned which was satisfactory to the commissioners. The owner of the property filed a petition for a new trial, which was allowed, and the case then proceeded to another hearing. The jury returned a verdict fixing an award at $294,000, which in the opinion of the commissioners was entirely beyond what the property was worth. They thereupon went into court and attempted to dismiss the condemnation proceedings. The owner objected to that, and that question is now pending in court, as to whether or not the condemnation proceedings can be dismissed.

In the meantime, during the two years that this suit was pending, the Congress last year appropriated $200,000 to commence the building. Within the last few weeks the commissioners have compromised with the owner, whereby they are to pay him $185,000, which is $109,000 below the value fixed by the jury. This amendment proposes to take $126,000, which is available from the original appropriation of $201,000, and add $75,000, which will give the commissioners sufficient funds to complete the purchase. If this amount is not allowed in the bill it means that the District will be unable to proceed with the building. We now own one-half of the site.

There is the further question which is pending in court. There is the possibility that the District may lose and the judgment for $294,000 will stand. That is a matter that is pending in court. Under the compromise, the judgment is cut $109,000, and will admit of the commissioners proceeding with the erection of the school.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if we adopt the amendment offered by the gentleman from Illinois [Mr. HOLADAY] we will add another $185,000 to this bill. Do you want to waste $185,000? The gentleman, as we told you last week when he was offering these stacks of amendments, is a member of the subcommittee which held hearings on this bill. Not one single time in that subcommittee did the gentleman ever rise and offer such an amendment as he has offered on this floor.

Mr. HASTINGS. Was it offered by anyone else?

Mr. BLANTON. No; not by anyone else. His collaborator, in trying to take money out of the Treasury, the gentleman from Nebraska [Mr. SIMMONS] who, until this Congress, has always been for economy, saw fit to file a minority report on this bill. But our friend from Illinois [Mr. HOLADAY] did not file any minority report. He did not object to the action of his committee. This bill was carefully written and worked out by the chairman of the subcommittee, the gentleman from Missouri [Mr. CANNON]. It is a good bill. It is economical. It is in accordance with the wishes of all the various chambers of commerce of the United States who are demanding that expenses be cut.

Mr. HASTINGS. Does the gentleman say that this item was not brought to the attention of the subcommittee and was not considered by the subcommittee at all?

Mr. BLANTON. Oh, we considered it, but we turned it down, and I am saying there never was an attempt on the part of our friend from Illinois [Mr. HOLADAY] to put this item in the bill.

Mr. HOLADAY. Will the gentleman yield?

Mr. BLANTON. I am sorry. The gentleman has had his five minutes and I want mine.

I want to ask you Republican colleagues across the aisle why is it that you are backing up the gentleman from Illinois on all these expensive amendments? The last time we considered this bill, day before yesterday, you gave the gentleman almost a solid Republican vote on every amendment he offered. He had an amendment to raise one item $100,000. You passed through the tellers and gave him almost solid support. Why are you doing it? I wish those business men who are sending letters here this morning, many of which I have received, demanding retrenchment, would center their fire on the gentleman from Illinois [Mr. HOLADAY] and convince him that economy ought to prevail in this Chamber and that due retrenchments must be made.

If we are not going to retrench in this session, just when are we to begin? Just how much bigger deficit must there be in the Treasury before you are willing to cut down expenditures? If the few of us here who are fighting daily to retrench and cut down appropriations are not given your support and vote, it will be impossible to retrench.

Are not you willing to help save $185,000? That is what you will save by defeating this amendment? Is not $185,000 worth saving? Consult with your constituents back home and they will tell you that they consider $185,000 quite a sum of money, and that they can not afford to have that sum wasted, when it comes out of the people's pockets in burdensome taxation.

The question is are we going to back up the chairman and the committee on the bill, or are we going to let the gentleman from Illinois waste the time of the Congress and offer and pass his $185,000 amendments galore and keep this bill from passing to-day?

The gentleman from Missouri, the chairman of this committee [Mr. CANNON], has the assurance from the Speaker that he can hold this House together to-day until it passes this bill, even if we have to be in session to-night. Do you want to stay here to-night and have a night session to let the gentleman from Illinois offer all these frivolous amendments, to add these $185,000 items to this bill, or do you intend to help us vote down such amendments and let us pass it? It is a question your Republican steering committee ought to handle. If it were not for the fact that a great change has come over our friend from Illinois, and he is now appearing in a new rôle, it would be a different matter. This is not the HOLADAY I used to know, the great economist, the HOLADAY of Illinois, who used to sit on that committee and fight to cut down expenses. This is a new kind of HOLADAY that has all of a sudden arisen in the House to advocate much spending.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The Clerk read as follows:

The school buildings authorized and appropriated for herein shall be constructed with all doors intended to be used as exits or entrances opening outward, and each of said buildings having in excess of eight rooms shall have at least four exits. Appropriations carried in this act shall not be used for the maintenance of school in any building unless all outside doors thereto used as exits or entrances shall open outward and be kept unlocked every school day from one-half hour before until one-half hour after school hours.

Mr. HOLADAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel the continued abuse the gentleman from Texas has heaped upon me warrants me in making this statement. I had hoped it would not be necessary. The gentleman, by his statements here, has undertaken to create a false impression. I am not attempting to delay the procedure on this bill. I have offered some half dozen amendments, taking five minutes on each one. I have one or two more amendments to offer.

This is what occurred in the committee: The subcommittee conducted the hearings as usual. At the conclusion of the hearings in other years it has been the practice for the subcommittee to meet in executive session and mark up the bill. A meeting was called for that purpose. I think, perhaps, that day the chairman was not able to attend. We met a time or two. The chairman—and he and I are very good friends—asked me if there were any items in the bill that I was especially interested in. I gave the chairman and the clerk some notations of changes I thought it might be well to make. Then, without being consulted further, and so far as I know without any further meeting of the committee, the report was prepared. I knew what the feeling and the judgment of the chairman was as to some of the changes that were made. As to other changes I knew nothing about them.

This particular item with reference to the Jefferson High School I had no idea would ever be cut down. The amendment submitted simply brings it back to the Budget figures.

It is my understanding that procedure such as I have outlined has only occurred once in the history of Congress, and that was during a Republican administration when a chairman of a subcommittee prepared the bill without consultation with the minority members. When it was reported to Mr. Madden, who was then chairman of the appropriation committee, he immediately sent the bill back to the subcommittee and had the subcommittee reconsider it, whereupon the chairman of the subcommittee resigned from the subcommittee and from the full committee.

Now, I am not attempting to delay consideration of the bill. In the case of many of the amendments I have offered I did not know there was any question of the items being changed. I knew nothing about it. Therefore I am not willing, and I do not want, to be held responsible for the report of this committee containing many items I think can not be justified and are entirely wrong. I have introduced amendments to change some of these items. I have two or three more which I believe are justified. I made a full and frank statement about the facts as I understood them with reference to the Jefferson High School. The gentleman from Texas, if you will notice, has never at any time discussed the merits of my amendments but has persisted in a personal attack upon me.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. No; I do not care to yield to the gentleman from Texas.

Mr. CHIPERFIELD. Mr. Chairman, I demand the regular order.

Mr. CANNON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am very much surprised at the intimation of the gentleman from Illinois. He has never at any time made such a complaint to me or, so far as I know, to any other member of the committee. Nor has the gentleman from Nebraska. The gentleman from Nebraska [Mr. SIMMONS], who, in my opinion, knows as much about District appropriations as any other Member of the House, and whose counsel and advice we were always anxious to have; and the gentleman from Illinois [Mr. HOLADAY], who has given this bill a great deal of attention, have both been accorded every courtesy.

I regret that we did not have the advantage of the services of the gentleman from Nebraska [Mr. SIMMONS]. I am certain it was through no lack of invitation from the committee.

Throughout the hearings, which lasted for many weeks—in fact since the holidays—I not only had the clerk notify the gentleman of the sessions of the committee, but I personally called his office repeatedly. His stenographer would always assure me she would give him the message when he came in, but he has never appeared at any meeting of the committee during this session of Congress.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. SIMMONS. The RECORD shows I was absent from Congress on a mission of the House during part of the time hearings were held on this bill.

Mr. CANNON. A very small part of the time. The gentleman was absent 10 days. These hearings ran for weeks.

Mr. SIMMONS. Will the gentleman let me finish? When I arrived back at my office a report came there of the hear-

ings. It was not relayed to me. That is no one's fault but my own; but day after day on the floor of the House I have seen the gentleman from Missouri; and if my presence at the hearings had been necessary, had they wanted my advice, the gentleman from Missouri could easily have told me.

Mr. CANNON. The gentleman was notified by the clerk of the committee every time we had a meeting, and I myself called up his office repeatedly and his secretary, when she answered, always answered that she would relay my message to him.

Mr. SIMMONS. Had the gentleman wanted me, I was on the floor. We have seen each other time after time, yet he said nothing to me about it.

Mr. CANNON. The gentleman has long been a member of the committee and knew hearings were in progress, even if he had not been notified, but he never at any time came to the meetings. Written notice was sent to him; telephone messages were sent to him, and his secretary said she would tell him; but at no time did he ever attend a meeting. I am certain it could have been for no personal reasons, as the warm friendship between the gentleman and myself and all the committee has continued uninterrupted up to this time.

Mr. SIMMONS. You say my secretary said she would tell me?

Mr. CANNON. Whoever was in your office.

Mr. SIMMONS. The girl in my office was absent for the two weeks before this bill was reported; so, if the gentleman tried to get me, it was more than two weeks prior to reporting the bill.

Mr. CANNON. She said she would tell you whenever she answered. Of course, there were times when the calls were unanswered.

Mr. SIMMONS. It was not at the time this bill was marked up.

Mr. CANNON. The clerk was instructed to notify him and all other members of that meeting. But, of course, the gentleman, after being in charge of the bill for a number of years, knew hearings were in progress. He did not favor us either with his presence or his suggestions during the entire session, and now he comes in and encourages this filibuster after the bill is reported. If he had advised us of his interest in these items before the bill was reported, we would have been glad to have given his wishes every consideration.

Mr. MAY. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. MAY. In all fairness to both gentlemen and both sides of the House, I would like to suggest that the country would probably be more interested in getting this bill through than they would be in the differences here on the floor of the House; and I want to appeal to the gentlemen that we get down to the bill and settle it.

Mr. CANNON. The gentleman is entirely right. For the first time since I have been a Member of the House they have made this a partisan issue. That is much to be regretted. These appropriation committees are business committees. There is no place for partisanship in any of their proceedings, either in the committee or on the floor. When I was in the minority I might not always agree with the committee, but when we reported a bill and it came to the floor I stood by the decision of the committee. In all the time that I have been in this House the gentleman can not point to one single time that I did not support the bill as it was reported by the committee.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. SIMMONS. Mr. Chairman, reserving the right to object, I ask unanimous consent to be recognized for five minutes.

Mr. BLANTON. I ask for the regular order, Mr. Chairman. We want to get through with this bill.

Mr. SNELL. You will get through quicker if you let the gentleman have five minutes.

Mr. BLANTON. If they are going to filibuster, let them filibuster.

Mr. DYER. Mr. Chairman, I make the further point of order that debate has been exhausted on the pending amendment.

Mr. BLANTON. That does not prevent a unanimous-consent request.

The CHAIRMAN. Is there objection?

Mr. DYER. Mr. Chairman, reserving the right to object, I make the point of order that debate has been exhausted on the amendment.

Mr. DE PRIEST. Mr. Chairman, I object.

Mr. SIMMONS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I agree with the gentleman from Kentucky [Mr. MAY], who says we ought to proceed with the consideration of this bill rather than have the constant talk that has been going back and forth across the aisles.

I have twice stated, and I want to again repeat to my friend from Missouri [Mr. CANNON], that I think no one on the floor of this House knows better than I do the volume of work involved in writing one of these bills and presenting it to the House, as well as conducting the hearings, and I know, just as the gentleman knows, how unthankful this task is. I am not criticizing.

I have told on the floor of the House two or three times, and it need not be repeated in detail, why I was not present at the hearings. Had the gentleman wanted me at the time the bill was written up, he could have gotten me without much difficulty, because we have seen each other day after day. The gentleman from Illinois [Mr. HOLADAY] tells me, and has stated on the floor of the House, that the bill was not written up by the committee and that he was not notified; but this has nothing to do with the matter.

I have been accused here by the gentleman's own words to-day of filibustering. Let me direct my remarks just a minute to that statement. Up until the time I took the floor right at this minute I have consumed on this bill 14 minutes of the time of the House. The gentleman from Missouri [Mr. CANNON] and the gentleman from Texas [Mr. BLANTON] have used at least twice this amount of time castigating the gentleman from Illinois [Mr. HOLADAY]. Those two gentlemen have consumed as much time on this bill as all the rest of the membership together and then they cry filibuster. I have engaged in no filibuster. I have made no motion that delayed the time of the House. So let us be fair in the language we use. The RECORD shows that at one time I occupied 10 minutes and at another time I occupied 4 minutes of the time of the House. There has been no filibuster. Certainly a Member of the House occupying the position of the gentleman from Illinois [Mr. HOLADAY] has the right to make motions here and should not be charged with conducting a filibuster when he is presenting, under the rules of the House, honest, bona fide amendments to this bill. The gentleman has the right under the rules, to do what he has done and he has engaged in no filibuster, and to charge me with conducting a filibuster when I have sat silent on the floor of this House in the face of repeated attacks, when I have taken no part in the debates when there were things that might well have been said to the House, possibly, is not fair. I have remained silent in order that I might not be subject to the charge which the gentleman has just made, and I think on due reflection the gentleman will withdraw that statement, as it is unworthy of him.

Mr. HASTINGS. If the gentleman will permit, I want to express the hope that we may go along with the bill. This character of debate has gone forward here for about a week, and I am expressing the hope to both sides that we may get through with this bill to-day.

Mr. SIMMONS. I think the gentleman from Oklahoma [Mr. HASTINGS] is quite correct. We ought to go ahead with the consideration of the bill.

Mr. CANNON. Mr. Chairman, I rise in opposition to the amendment.

Mr. HASTINGS. Now, if my own side, including the gentleman from Missouri, is going to insist on making these

replies on these pro forma amendments, of course, we can not keep a quorum on the floor of the House.

Mr. BLANTON. Mr. Chairman, the chairman of the committee certainly ought to have the right to answer.

Mr. HASTINGS. He has answered the statement half a dozen times. It has been answered every day since the bill has been under consideration.

Mr. MARTIN of Oregon. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The gentleman from Missouri is recognized for five minutes.

Mr. CANNON. Mr. Chairman, the RECORD will bear me out that from the time this bill was first brought to the floor I have never at any time criticized either the gentleman from Illinois [Mr. HOLADAY] or the gentleman from Nebraska [Mr. SIMMONS]. That is not only true of this year but it has been true of every year. Whenever the District bill has been before the different Congresses I have supported every position taken by these gentlemen and have never at any time offered opposition to the bill or to any of the items they contained. Not only will the RECORD show that I have whole-heartedly cooperated with them at all times but each of these gentlemen will themselves testify to that fact.

Mr. SIMMONS. Will the gentleman yield?

Mr. CANNON. The gentleman has had his time. Not only has the gentleman opposed this measure at every opportunity but last year before the committee of conference the gentleman from Nebraska endeavored to increase the House appropriations on practically every item in disagreement.

Mr. SCHAFER. Mr. Chairman, I make the point of order that the gentleman is not speaking to the pending amendment, which is to strike out the last three words.

The CHAIRMAN. The gentleman from Missouri will proceed in order.

Mr. CANNON. I shall proceed in order. The gentleman from Nebraska [Mr. SIMMONS] and the gentleman from Illinois [Mr. HOLADAY] have brought up this subject out of a clear sky. I have never made any but the kindest references to either of the gentlemen. It would be discourteous to them if I failed to reply to them.

Mr. SCHAFER. Mr. Chairman, I make the point of order the gentleman is talking about the gentleman from Nebraska [Mr. SIMMONS] and not the last three words, which is the amendment pending before the House. I insist on the point of order in order to expedite action on this bill.

The CHAIRMAN. The gentleman will proceed in order.

Mr. CANNON. Mr. Chairman, I am proceeding in order. The subject before the committee is the statement by the gentleman from Illinois that he was not present when the bill was marked up.

In response to that suggestion, I wish to say emphatically that all members of the committee were notified and we had a final meeting at night, attended by the gentleman from Illinois and myself, with the clerk of the committee, and we went through the entire bill. After we had concluded——

Mr. SCHAFER. Mr. Chairman, I insist on my point of order, and the Chair should take the gentleman off the floor and enforce the rules of the House.

The CHAIRMAN. The gentleman from Missouri will please confine his remarks to the last three words.

Mr. CANNON. I shall proceed in order.

After we had concluded I asked the gentleman from Illinois if there was anything else he wanted changed in the bill and told him we would change it if he wished. And the gentleman from Illinois said he had no further suggestions to make.

Mr. SCHAFER. Mr. Chairman, I again make the point of order and expect the rules of the House to be enforced.

The CHAIRMAN. The gentleman from Missouri must proceed in order. The last three words are "after school hours." [Laughter.]

Mr. CANNON. Mr. Chairman, I have explained the situation, and in conclusion I wish to say that the bill was marked up this time exactly like it was marked up every time the gentleman from Nebraska was in charge of the bill. We followed both last year and this year exactly the procedure followed by the gentleman from Nebraska.

Mr. SCHAFER. Mr. Chairman, I make a point of order, and I insist that the rules of the House be enforced.

The pro forma amendments were withdrawn.

The Clerk read as follows:

For maintenance of a suitable place for the reception and detention of girls and women over 17 years of age, arrested by the police on charge of offense against any laws in force in the District of Columbia, or held as witnesses or held pending final investigation or examination, or otherwise, including transportation, the purchase and maintenance of necessary motor vehicles, clinic supplies, food, upkeep and repair of buildings, fuel, gas, ice, laundry, supplies and equipment, electricity, and other necessary expenses, $8,880; for personal services, $8,360; in all, $17,240.

Mr. GREEN. Mr. Chairman, I move to strike out the last word. I ask my colleagues to bear with me to speak briefly upon another subject, as I do not think I shall use the whole of the five minutes.

We have during the past week been further reminded of the great necessity for further restriction of immigration and of the registration of aliens.

To-day I am introducing three bills on the subject. One of them would require the registration, including fingerprinting, of all aliens upon entering our country, those who may enter in the future would be thus registered and identified, and those who are already here would be required to register. All would be required to keep upon their person such identification card or certificate, and the failure to produce it would be grounds for deportation.

Another of the bills will close our doors to immigrants. It would stop all immigration to our country. The other would stop 99 per cent of all immigrants. In other words, it restricts by 99 per cent. I have in my hand a brief statement from the Secretary of Labor giving information relative to the nationality and citizenship of Joseph Zangara, or Giuseppe Zangara, who assaulted five American citizens and apparently attempted to assassinate the next President of the United States, Franklin D. Roosevelt. It is as follows:

In checking over the records of the Labor Department we found there were 11 Joseph Zangaras who had been naturalized and two others with warrants of deportation pending against them and were out on bond. This made it necessary to go over the records of the entire list in order to definitely determine who the actual assailant was, which had to be verified by photographs from Florida and checked with the immigration and naturalization files in Washington, as well as to have verification from the different ports of entry.

We have definitely identified Joseph Zangara as having been naturalized by the common pleas court of Passaic County at Paterson, N. J., September 11, 1929. Zangara was born in Ferruzzo, Italy, on September 7, 1900; left Naples on the 18th day of August, 1923; arrived at Philadelphia on the 2d day of September, 1923, on the steamship *Martha Washington;* made his declaration of intention to become a United States citizen on May 21, 1924, at Hackensack, N. J., in the common pleas court of Bergen County, giving his occupation as that of a mason.

Zangara was less than 23 years of age when he entered this country, and we are unable to find that he had any police record in Italy and have been unable to locate any here up to the time of his naturalization. We have asked the police of Bergen and Passaic Counties, N. J., where he had resided from the time of arrival in the United States until his naturalization, and they report they have no records against him.

We have no record of Zangara having left the United States since his entry in 1923, and this department has issued no reentry permits to him during this time. Therefore, if he was in Italy in 1929, we have no record of his leaving or reentering the United States. Our records show continuous residence since his entry into the United States.

It is quite singular that the assassins of Presidents and would-be assassins, many of them, have not been American citizens. It is quite singular that in a recent newspaper dispatch Zangara has been spoken of as a communist and an anarchist. The Washington Star, under headline Hackensack, N. J., recently said:

Rosario Candrilli, local contractor, described Zangara as an "inflammatory character." Refreshing his memory about the bricklayer, he seemed positive that he was a radical, and declared: "He was an anarchist, socialist, and communist." Candrilli said he had employed Zangara on several jobs around Bergen County, and said he had a reputation as a "lunch-hour" talker.

Such is the type of man that tried to assassinate the President elect.

Leon Czolgosz, who assassinated President McKinley, was of foreign parentage. His father Polish, his mother German. John Schrank, who attempted to assassinate Teddy Roosevelt, was born in Bavaria; and now we have Zangara, another of foreign birth attempting to kill our President elect and, in a way, boasting about it. Many of the crimes committed in our country are by foreigners or those of foreign birth. It is time the Congress should awake to its duty and close our Nation's doors to immigrants. We must try to assimilate those already here, try to Americanize them and teach them to think in American terms. Their traditions and training have been widely different from the American ideals of society and government. If we continue to permit them to enter our midst, America will lose its individuality. Many of them are trying to destroy our Government and our officials, even by force. Will my colleagues not realize the gravity of the situation and join in an effort to prevent further outrages? The one so recent should be a warning to all American citizens. We must make America a safer place to live in and also preserve and protect our governmental traditions.

This attempted assassination is a challenge to our Government and civic life itself; we must meet the challenge by enacting further and more stringent immigration laws. I hope you will lend your support.

Mr. BLANTON. Will the gentleman yield?

Mr. GREEN. I yield.

Mr. BLANTON. The press this morning says that our colleague [Mr. DICKSTEIN] proposes that this murderous anarchist should be deported. When they get through putting a rope around Zangara's neck in Florida he will be properly deported, and to a place where he belongs, will he not?

Mr. GREEN. I do not know whether he can be deported, but I do feel that he should be dealt with according to the laws of our country and given the full penalty.

Mr. SCHAFER. If the fingerprint bill had been the basic law of the land this man would not have been here to commit the assault.

Mr. GREEN. I believe my friend from Wisconsin is correct, and I hope he will support the bills which I am to-day introducing. If they are enacted, in the future foreigners will not be here to attempt to assassinate the future Presidents and officials of our great Republic.

Mr. SCHAFER. But how about these foreigners that send their goods over here and take the markets away from our citizens?

Mr. GREEN. I would like to say that I am supporting the bill to prevent the entry of goods that have been made by foreign monopolies and foreign government monopolies—those monopolies that are flooding our country with cheap phosphate and other materials. I am in accord with the gentleman in that respect when it comes to protecting our citizens and restricting immigration.

Mr. SCHAFER. The gentleman's vote on the discharge of the committee in the Crowther bill does not square with his statement.

Mr. GREEN. I think the wise thing to do about the tariff is to take the matter up after March 4. Then it can be properly considered by President-elect Roosevelt and the Congress, and I venture to assure my colleague that a proper bill will, in the due course of time, be passed. I hope he will join with the Democrats in perfecting a proper bill.

Mr. SCHAFER. Oh, yes; the gentleman wants to wait until the patient dies and then call the coroner.

Mr. GREEN. I believe a far more equitable tariff bill can be had under the incoming administration.

Mr. Chairman, in this connection may I say that I hope the Congress at some future time will vote a congressional medal to Mrs. W. F. Cross, of Miami, Fla., for saving the life of our President elect. It was her hand that seized the arm of the would-be assassin and thus broke the aim that may have killed our beloved President elect. Her presence of mind, fearlessness, valor, and courage is appreciated by all supporters of free government and deserves recognition of the Congress. [Applause.]

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate upon this item and all amendments thereto be closed in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. And at this time I give notice that from now on debate must be confined to the bill.

Mr. COCHRAN of Missouri. Mr. Chairman, we have before us at the present time the appropriation for the District police department. I think in the city of Washington we have one of the finest police forces to be found anywhere in the United States.

On Monday next the House will be confronted with a vote on a resolution resubmitting the eighteenth amendment to the Constitution. In the police statistics furnished to the committee, which will be found on page 355 of the hearings, we find some very valuable information upon the question of prohibition. These statistics go back only to 1923, and therefore I can not refer to what happened prior to prohibition; but in 1923, 3,934 people were arrested for violating the Volstead Act in the Capital of the Nation, and 9,106 were arrested for other liquor violations. These latter were arrested for what is termed a violation of the Sheppard Act, and the Sheppard Act provides that it is a violation of law to drink liquor in public places or to drive an automobile while intoxicated.

That makes a total of 13,040 people who were arrested for violating the liquor laws in 1923. What has happened since 1923? An increase annually. The statistics for 1932 show that 4,104 people were arrested for violating the Volstead law, and 15,580 people for violation of the Sheppard Act; so a total of 19,684 people were arrested for the violation of the liquor laws in the District of Columbia in 1932—6,644 more people were arrested for violating the prohibition laws in 1932 than in 1923. In the District of Columbia there is cooperation between the prohibition authorities and the District police, because both are practically Federal authorities. I think no better argument can be submitted as to why the eighteenth amendment should be repealed than exactly what has happened in the Capital of the Nation. It is indisputable proof that the liquor laws can not be enforced. Why, then, should we spend millions of the people's money trying to enforce laws which time has shown are violated every second of the day and night.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Salaries: For personal services in the conduct of hygiene and sanitation work in the public schools, including the necessary expenses of maintaining free dental clinics, $87,950: *Provided*, That of the persons employed as medical inspectors 1 shall be a woman, 4 shall be dentists, and 4 shall be of the colored race, and that of the graduate nurses employed as public-school nurses 3 shall be of the colored race.

Mr. McLEOD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. McLEOD: Page 47, after line 12, insert a new paragraph as follows:

"For furnishing by the health officer to undernourished children in private, parochial, and public schools of the District of Columbia such food at such schools as may be deemed necessary, in the opinion of the health officer, after examination of such children, properly to feed such underfed and undernourished children the sum of $40,000."

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is legislation unauthorized on an appropriation bill and is a change of existing law. However much we may sympathize with undernourished children in District of Columbia schools, there are children undernourished in every other school in the United States who are entitled also to consideration, and however much we sympathize with them, we have no right to change the law and begin to nourish them here in Washington and

leave them unnourished everywhere else in the United States. I make the point of order.

Mr. McLEOD. Mr. Chairman, I believe this amendment is in order. It is an additional appropriation of $40,000. This is the emergency relief section. This is the hygiene section of the bill. Due to the ruling of both the department and the Committee on Appropriations that there will be inadequate funds to properly care for welfare in the District, absolutely shutting out the children, I feel this is in order at this time.

The CHAIRMAN. Is there any authorization in law for such an appropriation?

Mr. BLANTON. No, Mr. Chairman; there is no such authorization.

The CHAIRMAN. Can the gentleman from Michigan point the Chair to any such authorization?

Mr. McLEOD. I feel this comes within the general authorization.

The CHAIRMAN. The Chair feels that this is legislation on an appropriation bill, and sustains the point of order.

The Clerk read as follows:

BOARD OF PUBLIC WELFARE

For personal services, $105,580.

Mr. SMITH of Virginia. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 54, after line 9, insert a new paragraph as follows:

"PUBLIC WELFARE

"Emergency relief of residents, District of Columbia: For the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia, by loan, employment, and/or direct relief, under rules and regulations to be prescribed by the Board of Commissioners, and without regard to the provisions of any other law, payable from the revenues of the District of Columbia, fiscal year 1934, $625,000: *Provided*, That not to exceed $50,000 of this appropriation shall be available for administrative expenses including necessary personal services."

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is legislation unauthorized on an appropriation bill, and by its terms seeks to change existing law.

If the Chair will note, it provides that "without regard to" law now existing this shall be in order. It is a change in existing law, and legislation unauthorized on an appropriation bill.

The CHAIRMAN. Can the gentleman from Virginia [Mr. SMITH] cite any authorization in law for this appropriation?

Mr. SMITH of Virginia. The only thing I can cite, Mr. Chairman, is the last deficiency bill, which carried emergency relief in the sum of $625,000.

The CHAIRMAN. That would not be authorization.

Mr. SMITH of Virginia. This is the same language as was used in the deficiency bill.

Mr. BLANTON. That is not an authorization in law.

Mr. SMITH of Virginia. The same item was carried on the second page of this bill for a similar purpose, but different wording, and that went out on a point of order.

The CHAIRMAN (Mr. PRALL). The Chair thinks that the language "without regard to the provisions of any other law" makes the amendment legislation on an appropriation bill, and is subject to the point of order made by the gentleman from Texas [Mr. BLANTON]; and the Chair sustains the point of order.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LaGUARDIA: Page 54, line 9, insert the following: "To enable the Board of Public Welfare to provide for the relief of all needy persons not otherwise provided for by appropriations herein made to such board, $625,000, payable wholly from the revenues of the District of Columbia."

Mr. BLANTON. Mr. Chairman, I reserve a point of order if the gentleman desires to make a statement.

Mr. LaGUARDIA. Oh, no. If I am going to be kicked out I would rather know it now.

Mr. BLANTON. I make the point of order, Mr. Chairman, that it is not germane to this paragraph in the bill. The Chair will note that on line 9 it provides for personal services. Personal services means salaries. This is salaries of officials. The amendment seeks to grant relief to people. It is not personal service and it is not germane, either to that paragraph or the preceding one.

I also make the point of order that it is legislation unauthorized by law.

The CHAIRMAN. The Chair is ready to rule. The Chair believes the amendment is germane, and will so rule. The Chair will hear the gentleman on the point of order.

Mr. CANNON. Mr. Chairman, it is a long-established rule that an amendment must not only be germane to the bill but must be germane to that portion of the bill to which it is offered. This clearly is not germane to this portion of the bill. If it is germane at all, it is germane to the item on page 64 under which it properly comes. It could not possibly be germane to this section of the bill. If the gentleman desires, I can cite many authorities to the effect that it must be germane not only to the bill and the subject matter of the bill but to that portion of the bill to which it is presented.

The CHAIRMAN. The Chair sustains the point of order.

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent to withdraw the amendment. I had it marked originally for page 64, but inasmuch as the gentleman from Virginia offered his amendment here, I thought perhaps that point would not be raised.

The CHAIRMAN. The Chair might state that he expected that is where it would be offered. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, to preserve the integrity of our rules, in view of the fact that the point of order which the gentleman from Missouri [Mr. CANNON] made was identical with the one which the gentleman from Texas [Mr. BLANTON] made, the Chair would want to change his ruling, as to the first point of order?

The CHAIRMAN. As the Chair understood, the point of order made by the gentleman from Missouri [Mr. CANNON] was that the amendment was not in its proper place.

Mr. BLANTON. I made that same point of order, because it was not germane to this paragraph or the preceding paragraph, and the Chairman overruled it.

The CHAIRMAN. The Chair was not aware of that.

Mr. BLANTON. Then the ruling of the Chair would be the same on both of them?

The CHAIRMAN. The same ruling.

Mr. LaGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LaGUARDIA. The ruling of the Chair sustained the point of order that it was not germane to the particular section to which it was offered?

The CHAIRMAN. Yes.

The Clerk read as follows:

GENERAL ADMINISTRATION, WORKHOUSE AND REFORMATORY, DISTRICT OF COLUMBIA

For personal services, $290,540.

Mr. HOLADAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLADAY: On page 57, line 3, strike out "$290,540" and insert "$326,090."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this item and all amendments thereto be limited to 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HOLADAY. Mr. Chairman, this amendment adds $35,000 and brings the total amount up to the Budget figure.

The committee report on page 14 states:

This saving is made by eliminating 24 positions appropriated for in the 1933 bill, which have not been filled by the Board of Public Welfare.

It has been the practice in the District to send the worst class of its prisoners to the Federal penitentiaries at Atlanta and Leavenworth, and for that the District has paid something over $200,000 a year. Two or three years ago it was deemed advisable and economical for the District to arrange to take care of their own prisoners. Therefore a new walled inclosure was authorized at the reformatory.

When the bill was passed a year ago, it was expected that the walled inclosure would be completed very shortly and we appropriated money to pay for the necessary new guards. There was some delay in completing the new building. The additional guards were not appointed because they were not needed until the new building was completed. At the date of the hearings this year the evidence disclosed that one cell block had just been occupied. That cell block held 50 men. I think on the day of the hearing they were moving into the second cell block and had about 10 men in there. I do not know what the condition is to-day. It may be that the cell blocks to house 200 men are about filled to-day, although I am not advised. Since the date of the hearing 12 of the 24 positions have been filled; and when all of the cell blocks in the new walled inclosure are filled, all of the new guards will be appointed. If this item is not brought back to the Budget figures, the District will, on the 1st of July next, face the proposition of having 200 of its worst criminals, some of them serving life sentences, in this new institution, and the District will be without guards to guard these 200 criminals.

I called the attention of one of the Members on the majority side to this matter a day or two ago. I think the chairman took this action without realizing what will take place on the 1st of July.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. HOLADAY. I yield.

Mr. SCHAFER. Since in the very near future we are going to have a lot of vacant cells in Federal penitentiaries throughout the country, owing to the repeal of the prohibition laws, why should we burden the taxpayers with this additional expense at this time?

Mr. HOLADAY. The men who are confined in this new institution are not there serving sentences for violation of the prohibition law. They are serving sentences for the more vicious crimes, carrying sentences up to life.

Mr. SCHAFER. Yes. We will have a great many vacant beds and cells in the Federal penitentiary at Leavenworth and the Federal penitentiary at Atlanta after the prohibition laws are repealed. Instead of expanding the present building program at the taxpayers' expense, why not take advantage of the opportunity to help balance the Budget and save some money for the people?

Mr. HOLADAY. Of course, at the time this new building was authorized, Congress did not know that the gentleman from Wisconsin was going to repeal the prohibition law. He did not inform us. We, therefore, went ahead, and the buildings were constructed and are now completed.

Mr. SCHAFER. The gentleman admits that we are going to repeal it pretty soon?

Mr. HOLADAY. Well, I admit the gentleman from Wisconsin says we are.

Mr. SCHAFER. The facts so indicate.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment if adopted would put $35,460 more into this bill for District of Columbia prison guards that are not necessary. Our committee and our splendid chairman carefully considered this matter. They carefully passed on all of the facilities that we allowed down there.

But I want to say to the gentleman from Wisconsin [Mr. SCHAFER] when he says there is going to be a decrease of inmates in penal institutions if saloons return that he is sadly mistaken. Unfortunately, in the days of the saloons our friend from Wisconsin was such a young, immature youth that he has forgotten about those saloon days. He was such a small urchin at that time that he can not remember. Some of us older ones do remember. Some of us who sat on circuit benches during the days of the saloon and tried men who had committed crimes as a result of that nefarious business know something about it.

You are going to build more penitentiaries whenever you put back the road houses; you are going to build more jails; you are going to build more penal reformatories and put more convicts on rock piles than ever before in the history of the United States. The people of Wisconsin, the mothers and fathers who love their children there, will never forgive the gentleman from Wisconsin if his vote next Monday puts saloons back upon the country. They will hold that against him as long as their children are endangered by it. There are communities now that do not know the evil of saloons; they never had them, yet by his vote next Monday the gentleman from Wisconsin will try to inflict them with saloons. However, it is going to be a long, long way from the vote next Monday to the return of saloons. The people are now slowly waking up. When they become fully aroused, beware of their punishment. They are going to punish the politicians who vote saloons back into the United States.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I would gladly yield to both of my friends, but I have not the time. Oh, I know, New Jersey, New York, St. Louis, Chicago, and Milwaukee—comes the demand—in specially prepared conventions will promptly ratify, but there are 48 States in this Union; and you can not fix it up this time so that the mothers and fathers will have no voice in State conventions—no two-bit politicians are going to run those conventions; they are going to be run by the fathers and mothers of America this time. They are now waking up. They are now organizing. They are going to be the greatest and most powerful organization that ever existed in the United States. They have made up their minds that the saloon "shall not pass" in this country; and the gentleman from Wisconsin might just as well save his vote, because in the future it is going to embarrass him.

But, I must get back to this bill. We ought not to add this $35,460. We ought to turn down this amendment. Why, the gentleman from Illinois seems to think he can take the people's money out of the Treasury with impunity just because this is the District appropriation bill. It is argued "Oh, the money comes out of District funds." As a matter of fact, every single taxpayer in this District is looking to us right now to protect his interest. I have at heart the interest of the people of the District of Columbia as well as the interests of all the people, and we have no right to waste their money.

[Here the gavel fell].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The Clerk read as follows:

To provide a working capital fund for such industrial enterprises as may be approved by the Commissioners of the District of Columbia, $46,000: *Provided*, That the various departments and institutions of the District of Columbia and the Federal Government may purchase, at fair market prices, as determined by the commissioners, such surplus products and services as meet their requirements; receipts from the sale of products and services shall be deposited to the credit of said working capital fund and said fund including all receipts credited thereto, shall be used as a revolving fund for the fiscal year 1934 for the purchase and repair of machinery, tools, and equipment, purchase of raw materials and manufacturing supplies, purchase, maintenance, and operation of nonpassenger-carrying vehicles, purchase and maintenance of horses, and purchase of fuel for manufacturing purposes; for freight, personal services, and all other necessary expenses; and for the payment to inmates or their dependents of such pecuniary earnings as the commissioners may deem proper.

Mr. SMITH of Virginia. Mr. Chairman, I make a point of order against so much of the paragraph as relates to the amount of $46,000 in line 22 of page 57, the point of order being that it is legislation on an appropriation bill.

The CHAIRMAN. Is the gentleman's point of order against the entire paragraph or against the proviso?

Mr. SMITH of Virginia. Against the proviso, beginning in line 22.

Mr. Chairman, may I point out just briefly that the object of this clause is to permit not only the District government but also the Federal Government to purchase manufactured articles, prison-made, from the reformatory at Lorton.

I would say there is a well-established legislative policy in this Congress against purchase by the Government, or, in fact, against the use of anything which the Government has anything to do with of prison-made goods. This Congress has gone so far as to say that the States may not use prison labor, paid by funds allocated to them by Congress, for State aid to roads. This is clearly a provision that puts prison-made labor in competition with other labor at this time when I do not think that Congress, if it realized the situation, would ever dream of doing so.

I think it is clearly legislation on an appropriation bill, Mr. Chairman, and I submit the point of order on that.

Mr. CANNON. Mr. Chairman, the point of order is well taken.

Mr. GOSS. Mr. Chairman, I make the point of order on lines 20 to 22, the point of order including the sign and figures "$46,000," that it is legislation on an appropriation bill unauthorized by law.

The CHAIRMAN. The Chair will first dispose of the point of order made by the gentleman from Virginia [Mr. SMITH]. The Chair sustains the point of order.

Will the gentleman from Connecticut [Mr. Goss] restate his point of order?

Mr. GOSS. Mr. Chairman, I make the point of order against lines 20 to 23, including the sign and figures "$46,000" that it is legislation unauthorized by law.

Mr. FULBRIGHT. If you deny the appropriation of $46,000, in what way would these people be engaged?

Mr. GOSS. This is to provide a working capital fund which could be used as a revolving fund.

Mr. FULBRIGHT. For the purpose of keeping these people employed. Without any money available at all for that purpose, what would they do?

Mr. GOSS. I do not know. I think that is a subject that ought to be taken up with the District of Columbia Legislative Committee, I will say to the gentleman.

Mr. FULBRIGHT. How have they been engaged in the past?

Mr. GOSS. I could not answer the gentleman's inquiry, but I understand this is coupled up with a lot of provisos; and as long as we have stricken out the proviso and not put certain limitations on this fund, I made the point of order.

Mr. BLANTON. Mr. Chairman, I do not believe in these revolving funds. I hope the point of order will be sustained.

Mr. HOLADAY. Mr. Chairman, this provision has been carried in the bill for several years. The prisoners there are employed in making brick, in making manhole covers and things of that kind used in the city, and I think brooms and various other articles.

There is not anything sold on the open market. Of course, we all admit it is undesirable to have prison-made goods, but we must find something for the prisoners to do.

Mr. GOSS. I call the gentleman's attention to the fact that the proviso containing the limitation on this fund has been stricken out on a point of order, so we now have to consider only the capital fund of $46,000, which is open to use by the commissioners in any way they see fit, without any limitations and without any restrictions as to what they may do with the fund.

Mr. FULBRIGHT. May I ask the gentleman a further question? I understood the gentleman from Illinois to say that these prisoners have been engaged in the manufacture of certain articles.

Mr. HOLADAY. And also in certain construction work. The building I mentioned just a moment ago was built by this prison labor.

Mr. FULBRIGHT. This is the same appropriation that has been made for a number of years?

Mr. HOLADAY. Yes.

Mr. GOSS. But I call the gentleman's attention to the fact that the fund heretofore had certain limitations placed upon it. These limitations have now been removed by the point of order and this leaves the fund to be used in any way the commissioners may see fit.

Mr. FULBRIGHT. I appreciate the gentleman's position, but I am wondering what we are going to do with this prison labor if there is no appropriation.

The CHAIRMAN. The Chair sustains the point of order made by the gentleman from Connecticut [Mr. Goss].

The Clerk read as follows:

TUBERCULOSIS HOSPITAL

For personal services, $80,200.

Mr. KELLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KELLER: Page 60, line 12, after the word "services," strike out "$80,200" and insert in lieu thereof "$81,300."

Mr. KELLER. Mr. Chairman, this is the first time I have ever taken part in the disputations over bills of this character, making appropriations for the District of Columbia, including institutions for the care of tuberculosis patients, and I only do so at the present time for this reason: It was my misfortune to have a long, and what was considered a terrible, experience with this disease, tuberculosis. It was supposed that I was ready to go underground about 40 years ago. I was compelled to live outdoors for a number of years. I did this, very fortunately, and during this time I learned something about tuberculosis. It is for this reason only that I am at all injecting myself into this debate.

I offer the amendment for the purpose of calling attention to these facts. Tuberculosis is a communicable disease. If it were possible for us to keep everybody who has tuberculosis away from everybody who has it not, we could entirely destroy the disease in one generation. We have made great strides along this line in the last few years because we are learning something about the hygiene necessary to this end.

This tuberculosis hospital for adults in the District of Columbia is almost entirely occupied by people who are not able to pay their own way. They are, nevertheless, your brothers and sisters and my brothers and sisters in truth and in fact.

Let us take it purely from a selfish standpoint, first: If we do not provide adequate hospitalization, we permit the men and women who are out there to be neglected, and the hospital is now filled to capacity. They become the distributors of the disease to your children and everybody else's children, because tuberculosis to a large extent is a disease of childhood and young manhood and young womanhood. We ought not, for the sake of saving a few thousand dollars, make this hospital a great failure and a great disgrace to this country, and I know the committee has no such intention.

I have been going over the facts and figures and the reports with a great deal of care, and I have also gone over the Budget. The men who wrote this Budget are not ignorant men. They are men who really know what ought to be done about tuberculosis, better than anybody who has not had special training and special experience along this line. Furthermore, their original estimates, which have been so drastically cut by this committee, were approved by the board of public welfare, the board of commissioners, and by the Budget Bureau. I believe we ought to go back to the Budget figure, and it is exactly for that purpose that I have proposed this amendment.

I call your attention to the fact that the present Budget estimate is $5,000 less than it was last year, notwithstanding the fact that the increase in the number of patients is 16 per cent, and that there will be an even greater percentage of increase next year. Of that there can be no doubt at all. We have, as a matter of fact, considered here that the number has increased 16 per cent and, as pointed out by the chairman, food prices have decreased 16 per cent, so that makes a stand-off of the two. But there is an item that has been overlooked, apparently, in making the cut, and that is the direct increase in the cost of coal because of a much larger heating capacity which has been put into the hos-

pital since last year. The amount should be exactly the same, even if there were to be no increase in the number of patients. But the increase is 16 per cent this year over last year, and this is the smallest estimate made for next year.

[Here the gavel fell.]

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. Mr. Chairman, I have listened with a great deal of interest to the gentleman's discussion, and I am in hearty accord with his views on the subject. But the District has been more than generous in its provisions. We are appropriating in this bill four times the amount appropriated 10 years ago. The small reduction in this item was in compliance with the policy adopted by the general committee discouraging appropriations for new positions of any kind. We did not provide the part-time services of a new physician. Otherwise the appropriation for this year is identical with the appropriation given them last year.

Mr. KELLER. I want to call attention to the fact that that is a mistake. Here is a large cut of $12,000 for food and ice.

Mr. CANNON. But the gentleman is anticipating. That does not belong to this item.

Mr. KELLER. I beg the gentleman's pardon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. KELLER].

The question was taken; and on a division (demanded by Mr. CANNON) there were 19 ayes and 27 noes.

So the amendment was rejected.

The Clerk read as follows:

For provisions, fuel, forage, harness, and vehicles, and repairs to same, gas, ice, shoes, clothing, dry goods, tailoring, drugs and medical supplies, furniture and bedding, kitchen utensils, medical books, books of reference, and periodicals not to exceed $200, temporary services not to exceed $1,000, maintenance of motor trucks, and other necessary items, $49,000.

Mr. KELLER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 60, line 19, strike out the figures "$49,000" and insert "$61,000."

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KELLER. Mr. Chairman and gentlemen, I was under the impression that all these amendments had to be offered at once. Therefore, what I said a moment ago applies to this amendment also.

You only succeed in arresting tuberculosis by making the care so tender and so effective as to permit the repair of the waste faster than the disease destroys the tissue.

I want to say to you that three or four years ago, when a foreign ambassador was here in this country wanting to know something about tuberculosis, he did not go to the city of Washington to find out, but he sent medical experts to the Cook County Sanitarium in Chicago. The sanitarium in Washington is not comparable to that of the Cook County Sanitarium in Chicago.

Now, I am asking that $12,000 be restored principally for food, because if you check over it, you will find that most of these items are specifically stated in the Budget, and the food items ought to be replaced.

Mr. MAY. Will the gentleman yield?

Mr. KELLER. I yield.

Mr. MAY. Is not it a fact that the medical authorities say that food is more important than medicine?

Mr. KELLER. It is certainly one of the most important things.

Mr. MAY. More so than the medicine?

Mr. KELLER. Yes; it is of primary importance that they shall be fed and cared for to the best possible advantage so as to permit nature to do its healing work.

Mr. LANKFORD of Georgia. And if the gentleman's amendment should prevail and the money not be used for feeding these inmates, it would not be lost to the Government?

Mr. KELLER. Oh, no; certainly not. I thank the gentleman for making that suggestion. If this money should not be used for food it would be returned, of course. I am asking only because I know so well from personal experience what it means, and I am, therefore, pleading for these 205 suffering men and women who have no other way of caring for themselves. They are your brothers and my brothers and your sisters and my sisters.

Mr. BLANTON. Does the gentleman from Illinois know more about this matter than his colleague from Missouri [Mr. CANNON], who has this bill in charge, who has been holding hearings for two months, day and night part of the time? Is the gentleman more concerned at heart about the people here, or does he have more of the milk of human kindness in his breast?

Mr. KELLER. Surely not.

Mr. BLANTON. Than our friend from Missouri?

Mr. KELLER. Certainly not. That is the reason that I am making my appeal to the gentleman from Missouri. It is because he has the milk of human kindness in his breast. But a man who has had four years of a fight against tuberculosis knows more about it than any man can know who has not had such a fight. [Applause on floor and in galleries.] That is the reason I am pleading for these people. I know from experience what that suffering means.

Mr. SCHAFER. And the gentleman from Texas does not follow the committee half the time.

Mr. KELLER. I am not going to talk about that.

Mr. BLANTON. I will put up my record for voting for the committee as against that of the gentleman.

Mr. KELLER. Oh, gentlemen, I do not want you to fight; I want you to agree.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON. Mr. Chairman, nobody could be more interested in the eradication of the white plague and the care of those menaced by it than I am, and nobody could consider the gentleman's suggestions more sympathetically than I do; but we have made ample provision here. According to the statement the gentleman has just made, the increase in patients is offset by the decrease in costs of maintenance. There is no occasion for apprehension that any will be neglected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentlemen from Illinois.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 17, noes 58.

So the amendment was rejected.

The Clerk read as follows:

For repairs and improvements to buildings and grounds, including roads and sidewalks, $4,000.

Mr. KELLER. Mr. Chairman, I withdraw the amendment which I had at this portion of the bill.

The CHAIRMAN. Without objection, the amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

GALLINGER MUNICIPAL HOSPITAL

Salaries: For personal services, including not to exceed $2,000 for temporary labor, $323,816.

Mr. KELLER. Mr. Chairman, I had an amendment at the desk which I desired to offer at the end of line 6, page 61.

Mr. BLANTON. Mr. Chairman, the Clerk has read the succeeding paragraph down through line 9, and under the rule I make the point of order that the amendment comes too late. A Member can not just put an amendment on the Clerk's desk ahead of time and expect it to be considered when the paragraph is reached. The Member must get up when the paragraph is read and offer his amendment.

Mr. KELLER. But the gentleman himself was bothering me so that I could not hear what the Clerk read.

Mr. BLANTON. I was eulogizing the gentleman for being a good general who, when he is defeated, withdraws his forces.

Mr. SCHAFER. Mr. Chairman, the gentleman from Texas is out of order. He can not make a point of order in the well of the House.

Mr. BLANTON. The gentleman from Wisconsin is mistaken. I am doing that very thing.

The CHAIRMAN. The gentleman from Illinois should have offered his amendment at the time the Clerk was reading from line 6. The Chair sustains the point of order.

Mr. KELLER. Mr. Chairman, I ask unanimous consent that we return to line 6 for the purpose of offering the amendment.

The CHAIRMAN. Is there objection?

Mr. CANNON. Mr. Chairman, as much as I sympathize with the gentleman, I regret that I shall have to object.

Mr. KELLER. I move that we go back to line 6.

Mr. BLANTON. Oh, I make the point of order that such a motion is not in order.

The CHAIRMAN. The Chair sustains that point of order.

Mr. KELLER. Mr. Chairman, I move to strike out the enacting clause.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. KELLER. I am in its present form.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. KELLER. Yes.

Mr. CANNON. Oh, the gentleman from Illinois is not serious in that I am sure.

Mr. BLANTON. He is entitled to make that motion whether he is serious or not.

Mr. STAFFORD. I make the point of order that the motion is not in writing.

The CHAIRMAN. The Chair sustains the point of order made by the gentleman from Wisconsin. The motion must be in writing.

Mr. KELLER. Do I understand that when a gentleman who is conspiring with the chairman of the committee keeps me from introducing an amendment that the Chairman will hold that I am out of order in asking to return to line 6?

Mr. GOSS. Mr. Chairman, I make the point of order that all debate is exhausted on this paragraph and all amendments thereto.

The CHAIRMAN. The Chair does not understand that any time was fixed on the paragraph just read.

Mr. KELLER. I offer the following amendment, to strike out the last word.

Mr. CANNON. What is the gentleman discussing?

The CHAIRMAN. The gentleman is recognized on his motion to strike out the last word.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. All debate has been closed on this section and all amendments thereto, has it not?

Mr. BANKHEAD. Mr. Chairman, a point of order. The gentleman can not be taken off his feet by a parliamentary inquiry.

Mr. CHINDBLOM. Nor can he by a motion.

The CHAIRMAN. The Chair sustains both points of order.

Mr. CANNON. Is the gentleman recognized to strike out the last word, Mr. Chairman?

The CHAIRMAN. He has been.

Mr. SCHAFER. Mr. Chairman, regular order.

Mr. CANNON. Mr. Chairman, I have a unanimous-consent agreement that all debate on this section and all amendments thereto shall be concluded in 10 minutes. That time has been exhausted.

The CHAIRMAN. The Chair does not understand that there was such an agreement as to this section. The gentleman from Illinois is recognized.

Mr. KELLER. Mr. Chairman, on page 61, beginning at line 3, there is this language:

For completely furnishing and equipping the Children's Tuberculosis Sanitarium, including not to exceed $1,950 for the purchase of one nonpassenger and two passenger-carrying motor vehicles (including one bus), $40,000.

The Budget provides for $60,000, and provides it very properly. What we should do is to vote with the Budget on this figure for this reason: If we pass it in its present form, this allows them to expend only $40,000; and I hope the chairman will see that he can not possibly take that up in the deficiency bill hereafter. The men who made this estimate for furnishing the Children's Hospital certainly know more about that than the chairman of this subcommittee or anybody else can know who has not had their experience. That is their life work. That is their study. That is what they are devoting themselves to. If we cut the $60,000 down to $40,000, what will we do? We will put "Cheap John" stuff in that Children's Hospital, and nothing else. The men have made this estimate during the past few months. There will be no reduction at all below the figures contained here when you go to furnish that hospital. It simply means you are going to cut out one-third of the entire amount that these men have asked for, so that these children will be sleeping on hard beds and will be treated in the cheapest possible way, when if there is any place in the world we ought to devote ourselves to the stopping of tuberculosis, it is in these children, because we can save them. We can not save the others, but we can save the children. However, we can not save them with hard beds and bad service.

If you vote this down you are voting to put the children into tuberculosis hospitals on beds that are unfit for them. Do not think a child with tuberculosis can be treated like an ordinary child. Why? Because they do not have the vitality. They have not the possible resiliency to come back that a normal child has. They must be treated as tenderly as possible. They must be fed the best way possible and not in the worst way. They must have the best equipment. That is what we ought to stand for. If this committee does not do it, I shall wonder whether they do know as much about tuberculosis as the chairman ought to know, because when the lives of those children are at stake, that is when we, above all other times, ought to do our very best for them.

Mr. BLANTON. Will the gentleman yield?

Mr. KELLER. Certainly. I yield for a question.

Mr. BLANTON. If they will buy what they are going to buy outside of Washington, which is the highest market in the country, they can do it on less than one-third of what it has been costing.

Mr. KELLER. That is a statement that I would question. Those men know about prices of the equipment they have been using for years. I did not find any such charge in the hearings. Nobody questioned their knowledge in these hearings. Nobody in fact disputed with their conclusions in those hearings.

Mr. BLANTON. You can buy in Baltimore for a third cheaper than you can here.

Mr. KELLER. Has the gentleman called that to their attention in the hearings? The hearings do not so show. I know these men have not estimated too high. If anything, they have estimated too low. We ought to give the children the best we can, not the worst. It looks to me as though the chairman ought to accept an amendment to this bill providing for this additional $20,000. It is only $20,000, but it is $20,000 in comfort and life to children who can get well and who can go on and serve their country. We ought to do it. I submit that suggestion to the chairman of the committee.

Mr. SCHAFER. Mr. Chairman, I rise in opposition to the motion.

Mr. BLANTON. Well, Mr. Chairman, the chairman of the subcommittee is certainly entitled to recognition.

The CHAIRMAN (Mr. BOYLAN). The Chair shall be delighted to recognize the chairman of the subcommittee, but the gentleman from Wisconsin [Mr. SCHAFER] addressed the Chair first.

Mr. BLANTON. But the chairman of the subcommittee was on his feet.

The CHAIRMAN. In ordinary courtesy, the Chair will be glad to recognize the chairman of the subcommittee and also the gentleman from Texas [Mr. BLANTON], but the gentleman from Wisconsin made the request first, and the Chair thinks in common courtesy he is entitled to recognition.

Mr. CANNON. Mr. Chairman, I was on my feet all the time and seeking recognition.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. SCHAFER. Mr. Chairman, I thank the gracious Democratic chairman for his fairness. I merely rose at this time to voice my protest against the filibustering tactics of Members of this House who attempted to take the gentleman from Illinois [Mr. KELLER] off his feet and deny him the right to speak five minutes on his very meritorious amendment. When you go through the record of this Congress day in and day out, hour in and hour out, you will see the gentleman from Texas [Mr. BLANTON] has consumed very much time——

Mr. BLANTON. Mr. Chairman, it is my duty to use time in opposing the amendments offered to add several hundred thousand dollars to this bill, and I make the point of order that the gentleman is not confining himself to "the last word." The motion was to strike out the last word.

The CHAIRMAN. The gentleman is only laying the foundation. Wait until he proceeds.

Mr. SCHAFER. Mr. Chairman, I hope the Chair will keep the rambunctious gentleman from Texas in his seat. When you build a building you must lay a foundation first. I am laying my foundation, and I am speaking in order. [Applause.] I do not intend to have my time taken up by the gentleman from Texas. As I was stating at the time of interruption by the gentleman from Texas—day in and day out the gentleman from Texas has consumed very much time discussing the first as well as the last word.

Mr. BLANTON. The gentleman is building on fleeting sand.

Mr. SCHAFER. Mr. Chairman, I suggest that the gentleman from Texas go back and call for a page and send for a copy of the rules, and read the rules of this House. The gentleman tried to hamstring the distinguished gentleman from Illinois, a colleague on his own side of the House, who was attempting to present some important facts to this House!

Mr. BLANTON. Mr. Chairman, I make the point of order that under the rules the gentleman is out of order. He is not discussing the last word.

The CHAIRMAN (Mr. BOYLAN). The gentleman from Wisconsin will proceed in order.

Mr. SCHAFER. The motion before the House is to strike out the last word.

Mr. BLANTON. Mr. Chairman, I make the point of order. The gentleman should be required to take his seat, under the rules of the House, or confine himself to his amendment.

The CHAIRMAN. The gentleman will confine himself to the amendment striking out the last word.

Mr. SCHAFER. The gentleman from Texas injected the question of the last word. Mr. Chairman, that is what I am attempting to discuss.

Mr. BLANTON. Mr. Chairman, I make the point of order, that the motion was to strike out the last word.

The CHAIRMAN. The motion before the House is to strike out the last word.

Mr. KELLER. And that is the amount of "$323,816."

The CHAIRMAN. Whatever the gentleman from Wisconsin has to say on the sum of "$323,816" we shall be delighted to hear.

Mr. SCHAFER. I hope the gentleman from Texas will not continue to inject himself in this debate as I approach the discussion of "$323,816."

Mr. BLANTON. Mr. Chairman, I make the point of order the gentleman is not conforming to the rules of the House.

Mr. SCHAFER. Mr. Chairman, by his many interjections the gentleman is placing a greater burden on the taxpayers than that placed upon them by the amount sought to be stricken out in the last word.

Mr. BLANTON. Mr. Chairman, I ask that the gentleman be required to take his seat, unless he can conform to the rules of the House.

Mr. PARSONS. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is demanded. The gentleman will proceed in order.

Mr. SCHAFER. If the gentleman from Texas persists in making absurd points of order he will continue to aid in placing a burden on the taxpayers of the country through added costs for printing far in excess of the appropriation carried by the last word which is sought to be stricken under the pending motion. [Applause.]

While I disagree with the gentleman from Illinois on a great number of questions, he is entitled to present his views to the House. The gentleman from Illinois could not utter one word with reference to his motion to strike the last word if the gentleman from Texas had his way.

Mr. BLANTON. Mr. Chairman, I make the point of order the gentleman is proceeding out of order. Mr. Chairman, I ask that the gentleman take his seat, under the rules, or else proceed in order.

The CHAIRMAN. The Chair desires to state to the gentleman from Texas that the gentleman from Wisconsin is now proceeding in order.

Mr. SCHAFER. The gentleman from Illinois should have an opportunity to present his position to the House, even though his amendments might cost the taxpayers slightly more than the total amount of the appropriation carried in the amount designated by the last word under the pending motion.

Mr. Chairman, I am not going to take up any more of the time of the House. I merely took this opportunity to express the hope that when our distinguished colleague from Illinois [Mr. KELLER] representing hundreds of thousands of people tries to obtain five minutes, a Member who does not speak often, that the Members of his own party should give him a fair break, particularly one of the Members of his own party who takes up more time on the floor of the House than any 50 other Members of Congress combined. The gentleman from Texas must believe that a humble Member can discuss the last word without even speaking one word.

The pro forma amendment was withdrawn.

The Clerk read as follows:

EMERGENCY RELIEF

For the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia, by loan, employment, and/or direct relief in the discretion of the Board of Commissioners and under rules and regulations to be prescribed by the board and without regard to the provisions of any other law, payable from the "District of Columbia emergency relief fund, 1934," such amount as may be available in such fund: *Provided*, That not to exceed 8 per cent of such amount shall be available for administrative expenses including necessary personal services.

Mr. GOSS. Mr. Chairman, I reserve a point of order for the purpose of asking an explanation of the proviso. I wish to obtain some information. The figure carried in this bill is 8 per cent whereas in the bill for the previous year it was 10 per cent.

Mr. BLANTON. Mr. Chairman, I demand the regular order, which is that the gentleman must make his point of order.

Mr. GOSS. I shall be forced to make the point of order if I am to be shut off in this way.

Mr. CANNON. Does the gentleman desire to insist on his point of order?

Mr. GOSS. No other course is left to me.

Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. I make the point of order that this is legislation on an appropriation bill unauthorized by law. The existing law calls for 10 per cent.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON. Will the gentleman from Connecticut state his point of order again?

Mr. GOSS. This is a modification of existing law. Existing law states that not to exceed 10 per cent of the amount shall be available for administrative expenses. Under the guise of a limitation this language is inserted changing existing law.

Mr. BLANTON. Mr. Chairman, this paragraph in the bill comes within the Holman rule. This reduces the administrative expenses from 10 to 8 per cent. Under the Holman rule a reduction of expenses is always in order even if it is legislation and a change of law. It is a reduction of public expenses and is admissible under the Holman rule.

Mr. GOSS. But the language "including necessary personal services" I may say to the gentleman is legislation.

Mr. BLANTON. This is not legislation; this is authorized under the original act.

The CHAIRMAN. The Chair may say to the gentleman from Texas that this apparently does not come within the Holman rule because it does not show on its face any saving in the appropriation.

Mr. BLANTON. It saves 2 per cent.

The CHAIRMAN. No; it does not, the Chair may say to the gentleman from Texas.

Mr. CHINDBLOM. Mr. Chairman, if I may supplement what the gentleman from Connecticut has said, this paragraph relates to what is called the District of Columbia emergency relief fund, 1934.

The paragraph on page 2 which creates this relief fund was stricken out on a point of order. There is, therefore, no legislation in effect creating such a fund. This paragraph itself seeks to create a fund without stating the source of the money which is to go into it.

Of course, as the Chairman has already suggested, the 8 per cent limitation is only on the amount of money which may be taken out of the entire appropriation for a particular purpose. It does not reduce the amount of the appropriation at all.

The CHAIRMAN (Mr. BOYLAN). The Chair is ready to rule.

The Chair sustains the point of order, as it is clearly legislation on an appropriation bill.

Mr. BLANTON. Mr. Chairman, we insist that the whole paragraph go out under the point of order, because if part of it is subject to a point of order, the entire paragraph is subject to a point of order.

The CHAIRMAN. The Chair may state to the gentleman from Texas that a point of order was made against the proviso.

Mr. BLANTON. I make the point of order as to the whole paragraph, under the reservation made by the gentleman from Connecticut.

Mr. CANNON. Mr. Chairman, if one portion of the paragraph is out of order, the entire paragraph is out of order, and goes out if the point is raised.

One Member of the House having reserved a point of order, any other Member of the House may make or add to the point of order.

A point of order has been made against a portion of the bill by the gentleman from Connecticut [Mr. Goss], and the gentleman from Texas [Mr. BLANTON] makes a further point of order against the entire paragraph. That portion of the paragraph against which the first point of order is directed is clearly out of order, and it necessarily follows that the point of order by the gentleman from Texas is well taken, and the entire paragraph is eliminated.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CANNON. Yes.

Mr. CHINDBLOM. Inasmuch as the paragraph on page 2, creating the District of Columbia emergency relief fund, 1934, was stricken out, there being now no such fund, of course, this paragraph would be entirely inoperative. Does not the gentleman think it would be just as well to let it go out?

Mr. CANNON. I see no advantage in retaining it.

We have endeavored to give the District the fund they ask in the exact terms in which they asked it. If the House wishes to strike out on points of order the provision which we made to comply with the request of the commissioners, of course, we have no choice but to agree to it.

Mr. CHINDBLOM. I will say to the gentleman that if the paragraph on page 2, which created this fund, had remained in the bill, this paragraph would be operative and would be of some value. As it is now, it is inoperative and of no value and actually appropriates no money whatever, there being no such fund.

Mr. CANNON. That is true.

Mr. BLANTON. Mr. Chairman, I insist on the point of order against the whole paragraph.

The CHAIRMAN. The Chair is ready to rule.

The Chair rules that the point of order against the paragraph made by the gentleman from Texas is well taken, as it is obviously legislation on an appropriation bill. The Chair sustains the point of order.

Mr. LAGUARDIA. Mr. Chairman, I offer the amendment which I have previously sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 64, after line 9, insert the following: "To enable the Board of Public Welfare to provide for the relief of all needy persons, not otherwise provided for by appropriations herein made to such board, $625,000, payable wholly from the revenues of the District of Columbia."

Mr. BLANTON. Mr. Chairman, I make the point of order that this amendment is not germane to this part of the bill because the paragraph to which it is offered is entitled "Municipal Lodging House and Wood Yard." It has nothing in the world to do with public welfare, and the next paragraph in the bill is war veterans' service office, and, therefore, it is not germane at this place in the bill; and also it is legislation on an appropriation bill not authorized by law.

Mr. LAGUARDIA. Mr. Chairman, I would like to be heard on the point of order. In the first place, as to the amendment being offered at the proper place in the bill, I do not believe that requires any argument. I may say my amendment comes under the title "Emergency Relief."

Mr. BLANTON. That has been stricken out.

Mr. LAGUARDIA. True, the section has been stricken out on a point of order, but my amendment is on the same subject and is so drafted as to be germane and proper in every respect. The paragraph has been stricken out.

I am ready and desire to argue that if the Chair wants to hear me; if the Chair has any doubt about my amendment being legislation or being an appropriation unauthorized, I am ready to argue that point.

The gentleman from Texas makes the point of order that this is legislation or an appropriation not authorized by law.

If I may have the attention of the Chair, I desire to call his attention to chapter 55 (44 Stats. L.) act of March 16, 1926, which provides:

An act to establish a board of public welfare in and for the District of Columbia, to determine its functions and for other purposes.

Section 10 of the act to which I refer the Chair makes specific provision for appropriations for indigent, destitute, and needy persons in the District of Columbia. Without reading the entire section, may I call the Chair's attention to paragraph (d) of section 10 of the act, which provides:

That the following purposes and duties heretofore imposed by law upon the Board of Charities shall be vested in the board * * * (d) to provide for all other aged, infirm, or needy persons, including women and children, in the manner heretofore authorized by law or by appropriations enacted by Congress.

I point out that not only is there authority in the law here to appropriate for the relief of needy persons, but also authority to do so by "appropriations enacted by Congress," even if the relief work is not specifically mentioned in the

law. The gentleman from Texas took a very prominent part in the enactment of this law. If I am not mistaken, the gentleman was on the legislative committee at the time. So the authority for this appropriation is not only specifically provided for in section 10 of the act referred to, but subdivision (d) says that the board shall care for needy persons, either in the manner indicated in the law or in the manner provided, "out of appropriations enacted by Congress," and, Mr. Chairman, I have used the language of the statute in my amendment. It is germane; it is authorized by existing law, and it is not subject to a point of order.

The CHAIRMAN (Mr. BOYLAN). The Chair is ready to rule.

The Chair holds that the amendment is germane to this portion of the bill. The Chair desires to make this statement. The act of March 16, 1926 (44 Stat. 208), provides as follows:

> The following powers and duties imposed by law prior to March 16, 1926, upon the Board of Charities shall be vested in the board, and the unexpended balance of all appropriations made for the purpose of discharging such powers and duties shall become available to the board * * * (d) to provide for all other aged, infirm, or needy persons, including women and children, in the manner authorized by law or by appropriations enacted by the Congress.

The Chair therefore holds that the amendment is in order and overrules the point of order.

Mr. CANNON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. CANNON. I shall be glad if the gentleman will give attention to the last clause in his proposed amendment, as to how he proposes to make it effective—to take it exclusively from the District funds.

Mr. LAGUARDIA. The amendment specifically provides that the money must come exclusively from District funds.

Mr. Chairman, I will leave the mechanics of the proposition to the gentleman from Missouri. I want to speak on the merits of the amendment.

There is no doubt as to the facts. There can be no question as to existing destitution. The District of Columbia is stricken the same as every other part of the country. The responsibility is ours, and the duty to provide is ours.

There is no question but that there is an abnormal number of unemployed, needy people in this District who must obtain relief. This is no longer a theory but a condition. The citizens of the District can not feed all these needy people from private funds. We can not wait for Congress to come back and provide relief. It may be too late. It is not a matter of parliamentary procedure; it is a matter of the very life to these needy and dependent people in the District of Columbia. It is a matter of life to hundreds and hundreds of little children.

People are flocking to the National Capital for one reason and another. The law provides that indigent persons should be sent back to their homes. I have purposely worded the amendment so that the money comes out of the funds of the District of Columbia, because I knew that the gentleman from Missouri and the gentleman from Texas would say that we were using public funds and that other places throughout the country are taking care of their needy people. While I do not agree with that theory, I did not want to inject it into my amendment. I am trying to meet a situation.

I do not say that this is a local situation. Anything that happens in the Capital is a national question. We had an episode soon after the adjournment of the last Congress, showing that treatment of needy and destitute persons was not a local matter but one of national concern.

I want to appeal to my colleagues, particularly those on the floor, for I can not appeal to those in the dugout who come in here to vote against an amendment, not knowing what it is.

Here you have a city of over 500,000 inhabitants. You will have many people coming here for one reason or another, and they can not in the general course be taken care of.

The gentleman from Texas will say that private charity can take care of them; but private charity has already done everything that it can. The community chest can not possibly take care of all the needy in these abnormal times.

This $625,000 ought to be appropriated for that purpose.

We can not adjourn and leave these unfortunate people high and dry. We can not escape the necessity of providing necessary funds for the needy of the District.

The Government employees have contributed all they can. We can not dump all our responsibility on private charitable organizations. The community chest has taken care of all that it can. We ought to follow the recommendation of the Budget Bureau and appropriate this $625,000. The gentleman from Nebraska [Mr. SIMMONS], a member of the committee, has given a great deal of thought to this matter and he is in favor of my amendment. Look at that beautiful, rosy-cheeked baby who happens to be on the Speaker's desk. I want every little baby in the District to have the same opportunity of food and nourishment and to have milk and sunshine that little baby over there has had. [Applause.]

[Here the gavel fell.]

Mr. BLANTON rose.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 30 minutes, five minutes to the gentleman from Nebraska [Mr. SIMMONS], five minutes to the gentleman from Illinois [Mr. HOLADAY], five minutes to the gentleman from Texas [Mr. BLANTON], five minutes to the gentleman from Virginia [Mr. SMITH], five minutes to the gentleman from Alabama [Mr. PATTERSON], and five minutes to myself.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that all debate upon this amendment and all amendments thereto close in 30 minutes. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I am as sympathetic with public suffering and public necessity as any man in the United States. I love little children as much as any man who ever trod the earth. This is the first time I have ever seen such a display made in the great House of Representatives, where a beautiful little child is brought upon the floor and placed in the Chairman's arms, and its presence is used to help carry an appropriation in Congress. I have seen such displays as we have just witnessed made in courthouses to influence juries, by some Clarence Darrow criminal lawyers. My friend from New York [Mr. LAGUARDIA] is one of the best lawyers in the Nation, and he ought not to resort to courthouse tricks.

Mr. LAGUARDIA. It was not my baby.

Mr. BLANTON. No; but the gentleman very opportunely used the display of that lovely little child in arguing for an appropriation.

Mr. LAGUARDIA. Oh, I do not know even who the baby is.

Mr. BLANTON. Mr. Chairman, when this Congress met, in the first appropriation bill that was passed, the deficiency appropriation bill, we gave the poor of the District of Columbia $625,000 in cash, notwithstanding that last year they got along with only $350,000. I know how my friend from New York feels. He wants to give a pension to every man and woman over 60 years of age. He wants to give a pension to every carpenter out of work in the city of Washington who refuses to work for less than $11 a day. We have them here who struck when they were offered $8 per day, and they will not work for less than $11 a day. He wants to pension them. They were offered $8, but refused to work for less than $11, and they struck and got their $11 per day. The bricklayers and the plasterers here will not work for $13 a day, but they insist upon getting $14 a day in Washington, to be paid out of the people's Treasury, when people back home in our 48 States are starving to death. The gentleman from New York wants to pension the plasterers and the bricklayers in Washington who refuse to work for $13 a day and get their $14 per day.

Where is this going to lead? This is somebody's money that you are appropriating. It is the money of the people of the District, if it is nobody else's. I am free with my own

money, and that is why I do not have any. I give it away as fast as I can get it. But I am not free with somebody else's money. I have been, in my lifetime, a trustee for heirs and minors and widows, and I have seen to it that every dollar of their money has been properly taken care of. I am careful about spending other people's money; I am not free with it. I am not willing to appropriate it in gobs of $625,000 at a clip.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Oh, just a minute. I want to answer my friend JOHN SCHAFER from Wisconsin. He complains because the gentleman from Missouri [Mr. CANNON] and myself have taken some time on this bill. It is our duty to take time. We are here in charge of this bill, and under our oath it is our duty to protect it from the onslaughts of the spenders. When these amendments are brought in here, $185,000 by my friend from Illinois and $625,000 by my friend from New York, it is the duty of somebody to get up and protect this bill. It is no pleasure. It is hard work. I am here helping the gentleman from Missouri to protect the bill from these half-million-dollar amendments and save the money of the people.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SIMMONS. Mr. Chairman, I am somewhat surprised that there should be opposition from the members of the subcommittee in charge of this bill to the amendment offered by the gentleman from New York [Mr. LAGUARDIA]. Let me briefly call to your attention what has happened with regard to this item. The subcommittee in charge of the bill recommended to the House the appropriation of an unlimited sum for exactly the purpose covered by Mr. LAGUARDIA'S amendment. The only dispute on the record was that the subcommittee wanted this appropriation made from a special fund levied for that particular purpose. In their report they raised no question as to the need nor the right of Congress nor the necessity for this appropriation. That was admitted by the subcommittee in reporting this bill to the Congress. They admitted the need, and they asked the Congress to appropriate this money.

The only question when it came before the House was whether it should be raised out of a special fund or come out of the general revenues of the District. The question as to where the money shall come from has been settled by the committee. Those provisions that would have called for the raising of this money by a special tax have gone out of the bill on points of order. That question can not now be raised. Either you are going to deny any relief money to the District of Columbia or this money must come from the revenues of the District of Columbia, as provided by the amendment offered by the gentleman from New York [Mr. LAGUARDIA]. And I repeat again to the House that the subcommittee in charge of the bill can not complain. They themselves recognized the necessity and the validity and the appropriateness of expending this fund.

Here is a case where the people of the District of Columbia, as far as they can speak, are asking for this money. Committees of business men representing civic organizations, citizens' associations, and others, have asked the Congress that their own money be spent to take care of the needy of the Capital City. It does not come from the Federal Treasury. The expenditure of this money will not increase in any way the Federal contribution to the District of Columbia. It will not increase in any way the Federal taxes. The denial of this fund will not decrease Federal taxes. It is a request made on the part of the people of this city for their own tax money to be used to supplement the voluntary gifts of the citizenship in caring for their needs. It is not a dispute with reference to wage scales. It is not a dispute with reference to whether this city has more need than other cities. It is purely a question as to whether the Congress of the United States is going to allow the people of the United States Capital to take care of their own needy, as they have asked we permit them to do. The committee itself in reporting the bill has recommended and approved the item. I submit to my friend from Texas the only question is how we are to raise the funds. That question has been decided on points of order, but we should make this appropriation as it is involved in this amendment.

Mr. BLANTON. The gentleman from Illinois [Mr. HOLADAY] will tell you that he developed from the people who were administering this relief in Washington the admission that there were several of them drawing salaries of $5,000 a year, and one of them drew $9,000 a year.

Mr. HOLADAY. Two of them are drawing $9,000 per year.

Mr. SIMMONS. Oh, admitting all of that, it does not come out of this fund. That comes from the regular funds of the District of Columbia. We can protect that. I say it should be protected, but for God's sake do not deny people something to eat in this city, because somebody is drawing a $9,000 salary that he should not have. [Applause.]

Mr. PATTERSON. Mr. Chairman, we are acting here to-day in the capacity of a city council for the city of Washington, D. C., and the question is whether we will provide funds for the relief of unemployed and hungry people in the District of Columbia. That is the question we are to vote on in a few minutes. I feel that every Member of this House should consider the matter seriously, before we decide that we will not allow thousands of the people of the District of Columbia who are hungry and who need relief to have something to eat during the lean days which are to follow.

I am very much interested when I see the enthusiasm manifested here now about taxpayers' money. Since I am retiring from Congress I shall refuse to go into some of the things that I could point out here to show you the actions in the past of some of these enthusiastic economists—economists of the last few weeks—against any appropriation for relief and all the time talking about saving the taxpayers' money. If you will turn back a few months, you can all remember that the preceding Congress voted in 1929, right after the stock-market crash, to give the millionaires a $200,000,000 Christmas present out of the taxes of that year, because, forsooth, some of them might have lost something on the stock market. I absolve the gentleman from Texas [Mr. BLANTON] because he was not a Member of the Congress at that time.

Mr. BLANTON. The gentleman knows he has never voted for that kind of a measure yet.

Mr. PATTERSON. I absolved the gentleman. But there were only about 35 Members who voted against it. To-day, when we are talking about how much money we want to save for the people of the country and about economy, I wish we might bring ourselves to real economy. If we would reduce the interest on the national debt back to the 1914 level, when the purchasing power of the dollar was even more than it is now, we would save $300,000,000 for the people of this country. And this would not reduce salaries and turn people out of their jobs. That is where we could really save some money. Instead of that, to-day they want to keep the people of this city who are hungry and unemployed from having any relief.

I believe there are two great forces in this country. Those two great forces meet here on this item to-day. One force in this country is built up of billionaires, like Ford and Morgan and those fellows, who have brought on the conditions which prevail in this country by their selfish policy of taking too much for themselves and leaving the wage earner to go hang, and they have not moved their hands to do one thing about clearing up the serious trouble we face. Some people want to take a few dollars away from the starving and hungry people of this city in order that they may not have to pay a few more dollars in taxes out of their $20,000,000 net income. [Applause.]

I remember the distinguished Speaker of this House, before he became Speaker, said on the floor of this House at one time that he would stand for raising the income taxes in the higher brackets, to provide money to feed the hungry and starving people of this country. And the people of the country justified that stand by making him Speaker and then Vice President of the United States. I am for it to-day in this case.

Mr. SCHAFER. Will the gentleman yield?

Mr. PATTERSON. I yield.

Mr. SCHAFER. The gentleman from Texas [Mr. BLANTON] voted against the proposed legislation to stop the spending of hundreds of thousands of dollars for whisky-guzzling prohibition agents and informers, and now he seeks to stop the expenditure of funds with which to buy milk for the starving babies. [Laughter and applause.]

Mr. PATTERSON. I do not care to have that question enter into this, because this is a question separate and apart. We have only one thing to determine, and I hope that every Member of this House will determine that on the basis of whether he stands for principles of opportunity for the hungry and needy and those who toil as against the selfish and greedy. As for me I am willing to take my stand boldly for the suffering and needy. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama [Mr. PATTERSON] has expired.

Mr. SMITH of Virginia. Mr. Chairman, I take it that the Members of this House, in voting upon this proposition, desire to be informed as to one thing. Is this relief fund an emergency and is it necessary? If it is, they want to vote for it, and if it is not I know they very correctly want to vote against it.

I want to address a few remarks on the question of whether this is an emergency matter or not. I saw on the floor a few minutes ago the distinguished chairman of the Committee on Appropriations. I call him as my first witness as to the necessity for this fund of $625,000. To go back for a moment, last year the Congress appropriated $350,000 for this purpose, which was all used.

In the recent deficiency bill Congress appropriated $625,000 to run until the end of this fiscal year, and the question arose as to what would happen thereafter. On the floor, when that bill was being considered, the gentleman from Michigan asked the gentleman from Tennessee [Mr. BYRNS] whether it was understood that another $625,000 would be appropriated. He said—

> No, that is a matter for the regular bill. This is not predicated upon the idea that the regular bill will carry that sum. Personally, I think it ought to carry it.

Now, when you convince the gentleman from Tennessee [Mr. BYRNS], the chairman of the Committee on Appropriations, that an appropriation should be made there can be no question about the merit of the matter.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. CANNON. Did the gentleman from Tennessee state that it ought to be paid out of District funds or ought to be paid out of Federal funds?

Mr. SMITH of Virginia. He did not say where it should come from.

Mr. CANNON. I think the gentleman overlooks the point that the District Commissioners requested that it come out of District funds.

Mr. SMITH of Virginia. Mr. Chairman, I decline to yield any further to the gentleman from Missouri. I would like to, but my time is very limited. It is proposed that this should come out of District funds.

Mr. CANNON. The amendment reads that it is to come out of District funds, but no method is provided for carrying out that provision. If this amendment is agreed to, there is no source from which this money can come except out of joint District and Federal funds.

Mr. SMITH of Virginia. It comes out of the general fund, and the District has a surplus of over $5,000,000.

Mr. CANNON. And the gentleman knows that more than 20 cents out of every dollar in that surplus is contributed by the Federal Government and that less than 80 cents is contributed by the District. Under this amendment the Federal Government will be contributing to Washington's poor, while the poor of every other city are denied Federal aid.

Mr. SMITH of Virginia. Mr. Chairman, I can not yield further.

Not only was the chairman of the Committee on Appropriations convinced of the necessity for this emergency fund but the chairman of the subcommittee was convinced that the people of this city needed it.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. Mr. Chairman, I decline to yield.

Mr. CANNON. But the gentleman has referred to me.

Mr. SMITH of Virginia. Mr. Chairman, I decline to yield.

When the chairman of the subcommittee tried to put it in as an original proposition requiring this money to be raised in a certain way, the gentleman from Missouri and the gentleman from Texas went before the Committee on Rules.

Mr. CANNON. And the gentleman from the minority.

Mr. SMITH of Virginia. Mr. Chairman, I decline to yield. I wish to proceed uninterrupted. The gentleman will have opportunity in which to make reply.

Not only did the chairman of the Committee on Appropriations approve this emergency measure, but the chairman of the subcommittee and the gentleman from Texas went before the Committee on Rules and sought to have legislation on this appropriation bill made in order to raise this $625,000 by a special tax. Not being successful, the provision was stricken from the bill on a point of order.

The hearings show this sum will be exhausted by the 1st of July. The figures show—and there have been extended hearings on this matter before the committee in the consideration of the deficiency bill—the figures show that to-day 7,587 families are being provided for out of this fund.

Mr. Chairman, when the 1st of July rolls around, with conditions getting worse every day, what is going to be done about the 7,587 families who will be without food and shelter unless this appropriation is carried in this bill?

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman——

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. KELLER. I yield to the distinguished gentleman from Massachusetts.

Mr. CONNERY. Mr. Chairman, may I say in the time of the distinguished gentleman from Illinois [Mr. KELLER], he having been very courteous in permitting me to do this, that I think this emergency relief for the District of Columbia is one of the most important things that has come before this Congress.

Yesterday I was talking with Mayor Manning, the mayor of my home city, Lynn, Mass. He is in Washington with some 60 other mayors from throughout the United States, on the call of the mayor of Detroit. They went before a Senate committee to-day in reference to the matter of securing relief, under the Reconstruction Finance Corporation act, for the cities of the country. While I was talking with the mayor of my city he brought out the fact that in our city of 102,000 people the city will spend this year $1,000,000 for the poor department alone, for the welfare department of the city of Lynn, yet here in a city of 500,000 people we are raising the question as to whether we shall give the poor of Washington $625,000.

Mr. CANNON. Will the gentleman yield for a question?

Mr. CONNERY. The gentleman from Illinois has yielded to me. I yield if I have the right to yield.

Mr. CANNON. The gentleman says that his city spent $1,000,000 for poor relief. Was this sum raised entirely by the city or was some of the money supplied by the Federal Government?

Mr. CONNERY. It was all raised by the city.

Mr. CANNON. The objection here is that we are making a contribution from the funds of the Federal Government.

Mr. LAGUARDIA. That is not so under my amendment.

Mr. CANNON. Yes; and that is the matter I had in mind.

Mr. CONNERY. It can not be so, for the gentleman from New York says that it is not so provided in his amendment.

Mr. MEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MEAD. Is it in order for the gentleman from Massachusetts to yield time when the gentleman from Illinois has the floor?

The CHAIRMAN. The gentleman from Illinois yielded to the gentleman from Massachusetts.

Mr. CONNERY. Now, to proceed farther in my colleague's time: I think this is no time to be picayune in welfare-relief legislation. This is no time to argue where the money is coming from, whether it is going to be paid by the Federal Government or be raised locally. The amendment of the gentleman from New York provides that it shall come from the funds of the District. What I am primarily interested in is that the poor, suffering, and starving people in the District of Columbia get relief, whether it comes from District funds or from Federal funds. [Applause.]

I thank the gentleman from Illinois for yielding and thus giving me the opportunity to make this statement.

Mr. SIMMONS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SIMMONS. The question has been raised as to whether or not this amendment limits these funds to money coming from revenues of the District of Columbia. I therefore ask that the amendment be read.

Mr. CANNON. Mr. Chairman, that is not a point of order.

The CHAIRMAN. The gentleman from Missouri is right; the gentleman has stated a request and not a point of order.

Mr. SIMMONS. The point of order is that I ask the amendment be read so the House may know what is in it.

The CHAIRMAN. That is not a point of order; that is a request.

Mr. KELLER. Mr. Chairman, I wish to endorse every word the gentleman from Massachusetts has said and add to it that the very first charge on this country—whether within the city of Washington or in any State of this Union—is to prevent suffering amongst the poor.

I do not care where the money comes from, but it must come. If we do our duty, we are not going to haggle over these things. We have got to give this to the people of Washington, if we are going to go along the line of safety and common sense that we ought to pursue.

Therefore, it seems to me there ought not to be any vote against this on this floor. It is a necessity. It is a necessity, the denial of which will lead far, unless we are wise enough to see it and meet it at the present moment. I thank you.

Mr. CANNON. Mr. Chairman, all who have spoken in favor of this amendment have overlooked, intentionally or otherwise, the real point at issue. It is not a question of whether there is need in Washington, and it is not a question as to whether that need will be cared for. The question before us in the consideration of this amendment is where this $625,000 which it provides is coming from. The question is whether it is to be paid for by the people of Washington or by the people of the United States.

The amendment carries a clause providing that it shall be paid out of District funds. Such a provision is absolutely useless. It means nothing whatever because it provides no method by which it is to be enforced.

When my good friend from New York [Mr. LAGUARDIA] rose to speak to the amendment, I asked that he give particular attention to this phase of his amendment. He virtually conceded that there was no way to make it effective, and he is correct. There is no way to make it effective.

Let me repeat with emphasis that if this amendment is agreed to, the money will come out of the joint funds of the District and the Federal Government. There is no other source from which it can come. If you vote for this amendment, you are voting to take from the taxpayers of your own State and from the people of your own city funds to give to the needy of Washington when they have not enough funds for their own needy.

There is no more reason why the people of your State should be taxed to take care of the poor here in Washington than that they should be taxed to take care of the poor in New York or San Francisco or New Orleans or St. Louis. That is a responsibility resting on each community. And the Commissioners of the District of Columbia realized that when they asked that this sum come exclusively from the taxpayers of Washington.

If you want to take care of the poor, treat every State and every city alike. Do not tax your people to help the unemployed in Washington, unless your own unemployed are to have the same consideration.

The Senate is voting on a bill this afternoon for that very purpose. It provides half a billion dollars for this purpose. Washington will come under the provisions of that bill with the rest of the country.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CANNON. Just a minute. There is less suffering in Washington than in any other city in the United States. No factories have closed down in Washington. No industrial plants have laid off their employees in Washington. No industry has discharged its workmen in Washington, as in practically every other city of the country.

The Government is still employing the same number of people. The Washington Star reports this afternoon that the District of Columbia is at the head of 36 States of the Union in the amount of construction under way. The Washington Post recently reported that the index figure of retail sales in Washington was higher than that of any other city in this reserve district. Federal employees are paid regularly, and the dollars they receive will buy more, and their salaries will buy more, than at any time in 20 years. The tax rate in Washington is low, and the benefits received are high. Out of a list of 300 cities in the United States and Canada reported in the hearings last year Washington had the lowest tax rate of all but five. Washington is the one city of the Nation that is still prosperous.

And yet when you vote for this amendment, you are not only voting to take care of the poor of the most prosperous city in the United States—a city which pays less taxes than any other city in the United States—but you are voting to saddle that expense on the cities of your own State, which have more unemployed and greater need than Washington. Your State is probably borrowing right now from the Reconstruction Finance Corporation to take care of its own needy, and here you propose to ask your taxpayers to take care of Washington's needy as well.

Washington is not asking you to do it. Washington is ready and able to take care of its own poor and is asking you to let her do it. The Commissioners of Washington ask that this expense come out of their own funds. And that is the question pending in this amendment. Will you let Washington take care of her own relief, or will you ask your taxpayers back home to take care of their own and Washington's, too?

This request does not come from the city government. It comes from professional welfare lobbyists, who will have a freer hand if the money comes from the joint fund than if it comes wholly from the District taxpayers.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CANNON. I regret that I have only a minute left. And I want to repeat that the statement in the amendment that this $625,000 is to come from District funds is meaningless. If this amendment is agreed to, more than one-fifth of it will come from the United States Treasury. There is no other source from which it can come. This $625,000 is for only six months. It is at the rate of $1,250,000 a year. So any Member who votes for it is voting to saddle more than a quarter of a million dollars on the taxpayers of the United States. That is the exact amount of the share that will be paid by the Federal Government if this amendment goes through. The issue here is not relief. The needy will be amply cared for whether this amendment is agreed to or not. The issue here is whether it shall be paid by the District or by the Federal Treasury.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent that the amendment may be read.

Mr. CANNON. The amendment has been read.

Mr. LAGUARDIA. The gentleman made the statement that this money would not come from District funds, when it would.

Mr. BLANTON. But it makes no provision for raising the money.

Mr. LAGUARDIA. I ask unanimous consent that the amendment may be read, Mr. Chairman.

Mr. CANNON. I must object, Mr. Chairman, because it is misleading.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 50, noes 31.

Mr. CANNON. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chairman appointed as tellers Mr. LAGUARDIA and Mr. CANNON.

The committee again divided, and the tellers reported that there were—ayes 76, noes 45.

So the amendment was agreed to.

Mr. McLEOD. Mr. Chairman, I offer an amendment to the LaGuardia amendment.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: On page 64, after the amendment just adopted, insert: "For the purpose of affording additional relief to meet the existing emergency in the District of Columbia, there is hereby authorized to be appropriated an additional sum of $40,000 to supply food for undernourished school children."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment. The Chair has already ruled that the amendment would be legislation on an appropriation bill unauthorized by law.

Mr. McLEOD. Mr. Chairman, the amendment follows the same precedent as the amendment just adopted.

The CHAIRMAN (Mr. PRALL). The Chair may state to the gentleman from Texas that the amendment is only an authorization for an appropriation and not an appropriation.

Mr. BLANTON. An authorization is legislation. We are now considering an appropriation bill, and I make the point of order that this proposed amendment is legislation on an appropriation bill unauthorized by law.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

For personal services, $17,417; temporary labor, $6,000; for expenses of camps, including hire of horses for officers required to be mounted, and for the payment of commutation of subsistence for enlisted men who may be detailed to guard or move the United States property at home stations on days immediately preceding and immediately following the annual encampments; damages to private property incident to encampment; reimbursement to the United States for loss of property for which the District of Columbia may be held responsible; cleaning and repairing uniforms, arms, and equipment; instruction, purchase, and maintenance of athletic, gymnastic, and recreational equipment at armory or field encampments, not to exceed $500; practice marches, drills, and parades; rent of armories, drill halls, and storehouses; fuel, light, heat, care, and repair of armories, offices, and storehouses; machinery and dock, including dredging alongside of dock; construction of buildings for storage and other purposes at target range; telephone service; printing, stationery, and postage; horses and mules for mounted organizations; maintenance and operation of passenger and nonpassenger carrying motor vehicles; street-car fares (not to exceed $200) necessarily used in the transaction of official business; not exceeding $400 for traveling expenses, including attendance at meetings or conventions of associations pertaining to the National Guard; and for general incidental expenses of the service, $8,400; in all, $31,817.

Mr. PARKER of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PARKER of Georgia: On page 69, in line 1, after the word "services," strike out "$17,417" and insert in lieu thereof "$24,750," and at the beginning of line 2, page 69, strike out "$6,000" and insert in lieu thereof "$6,650."

Mr. PARKER of Georgia. Mr. Chairman——

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. PARKER of Georgia. I object, Mr. Chairman. I have another amendment which I hope to offer in just a few minutes, and I do not think we should be shut off without being permitted to talk.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 25 minutes.

Mr. STAFFORD. Mr. Chairman, I object.

Mr. PARKER of Georgia. Mr. Chairman, this bill decreases the appropriations for the District of Columbia National Guard, the militia of the District, 45 per cent of what it was last year. It decreases the appropriation 41 per cent under the estimates in the Budget.

I want the committee to understand that I have not voted to increase any appropriation above the Budget estimates, and my amendments do not contemplate the raising of these appropriations to the amount of the Budget estimates even in this case. If the amendment I am now offering and the amendment I am going to offer to this section are both adopted, you will still be taking 20 per cent from the Budget estimates for the National Guard of the District of Columbia.

I may say, in passing, that the funds appropriated for the National Guard of the several States of the Union have not been reduced a single, solitary dollar under what they were last year. Why should we cripple the militia of the District of Columbia by reducing its appropriations 41 per cent under the Budget estimates and make it impossible for it to function efficiently?

There is one appropriation of $10,000 for the pay of troops that has been made for the last 20 years. That has been cut out entirely, and I will not ask to restore that item to the bill, although it was recommended by the Bureau of the Budget. We do ask you to increase two or three small items to the Bureau of the Budget estimates.

The gentleman from South Carolina [Mr. McSWAIN], chairman of the Committee on Military Affairs, had these amendments prepared and was going to present them himself, but in his absence I am pinch hitting for him, and I sincerely hope that before you vote against these two amendments you will look into the situation to see if the Militia of the District of Columbia is being treated fairly. I want you to find out if the Militia of the District is being treated as fairly as the militia of the several States of the Union.

As I have already said, if you adopt both of my amendments—this one and the one I am going to offer a little later—the appropriations for the militia will still be 20 per cent under the Budget estimates.

Mr. GOSS. Will the gentleman yield?

Mr. PARKER of Georgia. I yield.

Mr. GOSS. I understand the District of Columbia is the headquarters for the division composed of the Militia of the District, Maryland, Virginia, and the Artillery of Pennsylvania?

Mr. PARKER of Georgia. Yes.

Mr. GOSS. If that is so, this will be a handicap to these troops in the Army appropriation bill.

Mr. PARKER of Georgia. That is correct. I ask permission to incorporate in my remarks a little table furnished to me by General Stephan, the commanding general of the Militia of the District of Columbia. It shows the appropriations last year, the Budget estimates, and the amounts carried in the bill that is pending.

The CHAIRMAN. Without objection, permission is granted.

There was no objection.

The table is as follows:

*Statement showing 45 per cent reduction in appropriation for the District of Columbia National Guard as contained in the District of Columbia appropriation bill for the fiscal year 1934 (p. 68), as now before the House of Representatives*

The items should be restored to the Budget Bureau estimates.

| Object | Appropriation, 1933 | Budget estimate, 1934 | Amount recommended in bill for 1934 | Decrease compared with 1933 appropriation | Decrease compared with 1934 Budget estimate |
|---|---|---|---|---|---|
| Personal services | $27,150 | $24,750 | $17,417 | $9,333 | $7,333 |
| Temporary labor | 7,000 | 6,650 | 6,000 | 1,000 | 650 |
| Pay of troops | 10,000 | 10,000 | None. | 10,000 | 10,000 |
| General expenses | 14,450 | 13,000 | 8,400 | 6,050 | 4,600 |
| Total | 58,600 | 54,400 | 31,817 | 26,783 | 22,583 |

Mr. CANNON. Mr. Chairman, I will say that the committee wrote this section practically under an instruction from the House. This is the exact language and these are the exact amounts carried by the bill, passed by the House, and sent to the Senate last year. We have made no changes of any kind. As a matter of fact, they are much more liberal this year than last, for the reason that the cost of practically every item provided for has greatly decreased in the meantime.

Mr. GOSS. Just one moment. Can the gentleman tell us why under the miscellaneous items he appropriates $179,000 for the Anacostia River flats, with a reduction of $6,000, as against the small appropriation of $58,000 reduced $22,000? Why did not the gentleman carry out the same proportion for the Anacostia Flats that he has carried out for the Militia of the District of Columbia?

Mr. CANNON. Of course, there is no connection between the two.

Mr. GOSS. I know that, but I am asking this to show the gentleman's inconsistency in his own argument.

Mr. CANNON. There is not the slightest inconsistency. We did not cut the militia at all. We did cut the item to which the gentleman refers. As between the two we were more generous with the militia.

Mr. GOSS. The appropriations for 1934 have been cut $6,000 out of $79,000, while there has been an actual cut here of 50 per cent.

Mr. CANNON. The cut was made by the House last year. In this bill the committee have merely adopted the amounts carried by that bill. These are the figures which the House agreed to and sent to the Senate last year. Mr. Chairman, I move that all debate on the paragraph and all amendments thereto now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. PARKER of Georgia) there were 18 ayes and 29 noes.

So the amendment was rejected.

Mr. PARKER of Georgia. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 70, line 2, strike out "$8,400" and insert in lieu thereof "$13,000."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

The Clerk read as follows:

For 4,000 feet of 30-inch water main in Eleventh Street SE., including river crossing, from K Street to Nichols Avenue and Good Hope Road, including not to exceed $2,000, to be immediately available, for the employment of engineering or other professional services, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) or the classification act of 1923, as amended, and engineering and incidental expenses, $242,000.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. The exemption of this section 3709 of the classification act in this paragraph applies only to the engineers?

Mr. CANNON. Yes.

Mr. GOSS. So that the commissioners will be required to ask for bids and award the contract to the lowest bidder on the water main.

Mr. CANNON. Yes.

The Clerk read as follows:

During the fiscal year ending June 30, 1934, the Commissioners of the District of Columbia are authorized to allow a discount of 10 per cent on the amount of any bill for water charges paid within 15 days after the date of the rendition thereof.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order so as to ask a question. Why did the committee recommend such a liberal discount as 10 per cent if the water charges be paid within 15 days of the time when they are due?

Mr. CANNON. Mr. Chairman, in response to the gentleman's question, we found that by reason of the increase in water rates made about two years ago we were accumulating a large surplus. At the present rate we will have at the end of the fiscal year a surplus of approximately $700,000 in the water fund in the Treasury. The water rates are already lower in the District than in most of the cities of the country. I have here a comparative list of rates in force in 17 comparable cities of the United States, as follows:

COMPARATIVE WATER RATES

(It is estimated that the average meter will register 9,000 cubic feet of water per year. This table indicates the amount which would be paid for 9,000 cubic feet over a period of a year in each of the cities mentioned.)

| | |
|---|---|
| Minneapolis | $5.40 |
| Cleveland | 6.00 |
| Milwaukee | 8.30 |
| Detroit | 8.38 |
| New York | 9.00 |
| Washington | 9.80 |
| Cincinnati | 10.80 |
| Columbus | 10.80 |
| Omaha | 11.25 |
| Buffalo | 12.00 |
| Los Angeles | 12.00 |
| Rochester | 12.15 |
| Boston | 13.86 |
| St. Paul | 14.10 |
| Akron | 14.40 |
| Kansas City | 14.64 |
| Baltimore | 18.00 |

It will be observed that, notwithstanding the service here in Washington is unexcelled, the rate charged the consumer is sixth lowest out of the 17 cities.

In view of the large surplus accumulating, the committee felt the rate should be lowered and asked the auditor to make an estimate and submit the minimum rate which could safely be charged. On the following day the auditor reported that a survey was in progress which would require some time to complete and suggested that reduction in rates be deferred until next year when the data from the survey would be available, and that in the meantime a rebate of 10 per cent be made for prompt payment of accounts, and that plan was adopted.

Mr. STAFFORD. This provision is not reducing the water rate. It is granting a discount of 10 per cent, which is liberal, for payment within 15 days.

Mr. CANNON. Yes; we estimated that it would result in a saving to the people of Washington of approximately $200,000 for the year. Next year it is expected that a reduction can be made in the rate itself.

Mr. STAFFORD. You are giving a preferred number a lower rate, but you are not making it applicable to all.

Mr. CANNON. Oh, anyone who pays his bill within 15 days after it is due may have that discount.

Mr. STAFFORD. I know, but the poor, unfortunate fellow who does not happen to have the money on the spot can not get the benefit of the reduction. I believe this is

the only instance where the gentleman is in favor of reducing the revenues of the District.

Mr. CANNON. The gentleman will recall that I offered an amendment reducing the rate on real estate from $1.70 to $1.50 which would have saved the home owners of the city a very substantial amount.

Mr. STAFFORD. And I am told by my friend from Connecticut [Mr. Goss] that if he does not pay within 15 days his water is shut off.

Mr. GOSS. Oh, I did not say that. I said that if he did not pay his bill his water would be turned off.

Mr. STAFFORD. I am not in sympathy with the idea but I withdraw the reservation of the point of order.

The Clerk read as follows:

SEC. 6. No part of the appropriations contained in this act shall be used to pay any increase in the salary of any officer or employee of the District of Columbia by reason of the reallocation of the position of such officer or employee to a higher grade since June 30, 1932, by the Personnel Classification Board or the Civil Service Commission, and the authority of the Civil Service Commission to reallocate the position of any officer or employee of the District of Columbia to a higher grade under the classification act of 1923, as amended, is suspended during the fiscal year 1934.

Mr. CONNERY. Mr. Chairman, I make the point of order against section 6.

Mr. LEHLBACH. Mr. Chairman, I make the point of order against section 6 in that it contains legislation on an appropriation bill.

Mr. CANNON. Mr. Chairman, the point of order is well taken.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CANNON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. CANNON: Page 81, after line 12, insert a new section, as follows:

"SEC. 6. No part of the appropriations contained in this act shall be used to pay any increase in the salary of any officer or employee of the District of Columbia by reason of the reallocation of the position of such officer or employee to a higher grade since June 30, 1932, by the Personnel Classification Board or the Civil Service Commission."

Mr. CONNERY. Mr. Chairman, on that I reserve the point of order.

Mr. CANNON. Mr. Chairman, this merely carries out the spirit of the economy act and applies it to everybody alike.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. COLLINS. The elimination of section 201 of the economy act by the Economy Committee in the Senate restores many increases in salaries. For example, take the case of the budget officer for the Navy Department. His salary will be increased over $2,000 by the elimination of that section.

Mr. CANNON. I think the gentleman is speaking of a pending amendment to the economy act.

Mr. COLLINS. I am speaking about the elimination of section 201 of the economy act, which will permit many increases in salaries, something that should not be done under any circumstances in these terrible times.

Mr. BYRNS. Is the gentleman absolutely certain that is going to be done?

Mr. COLLINS. Well, I hope the House conferees will permit it. I believe my friend, the chairman of the Committee on Appropriations and his colleagues from the House can prevent its elimination. I can conceive of no act on the part of Congress that would bring it into greater disfavor than the raising of salaries of Government employees. The elimination of section 201 would automatically increase the salaries of many of the higher-paid officers. I do hope my friend [Mr. BYRNS] will vigorously oppose the repeal of this section of existing law. He is one of our most influential Members and if he makes a fight I am confident of its retention.

Mr. BLANTON. Mr. Chairman, the regular order.

Mr. CONNERY. Mr. Chairman, I make the point of order that this is legislation on an appropriation bill, and comes within rule 13. I think this is drawn in the guise of a limitation, but it is really legislation on an appropriation bill.

Mr. CANNON. Mr. Chairman, this is really a limitation on the appropriation.

The CHAIRMAN (Mr. PRALL). The Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. CONNERY) there were ayes 54 and noes 4.

So the amendment was agreed to.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent to address the committee for two minutes on this bill.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Chairman, I did not hear the argument presented by the gentleman from New York [Mr. LAGUARDIA], and trust there may be no repetition in my remarks of what he has already stated in the House.

Mr. Chairman, as chairman of the District of Columbia Legislative Committee, I am very happy that the amendment offered to-day by the gentleman from New York [Mr. LAGUARDIA] to provide for reinstatement of the amounts in the appropriation bill, was carried. Because of the unprecedented need in the District of Columbia, the Commissioners of the District asked for an appropriation from Congress of $1,250,000 for the calendar year 1933. Six hundred and twenty-five thousand dollars of this has already been included in the deficiency bill for the relief of destitution until July 1, 1933. The balance of $625,000 has been asked in the regular appropriation bill to be used for this purpose, in the last six months of the present year.

If this money had not been made available, on July 1, 7,000 families, representing 28,000 persons of the District, would be faced with actual starvation. This number of families is now being carried by the emergency relief division of the Board of Public Welfare in a way entirely inadequate. An average of $3.60 a week is being allowed those families. Private funds are utterly inadequate to meet this need, and unless relief is provided from District revenues—not Federal—a very serious situation is bound to develop. Ever since 1929 the number of dependent families in Washington and the amount of relief necessary has doubled from the year before. If that situation continues in 1933 there will be needed more than $2,000,000 to care for the needy people in Washington. Congress will have adjourned before July 1, and the people of Washington will have no means of providing the necessary relief for the last half of the year. Congress, under the present form of government in the District of Columbia, is obligated to secure proper relief legislation in order that there shall be no undue suffering in the Nation's Capital. [Applause.]

Mr. CANNON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. PRALL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 14643) making appropriations for the District of Columbia for the fiscal year 1934, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CANNON. Mr. Speaker, I ask for a separate vote on the LaGuardia amendment, inserting the provision for $625,000.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote is demanded by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 64, after line 9, insert the following: "To enable the Board of Public Welfare to provide for the relief of all needy persons not otherwise provided for by appropriations herein made to such board, $625,000, payable wholly from the revenues of the District of Columbia."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. CANNON) there were—ayes 50 and noes 27.

Mr. CANNON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. BLANTON. And object to the vote on that ground.

The SPEAKER. Evidently there is not a quorum present.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STAFFORD. If the House should adjourn now, would this be the first order of business on Monday?

The SPEAKER. Monday is Consent Calendar day.

Evidently there is not a quorum present. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 166, nays 105, answered "present" 1, not voting, 154, as follows:

[Roll No. 160]

YEAS—166

| | | | |
|---|---|---|---|
| Amlie | Delaney | Knutson | Sanders, N. Y. |
| Andrews, N. Y. | Dies | Kopp | Sandlin |
| Arentz | Dowell | Kunz | Schafer |
| Bachmann | Eagle | Kvale | Schneider |
| Bacon | Eaton, Colo. | LaGuardia | Schuetz |
| Beam | Englebright | Lankford, Ga. | Seger |
| Biddle | Eslick | Leavitt | Shott |
| Bland | Estep | Lehlbach | Simmons |
| Bloom | Fernandez | Lewis | Sinclair |
| Boehne | Fish | Lichtenwalner | Smith, Va. |
| Bolton | Flood | Lindsay | Snell |
| Bowman | Foss | Lonergan | Snow |
| Boylan | Free | Luce | Stafford |
| Briggs | Gambrill | McClintock, Ohio | Stalker |
| Britten | Gasque | McCormack | Strong, Pa. |
| Buckbee | Gibson | McGugin | Stull |
| Bulwinkle | Gifford | McKeown | Sutphin |
| Burtness | Gilchrist | McLeod | Swank |
| Byrns | Goss | Manlove | Swanson |
| Campbell, Iowa | Guyer | Martin, Mass. | Sweeney |
| Carter, Calif. | Hadley | Martin, Oreg. | Swick |
| Carter, Wyo. | Hancock, N. C. | Michener | Swing |
| Chindblom | Hardy | Millard | Taber |
| Christgau | Haugen | Moore, Ohio | Temple |
| Christopherson | Hess | Nelson, Me. | Thurston |
| Clancy | Hoch | Norton, N. J. | Timberlake |
| Clark, N. C. | Hogg, Ind. | Parker, N. Y. | Tinkham |
| Cochran, Mo. | Holmes | Partridge | Turpin |
| Cochran, Pa. | Hooper | Patman | Vinson, Ky. |
| Collier | Hope | Patterson | Wason |
| Colton | Hopkins | Peavey | Welch |
| Condon | Horr | Pittenger | White |
| Connery | Howard | Prall | Williamson |
| Cooper, Ohio | Hull, William E. | Purnell | Wilson |
| Coyle | Jacobsen | Ramseyer | Wingo |
| Cross | Jenkins | Ramspeck | Withrow |
| Crosser | Kading | Ransley | Wolcott |
| Crowther | Kahn | Reed, N. Y. | Wood, Ind. |
| Culkin | Keller | Reilly | Woodruff |
| Darrow | Kelly, Ill. | Rogers, Mass. | Woodrum |
| Davenport | Kelly, Pa. | Rudd | |
| Davis, Pa. | Kinzer | Sabath | |

NAYS—105

| | | | |
|---|---|---|---|
| Abernethy | Cary | Fiesinger | Hill, Ala. |
| Adkins | Castellow | Flannagan | Hill, Wash. |
| Allgood | Collins | Fulbright | Huddleston |
| Arnold | Cooper, Tenn. | Fuller | Johnson, Mo. |
| Ayres | Cox | Fulmer | Johnson, Tex. |
| Bankhead | Crowe | Garber | Jones |
| Barton | Crump | Gillen | Kerr |
| Blanton | Davis, Tenn. | Glover | Ketcham |
| Browning | DeRouen | Green | Kniffin |
| Buchanan | Dickinson | Greenwood | Lambeth |
| Burch | Disney | Gregory | Lamneck |
| Busby | Doughton | Griswold | Lanham |
| Canfield | Doxey | Hare | Larrabee |
| Cannon | Driver | Hart | Lea |
| Carden | Ellzey | Hastings | Lozier |
| Ludlow | Mobley | Rankin | Underwood |
| McClintic, Okla. | Morehead | Rayburn | Vinson, Ga. |
| McDuffie | Nelson, Mo. | Romjue | Warren |
| McMillan | Norton, Nebr. | Sanders, Tex. | West |
| McReynolds | Oliver, Ala. | Shallenberger | Whittington |
| Major | Parker, Ga. | Spence | Williams, Mo. |
| Mansfield | Parks | Steagall | Wood, Ga. |
| Mapes | Parsons | Stevenson | Wright |
| May | Pettengill | Tarver | Yon |
| Miller | Polk | Taylor, Colo. | |
| Milligan | Ragon | Taylor, Tenn. | |
| Mitchell | Rainey | Thomason | |

ANSWERED "PRESENT"—1

Holaday

NOT VOTING—154

| | | | |
|---|---|---|---|
| Aldrich | Curry | Hull, Morton D. | Pou |
| Allen | De Priest | Igoe | Pratt, Harcourt J. |
| Almon | Dickstein | James | Pratt, Ruth |
| Andresen | Dieterich | Jeffers | Reid, Ill. |
| Andrew, Mass. | Dominick | Johnson, Ill. | Rich |
| Auf der Heide | Douglas, Ariz. | Johnson, Okla. | Robinson |
| Bacharach | Douglass, Mass. | Johnson, S. Dak. | Rogers, N. H. |
| Baldrige | Doutrich | Johnson, Wash. | Selberling |
| Barbour | Drane | Kemp | Selvig |
| Beck | Drewry | Kennedy, Md. | Shannon |
| Beedy | Dyer | Kennedy, N. Y. | Shreve |
| Black | Eaton, N. J. | Kleberg | Sirovich |
| Bohn | Erk | Kurtz | Smith, Idaho |
| Boileau | Evans, Calif. | Lambertson | Smith, W. Va. |
| Boland | Evans, Mont. | Lankford, Va. | Somers, N. Y. |
| Brand, Ga. | Finley | Larsen | Sparks |
| Brand, Ohio | Fishburne | Loofbourow | Stewart |
| Brumm | Fitzpatrick | Lovette | Stokes |
| Brunner | Frear | McFadden | Strong, Kans. |
| Burdick | Freeman | McSwain | Sullivan, N. Y. |
| Cable | French | Maas | Sullivan, Pa. |
| Campbell, Pa. | Gavagan | Magrady | Summers, Wash. |
| Carley | Gilbert | Maloney | Sumners, Tex. |
| Cartwright | Golder | Mead | Thatcher |
| Cavicchia | Goldsborough | Montague | Tierney |
| Celler | Granfield | Montet | Treadway |
| Chapman | Griffin | Moore, Ky. | Underhill |
| Chase | Haines | Mouser | Watson |
| Chavez | Hall, Ill. | Murphy | Weaver |
| Chiperfield | Hall, Miss. | Nelson, Wis. | Weeks |
| Clague | Hall, N. Dak. | Niedringhaus | Whitley |
| Clarke, N. Y. | Hancock, N. Y. | Nolan | Wigglesworth |
| Cole, Iowa | Harlan | O'Connor | Williams, Tex. |
| Cole, Md. | Hartley | Oliver, N. Y. | Wolfenden |
| Connolly | Hawley | Overton | Wolverton |
| Cooke | Hogg, W. Va. | Owen | Wyant |
| Corning | Hollister | Palmisano | Yates |
| Crail | Hornor | Perkins | |
| Cullen | Houston, Del. | Person | |

So the amendment was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Pou with Mr. Treadway.
Mr. Cullen with Mr. Hartley.
Mr. Montague with Mr. Bacharach.
Mr. Boland with Mr. Kurtz.
Mr. Kleberg with Mr. Brumm.
Mr. Almon with Mr. Perkins.
Mr. O'Connor with Mr. Boileau.
Mr. Dieterich with Mr. Thatcher.
Mr. Fitzpatrick with Mr. Hollister.
Mr. Shannon with Mr. James.
Mr. Griffin with Mr. Wolfenden.
Mr. Tierney with Mr. Stokes.
Mr. Weaver with Mr. Wolverton.
Mr. Hornor with Mr. Hancock of New York.
Mr. Jeffers with Mr. Frear.
Mr. Sumners of Texas with Mr. Evans of California.
Mr. Rogers with Mr. Dyer.
Mr. Oliver of New York with Mr. Eaton of New Jersey.
Mr. Moore of Kentucky with Mr. Connolly.
Mr. Larsen with Mr. Cavicchia.
Mr. Kennedy of Maryland with Mr. Beck.
Mr. Black with Mr. Andrew of Massachusetts.
Mr. Carley with Mr. McFadden.
Mrs. Owen with Mr. Niedringhaus.
Mr. Corning with Mrs. Pratt.
Mr. Smith of West Virginia with Mr. Reid of Illinois.
Mr. Fishburne with Mr. Selvig.
Mr. Dominick with Mr. Watson.
Mr. Chapman with Mr. Aldrich.
Mr. Mead with Mr. Johnson of South Dakota.
Mr. Kemp with Mr. Barbour.
Mr. Auf der Heide with Mr. Maas.
Mr. Kennedy of New York with Mr. Chase.
Mr. Brand of Georgia with Mr. Murphy.
Mr. McSwain with Mr. Pratt.
Mr. Cole of Maryland with Mr. Shreve.
Mr. Overton with Mr. Finley.
Mr. Drane with Mr. Smith of Idaho.
Mr. Sirovich with Mr. Freeman.
Mr. Douglas of Arizona with Mr. Whitley.
Mr. Stewart with Mr. French.
Mr. Gavagan with Mr. Gates.
Mr. Williams of Texas with Mr. Golder.
Mr. Johnson of Oklahoma with Mr. Wigglesworth.
Mr. Igoe with Mr. Wyant.

Mr. Sullivan of New York with Mr. Hall of Illinois.
Mr. Harlan with Mr. Hawley.
Mr. Somers of New York with Mr. Doutrich.
Mr. Haines with Mr. Seiberling.
Mr. Montet with Mr. Cole of Iowa.
Mr. Hall of Mississippi with Mr. Nelson of Wisconsin.
Mr. Granfield with Mr. Clague.
Mr. Brunner with Mr. Magrady.
Mr. Cartwright with Mr. Chiperfield.
Mr. Gilbert with Mr. Lovette.
Mr. Drewry with Mr. Beedy.
Mr. Collier with Mr. Houston of Delaware.
Mr. Dickstein with Mr. Erk.
Mr. Chavez with Mr. Clarke of New York.
Mr. Douglass of Massachusetts with Mr. Campbell of Pennsylvania.
Mr. Evans of Montana with Mr. Bohn.
Mr. Goldsborough with Mr. Lambertson.
Mr. Maloney with Mr. Mouser.
Mr. Person with Mr. De Priest.
Mr. Summers of Washington with Mr. Hogg of West Virginia.
Mr. Curry with Mr. Robinson.
Mr. Burdick with Mr. Lankford of Virginia.
Mr. Rich with Mr. Johnson of Washington.

Mr. WITHROW. Mr. Speaker, my colleague, the gentleman from Wisconsin [Mr. BOILEAU], is unavoidably absent by reason of illness in his family. Were he present he would vote "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. PARKS. Mr. Speaker, I send to the Clerk's desk a motion to recommit.

Mr. STAFFORD. The gentleman has not qualified as yet.

The SPEAKER. Is the gentlemen from Arkansas opposed to the bill?

Mr. PARKS. I am.

The Clerk read as follows:

Mr. Parks moves that the bill, H. R. 14643, be recommitted to the Committee on Appropriations with instructions to the committee to report the same forthwith with the following amendment:

On page 38, strike out lines 1 to 11, inclusive.

Mr. PARKS. Mr. Speaker, on that I move the previous question.

Mr. CHINDBLOM. Mr. Speaker, may we have read the lines that are sought to be stricken out?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the paragraph that is sought to be stricken out be read by the Clerk.

The SPEAKER. Without objection the paragraph sought to be stricken out by the gentleman from Arkansas will be read.

There was no objection.

The Clerk read as follows:

On page 38, strike out lines 1 to 11, inclusive, which are as follows:

"No part of the foregoing appropriations for public schools shall be used for instructing children under 5 years of age except children entering during the first half of the school year who will be 5 years of age by November 1, 1933, and children entering during the second half of the school year who will be 5 years of age by March 15, 1934: *Provided*, That this limitation shall not be considered as preventing the employment of a matron and the care of children under school age at the Webster School whose parent or parents are in attendance in connection with Americanization work."

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 14, noes 203.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 209, noes 6.

So the bill was passed.

On motion of Mr. CANNON, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct the totals in the bill.

Mr. SCHAFER. Mr. Speaker, I object.

RESIGNATION FROM FUNERAL COMMITTEE

Mr. JACOBSEN. Mr. Speaker, I ask unanimous consent to be excused as a member of the committee attending the funeral of our late colleague from Minnesota [Mr. Goodwin.]

The SPEAKER. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none, and appoints in his place the gentleman from Minnesota [Mr. CHRISTGAU].

SOME FUNDAMENTALS OF RECOVERY

Mr. HOPKINS. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting the address of Ogden Mills, Secretary of the Treasury, on Lincoln's birthday, delivered in Kansas City by Mr. Mills's assistant, Mr. John J. Hopkins.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HOPKINS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. Ogden Mills, Secretary of the Treasury, delivered before the Young Republican Club of Missouri, at its Lincoln Day dinner at Kansas City, Mo., Saturday evening, February 11, 1933:

We have met to celebrate the birth of one of the Nation's great and the true founder of the party to which we owe allegiance. As here, all over the country Republicans are meeting to reaffirm their faith in their party and in its principles and to rededicate it to the service of our country.

Even in defeat we can hold our head high. History will acknowledge the high character of service rendered by the Republican Party under the leadership of President Hoover in the face of as grave difficulties as ever confronted the Nation. I venture to prophesy that the soundness of the principles which he has laid down and the policies which he has advocated will, as the days go by, receive fuller and fuller recognition. Nor am I concerned about the future of our party. Its strength and vitality were amply demonstrated last fall in the face of heavy political odds. Even in the minority it has a great function to perform. But to perform it adequately there must be unity, a sense of direction, and an uncompromising fidelity to principle.

Experience has clearly demonstrated that weakness and lack of cohesion in our parties mean weakness in government. Nothing contributes more to a vigorous administration of national affairs than a strong, well organized, and united majority party, faced by a compact and militant opposition.

We wish the new administration well. For the sake of the country I trust the Democrats may preserve the unity and harmony necessary to enact the constructive program which the circumstances call for. Certainly it is our duty to cooperate heartily to that end. In fact, the future of both parties is inextricably bound up with the resourcefulness, courage, and character which they exhibit in dealing with the grave conditions at home and abroad which threaten the well-being and progress of mankind.

It is of these conditions and some of the fundamental steps essential to recovery of prices, employment, and business activity that I desire to speak this evening.

If we look at the world situation, we can not fail to note that progressive economic deterioration has spread from country to country. The process of infection seems to be both cumulative and irresistible as long as remedial measures are confined to independent national action.

As a result it is estimated that there are nearly 30,000,000 workers unemployed. Wholesale commodity prices—expressed in gold—have declined since October, 1929, by roughly a third; raw material prices on the average by 50 to 60 per cent. In the middle of December, at Winnipeg, the price of wheat fell to the lowest level recorded in any primary market for wheat during the last four centuries. World stocks of basic products continue to accumulate. Industrial production has everywhere been drastically curtailed, particularly in the capital-goods industries. International trade has shrunk to incredibly low levels and continues to shrink, while national incomes in many countries, it is estimated, have declined by as much as 40 per cent. Almost half of the countries of the world are off the gold standard, and in some 40 countries exchange restrictions have been imposed.

This is a very brief summary of the findings of the preparatory commission of experts of the world economic conference.

In our own country we have witnessed an enormous contraction of business and commerce, a precipitous and uneven decline in price levels, a tremendous contraction of credit, widespread unemployment, and great suffering and hardship on the part of almost all those burdened with debt. While necessary readjustments continue to take place—as they have on an immense scale during the last three years—and though our people with characteristic initiative and resourcefulness are everywhere finding solutions for intensely difficult problems, suffering is so general and the future still appears so uncertain that all are longing for a sense of direc-

tion and for a program that offers a definite hope of broad improvement.

There is no dearth of programs, plans, schemes, and panaceas of every variety. Many of them serve to illustrate the confusion of thought and the lack of any generally accepted conception either as to the origin of our troubles or as to the means to overcome them. As in similar periods in the past there are many who emphasize the drastic fall in prices—without adequate consideration of the factor of maladjustment—and the weight of debts as the heart of the problem. They believe that the solution is to be found through governmental manipulation of our currency and monetary system to bring about what is commonly known as inflation. They expect to improve our competitive position in world markets by depreciation of our currency in terms of foreign currencies, and to effect an automatic and artificial rise in our prices, believing that it would of itself relieve debtors and stimulate and maintain a business revival.

They start with the unwarranted assumption that the supply of gold and money both in the world and in the United States is inadequate to support a satisfactory price level. As far as the world is concerned, since 1913, the world's monetary gold reserves have increased from nearly 5,000,000,000 to about 12,000,000,000, or nearly 150 per cent, while the production of basic commodities at the highest point of 1929 was nearly one-third larger than in 1913. As a result of a number of causes, such as the reduced cost of mining and the discovery of new deposits, the release in India of about $300,000,000 from private hoards and a decreased industrial consumption of gold, the world's gold reserves increased by about $1,600,000,000 from the end of 1929 to the end of 1932, or at an average annual rate of over $500,000,000, as compared with $270,000,000 annual increase from 1922 to 1929.

When we take into consideration the greater economy in the use of gold that can be effected through its concentration in central banks and improved banking practices, it seems clear that the world is assured of a gold reserve adequate for some years to come to support a price level much higher than that now prevailing.

As far as this country is concerned, as compared with 1929, our gold stock has increased, our bank reserves have increased, and currency has increased. The present difficulty arises from inability to put to work our ample monetary resources. Credit can not be brought into active use by brute force. The increased employment of credit depends upon an expansion of business activity, that is, the buying and selling of commodities, employment of labor, and the acceleration of all of the manifold economic activities that form part of the modern economic mechanism. Potential credit is a favorable factor to business recovery, but until the credit actually goes to work it can affect neither business nor prices. It will go to work only when the lender feels secure enough to lend, and the borrower confident enough of the use he can make of the money to borrow.

What is holding us back is uncertainty and lack of confidence. How important these factors are and how great are the vitality and responsiveness of the latent forces in our economic life was demonstrated several times during the last two years. Perhaps the most striking example was given last summer when almost simultaneously the passage of the revenue act gave assurance that the national credit would be maintained, the foreign drain on our gold reserves was brought to an end, the fear of the enactment of such inflationary measures as the Patman bonus bill was terminated, and the Lausanne agreement gave rise to the hope of greater stability and order abroad. Credit contraction ceased, prices rose, and business expanded.

There are all manner of plans for producing inflation. A discussion of one which has been rather clearly defined will, I think, serve to illustrate the fallacies and dangers underlying all of them. What I have in mind is the program for reducing the gold content of the dollar.

Frankly, I do not believe that there is any real danger of these or any similar scheme being enacted into law. We have walked up to the edge of this precipice in the past and have always had the good sense to turn back in time. On at least two occasions a determined and conclusive refusal marked the turning point in our economic fortunes. I am confident that history will repeat itself, with every likelihood of the same favorable results. I say this with all the more confidence when we consider that such action would involve partial repudiation or default by our Government; political tampering with our monetary system, which could be repeated at will; the partial destruction by legislative fiat of the savings of our Nation of hard-working and thrifty families, exemplified by the 65,000,000 life-insurance policies outstanding and $24,000,000,000 of saving deposits; an unparalleled blow to confidence, and the undermining of our entire credit structure.

What would happen if we cut the gold content of the dollar in two? And in asking this question I am waiving the immense dangers incident to the necessary period of discussion which themselves might prove catastrophic. There would be, as some suppose, no automatic and immediate change. Mortgages and debts, except possibly those debts containing a gold clause, would still be paid in the same number of dollars, and in general debtors would have the same amount of dollars with which to pay them. The wage earner would continue to receive his present wage. If we had no relations with the outside world, I think even the advocates of the plan would admit that devaluation per se would not affect the domestic price level. They believe, however, that those of our producers who sell in world markets would immediately benefit by increased returns expressed in terms of dollars, and that the higher prices received by them would ultimately be reflected in a rise in the domestic price level.

The theory is that the American farmer who now sells a bushel of wheat in Liverpool for about 3 shillings, which he now converts into about 50 cents a bushel, would, if the gold value of the dollar were cut in half, receive a dollar a bushel; and since the world price largely determines the domestic price of wheat, the price of wheat at home would rise to $1. Similarly, the importer of goods would pay more dollars for goods purchased abroad. It should be noted that this process would apply directly only to imported and exported goods, and that even from the theoretical standpoint the effect upon other prices would, at best, be sympathetic and indirect. That is the theory, and the theory would probably work were it not for one all-important factor: It is assumed that the world price level would remain constant. This is where theory and fact part company. If next Monday morning the American farmer found that he could get $1 for his wheat in Liverpool you can rest assured that every vessel leaving the United States would be loaded with wheat. The price at Liverpool would break. This is so certain that it would have broken before even an extra bushel from the United States reached that market. It is impossible to say where the price of wheat would ultimately settle, but certainly far under a dollar and probably not far above present prices. What is true of wheat would be true of all other articles that sell in world markets.

Since Great Britain was forced off the gold standard in September, 1931, British prices have shown no marked increase despite a 30 per cent depreciation in the pound. World gold prices, however, have declined by 12 per cent. Great Britain has held her price level, but there is very real ground for belief that the gold panic occasioned by the departure of Great Britain from the gold standard, the subsequent instability of sterling exchange, price cutting by Great Britain in the world markets, and her decreased imports have all combined to help drive world prices still lower.

This conclusion seems all the more probable when we consider that Great Britain's departure from the gold standard was followed by currency depreciation in a great many other countries, which either abandoned the gold standard or prohibited gold exports. These and other countries with depreciated currencies handled in 1930 over 40 per cent of the world's trade. In all of these countries exchange depreciation acted as a deterrent to imports and a bounty on exports or, in other words, their decreased purchasing power and reduced prices have exercised a two-fold adverse influence on world commodity prices.

Thus, the program would amount at the beginning to a vast price-cutting campaign against other countries. America, by cutting its dollar in half, would at first be able to undersell other countries, but the latter would be forced to such defensive measures as cutting their prices, allowing their currencies to depreciate further to offset the devaluation of the dollar, or setting up prohibitive trade barriers against American goods. In practice all of these things would happen in greater or less degree in different countries. This is not a question of theory; it is exactly what has been happening and is happening to-day to world prices under the terrific pressure exerted by depreciated currencies and the frantic efforts of the different nations to protect their exchanges and balances of payment.

The fact that the United States, France, and a few other countries have remained on the gold standard is the one element of stability in the world to-day. If this were removed, widespread disorder would become chaos. Does anyone believe that we could repudiate half the value of the dollar by deliberate choice without causing an even greater shock to world confidence than that resulting from Great Britain's involuntary action?

The consequences of other inflationary programs are not fundamentally different from those I have described. If they are to be seriously pressed, we face the decision as to whether we will seek to stimulate prices and business and to relieve the burden of debts by a domestic program of currency manipulation, a course which has always resulted in disaster, or whether we shall set ourselves with determination to the accomplishment of a few basic and essential tasks which I propose to describe and, however steep the ascent, steadfastly follow a course every mile of which has been tested at one time or another by the experience of mankind.

As I have had occasion to say before, there are two ways of viewing the fundamentals of the situation. The national economy may be viewed, on the one hand, as a relatively inert organism deprived of the forward impulse and primary motivating energies which have characterized its history in the past, requiring remodeling and artificial galvanization into activity. To one who holds this view it would appear that recovery can result only from artificial stimulation and through elaborate tinkering in accordance with some new plan intended to provide each of the necessary steps from depression to recovery. On the other hand, the national economy may be looked upon as a composite of dynamic forces constantly active, but temporarily out of adjustment and suppressed; and that in a highly organized society such as ours these powerful forces will lead to a high degree of economic activity unless there are barriers and obstacles which impede their normal operations. If this be so, the problem of restoring prosperity is essentially a problem of removing barriers.

The whole history of the United States, with its unparalleled and almost continuous growth and expansion of production and distribution, resulting, except for comparatively brief periods of recession, in a steady rise in the standard of living of our people, supports this point of view. If you chart our economic history,

the rising curve of growth represents graphically the constant upward surge. In the past three years we have fallen far behind the line of growth. There have always been in the past, and there now exist, tremendous forces pushing upward toward that growth line. They take the form of unsatisfied desires of millions of the population. If these desires can only be freed from the forces which now hold them back, the resumption of growth is inevitable. The surge upward is the dominant fact of American economic life. Given an opportunity, it will reassert itself. It is our task to create that opportunity, recognizing that the puny efforts of government can never rival the cumulative power derived from the free activities and impulses of 120,000,000 Americans supported by a wealth of resources.

What are some of these barriers? The list is an impressive one: First, fear and uncertainty; second, disordered public finances and the heavy burden of public and private debts; third, unstable currencies; fourth, trade restrictions; fifth, exchange restrictions; sixth, fall in prices and a wide disparity in the price levels of different commodities, services, etc.; seventh, contracted and dislocated markets.

It is apparent that we are not dealing with separate and distinct factors but rather with the component parts of an interrelated whole; and, in the second place, that, while corrective action must be taken at home, there is an equally important field for cooperative action with other nations.

Beginning in the domestic field, the first and most essential steps are to bring the Budget of the National Government into balance, to give unqualified assurance to the country that there will be no tampering with our monetary system by political action, and to reduce the cost of our governments so as to bring early relief from excessive taxation. Business fears an unbalanced Budget and unsound monetary legislation more than anything else, and it is this fear and uncertainty rather than any shortage of money or credit which are to-day preventing recovery, credit expansion, and price increases.

But there is something more than fear involved in the budgetary problem. An unbalanced Budget is not a bogey invented by an overcautious Treasury to bring pressure on a recalcitrant Congress. It is a reality from which, in spite of all the arguments and talk, certain definite consequences flow. There is no doubt as to the importance of the credit factor in the present depression. Nor is it open to dispute that a sound and unquestioned Government credit is the corner stone upon which an unexpanded credit structure must rest. The credit of the Government can not remain sound and unquestioned in the face of recurring and large deficits. Assurance and confidence on this basic point can not be maintained by mere lip service. What is essential is clear evidence that the finances of the Government are under control, and that the Congress is determined to keep them so.

If we keep on pumping out Government securities, a point must be reached at which the question arises as to the Treasury's ability to maintain the value of its securities in the face of a constantly increasing volume. When this point is reached banks and investors hesitate to buy because of the fear of future depreciation. Interest rates will tend to rise with each new issue. Ultimately the point might be reached where central bank credit has to be invoked to support the credit of the Government, and when that point is reached we have entered the field of destructive inflation.

Higher interest rates on Government securities and continued uncertainty as to the extent of Government borrowing tend to force up long-term interest rates and to impede the free flow of funds into the bond market. This is moving in exactly the wrong direction. What the Government should and could do is through a refunding operation to reduce the interest rate on a vast volume of high-interest coupon securities now outstanding and soon callable. This large refunding operation can not be undertaken under the most favorable circumstances until the Budget is balanced. Once accomplished, not only would the Treasury save a substantial sum annually in interest, but one of the uncertainties that has been hanging over the money market for some time would be removed.

A lower interest charge on a large volume of Government securities furthermore would affect long-time interest rates. Bond prices would rise to more normal levels. This, in turn, would not only improve the position of many banks, but it would have a decidedly stimulating effect on the capital market. In a normal year about $6,000,000,000 is poured into American business through the new securities market. Given the cheapening of long-time money and an active securities market, railroads could begin to catch up on long-delayed maintenance, and business enterprises could again secure funds for accumulated replacements and new undertakings. There is no question but that the almost complete stoppage in the capital-goods industries—iron and steel, lumber, building materials, etc.—has played an enormous part in the present depression. These industries depend not on bank credit but on the market for new securities and on mortgage money. The restoration of cheap long-time money and the revival of new finance would make it possible for these industries to get underway, and there is every reason to believe that there is a vast accumulated need for all manner of replacements and repairs requiring the products of the heavier industries. It is difficult to see how there can be any real revival of the consumption-goods industries until there is some restoration of employment in the greatly depressed capital-goods industries.

We must not overlook the fact that a continuation of recurring deficits, even on a moderate scale, necessarily restricts the freedom of action with which the reserve banks can conduct their credit operations. Clearly, the continuance of the easy-money policy of the Federal reserve system is highly desirable. The open-market operations usually involved in such a policy are necessarily hampered by unbalanced Budgets, for, even though indirectly, their effect partakes of the character of mopping up Government deficits. Paradoxical as it may sound, one of the means of bringing about a condition which will permit easy money and expanding credit is a balanced Budget rather than a Government deficit.

Thus I consider adequate provision for the Federal Budget as the first step in a program for sound recovery, and I should certainly include the continuance of the easy-money policy of our reserve banks as the second. The vigorous action already taken by the Federal reserve system has had an extremely beneficial effect. It has not only arrested the progress of the deflationary movement but has resulted in some increase in deposits and loans and investments and has placed the banks in control of about five hundred million of excess reserves, furnishing the base for an expansion of bank credit of about $5,000,000,000. Some people express themselves as disappointed at the results of the open-market policy of our Federal reserve banks in stimulating a business revival. This seems to me unjustified. The time element has been too short to draw definite conclusions. Moreover, we can not ignore that other extremely unfavorable and uncorrected factors have not given this credit policy a fair chance to exert its full influence.

Incidentally, any general program of cooperation among the nations should include the closest cooperation among the principal central banks and, if possible, a concerted effort to keep credit and money conditions easy in the principal money markets of the world.

The volume of debt piled up during the period of inflation and expansion constitutes a real barrier to recovery. But there is no single debt problem. There are different categories of debts, just as there are different classes of debtors. Some debts can be paid even under existing circumstances. Others can unquestionably be paid with an improvement in business activity and a moderate rise in prices. Others, again, will have under any circumstances to be written down. Such a situation calls for selective treatment, not a general formula. This process is already taking place through such policies as have been recently announced by leading insurance companies in respect of farm mortgages and by some mortgage companies in urban centers. The legislation recommended by the President to amend the bankruptcy law by providing a legal process whereby destructive liquidation may be avoided through the composition and extension of individual indebtedness and the reorganization of corporations, with the full protection of the court extended to the rights and interests of creditors and debtors alike, is another constructive move in the right direction. Other examples of sound action could be cited, but these will suffice to indicate the broad lines that should be followed in dealing specifically with the debt problem, apart from the relief to debtors that may be expected through business recovery and price revival.

In this field it would be well that some agency with a definite standing in the community should be created to protect the rights of American investors abroad through adjustment with foreign debtor governments that find themselves unable under existing conditions to meet their obligations in full.

As I have already said, however, we can not rely alone on remedial action taken within our own borders. There is need also for a broad international program of reconstruction, to which all nations can fairly be called upon to make such contributions as lie within their power. The coming world economic conference affords an unrivaled opportunity through cooperative action to initiate an all-powerful movement toward recovery by a determined. if gradual, attack on those barriers that now present impassable obstacles to economic progress.

The experts of many nations, including our own, that have recently met, have prepared the main outline of such a program. This program contemplates a cooperative effort among the leading nations of the world to deal with four major problems: The first is the need for restoration of an effective international monetary standard, based upon a thorough study of the conditions which must be met and the safeguards which must be established in order to provide against instability or a breakdown in the future. Second, measures to bring about an increase in the level of world prices, the unprecedented fall of commodity prices in recent years having caused a growing lack of balance between costs and prices and immensely increased the real burden of all debts and fixed charges. This problem calls for an exploration not only of all possibilities of counteracting the decline in prices but of cooperative handling of unwieldly stocks of certain primary commodities which constitute a serious obstacle to improvement in the price situation. Third, the abolition of exchange restrictions as an essential condition of world recovery. Fourth, the need for reestablishing a greater freedom of international trade in order that every country, consistent with the peculiar needs of its national economy, may benefit from the interchange of commodities and services on a world-wide scale.

The war-debt question has been excluded from the agenda of the coming economic conference. However, in view of the changed conditions since the settlements were effected and the urgent request by the debtor governments for reconsideration of existing settlements, we can not ignore this problem. With good will on both sides an adjustment of this question should be possible and is clearly desirable if only in the interest of harmonious coopera-

tion in the development of a major program. I can not undertake to discuss this question this evening, but it does seem to me that if war debts are to be reconsidered in the interest of the national economy of the debtors and of world recovery, as a matter of equity, the American people are entitled to compensatory advantages for sacrifices they may be called upon to make, and that the debtor nations can fairly be asked to make definite contributions to a common program intended to remove the barriers which now stand in the way of returning prosperity.

I believe that a balanced Budget at home; reduced cost of government; the orderly adjustment of debts; the stabilization of currencies and exchanges; an easy money policy on the part of central banks; the gradual removal of exchange restrictions, restoring the free flow of international credit; and the elimination of arbitrary and abnormal trade barriers would, if combined into a general economic program, so free latent and powerful forces as at once to stimulate on a world-wide scale business revival and price recovery, and that this time the forward movement would not be temporary and short lived but permanent and progressive.

There are those who sincerely believe that there is a short cut out of our problems through governmental action in the domestic field of a kind that inevitably involves uncontrolled inflation in one form or another.

In my judgment, creating as it will at the outset further fear, uncertainty, and loss of confidence, and entailing as it must ultimately consequences of the most serious character, any such plan is doomed to failure and will in the end but increase distress at home and confusion abroad. That is not the way out of our difficulties. It is a road to further disasters.

If instead we press forward vigorously along the vista that is beginning to open up, removing, however painstakingly, one by one the obstacles that bar our progress and hem us in on every side, I have the faith to believe that our much-tried generation will at a not distant date live to see its own errors liquidated and the younger generation look out upon a world where progress and increased well-being are once more the normal order.

### SENATE ECONOMY ACT RAISES SALARIES OF MANY GOVERNMENT EMPLOYEES—EXTENSION OF REMARKS

Mr. COLLINS. Mr. Speaker, the Senate eliminated section 201 of the economy act and by doing so permitted many Government salaries to be increased, especially with certain classes of employees.

Instead of increasing salaries, the Congress should reduce all salaries by 25 per cent. The platform of the Democratic Party calls for reductions in appropriations by that amount, and Democrats should live up to their platform promises. It, therefore, is regrettable that a proposal to increase salaries should be looked upon with favor at this time. I do hope that the Democratic conferees from the House of Representatives will insist that this section be continued as the law.

On this subject I call the attention of the Congress to a letter recently received by me from Congressman-elect HOEPPEL, formerly editor of the Retired Men's News:

FEBRUARY 9, 1933.

Congressman COLLINS,
*Washington, D. C.*

DEAR SIR: Will you please read the following facts, and if they appeal to your sense of justice will you kindly request the House conferees on the Post Office appropriation bill to consider these points in the conference.

By eliminating "201" from line 3, page 66, of H. R. 13520, as it passed the House, the Senate bill will increase the salaries of thousands of Federal employees and thousands of Army and Navy officers from $200 up to $2,675.60 per annum. For instance, Admiral McLean, the desk admiral, with the Budget, will have his pay increase from $7,000 to $9,675.60.

These increases are being taken from enlisted men receiving only $21 per month, who are cut an average of 10 per cent of their total compensation through the elimination of the enlistment bonus.

Men in the higher grades are being cut 8⅓ per cent of their pay and are not being given the furlough as is extended to other Federal employees. In other words, men of the service are given a straight pay cut. As all enlisted men have suffered a reduction in ration allowances the higher grade enlisted men are being cut three different ways and suffer an approximate total reduction in pay and allowances of 13½ per cent. This same cut affects the National Guard.

As the average pay of the seven grades of the service is only $47 and the average pay of civil-service employees is approximately $120 per month you can understand how discriminatory is this 13½ per cent cut for enlisted men, while civil employees are cut only 8⅓ per cent.

The average pay of enlisted men on the retired list is less than $100 per annum, yet these aged and enfeebled men, despite their natural infirmities and disabilities due to service, are being reduced a total of 8⅓ per cent if their annual pay is more than $1,000.

The fact that these men served long, hard years for as low as $13 per month, and that 85 per cent of them are veterans of both the Spanish American and World Wars, it appears, should operate in their behalf. Short-service war veterans receiving more compensation for similar disabilities are not being cut.

Furthermore, they receive only 75 per cent of the pay of their rank and only one-fourth of the allowances of their rank, while the law prescribes they should receive three-fourths.

As retired civil-service employees who had no hazards in service, and who receive $100 per month, contributed only $696.90 towards their annuity fund, the Senate alibi why they spared these men, should be contracted with the hazards of service of the retired military man and the low pay he received, which certainly counterbalances the total sum of $696.90 quoted above.

In addition, retired civil-service men, if veterans, do actually receive from $50 to $225 veteran gratuities in addition. The retired enlisted man is debarred from receiving two checks.

In view of this higher pay cut for enlisted men, and the discrimination existing in the economy bill between the military and the civil service retired, will you kindly ask the House conferees to strike out the pay reduction for the enlisted men?

Thanking you for your consideration, I am,

Yours sincerely,

J. H. HOEPPEL.

### BRIG. GEN. THADDEUS KOSCIUSKO—EXTENSION OF REMARKS

Mr. GOSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to offer a few observations on Brig. Gen. Thaddeus Kosciusko, the one hundred and fiftieth anniversary of whose naturalization as an American citizen is celebrated this year. There is now pending several joint resolutions which would authorize and direct the Postmaster General to issue a special series of postage stamps of the denomination of 3 cents, of such design and for such period as the Postmaster General may determine, commemorative of the anniversary of the naturalization in 1783 of Kosciusko.

Kosciusko was the first foreign patriot to heed the call of the American Colonies in their struggle for freedom. Today his name is familiar to and revered by the entire country, but when he first came to Philadelphia in the summer of 1776, a few weeks after the Declaration of Independence, he was but a young military engineer. He only asked a chance to serve this Nation in attaining its objective. We all know the material with which our first army was being formed—raw, undisciplined men, unacquainted with everything that pertains to war. To such an army this young foreigner became a treasure. He threw himself into the contest with ardor and ability.

He was sent to the northern army, which was then opposing the advance of Burgoyne, and he prepared the defenses of Ticonderoga. He contributed much to the safe retreat of the northern army. Ordered to choose a new strong position, he selected the field of Saratoga, and his skill in the fortification of Bemis's Heights was an important factor in our victory at Saratoga.

Kosciusko was later sent to West Point in order to strengthen the defenses of the Hudson. He spent over two years there. His work won only the highest of praise. Concerning it, Washington said:

> To his care and sedulous appreciation the American people are indebted for the defense of West Point.

In August, 1780, Kosciusko requested a transfer to the southern army. He served well and faithfully in the difficult southern campaign. His engineering skill was commended by commanding officers.

Congress rewarded Kosciusko, tardily, with a brevet commission of brigadier general on October 13, 1783, as a token of the "high sense of his long, faithful, and meritorious services" and with the privilege of American citizenship.

In 1784 this brilliant soldier returned to Poland to serve his own country. He distinguished himself in the Polish-Russian campaign of 1792, and two years later the world resounded with his name when he assumed the leadership of the Polish insurrection. Kosciusko was imprisoned, and, after spending two years in the dungeons of St. Petersburg, he was liberated by Czar Paul I. He immediately set out for America, which he considered his "beloved country."

Before his death he once more did service to America. In 1800, in Paris, he wrote Manœuvers of Horse Artillery for the United States Army. The War of 1812 was fought by artillery in accordance with these manœuvers, and General Kosciusko, for that reason, is regarded as "The Father of the American Artillery."

Kosciusko died at Soleure, Switzerland, October 15, 1817. Gen. William Harrison, the ninth President of the United States, upon learning of this great soldier's death, exclaimed in Congress, "Kosciusko, the martyr of liberty, is no more!"

The issuance of the special series of stamps, commemorative of the one hundred and fiftieth anniversary of his naturalization, would be only a small tribute to pay the great Brig. Gen. Thaddeus Kosciusko.

PRIVATE CALENDAR

Mr. RAINEY. Mr. Speaker, I offer the following resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 389

*Resolved*, That on Thursday, February 23, 1933, it shall be in order to move that the House take a recess until 8 o'clock p. m. and that at the evening session, until 10.30 p. m., it shall be in order to consider bills on the Private calendar unobjected to in the House as in Committee of the Whole, the call of bills on said calendar to begin where the last call ended.

The SPEAKER. Without objection the resolution is agreed to.

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1934

Mr. SCHAFER. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct the totals of the bill H. R. 14643, making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CALENDAR WEDNESDAY

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7519. An act to amend the Penal Code of the Canal Zone.

H. R. 7520. An act to amend the Code of Criminal Procedure for the Canal Zone.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland;

S. 1705. An act for the relief of Samuel C. Davis; and

S. 4576. An act to authorize the Secretary of Commerce to grant an easement for railroad right of way over and upon a portion of the helium gas bearing lands of the United States of America in Potter County in the State of Texas.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 7519. An act to amend the Penal Code of the Canal Zone; and

H. R. 7520. An act to amend the Code of Criminal Procedure for the Canal Zone.

ADJOURNMENT

Mr. CANNON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p. m.) the House adjourned until Monday, February 20, 1933, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

943. A letter from the Acting Secretary of Commerce, transmitting draft of a bill for the relief of Mr. Charles E. Molster, disbursing clerk, Department of Commerce, and Dr. Louis H. Bauer, a former employee; to the Committee on Claims.

944. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, pursuant to section 1 of the rivers and harbors act of January 21, 1927, and under the provisions of section 10 of the flood control act of May 15, 1928, on Wabash River, Ohio, Ind., and Ill., together with accompanying papers and illustrations; to the Committee on Rivers and Harbors.

945. A communication from the President of the United States, transmitting a supplemental estimate of appropriation pertaining to the legislative establishment, House of Representatives, for the fiscal year 1933, in the sum of $40,000 (H. Doc. No. 558); to the Committee on Appropriations and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. POU: Committee on Rules. H. Res. 384. A resolution providing for the consideration of House bill 14302, a bill to provide for the creation of Morristown National Historical Park, in the State of New Jersey, and for other purposes; without amendment (Rept. No. 2066). Referred to the House Calendar.

Mr. CHAVEZ: Committee on Irrigation and Reclamation. S. 5417. An act to extend the operation of the act entitled "An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law," approved April 1, 1932; without amendment (Rept. No. 2067). Referred to the Committee of the Whole House on the state of the Union.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 14631. A bill authorizing the Interboro Bridge Co., it successors and assigns, to construct, maintain, and operate a bridge across New York Bay between Brooklyn and Staten Island; with amendment (Rept. No. 2068). Referred to the House Calendar.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 14689. A bill to provide for the postponement of the payment of installments due on loans made by the Federal land banks, and for other purposes; without amendment (Rept. No. 2069). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 6572. A bill for the relief of the Terrell Military College of Terrell, Tex.; without amendment (Rept. No. 2070). Referred to the Committee of the Whole House.

Mr. MARTIN of Oregon: Committee on War Claims. H. R. 13568. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Velie Motors Corporation; without amendment (Rept. No. 2071). Referred to the Committee of the Whole House.

Mr. MARTIN of Oregon: Committee on War Claims: S. 251. An act authorizing adjustment of the claim of the estate of Thomas Bird, deceased; without amendment (Rept. No. 2072). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SINCLAIR: A bill (H. R. 14703) to increase the tariff duties on flaxseed and the oils produced therefrom; to the Committee on Ways and Means.

By Mr. GLOVER: A bill (H. R. 14704) declaring a moritorium of five years on all mortgages held by the Federal land banks of the United States; to the Committee on Banking and Currency.

By Mr. PRATT: A bill (H. R. 14705) to amend an act entitled "An act granting the consent of Congress to the State of New York to construct, maintain, and operate a highway bridge across the Hudson River at or near Catskill, Greene County, N. Y.," approved June 5, 1930, as supplemented by the act of April 15, 1932; to the Committee on Interstate and Foreign Commerce.

By Mr. HART: A bill (H. R. 14706) to extend the benefits of the tariff to surplus agricultural products; to the Committee on Agriculture.

By Mr. JONES: A bill (H. R. 14707) to create in the Department of Agriculture a division of agricultural loans, and for other purposes; to the Committee on Agriculture.

By Mr. COLTON (by request): A bill (H. R. 14708) to rectify and coordinate the weights and measures of the United States; to the Committee on Coinage, Weights, and Measures.

By Mr. LEAVITT: A bill (H. R. 14709) granting certain public lands to the State of Montana for the use and benefit of the Northern Montana College and for other purposes; to the Committee on Public Lands.

By Mr. LAGUARDIA: A bill (H. R. 14710) to create a bank for the refunding of farm and home mortgages, the deposit of Government funds, and for other purposes; to the Committee on Banking and Currency.

By Mr. GREEN: A bill (H. R. 14711) to further restrict immigration into the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 14712) to provide for registration of aliens and a certificate of identification; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 14713) to provide for the suspension of immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of North Dakota memorializing Congress to ratify the treaty between the United States and Canada providing the terms under which may be constructed the long-sought and much-needed seaway uniting the Great Lakes with the Atlantic Ocean; to the Committee on Interstate and Foreign Commerce.

Memorial of the Council of Michigan City, Ind., memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

Memorial of the Legislature of the State of Idaho memorializing Congress to enact Senate bill 1197; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Oregon memorializing Congress to enact House bill 11816; to the Committee on Public Lands.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTON: A bill (H. R. 14714) granting a pension to Fannie Kerr; to the Committee on Invalid Pensions.

By Mr. BRUNNER: A bill (H. R. 14715) for the relief of Guiseppe Sperduto; to the Committee on Claims.

By Mr. CELLER: A bill (H. R. 14716) for the relief of Bernard Kinmeth; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 14717) for the relief of Dee W. Minier; to the Committee on Military Affairs.

By Mr. EVANS of Montana: A bill (H. R. 14718) for the relief of Lieut. Thomas O'C. McCarthy, United States Navy; to the Committee on Claims.

By Mr. KNIFFIN: A bill (H. R. 14719) granting a pension to George W. Coleman; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 14720) granting an increase of pension to Decimay Ely; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 14721) for the relief of Edward Raymond Naiderek; to the Committee on Naval Affairs.

By Mr. SWICK: A bill (H. R. 14722) granting an increase of pension to Ada M. Chandler; to the committee on Invalid Pensions.

By Mr. WELCH: A bill (H. R. 14723) for the relief of Ernst Nussbaum; to the Committee on Claims.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10490. By Mr. BACON: Petition of sundry citizens of North Merrick, Long Island, urging the submission of a constitutional amendment eliminating the count of aliens for apportionment purposes; to the Committee on the Judiciary.

10491. Also, petition of the women of Babylon, N. Y., Methodist Missionary Society, urging the retention of the eighteenth amendment; to the Committee on the Judiciary.

10492. Also, petition of the Women's Foreign Missionary Society of the Floral Park, N. Y., Methodist Episcopal Church, favoring the retention of the eighteenth amendment and opposing the legalization of beer; to the Committee on the Judiciary.

10493. Also, petition of Queens Chapter 26, Disabled American Veterans, World War, protesting against any legislation reducing payments to veterans; to the Committee on World War Veterans' Legislation.

10494. Also, petitions of individual members of the Freeport Council, No. 57, Junior Order United American Mechanics, Freeport, N. Y., urging the passage of the Moore immigration bill; to the Committee on Immigration and Naturalization.

10495. By Mr. BUCKBEE: Petition of the American Legion, Department of Illinois, protesting against the adoption of the Bratton amendment; to the Committee on Appropriations.

10497. By Mr. CLARKE of New York: Petition adopted by 75 adults of the Sunday school of the Methodist Episcopal Church of Hancock, N. Y., and 50 women of the Women's Missionary Society of the Presbyterian Church of Hancock, N. Y., that our United States Senators, our Congressman at large, and our own Congressman vote against all legislation intended to nullify, weaken, or repeal the eighteenth amendment and the Volstead Act, and to vote instead for adequate appropriations for law enforcement and a campaign of education in law observance; to the Committee on the Judiciary.

10498. By Mr. DELANEY: Petition of the common council of the city of North Tonawanda, N. Y., memorializing the Congress of the United States to enact House Joint Resolution 191 and Senate Joint Resolution 105, commemorating the one hundred and fiftieth anniversary of the naturalization as an American citizen in 1783 and appointment of brevet brigader general of Thaddeus Kosciusko, a hero of the Revolutionary War, by issuing a special series of postage stamps in his honor; to the Committee on the Post Office and Post Roads.

10499. Also, petition of the Senate of the State of North Dakota, urging the support of Congress in the immediate and unconditional ratification of the treaty between the United States and Canada, providing for a seaway uniting the Great Lakes with the Atlantic Ocean; to the Committee on Interstate and Foreign Commerce.

10500. Also, petition of the planners and estimators of the New York Navy Yard, urging the enactment of the provision to be incorporated in the Navy supply bill dealing with the classification of planners and estimators as offered by Rep-

resentative LANKFORD of Virginia; to the Committee on Appropriations.

10501. Also, petition of the American Toffee Co., of Brooklyn, N. Y., petitioning the increased duty on this candy as a protection to American manufacturers; to the Committee on Ways and Means.

10502. By Mr. FISH: Petition of 626 citizens of Orange and Dutchess Counties, N. Y., opposing legislative acts that would legalize alcoholic liquors stronger than one-half of 1 per cent; to the Committee on Ways and Means.

10503. By Mr. GARBER: Petition of the Senate and House of the State of North Dakota, urging immediate and unconditional ratification of the treaty between the United States and Canada providing the terms under which may be constructed the seaway uniting the Great Lakes with the Atlantic Ocean; to the Committee on Interstate and Foreign Commerce.

10504. Also, petition of H. L. Hilleary, manager Fairbanks, Morse & Co., St. Louis, Mo., urging support of House bill 13999 or similar legislation to protect American labor, industry, and agriculture against cheap foreign labor and depreciation in foreign currencies; to the Committee on Ways and Means.

10505. Also, petition of certain citizens of Oklahoma urging opposition to modification or repeal of the prohibition laws and support of legislation for their proper enforcement; to the Committee on the Judiciary.

10506. By Mr. GIBSON: Petition of 27 citizens and residents of the town of Weston, Vt., opposing any changes in the eighteenth amendment and its enforcement laws; to the Committee on the Judiciary.

10507. By Mr. GLOVER: Petition of citizens of McGehee, Ark.; to the Committee on Banking and Currency.

10508. Also, petition of Fordyce National Farm Loan Association, Bearden, Ark.; to the Committee on Banking and Currency.

10509. By Mr. HANCOCK of New York: Petition of F. Lillian Kent and other residents of Syracuse, N. Y., in opposition to any modification of the Volstead Act; to the Committee on the Judiciary.

10510. By Mr. HILL of Washington: Petition of Woman's Christian Temperance Union of Chelan, Wash., urging passage of Brookhart bills for regulation of motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10511. Also, petition of Woman's Christian Temperance Union of Cashmere, Wash., urging passage of Brookhart bills for regulation of motion-picture industry; to the Committee on Interstate and Foreign Commerce.

10512. By Mr. HOUSTON of Delaware: Resolutions of Delaware Association for the retention of the eighteenth amendment and for law enforcement; to the Committee on the Judiciary.

10513. Also, resolution of the mayor and council of Wilmington; to the Committee on the Judiciary.

10514. Also, resolution of Smyrna (Del.) Woman's Christian Temperance Union; to the Committee on the Judiciary.

10515. Also, resolution of the Harrington (Del.) Woman's Christian Temperance Union; to the Committee on the Judiciary.

10516. Also, resolution of the House and Senate of the Delaware Legislature; to the Committee on the Judiciary.

10517. By Mr. KADING: Joint resolution of the Wisconsin State Legislature, memorializing the Congress of the United States to enact legislation for the nomination of candidates for President and Vice President in a primary election; to the Committee on Election of President, Vice President, and Representatives in Congress.

10518. Also, joint resolution of the Wisconsin State Legislature, memorializing the Congress of the United States for higher tariff on dairy products; to the Committee on Ways and Means.

10519. By Mr. LINDSAY: Petition of Italian Chamber of Commerce in New York, concerning House bill 13872, as amended by the Senate; to the Committee on Appropriations.

10520. Also, petition of Dr. George J. Lawrence, commander New York Department, American Legion, New York City, opposing the Bratton amendment; to the Committee on Appropriations.

10521. Also, petition of Bricklayers' Union, Local No. 9, of Brooklyn, N. Y., favoring the enactment of Senate bill 5125, the Costigan-La Follette emergency relief bill; to the Committee on Ways and Means.

10522. Also, petition of the New York State Society of Professional Engineers, New York City, requesting appropriation to permit completion of the topographical survey of the United States; to the Committee on Appropriations.

10523. Also, resolution of the Senate of North Dakota, urging ratification of treaty between United States and Canada for construction of a seaway uniting Great Lakes with Atlantic Ocean; to the Committee on Interstate and Foreign Commerce.

10524. By Mr. MARTIN of Oregon: Resolution of the Ontario (Oreg.) Commercial Club, urging a loan of $5,000,000 to the reclamation fund on account of a moratorium of repayments to enable carrying to completion work already begun; to the Committee on Irrigation and Reclamation.

10525. Also, memorial of the Thirty-seventh Legislative Assembly for the State of Oregon, urging legislation to foster and stabilize the livestock industry which is now dependent on public range; to the Committee on Public Lands.

10526. By Mr. REED of New York: Petition of 202 residents of District of Columbia opposed to the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10527. By Mr. RUDD: Petition of the Italian Chamber of Commerce in New York, favoring amendment which eliminates the word "canned" in lines 11–12, page 73, of House bill 13872; to the Committee on Agriculture.

10528. Also, petition of George J. Lawrence, M. D., commander New York Department, American Legion, opposing the Bratton amendment to the Treasury-Post Office appropriation bill; to the Committee on Appropriations.

10529. Also, petition of the New York State Society of Professional Engineers, New York City, favoring appropriation to permit the completion of the topographical survey of the United States; to the Committee on Appropriations.

10530. Also, memorial of the State Legislature of North Dakota, favoring the ratification of the treaty between Canada and the United States uniting the Great Lakes with the Atlantic Ocean; to the Committee on Interstate and Foreign Commerce.

10531. Also, petition of Jamaica Letter Carriers Association, Edward J. Cantwell Branch No. 562, Jamaica, Long Island, N. Y., opposing the transfer of letter carriers from one city to another; to the Committee on Post Offices and Post Roads.

10532. By Mr. SANDERS of New York: Petition of the Methodist Episcopal Church, Hilton, N. Y., opposing the return of beer and repeal of the eighteenth amendment; to the Committee on the Judiciary.

10533. Also, petition of citizens of Oakfield, Bergen, Byron, and South Byron, N. Y., opposing legislation to legalize alcoholic beverages stronger than one-half of 1 per cent; to the Committee on Ways and Means.

10534. Also, petition of citizens of Nunda and Scottsville, N. Y., urging enactment of the stop-alien representation amendment to the United States Constitution; to the Committee on the Judiciary.

10535. Also, petition of citizens of Knowlesville and Hunt, N. Y., opposing return of beer and repeal of the eighteenth amendment; to the Committee on the Judiciary.

10536. Also, petition of the Lake Avenue Baptist Church, Hilton, N. Y., opposing the return of beer and repeal of the eighteenth amendment; to the Committee on the Judiciary.

10537. By Mr. SMITH of West Virginia: Resolution of Greenbrier County National Farm Loan Association, of Lewisburg, W. Va., proposing a moratorium on farm mortgages; to the Committee on Banking and Currency.

10538. By Mr. SUTPHIN: Petition of members of the St. Paul's Methodist Episcopal Church, Ocean Grove, N. J., pro-

testing against passing of the Black beer bill; to the Committee on District of Columbia.

10539. By Mr. SWICK: Petition of J. D. Stewart and 42 other residents of New Sheffield, Beaver County, Pa., urging the defeat of all bills that propose the repeal of the eighteenth amendment or modification of the Volstead Act; to the Committee on the Judiciary.

10540. Also, petition of Mrs. Harvey Westlake, 109 Moreland Street, Aliquippa, Pa., and 125 other residents of Aliquippa, urging the defeat of any and all bills that propose the repeal of eighteenth amendment or modification of the Volstead Act; to the Committee on the Judiciary.

10541. By Mr. WHITE: Resolution of council of the city of Toledo memorializing Congress to enact House Joint Resolution 191 and Senate Joint Resolution 105, commemorating the one hundred and fiftieth anniversary of the naturalization of Brevet Brig. Gen. Thaddeus Kosciusko, a hero of the Revolutionary War, by issuing a special series of postage stamps; to the Committee on the Post Office and Post Roads.

# SENATE

## MONDAY, FEBRUARY 20, 1933

*(Legislative day of Saturday, February 18, 1933)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes, in which it requested the concurrence of the Senate.

### CALL OF THE ROLL

Mr. LA FOLLETTE obtained the floor.

Mr. NORRIS. Mr. President, I would like to suggest the absence of a quorum if the Senator from Wisconsin will yield.

The VICE PRESIDENT. Does the Senator from Wisconsin yield for that purpose?

Mr. LA FOLLETTE. I yield.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Couzens | King | Sheppard |
| Austin | Cutting | La Follette | Shipstead |
| Bailey | Dale | Logan | Shortridge |
| Bankhead | Davis | Long | Smith |
| Barbour | Dickinson | McGill | Smoot |
| Barkley | Dill | McKellar | Steiwer |
| Bingham | Fess | McNary | Stephens |
| Black | Fletcher | Metcalf | Swanson |
| Borah | Frazier | Moses | Thomas, Idaho |
| Bratton | George | Neely | Thomas, Okla. |
| Brookhart | Glass | Norbeck | Townsend |
| Bulkley | Goldsborough | Norris | Trammell |
| Bulow | Gore | Nye | Tydings |
| Byrnes | Grammer | Oddie | Vandenberg |
| Capper | Harrison | Patterson | Wagner |
| Caraway | Hastings | Pittman | Walcott |
| Carey | Hayden | Reed | Walsh, Mass. |
| Clark | Howell | Reynolds | Walsh, Mont. |
| Connally | Hull | Robinson, Ark. | Wheeler |
| Coolidge | Johnson | Robinson, Ind. | White |
| Copeland | Kean | Russell | |
| Costigan | Kendrick | Schuyler | |

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

### WAR DEPARTMENT APPROPRIATIONS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 14199) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. REED. I move that the Senate insist on its amendments, agree to the request for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. REED, Mr. BINGHAM, Mr. STEIWER, Mr. CUTTING, Mr. KENDRICK, Mr. MCKELLAR, and Mr. FLETCHER conferees on the part of the Senate.

### REPORT OF NATIONAL ACADEMY OF SCIENCES

The VICE PRESIDENT laid before the Senate a letter from the president of the National Academy of Sciences, transmitting, pursuant to law, the report of the academy for the fiscal year ended June 30, 1932, which, with the accompanying report, was referred to the Committee on the Library.

### PRINTING OF RECORD IN UTILITIES INVESTIGATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Federal Trade Commission calling attention to the fact that about January 1, 1933, work stopped coming through on the printing and binding of the record in the utilities investigation, being conducted in response to Senate resolutions, and stating that the commission is informed that this publishing work has ceased due to lack of funds for its continuance, which was referred to the Committee on Interstate Commerce.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Public Lands and Surveys:

House Joint Memorial 6

*To the honorable Senate and House of Representatives of the United States in Congress assembled:*

We, your memorialists, the Legislature of the State of Oregon, respectfully represent that—

Whereas there is now on your calendar a House bill (H. R. 11816) having for its purpose, among other things, the conservation and protection of public grazing lands by preventing overgrazing and soil deterioration; and

Whereas the said House bill provided further for the orderly use, improvement, and development of the nontimbered public lands of the United States, exclusive of Alaska, chiefly valuable for grazing and raising forage crops, with such reservations as are necessary to not interfere with like lands situate in national parks and monuments and Indian reservations; and

Whereas favorable consideration and passage of this House bill will serve to foster and stabilize the livestock industry, which is now dependent upon public range: Now, therefore, be it

*Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein)*, That we do most earnestly petition and memorialize the House of Representatives of the United States, in the name of the State of Oregon, to favorably consider pending legislation hereinbefore referred to; and be it further

*Resolved*, That the secretary of state of Oregon be, and he hereby is, instructed to mail a copy of this resolution to the Presiding Officer of the United States Senate, the Speaker of its House of Representatives, and to each of the Senators and Representatives from Oregon in the Congress of the United States.

Adopted by the house January 31, 1933.

E. W. SNELL,
*Speaker of the House.*

Concurred in by the senate February 10, 1933.

FRED E. KIDDLE,
*President of the Senate.*

Indorsed: House Joint Memorial No. 6 (introduced by Mr. Snider).

W. F. DRAGER, *Chief Clerk.*

Filed February 13, 1933.

HAL E. HOSS, *Secretary of State.*

STATE OF OREGON,
OFFICE OF THE SECRETARY OF STATE.

I, Hal E. Hoss, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of House Joint Memorial No. 6 with the original thereof filed in the office of the secretary of state February 13, 1933, and that the same is a full, true, and correct transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon. Done at the capitol at Salem, Oreg., this 14th day of February, A. D. 1933.

[SEAL.]

HAL E. HOSS,
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Nevada, memorializing Congress not to pass House bill 13558, relative to filing of notices of location of mineral claims in United States land offices, which was referred to the Committee on Mines and Mining.

(See joint resolution printed in full when presented today by Mr. PITTMAN.)

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of the State of Idaho, favoring the passage of the so-called Frazier farm relief bill, being the bill (S. 1197) to liquidate and refinance agricultural indebtedness and to encourage and promote agriculture, commerce, and industry by establishing an efficient credit system, through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and deflation may be lightened, by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal farm-loan system, the Federal reserve banking system, and the postal-savings depository system, and creating a board of agriculture to supervise the same, which was referred to the Committee on Agriculture and Forestry.

(See joint memorial printed in full when presented to-day by Mr. BORAH.)

The VICE PRESIDENT also laid before the Senate telegrams in the nature of petitions from Edith T. Morris, Mary L. Morris, and James Craik Morris, the Thirteenth Ward Independent Democratic Organization, Clyde Bel, president; Catherine R. Moore; the board of directors of the Consumers League of Louisiana, Mrs. Joseph E. Friend, president; Shirley Wimberly, attorney at law; Rena Crawford, M. D., and R. Williamson, M. D., and the Jackson Democratic Club, Francis Williams, president, all of New Orleans; J. B. Ardis, George W. Hardy, jr., Pike Hall, W. A. Mabry, E. Wayles Brown, Howard B. Warren, Robert G. Chandler, Harney S. Bogan, W. T. Mayo, Cecil Morgan, Joe B. Hamiter, and W. G. McElroy, all of Shreveport, and W. H. Hodges, jr., of Elm Grove, all in the State of Louisiana, praying for a continuance of the investigation of the Louisiana senatorial election of 1932, and the necessary allotment of money therefor by the special committee of the Senate to investigate campaign expenditures of the various presidential, vice presidential, and senatorial candidates in 1932, which were referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Common Council of the City of Hammond, Ind.; the City Council of Baltimore, Md.; the Common Council of the City of Hamtramck, Mich.; the Board of Aldermen of the City of Newport, R. I.; the Common Council of the City of West Allis, Wis.; and the Common Council of the City of Cheyenne, Wyo., favoring the passage of legislation providing for the issuance of a special series of postage stamps, of the denomination of 3 cents, commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment as brevet brigadier general of the Continental Army of Thaddeus Kosciusko on October 13, 1783, which was referred to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT also laid before the Senate a communication from Walter R. Rennecke, of Seattle, Wash., relative to intergovernmental debt settlements and corporation matters, and making certain suggestions in connection therewith, which was referred to the Committee on Finance.

Mr. BORAH presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Agriculture and Forestry:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of House Joint Memorial No. 6, enacted by the twenty-second session of the Legislature of the State of Idaho and filed in this office the 14th day of February, 1933.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 14th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 6 (by agriculture committee)

A joint memorial to the honorable Senate and House of Representatives of the United States in Congress assembled.

Received and filed February 14, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial 6 (by agriculture committee)

*To the honorable Senate and House of Representatives of the United States in Congress assembled:*

Whereas a crisis exists and hundreds of thousands of once prosperous farmers in this Nation have already lost their homes and their all by mortgage foreclosures because of the fact that the price of agricultural products has for years been below the cost of production, a condition that affects all of the people of this Nation and is largely responsible for the continuance of the depression; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors; and

Whereas unless immediate relief is given, thousand and hundreds of thousands of additional farmers will lose their farms and their homes and millions more will be forced into our cities and villages, and the army of unemployed will necessarily increase to alarming proportions, precipitating a condition that threatens the very life of this Nation; and

Whereas there is now pending in the Congress Senate Bill No. 1197, known as the Frazier bill, which provides that existing farm indebtedness shall be refinanced by the Government of the United States at 1½ per cent interest and 1½ per cent principal on the amortization plan, not by issuing bonds and plunging the Nation further into debt, but by issuing Federal reserve notes the same as the Government now does for the banks through the Federal reserve bank: Now, therefore, be it

*Resolved*, That the House of Representatives of the State of Idaho, the Senate concurring, respectfully requests and petitions the Senate and House of Representatives of the United States to enact said Senate bill No. 1197 in order that the agricultural indebtedness of the Nation may be speedily liquidated and refinanced and agriculture saved from utter ruin and destruction; and be it further

*Resolved*, That the secretary of state of the State of Idaho is hereby directed to forward copies of this memorial to the President of the Senate, the Speaker of the House of Representatives, and the Senators and Representatives of the State of Idaho in the Congress of the United States.

This house joint memorial passed the house on the 4th day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

This house joint memorial passed the senate on the 10th day of February, 1933.

GEO. E. HILL, *President of the Senate.*

I hereby certify that the within House Joint Memorial No. 6 originated in the house of representatives during the twenty-second session of the Legislature of the State of Idaho.

DONALD D. STEWART,
*Chief Clerk of the House of Representatives.*

Mr. BORAH presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Banking and Currency:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Franklin Girard, secretary of state of the State of Idaho and legal custodian of the original enrolled copies of all acts passed at the various sessions of the Legislature of the State of Idaho, do hereby certify that the annexed constitute a full, true, and complete transcript of the original enrolled copy of Senate Joint Memorial No. 4, enacted by the twenty-second session of the Legislature of the State of Idaho and filed in this office the 13th day of February, 1933.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 13th day of February, A. D. 1933.

[SEAL.]

FRANKLIN GIRARD,
*Secretary of State.*

IN THE SENATE.

Senate Joint Memorial 4 (by Kirkpatrick and Donart)

A joint memorial to the honorable Senate and the House of Representatives of the United States of America in Congress assembled.

Received and filed February 13, 1933.

FRANKLIN GIRARD,
*Secretary of State.*

IN THE SENATE.

Senate Joint Memorial 4 (by Kirkpatrick and Donart)

*To the honorable Senate and House of Representatives of the United States of America in Congress assembled:*

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas by reason of the great depreciation in the price of farm products and the inability of farmers to market the products of their farms in an amount to equal the cost of production, irrigation districts, duly organized and existing in conformity with the laws of the State wherein such districts are situate, and which districts were organized at the request of and under contracts made with the Secretary of the Interior for the purposes of management and for the purposes of collecting and paying the costs of constructing irrigation works by the Department of Reclamation of the Government of the United States, are unable to collect the assessments for the operation and maintenance of such irrigation district canals and diversion works and to pay the costs incurred in the diversion and distribution of the water to farms in such districts; and

Whereas by reason of said inability to collect such assessments and the inability of the farmers in said districts to pay, from the sale of the products of their farms, the costs of such operation and maintenance, such districts have been forced to issue and sell warrants of the districts legally issued for such expense for the year 1932, which are outstanding and unpaid; and

Whereas it will be necessary, in order to pay such operating expenses so that the farmers within such districts may be able to carry on their farms, for such irrigation districts to issue warrants for the payment of such expenses during the year 1933, which warrants can not be paid until the crops of 1933 are marketed; and

Whereas said warrants are a general lien upon the lands and water rights of such irrigation districts together with the interest thereon and are a first lien on said lands and said water rights, subject only to the lien of the Department of Reclamation of the Government of the United States for construction purposes, and will be paid as soon as the price of farm products is increased above the cost of production and the 1933 crops can be marketed; and

Whereas it is necessary that money be obtained for the operation and maintenance of said districts and to pay the cost for the distribution of water to said farms for the year 1933, if crops are to be produced on said lands; and

Whereas under the act of the Congress of the United States approved July 21, 1932, known as the "emergency relief and construction act of 1932," and the act of which it was an amendment, loans can not be made to such irrigation districts for the purposes herein provided; and

Whereas the interests of the thousands of farmers in said irrigation districts require that the Reconstruction Finance Corporation may make loans for such purpose and accept the warrants of such districts as securities: Now, therefore, be it

*Resolved by the Senate of the State of Idaho (the House of Representatives concurring)*, That we most respectfully urge upon the Congress of the United States of America to immediately broaden the terms of said act, by amendment thereto, under which loans by the Reconstruction Finance Corporation may be made so as to include loans to such irrigation districts for such purpose, accepting as security therefor the warrants of said districts legally issued and registered in the manner provided by law, the payments of which, together with interest thereon, shall be guaranteed by assessments duly levied or to be levied as provided by law; be it further

*Resolved*, That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to forward certified copies of this memorial to the Senate and the House of Representatives of the United States of America and to the Senators and Representatives in Congress from this State.

This senate joint memorial passed the senate on the 6th day of February, 1933.

GEO. E. HILL,
*President of the Senate.*

This senate joint memorial passed the house of representatives on the 9th day of February, 1933.

ROBERT COULTER,
*Speaker of the House of Representatives.*

I hereby certify that the within Senate Joint Memorial No. 4 originated in the senate during the twenty-second session of the Legislature of the State of Idaho.

M. J. HAMMOND,
*Secretary of the Senate.*

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, favoring the prompt passage of House bill 413, as amended, to enlarge the Boise National Forest by adding thereto certain areas in Idaho, which was referred to the Committee on Public Lands and Surveys.

(See joint memorial printed in full when laid before the Senate by the Vice President on the 15th instant, p. 4108, CONGRESSIONAL RECORD.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, urging Congress to eliminate from pending legislation (being a bill to amend sections 5 and 8 of the Idaho admission act so as to permit mineral leases on public lands to be made for a term not to exceed 20 years and to permit the further exchange and consolidation of State and Federal lands within the State of Idaho) the provision authorizing the State, in its discretion, to add a portion of the annual income to the permanent funds and, upon the elimination of this provision, favoring the immediate enactment into law of the said bill, which was referred to the Committee on Public Lands and Surveys.

(See joint resolution printed in full when laid before the Senate by the Vice President on the 14th instant, p. 3993, CONGRESSIONAL RECORD.)

Mr. PITTMAN presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Banking and Currency:

STATE OF NEVADA,
*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original Senate Joint Resolution 10, introduced by Senators Winters, Carpenter, and Friedhoff February 1, 1933, now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of State at my office, in Carson City, Nev., this 16th day of February, A. D. 1933.

[SEAL.] W. G. GREATHOUSE,
*Secretary of State.*

Senate joint resolution memorializing the Reconstruction Finance Corporation and the Regional Agricultural Credit Corporation to reduce the interest rate on, and to extend the time for payment of, agricultural and livestock loans

*Resolved by the Senate and the Assembly of the State of Nevada*, That—

Whereas the present interest rates charged by the Regional Agricultural Credit Corporation in the State of Nevada are excessive under present conditions and should be lowered to at least 4 per cent per annum; and

Whereas said loans made are required to be approved by the Reconstruction Finance Corporation: Now, therefore

The Legislature of the State of Nevada hereby respectfully requests the Reconstruction Finance Corporation and the Regional Agricultural Credit Corporation to reduce the rate of interest on all pending agricultural and livestock loans, and all future loans, to at least 4 per cent per annum, and to extend time for payment of the principal on present loans for an additional three years, and to make all future loans for not less than three years.

The secretary of state of the State of Nevada is hereby directed to transmit certified copies hereof to the president or chairman of the Reconstruction Finance Corporation, to the executive officer of the Regional Agricultural Credit Corporation for this Federal land-bank district, and to the United States Senators and Representatives in Congress from the State of Nevada.

MORLEY GRISWOLD,
*President of the Senate.*
V. R. MERIALDO,
*Secretary of the Senate.*
FRED S. ALWARD,
*Speaker of the Assembly.*
GEORGE BRODIGAN,
*Chief Clerk of the Assembly.*

STATE OF NEVADA,
*Executive Department.*

Approved February 15, 1933.

F. B. BALZAR, *Governor.*

Mr. PITTMAN also presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Mines and Mining:

STATE OF NEVADA,
*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original assembly joint resolution No. 10, introduced by Mr. Bugbee, January 30, 1933, now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of State, at my office, in Carson City, Nev., this 16th day of February, A. D. 1933.

[SEAL.] W. G. GREATHOUSE,
*Secretary of State.*

Assembly joint resolution memoralizing Congress not to pass H. R. 13558, relative to filing of notices of location of mining claims in United States land offices

*Resolved by the assembly and the senate*, That—

Whereas there has been introduced in the House of Representatives of the Congress of the United States a bill, known as H. R. 13558, which provides for the filing of notices of location of all mineral claims in land offices of the United States, and

that proofs of labor on such mining claims be similarly filed, in addition to filing requirements now required under State laws, and that in case of failure to so file in the United States land offices all claims for which such filings have not been made shall be open to relocation in the same manner as if no location had ever been made on said claims, and granting the Secretary of the Interior power to prescribe rules and regulations for carrying out the provisions of the act, and requiring the payment of such fees for filing all papers required to be filed under the provisions of the proposed law; and

Whereas as almost all of the public lands within the State of Nevada are potential mineral lands, and thousands of mining claims now located on them, or which may be hereafter located thereon, have not been and can not be so described in the location notices, that these claims could not be placed upon a map without a long, tedious, and expensive survey, much of the mineral land being as yet unsurveyed and unplatted, and as such claims are held by citizens or may be located by others who are unable to bear the expense of surveying them and paying the filing fees to be required, especially in the present economic condition of the country; and

Whereas the provisions of such proposed law by Congress are unjust and wholly unnecessary and would work great hardship upon the prospectors and owners of mining claims: Now, therefore

The Legislature of the State of Nevada earnestly protests against the passage of said bill, namely, H. R. 13558, and requests that the Senators and Representatives of the State of Nevada in Congress oppose said bill and vote against the passage of the same, and that the Congress of the United States take cognizance of this protest and defeat the passage of said bill. The secretary of state of the State of Nevada is hereby instructed to forward a certified copy of this joint resolution to the President of the Senate, the Speaker of the House of Representatives, and to the United States Senators and Representative in Congress from the State of Nevada.

FRED S. ALWARD,
*Speaker of the Assembly.*
GEORGE BRODIGAN,
*Chief Clerk of the Assembly.*
MORLEY GRISWOLD,
*President of the Senate.*
V. R. MERIALDO,
*Secretary of the Senate.*

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

Approved February 15, 1933, 3.40 p. m.
F. B. BALZAR, *Governor.*

Mr. KENDRICK presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Public Lands and Surveys:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of original Senate Joint Memorial No. 1, as passed by the Twenty-second Legislature of the State of Wyoming and approved February 2, 1933, at 4.40 p. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 15th day of February, A. D. 1933.

[SEAL.] A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

Memorializing Congress to take favorable action on S. 1043, to confer upon the States of Montana, Wyoming, and Idaho the right to tax, for State and county purposes, persons, copartnerships, and corporations, and their property within that portion of the Yellowstone National Park which lies within the boundary lines of said States

Whereas the Yellowstone National Park was created and the boundaries thereof were defined by act of Congress dated March 1, 1872, as amended by act of Congress dated May 7, 1894, and as so created and established includes within its boundaries areas of the States of Wyoming, Montana, and Idaho; and

Whereas in the act creating Yellowstone National Park and providing rules and regulations therefor no special provision has been made authorizing the assessment and collection of taxes upon property in private ownership included within the boundaries of said park; and

Whereas there now exists in private ownership a large amount of property situated within the boundaries of said Yellowstone National Park aggregating millions of dollars in value, the taxation of which would greatly benefit said States of Wyoming, Montana, and Idaho; and

Whereas the various acts of Congress establishing the several national parks, including Glacier National Park, Sequoia National Park, Yosemite National Park, Mount Rainier National Park, and Rocky Mountain National Park, each expressly authorizes the taxation of property in private ownership situated within the boundaries thereof, and no good reason exists why such law should not be applied to the Yellowstone National Park; and

Whereas there is now pending in the Senate of the United States a bill known as S. 1043 to confer upon the States of Montana, Wyoming, and Idaho the right to tax for State and county purposes persons, copartnerships, and corporations, and their property within that portion of the Yellowstone National Park which lies within the boundary lines of said States: Therefore be it

*Resolved by the Senate of the Twenty-second Legislature of the State of Wyoming (the House of Representatives concurring)*, That the Congress of the United States of America be, and it is hereby, memorialized to take favorable and prompt action upon and to pass said S. 1043; and be it further

*Resolved*, That a certified copy of this joint memorial be sent to each of the members of the congressional delegation of this State in Congress and to the House of Representatives and Senate of the States of Montana and Idaho.

WM. M. JACK,
*Speaker of the House.*
ROY H. CAMERON,
*President of the Senate.*

Approved 4.40 p. m., February 2, 1933.
LESLIE A. MILLER, *Governor.*

Mr. KENDRICK also presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Interstate Commerce:

THE ST..TE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of enrolled Joint Memorial No. 1, House of Representatives of the Twenty-second Legislature of the State of Wyoming, being original House Joint Memorial No. 4, approved by the governor on February 16, 1933, at 8.55 a. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 16th day of February, A. D. 1933.

[SEAL.] A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

Memorializing the Congress of the United States to immediately enact legislation regulating interstate commercial motor-vehicle traffic

Whereas the ever-increasing burden of traffic by commercial motor vehicles operating for gain and profit upon the highways presents a serious situation; and

Whereas it is entirely clear that the highways are public property, that their primary and preferred use is for private purposes, and that their use for purposes of gain is special and extraordinary; and

Whereas it is vitally important to the State of Wyoming that traffic by commercial motor vehicles shall be so regulated that the burden thereof with its resulting injuries to the highways, its interference with the primary use thereof, as well as the danger and inconvenience resulting to the citizens of the State shall be properly adjusted to the interests of all classes of citizens; and

Whereas such regulation should be designed to foster a fair distribution of traffic, to the end that all necessary facilities of transportation shall be maintained and the public shall not be inconvenienced by the extraordinary and unlimited use of the highways for purposes of gain and profit; and

Whereas such regulation through legislative enactment by the State of Wyoming can result only in the regulation of such traffic upon the highways within this State and can not properly accomplish such regulation with reference to such traffic which is interstate in character; and

Whereas it is necessary, in order to make any such regulation by legislative enactment of this State effective, that there shall be enacted by the Congress of the United States legislation regulating interstate traffic by commercial motor vehicles upon the highways: Now, therefore, be it

*Resolved by the house of representatives of the twenty-second legislature (the senate concurring)*, That the Congress of the United States of America be, and the same is hereby, memorialized to immediately enact legislation regulating interstate traffic by common-carrier motor vehicles upon the highways and the business of operating such vehicle upon the highways for gain and profit, and to the end that the burden of such traffic with its resulting injuries to the highways, its interference with the primary use of the highways, the danger and inconvenience resulting to the citizens shall be properly adjusted to the interest of all classes of citizens, and that all necessary facilities of transportation shall be maintained and the public shall not be inconvenienced by the extraordinary and unlimited use of the highways for the purposes of gain and profit; be it further

*Resolved*, That certified copy of this memorial be addressed and sent to Senator ROBERT D. CAREY, Senator JOHN B. KENDRICK, and Hon. VINCENT CARTER, Representative in Congress for the State of Wyoming.

ROY H. CAMERON,
*President of the Senate.*
WM. M. JACK,
*Speaker of the House.*

Approved 8.55 a. m., February 16, 1933.
LESLIE A. MILLER, *Governor.*

Mr. KENDRICK also presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Public Lands and Surveys:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
*State of Wyoming, ss:*

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of Enrolled Joint Memorial No. 2, House of Representatives of the Twenty-second Legislature of the State of Wyoming, being original House Joint Memorial No. 3, approved by the governor on February 16, 1933, at 9 a. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 16th day of February, A. D. 1933.

A. M. CLARK, *Secretary of State.*
By C. J. ROGERS, *Deputy.*

Memorializing the National Park Service to maintain the public roads in Yellowstone National Park, so as to permit winter travel thereon

Whereas the roads traversing Yellowstone National Park are not now maintained for winter travel; and

Whereas there are highly developed highways which converge through Yellowstone National Park, all of which are open for constant use during the winter but are barred from use for transcontinental travel by reason of the failure of the National Park Service to maintain its highways so as to permit winter travel; and

Whereas the distance from Chicago to San Francisco would be shortened by 500 miles and the distance from Chicago to Portland would be shortened by 1,500 miles for winter traffic if the roads of Yellowstone National Park were maintained for winter travel; and

Whereas there are thousands of the motoring public who make the trip between the places above designated and intermediate points during the winter months and that by reason of the lessening of mileage if winter travel were possible through Yellowstone National Park, they would be able to save millions of dollars annually; and

Whereas there are thousands of people who are desirous of viewing the canyon, falls, hot springs, and geysers of Yellowstone National Park in their winter beauty; and

Whereas the main routes of travel through Yellowstone National Park are protected by timber, making them easily kept free from snow and safe for transcontinental travel during the winter months; and

Whereas greater snowfalls than are prevalent in Yellowstone National Park are removed from high passes in the States of Colorado, California, Washington, and Oregon, thereby proving that winter maintenance is possible and feasible in Yellowstone National Park; and

Whereas there is no other short stretch of highway now closed for winter travel that would command as much thereof as the one via Yellowstone National Park; and

Whereas by the collection of the fee charged for entering the park the National Park Service would receive sufficient to pay the expense of snow removal and winter maintenance and also afford winter labor for many now unemployed; and

Whereas many other national parks are kept open during the entire winter months: Now, therefore, be it hereby

*Resolved by the House of Representatives of the Twenty-second Legislature of the State of Wyoming (the Senate concurring)*, That we hereby memorialize the National Park Service of the United States of America that they take such favorable, necessary, and prompt action as will result in the annual winter maintenance of highways in Yellowstone National Park; be it further

*Resolved*, That certified copies of this house joint memorial be forwarded to the Wyoming Senators and Representatives in the Congress of the United States and to the Director of the National Park Service.

ROY H. CAMERON,
*President of the Senate.*
WM. M. JACK,
*Speaker of the House.*

Approved 9 a. m., February 16, 1933.

LESLIE A. MILLER, *Governor.*

Mr. KING presented a resolution adopted by the Logan (Utah) City Commission, protesting against the imposition of taxes upon publicly owned utilities of States or political subdivisions thereof, which was referred to the Committee on Finance.

Mr. COPELAND presented petitions of sundry citizens of Oswego and Rochester, in the State of New York, praying for the passage of legislation to revaluate the gold ounce so as to expand the currency, which were referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the board of trustees of the village of Pleasantville, Westchester County, N. Y., protesting against the imposition of taxes on State and municipal-owned utilities, which was referred to the Committee on Finance.

He also presented resolutions adopted by Camp No. 55, Patriotic Order of Americans, of New York City, N. Y., favoring the repeal of the so-called Federal economy law and especially protesting against the operation of the furlough plan affecting Government employees, which were ordered to lie on the table.

He also presented memorials and communications in the nature of memorials of sundry citizens and several religious organizations in the State of New York, remonstrating against the repeal of the eighteenth amendment to the Constitution or the repeal or modification of the national prohibition law, which were ordered to lie on the table.

He also presented a resolution of Local No. 108, Upholsterers, Carpet and Linoleum Mechanics' International Union of North America, of New York City, N. Y., favoring the passage of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, which was ordered to lie on the table.

He also presented resolutions of the Plattsburgh (N. Y.) Chapter, Reserve Officers' Association of America, protesting against inclusion in the War Department appropriation measure of the so-called Connery amendment affecting the pay of officers on the retired list of the Army, which were ordered to lie on the table.

He also presented resolutions of the Plattsburgh (N. Y.) Chapter, Reserve Officers' Association of America, protesting against the passage of the so-called McClintic bill, being House bill 13522, relating to the retirement of certain employees of the Government, which were ordered to lie on the table.

## REPORTS OF COMMITTEES

Mr. FRAZIER, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 13991) to aid agriculture and relieve the existing national economic emergency, reported it with amendments and submitted a report (No. 1251) thereon.

He also, from the Committee on Indian Affairs, to which was referred the bill (S. 5622) providing for an alternate budget for the Indian Service, fiscal year 1935, reported it without amendment and submitted a report (No. 1252) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 219) authorizing the fixing of grazing fees on lands within national forests, reported it without amendment.

Mr. STEIWER, from the Committee on Banking and Currency, to which was referred the bill (S. 5607) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund, reported it without amendment.

Mr. DALE, from the Committee on Civil Service, to which was referred the bill (S. 5475) to amend section 3 of the act of May 28, 1928, relating to salary rates of certain civil-service positions, reported it without amendment.

Mr. THOMAS of Idaho, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 5614) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund, reported it without amendment and submitted a report (No. 1254) thereon.

Mr. SCHUYLER, from the Committee on the Judiciary, to which was referred the bill (H. R. 194) to amend section 6 of the national charter of the Great Council of the United States of the Improved Order of Red Men, reported it without amendment and submitted a report (No. 1253) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 10641. An act to amend section 122 of the Judicial Code (Rept. No. 1255);

H. R. 10243. An act granting the consent of Congress to any two or more States to enter into agreements or compacts

for cooperative effort and mutual assistance in the prevention of crime, and for other purposes (Rept. No. 1256); and

S. 1060. An act relative to assumption of risks of employment (Rept. No. 1257).

ENROLLED BILLS PRESENTED

Mr. VANDENBERG, from the Committee on Enrolled Bills, reported that on the 18th instant that committee presented to the President of the United States the following enrolled bills:

S. 567. An act to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland;

S. 1705. An act for the relief of Samuel C. Davis; and

S. 4576. An act to authorize the Secretary of Commerce to grant an easement for railroad right of way over and upon a portion of the helium gas bearing lands of the United States of America in Potter County, in the State of Texas.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 5665) granting an increase of pension to Emma F. Burrell (with accompanying papers); to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 5666) granting an honorable discharge to Edward Barrett; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 5667) authorizing the Commissioners of the District of Columbia to grant a permit for the construction of an oil and gasoline pipe line; to the Committee on the District of Columbia.

By Mr. NEELY:

A bill (S. 5668) granting a pension to Ella A. Barker;

A bill (S. 5669) granting a pension to Margaret A. Srout; and

A bill (S. 5670) granting an increase of pension to Sarah V. Ashcraft; to the Committee on Pensions.

A bill (S. 5671) to amend the act of May 25, 1926, entitled "An act to provide for the establishment of the Mammoth Cave National Park in the State of Kentucky, and for other purposes"; to the Committee on Public Lands and Surveys.

By Mr. TYDINGS:

A bill (S. 5672) to provide revenue for the District of Columbia by the taxation of beverages, and for other purposes; to the Committee on the District of Columbia.

By Mr. BRATTON:

A bill (S. 5673) to amend section 30 of the World War veterans' act, 1924, as amended, with respect to disclosure of confidential information in the files of the Veterans' Administration; to the Committee on Finance.

By Mr. BANKHEAD:

A bill (S. 5674) to provide for the issuance of stamped money certificates, and for other purposes; to the Committee on Banking and Currency.

NATIONAL AND STATE BANKING INSTITUTIONS

Mr. COUZENS. Mr. President, I ask leave to introduce a joint resolution and have it referred to the Committee on Banking and Currency, and because of the interest in the subject I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 256) authorizing the Comptroller of the Currency to exercise with respect to national banking associations powers which State officials may have with respect to State banks, savings banks, and/or trust companies under State laws, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

*Resolved, etc.*, That with the approval of the Secretary of the Treasury, the Comptroller of the Currency shall have and may exercise to such extent as he deems advisable with respect to national banking associations any powers which the State officials having supervision of State banks, savings banks, and/or trust companies in the State in which such national banking associations are located may have with respect to such State institutions under State laws now in force or hereafter enacted: *Provided*, That nothing in this joint resolution shall be construed to extend the authority of the Comptroller of the Currency under section 5155, as amended, of the Revised Statutes, with respect to the establishment of branches of national banking associations.

Expenses incurred by the Comptroller of the Currency in the exercise of such powers may be assessed by him against the banks concerned and, when so assessed, shall be paid by such banks.

Nothing herein shall be construed to impair any power otherwise possessed by the Comptroller of the Currency, the Secretary of the Treasury, or the Federal Reserve Board.

All powers conferred herein shall terminate on March 3, 1934.

HOUSE BILL REFERRED

The bill (H. R. 14643) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CONTINUANCE OF INVESTIGATION OF THE FEDERAL FARM BOARD

Mr. McNARY submitted the following resolution (S. Res. 364), which was ordered to lie on the table:

*Resolved*, That Senate Resolution No. 42, Seventy-second Congress, agreed to April 11, 1932, directing the Committee on Agriculture and Forestry to make an investigation of the activities and operations of the Federal Farm Board, is hereby continued in full force and effect until the expiration of the Seventy-third Congress.

COMPETITIVE CONDITIONS RELATING TO THE WOOD-PULP INDUSTRY

Mr. DILL submitted the following resolution (S. Res. 365), which was ordered to lie on the table:

*Resolved*, That the Tariff Commission be, and is hereby, directed to investigate and report to the Senate at as early a date as possible the competitive conditions as they relate to the wood-pulp industry of the United States, and particularly in relation to pulp timber, pulpwood, and mechanical and chemical wood pulp produced in Canada, Sweden, Finland, and Norway, said investigation to be based upon the costs in the various countries as computed on the standard gold value of United States currency used in payment for labor and other costs in domestic industry.

The commission is further directed to make such use of the data and findings of the United States Conservation Board, which has conducted a complete survey in the domestic field of the pulp business during the past few years, as will be useful in making its report to the Senate.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries, who announced that on the 18th instant the President approved and signed the following acts:

S. 1858. An act for the relief of Harriette Olsen; and

S. 4166. An act for the relief of James M. Griffin, disbursing agent, United States Coast and Geodetic Survey, and for other purposes.

ADDRESS BY GEN. JOHN R. KING ON LINCOLN'S BIRTHDAY

Mr. ROBINSON of Indiana. Mr. President, I ask leave to have published in the RECORD an address delivered on Lincoln's Birthday over a national broadcast from Wardman Park Hotel, Washington, D. C., February 11, 1933, by Gen. John R. King, past commander in chief, Grand Army of the Republic.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, whenever the patriotic citizens of any nation join in tribute to the memory of those who were willing to sacrifice themselves for a conception of public duty, the whole human mass moves forward in the way of brotherhood.

As past commander in chief of the Grand Army of the Republic, I am profoundly grateful to the National Broadcasting Co. and the Veterans of Foreign Wars of the United States for this opportunity to extend the hand of comradeship and brotherhood to those of our younger comrades of the war with Spain, the World War, and all other campaigns and expeditions under the flag we love so well.

It is eminently fitting and proper that this program should be dedicated to the ideals and principles that characterized the life of Abraham Lincoln. To-night, on the eve of the one hundred and twenty-fourth anniversary of Lincoln's humble birth in the backwoods of Kentucky, there is a special significance in the

knowledge that we, as a united Nation, can still find courage and inspiration in his words and teachings.

To-day, under the stress of world-wide economic disturbances and widespread suffering, humanity in general is sorely in need of the healing hand of Abraham Lincoln. He was a man who belonged to the people; whose view on issues pertaining to the public welfare was tempered with tolerance and sympathy for the masses; one who possessed a deep sense of loyalty to the inherent rights of individuals and a wholesome regard for the well-being of those who were prepared to sacrifice themselves on the altar of patriotism.

To-day, due to circumstances brought on by an economic upheaval, there are those who would ignore and forget the teachings and principles of patriotism, and appreciation of service as emphasized by Abraham Lincoln. Veterans as a class have become the target of insidious and underhand attacks. Motives that are utterly selfish have inspired certain cliques and groups to vent their spleen upon the veteran and his dependents, irrespective of the service, sacrifice, and sufferings they have been willing to undergo as loyal citizens of this Nation.

In reply to these critics of the veteran, I take the words of Abraham Lincoln, when he said, "Neither let us be slandered from our duty by false accusations against us nor frightened from it by menaces of destruction. * * * Let us have the faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it."

As past commander in chief of the Grand Army of the Republic, I hereby pledge the prayers and energies of our organization to the cause of veteran unity. We are old in years but still young in spirit in this fight against those who would exploit the veteran in the name of false economy. We have no patience for those who would weigh the value of mere dollars against the welfare and happiness of human beings.

To the Veterans of Foreign Wars of the United States, in its glorious defense of veteran legislative benefits already enacted, I pledge the loyal aid and support of our fast-fading ranks. To the people, as a whole, we who survive in the ranks of the Grand Army of the Republic commend the ideals and principles espoused by the Great Emancipator when he called upon a united people, following the Civil War, "to bind up the Nation's wounds; to care for him who shall have borne the battle and for his widow and orphans."

May God make us worthy of the memory of Abraham Lincoln!

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that on to-day the House passed without amendment the joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States.

### FEDERAL AID FOR UNEMPLOYMENT RELIEF

The Senate resumed the consideration of the bill (S. 5125) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes.

Mr. LA FOLLETTE. Mr. President, the issue presented to the Senate between the substitute offered by the Senator from New York and the Costigan-La Follette bill is clear-cut. Every line of the substitute, beginning on page 3, line 17, down to and including line 5 on page 9, was adopted to the pending bill last Friday. These are the provisions of the Wagner substitute which deal with loans from the Reconstruction Finance Corporation for public works. The first part of the substitute, to be found on pages 1 and 2 and down to line 17 on page 3, deals with funds to be made available for the relief of destitution. They provide for a continuation of the present policy of loaning money or making advances to the States, to be deducted from future Federal highway appropriations. These deductions are to begin in 1935. All that the substitute offered by the Senator from New York does, in so far as relief of the unemployed is concerned, is to raise the authorized limit of such loans to $600,000,000 and to change the pauper's oath which the governors must now make by omitting the phrase in the existing law requiring a declaration that there are no resources within the State to meet the problem.

### WAGNER SUBSTITUTE WILL CONTINUE PRESENT DISGRACEFULLY LOW RELIEF STANDARDS

There remains about $133,000,000 of the $300,000,000 authorized for loans and advances for relief of destitution in the bill passed last year. Therefore it is fair to say that the Wagner substitute does nothing to raise the prevailing standards of relief being given to the unemployed and their dependents. It proposes to continue the disgracefully low levels of subsistence which are forcing a degradation of millions of men, women, and children spiritually, mentally, and physically in the United States to-day.

### THE COSTIGAN-LA FOLLETTE BILL

The Costigan-La Follette bill on the other hand provides $500,000,000 to be given as a grant in aid to the States to meet in part the burden of direct unemployment relief. This fund is to be raised by the Reconstruction Finance Corporation and will be administered by a Federal emergency relief board of three persons to be appointed by the President and confirmed by the Senate, two of whom shall be experienced in public relief and welfare administration.

Mr. President, I ask for order in the Chamber. I ask that Senators who are not interested in the misery of millions in the United States retire to the cloakroom to carry on their conversations.

The VICE PRESIDENT (rapping for order). Senators will please be in order.

Mr. LA FOLLETTE. The fund proposed in the bill is made available as rapidly as it may be needed. Forty per cent of the total, or $200,000,000, is, according to sections 4 (a) and (7) of the bill, to be apportioned according to the population of the various States, Territories, and the District of Columbia. The maximum amounts available to individual States and Territories on this basis are shown in the following table, which I ask be incorporated as a part of my remarks and which are to be found in the report of the Committee on Manufactures.

The VICE PRESIDENT. Without objection, it is so ordered.

The table is as follows:

| State | Population | Amount |
|---|---|---|
| United States | 124,746,573 | $200,000,000.00 |
| Alabama | 2,646,248 | 4,242,598.32 |
| Alaska | 59,278 | 95,037.48 |
| Arizona | 435,573 | 698,332.60 |
| Arkansas | 1,854,482 | 2,973,199.10 |
| California | 5,677,251 | 9,102,055.25 |
| Colorado | 1,035,791 | 1,660,632.38 |
| Connecticut | 1,606,903 | 2,576,267.96 |
| Delaware | 238,380 | 382,182.84 |
| District of Columbia | 486,869 | 780,572.94 |
| Florida | 1,468,211 | 2,353,909.96 |
| Georgia | 2,908,506 | 4,663,063.58 |
| Hawaii | 368,336 | 590,534.86 |
| Idaho | 445,032 | 713,497.74 |
| Illinois | 7,630,654 | 12,233,849.51 |
| Indiana | 3,238,503 | 5,192,131.42 |
| Iowa | 2,470,939 | 3,961,534.08 |
| Kansas | 1,880,999 | 3,015,712.50 |
| Kentucky | 2,614,589 | 4,191,814.00 |
| Louisiana | 2,101,593 | 3,369,379.94 |
| Maine | 797,423 | 1,278,468.78 |
| Maryland | 1,631,526 | 2,615,744.80 |
| Massachusetts | 4,249,614 | 6,813,195.60 |
| Michigan | 4,842,325 | 7,763,459.77 |
| Minnesota | 2,563,953 | 4,110,658.82 |
| Mississippi | 2,009,821 | 3,222,246.44 |
| Missouri | 3,629,367 | 5,818,784.30 |
| Montana | 537,606 | 861,917.06 |
| Nebraska | 1,377,963 | 2,209,219.80 |
| Nevada | 91,058 | 145,988.70 |
| New Hampshire | 465,293 | 745,981.20 |
| New Jersey | 4,041,334 | 6,479,279.58 |
| New Mexico | 423,317 | 678,693.16 |
| New York | 12,588,066 | 20,181,822.50 |
| North Carolina | 3,170,276 | 5,082,746.44 |
| North Dakota | 680,845 | 1,091,565.04 |
| Ohio | 6,646,697 | 10,656,320.01 |
| Oklahoma | 2,596,040 | 3,841,452.22 |
| Oregon | 953,786 | 1,529,157.84 |
| Pennsylvania | 9,631,350 | 15,441,466.30 |
| Puerto Rico | 1,543,913 | 2,475,279.22 |
| Rhode Island | 687,497 | 1,102,229.88 |
| South Carolina | 1,738,765 | 2,787,675.78 |
| South Dakota | 692,849 | 1,110,810.46 |
| Tennessee | 2,616,556 | 4,194,994.60 |
| Texas | 5,824,715 | 9,338,476.99 |
| Utah | 507,847 | 814,205.92 |
| Vermont | 359,611 | 576,546.50 |
| Virginia | 2,421,851 | 3,882,833.72 |
| Washington | 1,563,396 | 2,506,515.34 |
| West Virginia | 1,729,205 | 2,772,348.70 |
| Wisconsin | 2,939,006 | 4,711,962.72 |
| Wyoming | 225,565 | 361,637.18 |

Mr. LA FOLLETTE. Mr. President, to provide an incentive to a maximum of effort on the part of the States and localities, payments to any State on the population basis in any one calendar year are, under section 4 (a), not to exceed two-thirds of the amounts made available for relief from all sources within the State.

The VICE PRESIDENT (rapping for order). Senators will please be in order. Senators desiring to carry on conversation will please retire to the cloakroom.

Mr. LA FOLLETTE. The remainder of the Federal contribution, or $300,000,000, except for necessary administrative expenses, which may not exceed $350,000, is, according to sections 4 (b) and 8, together with any portion of the fund allotted on the basis of population but not used, according to section 4 (c), to be allotted to the States and Territories and the District of Columbia to the extent that local needs are not covered by local and State funds and the funds obtainable upon the population basis.

Not to exceed $15,000,000 of the amount reserved for allotment in accordance with need may be used, under subsections (b) and (c) of section 8, to assist the States in establishing relief programs for transients who have no legal claim on the State or the local community in which they happen to be. Those provisions of the bill embody the essential provisions of the bill (S. 5121) to authorize cooperation by the Federal Government in relieving distress among unemployed needy transients, also referred to the Committee on Manufactures. The evidence taken by your committee shows that action by the Federal Government is imperative to meet the problem created by the ever-increasing number of men, women, and boys who are wandering about the country looking for work. And, in my judgment, Mr. President, the $15,000,000 provided is adequate to deal with the transient problem that now confronts the country.

Full responsibility for the allocation of funds under the Costigan-La Follette bill is by section 3 vested in a Federal emergency relief board of three members, to be appointed by the President, by and with the advice and consent of the Senate, and to continue in existence for a period of two years. The Reconstruction Finance Corporation, under sections 2 and 9, is in effect designated as the board's fiscal agent. The corporation is directed to make to the States the payments certified from time to time by the board, and is authorized to sell additional bonds or debentures to the extent that this may be necessary to cover the expenditures of the relief program.

The procedure to govern applications by the States for grants is set forth in sections 5, 6, and 10. The bill avoids all implication of centralization of relief or Federal coercion of the States by explicitly stating in section 12 that it shall be construed—

> To secure to the several States control of the administration of relief * * * within their respective territorial limits—

And in section 5 (b) that—

> Relief shall be administered within each State under rules and regulations adopted by the State authorities.

It is fully recognized that this bill is in no sense a solution of the economic problems which have created the need for unemployment relief. It is urgent, however, that hunger, disease, discouragement, and permanent degradation be checked until effective measures for economic recovery can be adopted.

The VICE PRESIDENT. The Senator from Wisconsin has asked for order. Let the Senate be in order.

Mr. LA FOLLETTE. Mr. President, I hope that the interruptions of this nature will remain in the RECORD, so that the millions of persons now ground down to the level of paupers may understand that in the highest legislative body in this land there is no interest in their suffering or their degradation.

SHRINKAGE OF RELIEF RESOURCES—PUBLIC AND PRIVATE

There are between twelve and fifteen million unemployed persons in the United States to-day. We are in the fourth winter of the depression. The longer it lasts the greater the load becomes upon relief. This is due to two causes. The exhaustion of the resources of the individual and the shrinkage of resources, public and private. Funds raised from private sources rose tremendously in the early stages of the depression; but, despite heroic efforts, they are rapidly becoming an insignificant factor. Available statistics indicate that private funds are now meeting only about 12 per cent of the burden. In my judgment this does not reflect an unwillingness to be generous. It is due primarily to diminishing income and to some extent to the fact that private contributions are more readily available to meet an emergency, but tend to decline when the need extends over a period of years.

We have no accurate figures as to the number of families now on relief, but Harry L. Hopkins, chairman of the Temporary Relief Administration of New York State, testified that 300,000 families would require relief in that State this year. Upon the basis of his experience he estimated that 10 per cent of the population, or 3,000,000 families in the country, would require relief from public funds in 1933. Walter West, executive secretary of the American Association of Social Workers, estimates that between three and three and one-half million families are now on the destitute level and require relief.

The Reconstruction Finance Corporation had, early in January, made loans or advances to 36 States and 2 Territories, which represent about 52 per cent of the population of the United States, but does not include New York, New Jersey, the five New England States, California, Maryland, Delaware, Nebraska, and Wyoming. In November last, according to Mr. Croxton, there were 2,300,000 families estimated to be in need of relief in the area referred to.

The mounting burden is shown by the Children's Bureau figures from 125 reporting cities, embracing 25 per cent of the population. In January, 1931, these cities had 450,000 families on relief; in December, 1931, there were 696,000; in November, 1932, 892,000; and in December last 997,000 families were receiving assistance in these 125 municipalities. New York City also shows the same increase in load: November, 1930, 27,000 families; November, 1931, 108,000; November, 1932, 178,000. Chicago has had a like experience: November, 1930, there were 16,500 families on relief; November, 1931, it had jumped to 97,000, and in November, 1932, it had reached 161,000. In that month there were 75,000 families down-State in Illinois, making a total for the State of 230,000 families entirely dependent on public relief. In Pennsylvania there were in December, 1931, 165,000 families on relief; in May, 1932, 235,000; and in December, 1932, 397,000 families in the State of Pennsylvania were on public relief. The load in that State is rising at the rate of 40,000 families per month.

Data received from 44 cities in 25 States and analyzed by H. L. Lurie, of the Bureau of Jewish Social Research, shows that 25 per cent of the unemployed in those cities are receiving relief.

FIVE HUNDRED THOUSAND FAMILIES IN THE UNITED STATES ARE DESTITUTE

But let no Senator get the impression that all those who are in need are receiving even the meager assistance now being given to those in want. Mr. Hopkins, in charge of the relief in New York State, estimates that there are 500,000 families in the United States in destitute circumstances who are being denied relief because the available funds are inadequate to meet the need. There are, for example, estimated to be 30,000 families in New York City alone, the richest city in the world, who are in need, but who are unable to secure relief because of lack of funds. This is not a wild guess. It is made by Mr. William Hodson, executive director of the welfare council in that city.

Since the substitute offered by the Senator from New York [Mr. WAGNER] proposes to continue the present basis of relief in this country, it becomes pertinent to make a brief survey of the standards of relief that prevail in the richest country in the world. Relief does not meet the minimum standards set up by competent authorities as necessary to sustain life and preserve health and morale. I have time to cite only a few examples. Mr. Hodson testified:

> We have not been able thus far to provide adequate relief. We have prevented families from starving to death and have met, in part, the most urgent distress. Beyond that we have not attained a standard which is adequate.

Mr. Samuel A. Goldsmith, executive director of Jewish charities in Chicago, testified:

We have been engaged in a great biological experiment in Illinois. We have been experimenting with the minimum amount of money and food that will keep people fairly healthy.

Calvert Estill, director of public welfare in West Virginia, tells the story in a few words:

The funds available both from Federal and local sources have been just about sufficient to maintain the families and keep them from starvation; nothing except food, practically no clothing, and no rents.

I asked him about medical care. He answered:

In the first grants made in 1932 we permitted the same medical and hospital services on a case basis; that is, if the case was in all respects eligible to assistance. In the grants that were made to us for the year 1933 in the resolution adopted by the corporation (Reconstruction Finance Corporation) there is a provision to the effect that it is understood that funds are not available for medical, hospital, or institutional services.

The relief given to-day does not even reach the standards set up to aid the victims of disaster. Again I quote from Walter West, of the American Association of Social Workers:

We had had some disaster-relief experience which we applied and that we are applying now, unfortunately. Our disaster programs were proper following a tornado or fire or flood. We had learned to bring in supplies and hand them out, register the afflicted and the persons who had been dispossessed, and we have been able to apply those systems quite adequately in particular local places. But those systems of relief are not the kind to meet the needs of families which have to be relieved month after month and year after year.

We have made it necessary for those families to live on inadequate food allowances on which they might be able to live reasonably well for a week or two, but without the variety that is absolutely necessary in a year's or a month's diet. We have left them every month with uncertainty and a fear of being dispossessed. We have given little clothing, although we always provide clothing in disasters. We do not provide medical care through a central relief agency, although we give it in disasters. We are cutting off lights and giving inadequate heat. Our relief programs are not even as adequate now as in any disaster relief program of which I know.

The estimate for needs in Illinois by the State commission is $92,000,000 for 1933. According to Samuel Goldsmith this is on a disaster basis. He said:

It fails to recognize that no one has ever experienced a prolonged "disaster" for three or four years. We are simply keeping people alive in this situation.

Even these standards, disgracefully low as they are, are being lowered. I refer to the testimony of Mr. Lurie again.

In a large number of cities which give food relief through commissaries and grocery orders adequate standards of diet are not being maintained and increasingly even the supplying of food relief is taking on the character of emergency rations. It is obvious that such methods of relief may prove disastrous to health and morale as the emergency period lengthens into years instead of months. Very rapidly with diminishing funds it is becoming increasingly true that the efforts of relief agencies do not go much beyond the objective of seeing that "nobody will starve." * * * The supplying of food, however, is the only item of relief being given regularly in practically all of the cities. Payment of rent, clothing, fuel, light, and medical care are being given on an emergency basis—that is irregularly and to only a fraction of the unemployed."

A commission appointed by the Governor of Rhode Island recently reported:

It is especially important to recognize that there is a great difference between the amount which is needed to protect a family against desperate hunger for a few days and the amount that must be provided to carry a family for months on end. A food order for $2 or $3 prevents starvation, and for $5 a week the food needs of a family may be met for several weeks. * * * But where no provision can be made for reestablishing the flow of income of the head of the family, the absolute minimum to hold the family intact (five persons) is about $10 per week.

PRESENT RELIEF ON SEMISTARVATION BASIS

Senators who vote for the substitute bill are voting to maintain the present semistarvation basis of relief. In the time-limit I can give only a few examples, but they are all too typical.

Mr. Lurie, in referring to the reports from the cities he had studied, found that the relief ranges from as little as $5 and $6 a month for food relief in Florida, supplemented by a few miscellaneous items, such as wood, flour, and vegetables, to $10 and $12 per week for a family of five persons in some of the cities of medium size that have more adequate funds. In general, he reported to the committee, between $15 and $20 a month per family would be the total average relief. He estimated that if a minimum budgetary standard including food, clothing, rent, light, heat, and medical care were to be given, it would be necessary for cities concerned in his report to double the present total relief expenditures.

I cite a few examples: Stamford, Conn., grocery orders of $3, $4, and $5 per week; Grand Rapids, 50 cents per person per week; Cleveland, $4.40 per week; Toledo, $3 per week; Dallas, $1.40 for one day's work per week; Seattle, $4 per week; Cincinnati, $4 per week; Philadelphia, $4.54 per week; Pittsburgh, 90 cents per week per person. In the State of Pennsylvania the usual weekly family grant for food in December last was between $3 and $4. The maximum was $4.50 per week, regardless of the size of the family. In West Virginia the average allowance per week to the needy and distressed has been between 70 and 80 cents.

It hardly needs further argument to demonstrate that the standard of relief has been lowered beyond the danger point. Of course, it means undernourishment, not only for adults but for children. Doctor Appel, of the State Health Department in Pennsylvania, reports an alarming increase in undernourishment of school children. It has risen from 10 per cent three years ago to 28 per cent to-day. Lack of funds for shoes and clothing is not only causing suffering among the adult unemployed, but in many instances children are unable to attend school. Mr. Pickett, of the Friends' committee, reports that warm clothing is practically nonexistent in the coal-mining areas where he has been at work.

The lack of sufficient funds has made it impossible for the agencies to supply fuel except in emergency cases. The meager funds do not allow for the payment of light and gas bills. The testimony is replete with statements that the use of kerosene and candles was resorted to because it was cheaper. In Chicago Miss Edith Abbott, a member of the relief administration, reported many cases where water has been cut off for lack of payment of water bills, although this is contrary to the sanitary code of the city.

The inadequacy of relief funds has resulted in an almost universal policy of paying rent only to prevent eviction, and in many communities rent is only paid to secure new quarters for the family for one month. This policy has resulted in overcrowding. It has contributed greatly to the ever-mounting tax delinquencies in cities, thus diminishing the resources of those cities. It is not at all uncommon for landlords who own considerable rental property to be forced to apply for relief because they have no income, due to inability to collect rent. The overcrowding is producing behavior and delinquency problems which are a menace to family life.

Doctor Billikopf estimates that there are 50,000 families who have not paid rent for periods ranging from six months to two years in Philadelphia. Mr. De Schweinitz estimated that 43 per cent of the families receiving relief in Philadelphia had moved at least twice in the last year. Speaking of the situation in Chicago, Miss Edith Abbott said:

The policy of the relief offices is to pay one month's rent in advance to get the family in a new flat. Then the story begins all over and over again, and families move and move. We have had families that have moved as many as ten times in a year. * * * I remember one little boy in court (renters') and who was very much surprised and a little disturbed by it, and he said, "We are just like gypsies, always moving all the time." And that situation, as I have said, is very demoralizing to children.

FAMILIES MUST NOW BECOME PAUPERIZED BEFORE RECEIVING RELIEF

Now, do not think, Senators, that even this semistarvation relief that is being provided in the United States is being given just because people are unemployed. Oh, no! It is given only after the applicant has been carefully investigated, and it has been found that he and his family have been stripped of all their worldly possessions. To my mind, the period of pauperization through which a family must pass before it is considered eligible to receive any relief at all is one of the most appalling aspects of the situation.

Hear Mr. Lurie on this point:

Homes are lost, insurance is canceled, aid from relatives and friends has been terminated, families are forced to exhaust and destroy indefinitely their credit before relief is granted to them. This statement on the degree of destitution reached before relief is granted is applicable in practically all communities.

I ask the Senators within the sound of my voice to picture what this means. You lose your job. Your savings keep the family going for a time. When they are gone, you borrow on your insurance. When it lapses you move to a 1-room flat. You borrow from your relatives and friends. You stand off the butcher and the grocer and the milkman until they will give you nothing more for your wife and children to eat. Finally, after months of anguish and despair, you apply for relief; and after a careful investigation you are granted a food order for $4.50 per week. And this is all. No rent is paid unless you have been evicted from your shelter. There is no money for medical care or medicine except in emergency cases. The light is cut off. Gas is disconnected.

Perhaps the water will be shut off, too. There is no provision for clothing or shoes unless you are in dire straits, and then only secondhand cast-offs. I ask you, Will you ever be the same man again? Will your wife ever be the same woman again? And your children, what chance will they have in the future?

I say to you that by your failure to provide adequate relief to these citizens you are charging up a bill to the future in social problems and in problems of rehabilitation, the cost of which staggers the imagination.

The testimony shows that men who have been through this process of degradation and have had to subsist on these low levels of relief are no longer capable of a full day's work. Their physical stamina and their skill are gone. Time only will demonstrate whether it can ever be regained. To-day there are 3,000,000 families, or a tenth of the population, on this level; but the number is mounting at the rate of hundreds of thousands a month. Unless the standards of relief are raised, what is to become of the vaunted skill and productive capacity of the people of this country? Have you considered the permanent damage to the children who suffer malnutrition and are warped in body and mind?

In the passage of the emergency relief and reconstruction act last year we recognized that the Federal Government had a responsibility for unemployment relief, but we did not provide any contribution from the National Government to discharge it. We extended the facilities of the Reconstruction Finance Corporation and permitted it to act in the capacity of banker, loaning funds to the States and municipalities to meet the staggering burden of destitution relief.

RELIEF A NATIONAL PROBLEM AND RESPONSIBILITY

Regardless of the theories relating to the responsibility of the various governmental units in coping with the relief problem, the evidence now shows without doubt that unless the Federal Government assumes a part of the burden, relief will break down.

I have never been able to see upon what ground it can successfully be maintained that the problem of unemployment relief in a nation-wide economic collapse is solely the responsibility of State and local governments. Modern civilization has created an entirely different problem than existed before the industrial revolution. The theory that relief is only a local responsibility has become embedded in our thinking and our law because before the industrial revolution poor relief was administered in England by the village. The specialization and integration of industry have resulted in its concentration. Relief becomes in part a national problem and responsibility just as our industrial organization has become nation-wide in character.

It must be obvious that the concentration of industry and commerce has been attended by a like concentration of wealth and income. How can the financial burden of relief be carried alone by the local communities under such circumstances? It may be argued that the States with the greatest concentration of wealth and income are the States that have the heaviest burden of relief, but it requires only a casual study to demonstrate that the State governments are in no position to tap the resources in their respective jurisdiction. Five States—Massachusetts, New York, Pennsylvania, Illinois, and California—have 36 per cent of the wealth of the Nation. New York has made a heroic effort to meet the problem of unemployment relief, and yet to-day the richest State in the Union finds it necessary to appeal to the Federal Government for assistance.

The same situation is presented in States where the wealth and industry is concentrated in a few counties. Would anyone contend that because of this situation the State had no responsibility and must not act to tap, in so far as possible, the resources of these counties to provide for unemployment relief in the other sections of the State?

Even though taxes are collected in certain particular States, they are derived from the products of the Nation as a whole. Take internal-revenue receipts as an example. About 54 per cent is collected from the five States just mentioned. These taxes include income, estate, distilled spirits, and tobacco. For an illustration, take the revenue from cigarettes: About 62 per cent is collected in North Carolina. It just happens that North Carolina has become the center of the cigarette industry. Can anyone claim that this revenue is due to the wealth or income of that State? Of course not! It is produced by cigarette consumption all over the United States.

To those who still cling to the theory that relief is a local responsibility I answer that we are no longer confronted by theories. We are confronted by the most appalling total of human misery in the history of any country in the world. Municipal resources are inadequate to meet the problems any longer. Take the situation of 279 municipalities, given your committee. They have raised their levies for relief from $42,000,000 in 1929 to $87,000,000 in 1932. During this period tax delinquencies in those cities have been rising at an alarming rate.

In other words, as the load increases, the resources to meet it decline. If we permit these two curves to go on separating for an indefinite period only bankruptcy and default will result. In the meantime other services rendered by these local units of government are impaired. Health, fire, and police protection and the operation of schools are threatened. To continue the present system of relief as proposed in the Wagner substitute will in the end contribute to a breakdown of municipal government. In the Senator's own State the municipalities can do no more, and have already petitioned the State for an increase in the proportion of the burden now assumed by the Commonwealth.

The same situation concerning resources is confronting the State governments. Like the cities, the States are largely dependent upon real-estate taxes for their revenue. Senators may ask why they do not turn to other sources. The answer is that in many of them there are constitutional restrictions which are not amendable except by a long process. There are constitutional restrictions on tax rates in 21 States. There are 16 States in which the State government is prohibited from loaning its credit to the local governments. There are 15 States that can not classify property taxes because of constitutional provisions.

TESTIMONY OF MAYORS

In a questionnaire sent out to the mayors of cities I asked the question as to whether the problem of relief could be met unless the Federal Government made an outright contribution to meet the situation. Of the more than 1,000 mayors, approximately, who answered, 616 mayors answered "no." Their cities have an aggregate population of over 24,000,000. I regret I can not take time to go into the other questions, but I ask to have the summary of their replies, together with a copy of the questionnaire printed at the conclusion of my remarks (Exhibit A).

One hundred mayors gathered here in Washington last week and adopted the following resolution:

*Be it further resolved*, That we recommend that the Federal Government assume a larger measure of financial responsibility in meeting the problems of unemployment relief of the Nation,

and we do recommend that such additional Federal relief funds as may be necessary and as are appropriated by Congress be made on direct grant basis to the municipalities of the Nation.

FEDERAL COOPERATION A SPUR TO LOCAL AGENCIES

The argument will no doubt be made that a contribution by the Federal Government will lessen the activities of private agencies, local and State governments. This has not been our experience with other Federal-aid legislation. On the contrary, the participation of the Federal Government has without exception in every instance acted as a spur upon the contributions of State and local governments. I need only mention the results in Federal aid for roads, vocational education, eradication of pests, and maternity and infancy care to give but a few of the examples. The experience in the various States that have contributed to the unemployment relief funds likewise demonstrates that action by another governmental unit does not result in the local governments shirking their responsibility. The same argument that is made in the Senate to-day against the pending bill was made in the States against action by the State governments—that is now made against action by the Federal Government; and yet in New York State the opposite result has been demonstrated. I quote from the director of relief in the Empire State, Mr. Hopkins, who was appointed by President-elect Roosevelt:

The CHAIRMAN. I would like to have you amplify your statement that the funds provided by the State of New York did not result in any relaxation of activity on the part of cities and counties. Many persons have criticized any action by the Federal Government based on the theory of grants in aid, on the ground that it would cause the cities, counties, and States to wash their hands, so to speak, of the relief problems, throwing it all on the Federal Government.

Mr. HOPKINS. Well, that certainly has not happened in New York. Why it has not happened, I think, is probably due to two reasons. In the first place, when the States come to the assistance of the local community the problem is so acute, it is right on the public officials' necks in the towns and cities; therefore, they do not stand on ceremony and say, "We will not do our share, and if the State does not come in we will not take care of them." They have to take care of them. The second reason, I think, was the policy of the State to say, "We will help you; we will go a long way with you. If you are bankrupt and broke, we will finance the whole business," as we have done. We talked with the public officials and put this relief plan on the ground of a great public service, and we found that the bankers and public citizens in the various cities are more than willing to meet us halfway.

I am convinced that the Federal Government, with half a billions dollars a year, could get a similar amount from the cities, counties, and States throughout this country. I think it is a matter of how the relief funds are administered.

Mr. Stanley P. Davies, associate secretary of the State Charities Aid Association of New York, had this to say on this matter:

In our own experience, the bringing of the State to the aid of the cities and towns in meeting relief did not result in the cities and towns unloading on the State. The offer of the State funds on a reimbursement basis served to get the localities to do things they otherwise would not have done. The result was that the State moneys did not supplant but supplemented the local funds.

The CHAIRMAN. Would or would not a Federal grant in aid be helpful in putting over other bond issues in New York?

Mr. DAVIES. We feel a Federal grant in aid would be helpful in putting over another bond issue; yes. Last fall we had some difficulty in dodging the question as to why New York State did not appeal to the Federal Government for a loan before floating the bond issue. If in floating another bond issue we could say the Federal Government is doing its share, but in order to do our part we must do certain things, I think it would be easier.

Mr. President, I have not the time to cite the numerous case histories which are in the testimony of your committee showing the impact of this frightful situation upon families in the United States formerly self-supporting, self-respecting—families that were the very backbone upon which our civilization rests. I can only appeal to Senators to read that testimony. It dramatizes and gives flesh-and-blood significance to the appalling figures of the low standards of relief which I have submitted for consideration here to-day. A vote for the Wagner substitute will be a vote to continue the degradation of millions of American families in the United States.

Mr. President, we can no longer shirk our responsibility by hiding behind theoretical governmental divisions which are no longer applicable to our modern industrial civilization. In the roll call on the Wagner substitute we must answer the question as to whether or not millions of families—men, women, and children—are to be degraded to pauper levels, creating problems of rehabilitation and of social damage on a scale the like of which the world has never experienced before. A vote for the Wagner substitute is a vote to continue the process of pauperization for millions of persons in this country. Three million families, under the existing system, which the Wagner substitute proposes to continue, have already been ground down to this level. Millions more caught in the clutch of circumstances for which they have no responsibility and over which they have no control are rapidly being crushed and degraded.

Mr. President, I choose my words and I weigh them carefully when I say that under the existing standards of relief which the Wagner substitute proposes to perpetuate the fiber of the Nation is being weakened. The family unit, upon which our civilization has been builded, is crumbling and breaking under the strain. These men, these women, these little children—their fate rests in your hands. They have asked for bread. I plead with you not to give them stone.

EXHIBIT A

UNITED STATES SENATE,
COMMITTEE ON MANUFACTURES,
*December 24, 1932.*

DEAR SIR: In the opinion of some of the Members of the Senate, many municipalities are finding it difficult, if not impossible, this winter to continue to meet the mounting burden of unemployment relief, even with the assistance now available to them. To help us in deciding upon proper Federal policy in this emergency, will you let me know at once—

1. What increase there has been in the number of unemployed persons assisted in your city, compared with December, 1931? With December, 1930?
2. How much have the city appropriations for the unemployed increased this year over 1931? Over 1930?
3. In your judgment, how many additional persons will need relief during the winter months?
4. Can your community care for all who will need relief?
5. What proportion of the emergency burden is being carried by private relief agencies? How much have their expenditures increased compared with 1931? With 1930?
6. Can you state the amount of relief given weekly to the average family (two adults and two children)?
7. How are you meeting the problem of the transient unemployed in need of relief?
8. Is your city in a position to float further bond issues in the event that your present income is insufficient to meet adequately the relief needs of the community?
9. Do you anticipate action by your State government to give sufficient assistance to the local communities in meeting unemployment relief this winter?
10. In your judgment, can the unemployment relief problem be adequately met unless the Federal Government makes an outright contribution and cooperates with the State and local governments in meeting this problem?

I shall appreciate any additional information, comment, and suggestions you may care to make.

Sincerely yours,

ROBERT M. LA FOLLETTE, Jr.

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[The material in this report was obtained from answers to a questionnaire sent to mayors of cities. About 1,070 answers have been analyzed.]

Question No. 1. What increase has there been in the number of unemployed persons assisted in your city compared with December, 1931?

| | |
|---|---|
| Increase to 49 per cent | 198 |
| 50 per cent to 99 per cent | 161 |
| 100 per cent and over | 225 |
| No change | 31 |
| Decrease | 15 |

Referring to the last item, "decrease," in one or two instances this decrease can be traced to some seasonal occupation which will last for a few weeks.

The decrease can also be traced to the fact that a city has no funds with which to care for the unemployed this year, and hence has taken no census of such persons, and during the year some of the unemployed on last year's list have moved away.

A city may also report "no change" in the number of unemployed when, having no funds with which to care for them, this year's census has not been taken.

Another reason for the report "no change" since 1931 is that in 1931 all the employable persons in a community were out of work; there have, therefore, been none added to the list of unemployed in 1932.

It should be noted, however—and this will be brought out in answer to the next question—that though there is no change or even a decrease in the number of unemployed, it does not follow

that the same amount of money will care for the same number of people this year—savings and all sources of part help having been exhausted.

The following few excerpts from answers to the questionnaire bear on the number of unemployed in various parts of the country:

"Thibodaux, La.: I wish to state that about 75 per cent of our laboring people are demanding relief."

"Gardena, Calif.: The condition of unemployment, particularly among the men registered and known as 'stabilization men' is becoming acute. We have had five men called for work in this section since the 15th of September, 1932, and it would seem that some assistance will have to be given the hungry or the country will be faced with a serious situation."

"El Dorado, Ark.: We have registered throughout the county heads of families seeking employment, up to the close of the day December 29, 4,300. In December, 1931, we had approximately 2,200 unemployed throughout the city and county. In December, 1930, there were comparatively few wholly without jobs. Most of our people at that time were working part-time jobs or jobs of any kind."

"Waukegan, Ill.: From 20 to 25 per cent of population requires help."

"Bettendorf, Iowa: Over a third of population receiving help."

"Eureka, Kans.: Twenty-five per cent of population on relief."

"Dunkirk, N. Y. (population 17,800): Four thousand wage earners out of work."

"Wewoka, Okla.: Has 2 men out of employment for every 1 employed."

"Brackenridge, Pa.: Fifty per cent of population is being aided."

"McAllen, Tex.: Twenty per cent of people in destitute circumstances."

"Ada, Okla.: Seventy-five per cent of wage earners out of employment."

The percentage of increase in unemployment in 1932 over 1930, as reported by 554 cities, is as follows:

| | |
|---|---|
| To 49 per cent | 137 |
| 50 per cent to 99 per cent | 132 |
| 100 per cent and over | 285 |

Question No. 2. How much have the city appropriations for the unemployed increased this year over 1931?

| | |
|---|---|
| Increase to 99 per cent | 166 |
| 100 per cent and over | 123 |
| No change | 39 |
| Unable to make appropriation | 21 |
| Because of tax delinquencies, no money | 21 |
| Decrease | 22 |

In answering the questionnaire those cities receiving such appropriations from county or State, or from some other source, have in most cases not reported the amounts received.

In general, the last three items could be traced to tax delinquencies. Many letters, in which the amounts received for care of the unemployed are not given, say that there is no money to be had from former sources. It is clear that not only the city treasuries are without funds but that all sources from which this help has been coming in a great many cases are dry.

Following are a few excerpts bearing out this fact—that tax delinquencies are responsible for the lack of appropriation in many localities:

"Ladysmith, Wis.: Due to delinquent taxes, the county has no cash and 40 per cent of the city taxes are delinquent (1932), and even with a decrease in valuation from $4,000,000 to $2,500,000, we will likely have 50 per cent delinquent tax for 1933, for factories have not operated and people must have work to pay taxes."

"Beaver Dam, Wis.: Had 512 property holders who could not pay their taxes for 1932, and from present indications may have over 1,000 delinquents for 1933."

"Smithville, Tex.: Our city is in worse shape financially than it was in 1930; taxes are remaining unpaid, and we have not been able to so arrange our budget so that current bills can be paid, * * * neither can we take care of the resident unemployed."

"Hays, Kans.: This city is in debt now $655,000 and the taxes are not being paid."

"Battle Creek, Mich.: We asked last August for $2 per $1,000 on a tax valuation of $62,000,000 for poor relief, but on account of a large delinquency we are about 20 per cent short of the amount asked."

Even though many cities report an increase in appropriation for care of the unemployed, making the amount available for relief two or three times what it was last year, these same cities report that they will be unable to care for those who will need relief in their communities this winter and the rest of the year. In spite of the fact that the increase in appropriation is larger than the percentage of increase in the number of unemployed, this is still true. Last year there were many receiving only partial relief—they had a little money in bank, or were perhaps being helped by relatives and friends. Banks have closed and these other sources of help are depleted, and they are now compelled to ask for full relief.

The following excerpts bear on this:

"Conneaut, Ohio: Requests for relief in our city are increasing at a rapid rate, due not so much to increased unemployment but rather to the fact that our people have used up all their resources, including bank accounts and canceled insurance policies."

"Orange, Mass.: We anticipate that many families have been living on their savings, which have become exhausted, and in a very short time they will have to be added to the welfare list."

"Pecos, Tex.: The unemployment in our community is not greatly increasing, but need for relief has been, because of the fact that numbers of our people have exhausted all their resources, on which they have been enabled to maintain themselves until now."

"Taylor, Pa.: Our only bank closed June, 1932, and those who could help and were willing to help are now penniless."

A few of the answers refer to the money received from the Reconstruction Finance Corporation. Following are a few excerpts concerning this:

"Del Rio, Tex.: Under the present program of work relief, as administered by the Reconstruction Finance Corporation, we are not receiving sufficient funds to adequately care for all of our unemployed."

"Berkley, Mich.: In my judgment, the unemployment relief problem is being met, though rather inadequately, through loans made by the Reconstruction Finance Corporation."

"Key West, Fla.: The amount of relief being given weekly to the unemployed families by the unemployment relief fund received from the State through the Federal agencies amounts to $2 per month for families of 2, $4 per month for families of 3 or 4, and $6 for families of 5 to 13."

"El Dorado, Ark.: We are endeavoring to give a family * * * two days' work each week for $1.50. * * * The fund we have received from the Reconstruction Finance Corporation to this time is not sufficient for us to give more work."

"Denver, Colo.: We have been told by the agent of the Reconstruction Finance Corporation that none of this money can be used for administration and, also, that it may be used only for food, fuel, and clothing. This does not meet the problem of rent, cash allowances, transportation, etc. The procedure for handling this is cumbersome and inadequate."

"Raymond, Wash.: The special provisions of the emergency construction highway projects or the emergency relief and construction act of July 21, 1932, has not helped us, though we have several projects under way here. The contractors have too many loopholes through which they may hire their labor from the outside, yet we have plenty of experienced and common laborers in our community who are willing workers and must have work or be given charity."

"Seattle, Wash.: The present Reconstruction Finance Corporation regulations concerning public works limiting Federal aid to self-liquidating projects makes it doubtful if the State of Washington can take advantage of this type of Federal aid to any large extent in the near future."

A few cities in speaking of a Reconstruction Finance Corporation loan suggest that it may be difficult to repay the loan.

Question No. 3. In your judgment, how many additional persons will need relief during the winter months?

Question No. 4. Can your community care for all who will need relief?

Seven hundred and three cities report that they will have an additional burden of persons needing relief, without definitely specifying the number.

Four hundred and ninety-seven state definitely that they will be unable to care for all who will need relief.

Seventy-nine can not care for those who will need relief without help.

Eighty-nine are doubtful as to whether they will be able to care for them.

Twenty say they can do this after a fashion, but not properly.

Two hundred and forty-six say that they can care for those who will need help.

In the latter category, of course, are many counting on aid from the Reconstruction Finance Corporation.

Of the above number answering the fourth question, 931, it may safely be said that 685 cities will not be able to care for all those who will need aid this winter.

That this large percentage of cities unable to care for those in need is typical of the condition of cities all over the country is borne out by the excerpts attached to this report.

In connection with the assertion of some cities that they can care for all who will need relief, it would be interesting to know what they consider adequate relief. Many of those saying that it will be possible to care for all are paying a weekly allowance to a family of four which is a good deal less than the average of $4.25.

Question No. 5. (a) What proportion of the emergency burden is being carried by private relief agencies?—

| | |
|---|---|
| Up to 49 per cent of the burden | 321 |
| 50 per cent to 99 per cent | 169 |
| 100 per cent | 71 |
| None | 112 |
| Small proportion | 71 |
| Large proportion | 9 |

(b) How much have their expenditures increased compared with 1931? With 1930?

*1931*

| | |
|---|---|
| Up to 49 per cent | 141 |
| 50 per cent to 99 per cent | 87 |
| 100 per cent and over | 124 |
| Decrease | 64 |
| No increase | 40 |
| Small increase | 13 |
| Large increase | 3 |
| None of burden carried | 68 |

*1930*

| | |
|---|---|
| Up to 49 per cent | 131 |
| 50 per cent to 99 per cent | 82 |
| 100 per cent and over | 112 |
| Decrease | 38 |
| No increase | 19 |
| Small increase | 4 |
| No burden carried | 23 |

Even with the increase of expenditure by private agencies, this relief is quite apparently not sufficient. With the augmented need for help over last year, in many cases funds are already exhausted, with no prospect of collecting a sufficient amount to cope with the situation. In many cases it will be impossible to collect any more at all from private sources.

The following excerpts from answers to the questionnaire bear this fact out:

"The family welfare bureau and the community chest are very active and are doing a great work, but finances are so limited that they can not take care of the situation." (Prichard, Ala.)

"In regard to private relief agencies, every effort is being made to bolster them up, but they are practically swamped." (Redondo Beach, Calif.)

"Private relief agencies are taking care of many, but the drain on these has increased to such a point that their funds are getting low." (Walsenburg, Colo.)

"The emergency committee has closed due to lack of funds." (Augusta, Ga.)

"A small percentage of the burden of relief is being cared for by private charity. * * * During the winter of 1931–32 there was collected approximately $4,000. Six hundred dollars of this amount was lost in closed banks." (Twin Falls, Idaho.)

"In view of the fact that the income of the majority of our citizens who are still employed as industrial workers has been reduced from 30 to 75 per cent, it is therefore impossible to consider any program of private subscriptions for relief." (Waukegan, Ill.)

"The Red Cross has done a great deal in relieving hardship, but now their activities are greatly curtailed because of inability to raise funds." (Clinton, Ind.)

"Community relief has heretofore been furnished by voluntary subscription. In the fall of 1932 these funds ran out." (Cumberland, Md.)

"Our funds so far have been raised by private subscriptions, but they are already exhausted and we are throwing up our hands." (Fredericktown, Mo.)

"This community has heretofore cared for those who needed relief by popular subscriptions, * * * but this means of raising money is being exhausted." (Glendive, Mont.)

"There is very little relief from private agencies, as our residents are not in a position to aid—most of them are only existing." (Ridgefield, N. J.)

"Town people are at end of their resources to aid." (Alamogordo, N. Mex.)

"We have vastly increased our local charities to help feed and clothe the unemployed, but now, as this has been going on for three years or more, we have about exhausted these resources and many of those who helped charity in 1930 are now asking for charity and help for themselves." (Edenton, N. C.)

"All of our private relief funds are depleted and no way to raise any more." (Cordell, Okla.)

"Voluntary relief has become very nearly exhausted and we are almost wholly dependent upon State aid now. This is due to the fact that the number of private contributors has grown less and the number needing aid has grown larger." (Ford City, Pa.)

"The treasuries of all private relief agencies in this State are practically depleted." (Central Falls, R. I.)

"All relief is from private subscriptions, which are about exhausted." (Lebanon, Tenn.)

"Various private relief organizations * * * have for some time past made considerable expenditures for the purpose of meeting the terrific unemployment situation and resultant misery prevalent in this community. The officials * * * or at least most of them, report well-nigh complete exhaustion of their relief funds, with little or no possibility of further adequate contributions for relief purposes." (Antigo, Wis.)

"All private agencies exhausted." (Benwood, W. Va.)

Question No. 6: Can you state the amount of relief given weekly to the average family (two adults and two children)?

Of the 873 cities answering the question, the aggregate of their weekly allowances to a family of four amounted to $3,728.77—giving an average of $4.25.

In many cases this allowance is in a grocery order. Sometimes it is given in return for work, paid for at rates varying from 75 cents to as high as $2.50 a day.

To this amount there should be added, often, old clothes, medical attention, sometimes rent and fuel, etc.

On the other hand, in many cases less than $4.25 is the total amount of relief given to a family of four.

Question No. 7. How are you meeting the problem of the transient unemployed in need of relief?

One hundred and seven cities report that they are not meeting it at all.

Fifty-eight give work relief.

One hundred and ninety-five report a small amount of temporary relief.

Ninety-one give a meal or two or some other temporary relief and order the transient to move on.

Thirty-five do nothing but order the transient to move on.

Forty-two endeavor to provide transportation to the next city, to home, or place of destination.

Six report that they give aid to the transient and charge the expenses back to his legal place of residence (one city reports that all but 5 per cent of money spent in this way has been collected).

One hundred and forty-eight report the problem cared for by the Salvation Army, Red Cross, or some similar agency.

Eighty-nine report that the problem is a small one with them.

Sixty-nine report that they have no such problem at all.

The tenor of practically all the answers to this question is to the effect that the transient is helped just as little as possible and then sent on his way. In two or three places some provision in the way of work camps or shelters has been made.

Those cities reporting work relief, a small amount of temporary relief, and help by the Salvation Army, or similar agency, usually give a meal or two, perhaps a night's shelter (occasionally two nights), and in some cases, though rarely, a little gas.

A strong effort is made everywhere to get rid of these transient unemployed just as soon as is possible, for, as some of the cities state, they can not even take care of their own unemployed.

Attached are excerpts from over 600 cities reporting on this question.

Question No. 8. Is your city in a position to float further bond issues in the event that your present income is insufficient to meet adequately the relief needs of the community?

Seven hundred cities report that they are not in such a position.

Twenty-nine are doubtful as to their ability in this regard.

Five state that they can not float bonds to any great amount.

Two hundred state that they can float bonds for such a purpose.

Six say that they do not need to float them for this purpose.

Many of the 200 stating that they are in a position to float further bond issues—or that they may for such a purpose—state that even though they would be permitted to do so, that it would be difficult to get an affirmative vote for this, and, moreover, that there would be practically no market for them.

Question No. 9. Do you anticipate action by your State government to give sufficient assistance to the local communities in meeting unemployment relief this winter?

Four hundred and thirty-four cities do not expect such assistance.

Eighty-six are doubtful as to receiving it.

Thirty-eight think they may receive some, but not adequate, assistance.

Two hundred and seventy-three do expect sufficient assistance from the State government.

Thirteen expect the assistance through the Reconstruction Finance Corporation.

Under the answers to question No. 2 will be found excerpts from letters which speak of the manner in which Reconstruction Finance Corporation funds are being handled, etc. One city speaks of the length of time it takes to obtain such funds—so long that they can not serve the purpose for which they were intended.

Question No. 10. In your judgment can the unemployment relief problem be adequately met unless the Federal Government makes an outright contribution and cooperates with the State and local governments in meeting this problem?

| | Aggregate population |
|---|---|
| 616 answer "no" | 24,342,455 |
| 35 are doubtful as to the answer | 549,893 |
| 7 want Federal help, but not outright contribution | 78,771 |
| 5 think the Federal Government should cooperate | 88,003 |
| 11 state that the State or Federal Government must help | 130,438 |
| 3 must have the cooperation of the State | 30,858 |
| 6 can get along temporarily without such help | 57,412 |
| 5 do not approve of aid by Federal Government | 75,469 |
| 202 can get along without a Federal contribution | 2,009,575 |
| 8 can get along with Reconstruction Finance Corporation funds | 115,489 |

Following are some excerpts which bear on this question:

"The Federal Government has an obligation to contribute directly and to act at once to bring material assistance to State and local governments." (Tulsa, Okla.)

"It will be impossible to meet the unemployment relief problems unless we receive the aid of the Federal Government and State cooperation. The survey made by the city-relief committee for the necessary money needed for 1933 estimate that this county will be short $1,750,000." (Alliance, Ohio.)

"The winter is almost over here and if State aid does not come in 60 days it will be no help. At present there is nothing being done in our State legislature to relieve our unemployed. We feel here that if the Federal Government does not do something for the unemployed situation soon that we may have trouble. Relief agencies have just about used all their resources and the towns and counties can not help much longer, so something must be done very soon to relieve those who are in need." (Coalinga, Calif.)

"Unless we have immediate relief from Government sources we will all be asking for help." (Nogales, Ariz.)

"I do not believe the unemployment relief problem can be adequately met without contribution from the Federal Government and cooperation with the State and local governments. The reason

I say 'outright contributions,' particularly with local and city governments, is that there are a good many cities incorporated under the State law which provides that loans can not be made excepting upon a vote of the people." (San Fernando, Calif.)

Mr. COSTIGAN. Mr. President, as indicated by the Senator from Wisconsin in his powerful and moving address, on the final vote to be taken this afternoon there will be one, and only one, real issue. It is whether America chooses to help our millions of blameless victims of unemployment through scientific and carefully supervised grants to the States, guided by expert and humane men and women, as proposed in the Senate bill before us, or whether Federal aid is to continue, as provided in the pending Wagner substitute, in the form of unsatisfactory loans to States and cities. The controversy over this question and the insistence on loans are alike extraordinary. For many months similar loans have not saved us from poorly administered, unstandardized, and, for the most part, cruelly inadequate relief.

Mr. WAGNER. Mr. President, I should like to ask the Senator in what respect the Costigan-La Follette bill sets up any different standard for distribution of funds, what complaints States have made that they were denied the funds applied for? I am mystified at the particular kind of criticism the Senator is making of my substitute.

Mr. COSTIGAN. Mr. President, I trust that my analysis will prove clear. If not, after I have concluded there should be an opportunity to answer the Senator in detail. There is no disposition to avoid his question, but, as the Senator is aware, the allotted time is limited, and it appears best to complete my affirmative statement first.

Let no one be deceived. America has not been taking care of countless numbers of our fellow citizens, who are wretched sufferers from our four winters of economic collapse; and under the Wagner substitute we are asked to proceed further along the same relief path of miserable failure we have been traveling. The Senator from New York, whose name is identified with admirable efforts to improve industrial conditions, will hardly defend his substitute, except on the ground that it is the best he can secure from this Congress and our present President. He is thoroughly aware of failures of the Reconstruction Finance Corporation in the relief field. He discussed them in the Senate last December. The Reconstruction Finance Corporation has given us no assurances that it will do its relief task better if given further funds, and the loan provisions of the law hamper it in that respect if it were so disposed. Indeed, many of us have been until this moment hoping against hope that the Senator from New York would join our demand for better, wiser, more humane legislation, represented by the pending bill, which the Senator from New York has declared he is willing to support if his substitute is defeated.

It is absurd to challenge the intelligence of the Senate on this subject. The Senate is informed. It knows what it is doing, and nothing is more certain than that the substitute should be defeated. The precise question before us of properly administered relief was voted on here a year ago after prolonged discussion. It was left undecided in February, 1932. It was revived in the following July in the unfortunate, inferior, and compromise loan form, which is before us again to-day. Thinking men and women condemned the loan provisions then, as ever since, and are unyieldingly opposed to perpetuating them through the pending substitute of the Senator from New York. In enacting that legislation we turned our humanitarian task into the hands of bankers, who were acting as loan makers usually do at an hour when the public interest demanded instant and adequate relief. To-day, therefore, we are once more here, fortified again by irrefutable and heart-breaking evidence and by expert judgment, pleading not emotionally but under the stern dictation of facts for a finer, sounder, and juster treatment of stricken men, women, and children. So grave and fundamental are the issues that they should stir all of us, who value our country's traditions and possibilities, to immediate and more adequate remedial efforts.

Turning to the problems raised by unemployment, and dealt with in the pending bill, I think it perhaps best to summarize at the outset certain conclusions, before reviewing as concisely as limited time permits, certain parts of the supporting evidence. The course is simplified because it is no longer necessary to cover the entire field. It is my task to supplement what has already been outlined by the Senator from Wisconsin to clear the way for an early and decisive vote.

The following are some of the main conclusions on the pending bill and the relief situation which are supported by the testimony of undisputed and expert witnesses:

First. Unemployment in the United States has increased by leaps and bounds since the stock market collapse of 1929 until conservative figures of the totally unemployed now reach approximately twelve million men and women, twice the number idle a year ago, which itself represented a great increase over the preceding year. Far-reaching part-time unemployment has intensified the resulting misery and unrest. The distress—like the causes from which it springs—is nation-wide, and the persistence and growth of the problem have shocked and alarmed those most familiar with ordinary unemployment.

Second. The human toll exacted by present conditions is indescribable. Because of lost earnings families have been and are being scattered, and individual members left undernourished, with their happiness destroyed. An army of unemployed, unwelcome and uncared for, is wandering up and down the highways and by-ways of our country. Yet local relief for known neighbors, without provision for strangers, is our traditional and expected practice. Child life has been infinitely impoverished and saddened. Mental depression, malnutrition, illness, semistarvation, starvation itself—at times concealed behind fatal disease and collapse—are torturing those who are not in any wise at fault.

Third. During our continuing crisis, which has all the human aspects of a major disaster, like earthquake, flood, or fire—prolonged through years—inadequacy has naturally resulted in private and public efforts to cope with the emergency. The proportionate decline of generous charitable contributions has necessitated increasing dependence on public grants, local, State, and Federal. To-day public funds constitute 90 per cent of human relief now being granted, in place of 70 per cent little more than a year ago. The part played by community chests, the Red Cross, and other volunteer agencies is a diminishing fraction of the total picture.

Fourth. The breakdown of private resources has been widely accompanied by inability of local governmental agencies to meet present need. The appeal for relief, long ago passed city halls and State capitols and brought its imperative and unavoidable summons to Washington. The national aspects of the tragedy are both certain and urgent. No local community in fairness can be asked to assume an undue part of our national burden. Transients wandering over America by hundreds of thousands; homeless men, women, boys, and girls adrift; American citizens in general, in dire need and on the verge of extreme and growing want, can not be safely disregarded by a country, grounded in principles which recognize the dignity of the human soul and the fundamental importance of all men's right to life, liberty, and happiness.

Fifth. The compromise relief measure, adopted by Congress last July as an amendment to the Reconstruction Finance Corporation act, has been administered—in part because its provisions appear so to require—from the viewpoint of bankers rather than humanitarian organization and efficiency. Doubtless the best evidence of that fact is that the Senator from New York [Mr. WAGNER] one of the authors of that imperfect measure, has with fine frankness declared his present conviction—which the friends of the pending bill foresaw a year ago—that the relief features of the law should be removed from that corporation's control, and placed in independent and expert hands. Nor should we longer be told that the loan provisions of the act of 1932 are in any way sacred, since the Senator from New York has at last joined us in urging that, at least in the case of transients, provision should now be made for

relief by the Federal Government in the form of outright grants to the States.

The abandonment by the Senator from New York of certain provisions of the law he favored last year is entirely justified. Having parted company with Reconstruction Finance Corporation management, our hope has been that he may now take a further step and support the informed judgment of those most expert in this field in advocating the repeal of the loan features of the act of 1932 and the substitution of outright relief grants to the States by the Federal Government, to be matched as far as possible, by States, but in case of unmet necessity to be extended, whether matched or not, as provided in the pending bill of the Senator from Wisconsin [Mr. LA FOLLETTE] and myself. When authorizing these grants to the States, Congress should also authorize such cooperation between the Federal board and the States as will guard the wise expenditure of the funds through competent persons, and will assure economical and humane relief for those who must be assisted.

Sixth. In other respects the Reconstruction Finance Corporation is fundamentally unsuited to grapple with our immediate relief problem. The loan provisions of the present relief law have kept various States from applying for Federal funds, notwithstanding the existence of widespread suffering, and at least semistarvation, within their borders. In addition, some cities, like Detroit, in States which, at least for a time, failed to apply for Federal loans have been obliged to offer their securities as collateral in such amounts as to strain, and in a measure destroy, municipal credit, and thereby weaken the credit of municipalities generally. Furthermore the relief extended by the Reconstruction Finance Corporation has usually been fed out in short-time advances, preventing long-time planning, and arousing such anxiety and fear among those dependent on help that demonstrations threatening public violence have followed. Even worse, the aid provided by the Reconstruction Finance Corporation has been so meager and has varied so radically in different places, that the sense of security, which has been encouraged in the public mind, is without foundation.

Seventh. Separate provisions are necessary in our relief laws for special attention to the needs of transient and migratory boys and men. This subject is appropriately treated in the bills of the Senator from New Mexico [Mr. CUTTING] and the Senator from New York [Mr. WAGNER], both of which look to Federal supervision of civilian camps in which wholesome activities and rehabilitation may be given sound direction. The provisions of these two bills have been substantially incorporated in the pending bill. It should further be noted that the pending measure plans to use an independent and expert supervisory board, not incorporated in the substitute of the Senator from New York, and to resort to the Reconstruction Finance Corporation merely as the source of the necessary funds to be authorized. The pending bill for these reasons may be considered a combination of the most desirable features of the various legislative relief proposals of Senators CUTTING, WAGNER, LA FOLLETTE, and myself.

Eighth. The grants required for anything approaching proper relief, if supplemented as planned by equal amounts raised from local, State, and other sources, will exceed the amounts heretofore appropriated or otherwise provided except in the pending bill. While the bill sponsored by the Senator from Wisconsin [Mr. LA FOLLETTE] and myself calls for substantial Federal funds to prevent starvation and relieve semistarvation, America must recognize that, compared with war costs, the amount is small, and that our Nation is at this hour in the midst of a war on depression which it is our duty to wage ceaselessly along the whole economic front.

Turning to the actual testimony, let us look first at the evidence before the Committee on Manufactures on the extent of unemployment in the United States and related human needs.

Doctor Billikopf, the efficient and humane executive director of Foundation for Jewish Charities in Philadelphia, gave the following figures showing the growth of unemployment:

| | |
|---|---|
| 1930 | 4,860,000 |
| 1931 | 5,600,000 |
| October, 1932 | 12,000,000 |

President Green, of the American Federation of Labor, pointed out that the federation on January 7, 1933, estimated total unemployment in the United States at 11,590,000, a figure which has since been increased by the federation, according to press reports, to 12,000,000.

Donald Richberg, the noted general counsel of the Railway Labor Executives Association, stated that in 1923 the number of railroad workers in the United States was 1,900,000, and that their positions had been lost in the following tragic numbers: In 1923–1929, 200,000; in 1930–31, 550,000; in 1932, 100,000; a total of 850,000, leaving but 1,050,000 still employed, and representing a final loss to date of from 45 to 47 per cent.

These and other prominent and qualified experts further testified as follows:

Mr. Hopkins, administrator of New York State emergency relief, said that 250,000 families out of about 1,000,000 families without income in New York State, were receiving relief in January, 1933. He predicted that the number needing aid will be increased to more than 300,000 families during the present year. Mr. Hopkins further testified that in the Nation 3,000,000 families will require relief this year.

Mr. Bane, director of the American Association of Public Welfare, testified that the number of families in New York receiving relief last July was 100,000.

Mr. West, executive secretary of the American Association of Social Workers, estimated the families now being helped in the United States at from 3,000,000 to 3,500,000. He added that 459,483 families, under the figures of the Reconstruction Finance Corporation, needing help are not receiving it, and wholly disagreed, therefore, with the testimony of Mr. Croxton that no persons have gone hungry. He further called attention to Mr. Hodson's testimony that 30,000 families are in need of relief in New York, and are not receiving it.

Mr. Estill, director of public welfare for West Virginia, reported that in Kanawha County, W. Va., alone, out of 9,600 applications for relief, only 6,000 were granted, and that there was not sufficient help to investigate the others. He added that medical care had been abandoned in that county.

Mrs. Tyson, representing the Pennsylvania Department of Welfare, testified that about 2,000,000 persons are unemployed in Pennsylvania at this time. A year ago last summer the total for Pennsylvania was estimated at about 1,100,000.

Mr. Lurie, New York, director of social research work, testified that in 43 cities relief is being given to 3,000,000 persons, 650,000 families, and 100,000 homeless individuals.

Mr. Goldsmith, Chicago, director of Jewish charities, states that in Chicago 800,000 to 850,000 are out of work, representing two-fifths (40 per cent) of the total employable. He further stated that in Illinois 10 per cent are receiving help of 40 per cent out of work. He gave the following figures of unemployment in Illinois:

| | |
|---|---|
| 1930 | 265,123 |
| January, 1931 | 756,739 |
| October, 1932 | 1,049,000 |
| January, 1933 | 1,400,000 |

Doctor Billikopf quoted the New York Times as having pointed out that the estimated unemployed in Detroit early this year was 350,000 out of potential wage workers numbering 689,000, and that the total number of families dependent on charity for food, clothing, and shelter in Detroit increased from July 1 to December 1, 1932, from 23,341 to 32,640 families, or about 100,000 individuals.

Doctor Goldstein, of New York, read into his testimony reports from the four great industrial States, Illinois, Ohio, Pennsylvania, and New York. For Illinois he quoted Mr. Carl Borders, general secretary of the Illinois League for

Industrial Democracy, who confirmed the above figures of about 1,400,000 unemployed, representing two-fifths of the number normally employed. The statement added that practically all relief funds since February, 1932, had been from State and Federal sources; $20,000,000 Federal and $19,000,000 State, and that relief standards are below normal.

A report from Doctor Rubinow, who has been associated with the State unemployment-insurance commission, was to the effect that the unemployed in Ohio are more than 30 per cent, with a pay-roll shrinkage from nearly $2,000,000,000 to less than half since 1929. The State was reported in a well-nigh desperate position with from 400,000 to 500,000 in the State, out of a population of 7,000,000, supported from private and public relief funds. The annual relief budget of $20,000,000 represents, according to this report, only a drop in the bucket in comparison with wage losses.

Mr. Rieve, president of the American Federation of Full Fashioned Hosiery Workers, reported for Philadelphia that the unemployed are estimated to exceed 1,200,000 which is over 34 per cent of the total working population of Pennsylvania. The State relief fund of $2,000,000 permits probably about $1.50 to $2 a week to families needing aid. In Philadelphia the number of families receiving relief is reported between 50,000 and 60,000.

In New York State Doctor Goldstein reports that unemployment has increased within the last year from 25 to 30 per cent and that in some industrial centers 50 to 60 per cent of the workers are out of work all the time. In the State as a whole 1,500,000 men and women are reported wholly without work. This does not include men and women who are working part time and losing from two to four days a week. He estimates that the State-wide need will require at least $144,000,000 this coming year if each family in need is allowed $10 per week. On this basis New York will need Federal aid to the extent of $84,000,000 " if the unemployed are to be saved from further destitution and collapse."

Confirming in substance other testimony about Pennsylvania, Mrs. Helen Tyson, of the State department of welfare at Harrisburg, gave the following figures on unemployment in Pennsylvania:

| | |
|---|---|
| April, 1930, United States Census | 325,402 |
| November, 1932 | 1,099,841 |
| May, 1932, estimated Pennsylvania families on relief | 250,000 |
| December, 1932, estimated Pennsylvania families on relief | 397,279 |

with monthly additions to relief of 40,000 to 50,000 families. In the State as a whole 30 per cent of the workers were said to be unemployed.

In 12 counties in southwestern Pennsylvania, according to Mrs. Tyson, 143,000 families, or about 700,000 individuals, were on relief in December, 1932, not including thousands of workers " who have one day's work in two weeks or one day a week—far below the minimum standard of living."

Mrs. Tyson further stated—

> that in the near future there is every probability that half a million families, or 2,000,000 individuals, will be receiving relief from public funds in Pennsylvania.

She added:

> Nowhere in the State to-day is relief adequate. The usual weekly family grant for food in December was between $2 and $4. The maximum grant is $4.50. In Pittsburgh 90 cents a week for individuals is given. It is evident that this amount can hardly keep body and soul together.

Mrs. Tyson spoke of this as " prolonged semistarvation."

Let us turn next to the relief amounts expended.

Mr. Hodson gave the following figures for amounts spent by private agencies:

| | |
|---|---|
| 1930 | $5,285,000 |
| 1931 | 15,378,000 |
| 1932 | 18,880,000 |

Mr. Hopkins reported that New York State since November 1, 1931, has appropriated $55,000,000 for relief. He added that at the time of his testimony—January, 1933—$37,000,000 had been spent of State money and the balance is being appropriated at $4,000,000 a month; also that the total monthly expenditures for direct relief in the State now amount to $8,000,000 a month and should be $10,000,000 a month in 1933.

Mr. Lurie testified that in 43 cities of the United States $17,500,000 a month are being spent.

Miss Ward, general secretary of the Family Welfare Association of Baltimore, added that in Baltimore $1 per week is being given per family in need.

Mr. West pointed out that in the month of November the old-age pension average was $25.97 in most cases for a single person; that $20.57 is the unemployment relief average for a whole family, taking all sizes; that in many cases the limit of relief being granted is $3 to $5 a week, or less; and that in one Southwestern State the regular scale of relief is $5 per month or $60 per year.

Doctor Winslow of the Federal Children's Bureau, testified that in cities of 50,000 or more in January, 1931, about $14,000,000 was spent for relief and the highest amount expended was $29,000,000 at the peak point in March, 1932. During October, 1932, it was about $24,000,000. The drop in July was caused to a considerable extent by the discontinuance of relief work in Philadelphia, to which I shall refer in a moment.

Questioned about Mr. Croxton's statement, indicating that under the Reconstruction Finance Corporation " no persons have gone hungry if they have made applications in the 36 States covered by the corporation's loans," Mr. West declared his disagreement, and pointed out that Mr. Croxton's own figures showed a very large number reported in need and not receiving relief. He added that Mr. Hodson had expressed the opinion that approximately 30,000 families in need of relief are not being cared for in New York territory nor being assisted by the Reconstruction Finance Corporation. Mr. West further said that reports had reached the American Association of Social Workers, with which he is connected, that in many cities families in need are not being provided aid. He gave the following table listing some examples of that sort:

| | Families or individuals |
|---|---|
| San Francisco, Calif | 16,000 |
| Denver, Colo | 3,000 |
| Washington, D. C | 2,000 |
| Lawrence, Mass | 800–1,200 |
| Dallas County, Tex | 20,000 |
| Houston, Tex | 3,000 |
| Kanawha County, W. Va | 2,000 |
| Ohio County, W. Va | 1,500 |
| Orleans Parish, La | 4,000 |
| Waterbury, Conn | 337 |

I turn, because of the brevity of time, from a further summary of the testimony I had hoped to present to the subject of the effects of unemployment and inadequate relief.

Mr. Van A. Bittner, representing the United Mine Workers of America, after testifying about conditions in West Virginia, said, " Senator, God only knows how these people get along."

Taking Harrison County as a fair example of coal mining regions, he stated that 25,459 people out of 78,567 in the county are receiving some relief. Of 6,500 coal miners in that county less than 1,600 are employed leaving more than 4,900 unemployed. About 3,500 men are employed each week at $2.40 per 8-hour day, 20 per cent of this being paid in cash, the men working approximately five days a month.

He further stated:

> I have known hundreds of families in the last three months and prior to that time but, since the Government flour has been distributed, that have not a thing to eat three times a day—or whenever they do eat—but just this flour and water baked up as best they can.

Mr. West testified that we used to boast of our standards of living; that we have made people afraid of relief; that we have been guided by fear that people would lean too heavily on relief agencies, and, as a result—

> We have blindly put millions of people through terrible experiences * * * because we have not been willing to grant relief adequately.

He discussed the way in which we have let families lose all their resources, followed that with references to low amounts of food relief, and discussed the loss in capacity which will follow the crushing out of every hope, faith, and opportunity.

Doctor De Schweinitz stated that in England and Germany a man out of work knows he will at least receive shelter, food, and clothing though he is not helped so as to make him want to live without work. He added:

> There is a kind of security existing abroad, which is absent in the United States * * * If a man has a job, the United States is the best place in the world to live, but if you have not a job you are better off almost anywhere else. In the United States we need to provide a minimum of adequacy, that is at least shelter, food, and clothing * * *.
>
> One of the great values that I see in Federal aid is to make it possible for many families, or those individuals requiring help, to receive it wherever he happens to be at the time.

Mr. Lurie, speaking of the effects of unemployment, said:

> Homes are lost, insurance policies canceled, aid from relatives and friends has been terminated, families are forced to exhaust and destroy indefinitely their credit before relief is granted to them. This statement on the degree of destitution reached before relief is granted is applicable in practically all communities. A number of cities report that no work or home relief is being made available to adult families—that is, to childless couples or families without young children. No relief or very inadequate forms of relief are being given to the unattached men and women without family connections.

He added many other distressing details.

Attention has already been directed to the testimony of Mr. Estill, director of public welfare in West Virginia, showing 3,600 applications for relief in one county, the merits of which welfare workers were too busy to investigate. As was also stated by him, in using Federal funds medical care had to be abandoned because of a regulation of the Reconstruction Finance Corporation, which in the grants made for the year 1932 adopted a resolution to the effect that the funds were not to be available for medical, hospital, or institutional services.

Mrs. Tyson, giving a picture of the idle unemployed in Pennsylvania, said in part:

> Large groups of the unemployed stand around listlessly. There is great need for clothing, particularly men's and boys'. * * * The Catholic priest said that the men had been half starved for so long that they have no spirit left.

Asked how the men passed their time, the answer was that they spent it wondering if the steel mill will reopen. Mrs. Tyson added: "There is no prospect of the mill being opened."

Though most of the testimony was tragic, perhaps its most stirring feature related to the effects of unemployment on children. Information on this subject crept into the record from time to time.

Doctor Billikopf referred to a book by Ernest Poole, quoting Mary Breckenridge, organizer and director of the Frontier Nursing Service, as speaking of numberless deaths from tuberculosis in the mountains of Kentucky, and saying:

> Hundreds of children are stricken and so little can be done for them in their crowded, drafty homes. So they grow worse and soon infect others in the family. I remember a little boy of 10 who had tuberculosis, and whose two brothers had died of it. He came to Wendover one day, and at the end of his visit he said:
>
> "Well, now I'm going home to die. Everybody in our house dies."

Doctor McCormack, secretary of the Kentucky State Board of Health, is also quoted as having said recently, as reported by the New York Times:

> At the State health officers' conference at Lexington a few days ago the distressing intelligence was developed that in 40 per cent of the deaths in 18 rural counties the patients had not been visited by a physician, due to the fact that the people are without money.

On the subject of eye trouble Doctor Billikopf testified as follows:

> Doctor McCormack cited three cases of xerophthalmia, a very rare ailment, caused by lack of vitamin A in the food consumed, and which is characterized by a drying up of the eyeballs. This disease afflicted Poland during the World War.
>
> I might say that in 1920, when I visited Poland and other contiguous countries, I came across this disease known as xerophthalmia, and in Germany, as Hungerkrankheit, a disease which results in continuous blinking, due to lack of food, and subsequent blindness. I saw hundreds of such victims, and I say to you that of all the devastating impressions made on me on my visit shortly following the war, nothing compared with the sight of children afflicted with this dreadful disease. I thought we were immune in this country, but here comes Doctor McCormack citing specific instances of xerophthalmia, found in Kentucky and possibly elsewhere.

Doctor Goldstein testified in part that the department of health of the city of New York makes periodic examinations of children in the public schools of that city, and that the commissioner of health reported recently that 33⅓ per cent more children were suffering from undernourishment than 12 months ago. He added that there is a breakdown in family life, that families are forced to move into tenements declared insanitary and uninhabitable 25 years ago; that families are herded into such small space that they suffer dangers to health and moral life; also that there is a marked increase in insanity and suicides because men and women are unable to stand the strain of unemployment and constant suffering.

Mr. Carstens, director of the Child Welfare League of America, having about 150 member organizations, declared in part that in January, 1932, there had been an increase over 1931 of about 39 per cent in the number of children taken from their homes and placed in foster homes, agencies, or institutions, public and private; that since January, 1932, the increase has been only about 5 per cent, which some people would conclude means returning good times. He adds that instead, the explanation of the diminished percentage is due to the exhaustion of resources of the receiving agencies.

Nine agencies had stopped receiving children, 57 of 62 agencies reported they had actually turned down about 1,700 children, and the number was doubtless larger. He added, with reference to 75,000 children, that 71 of 145 different organizations had had to curtail their services to children, not giving good medical or dental services or the children's allowances of 5 or 10 cents a week. He stated that dependent, neglected, and early delinquent children, if not properly cared for, may later become delinquents or criminals; also that 1,978 children were reported held in care ready to go out into the world but with no work to go to. Discussing the care of 350,000 children, he said:

> Thousands of children are being refused care—I refer now specifically to the 1,700 that were reported, but the total number must be considered considerably larger—because neither the private nor public agencies are in a position to give them care.

Speaking of transient children, he added that the number is variously estimated from 200,000 up to a million—no one, he believed, knowing the number—and added that he thought care for the transient groups is an obligation for the Federal Government—

> Because I do not think it is going to be naturally assumed by the local community. Our committee is helping. However, that is a drop in the bucket, of course. * * * It is not merely a matter of caring for them overnight; they must have something in the way of education and recreation that will hold them in the community and keep them from further drifting.

Miss Edith Abbott, dean of the School of Social Service Administration, University of Chicago, testified in part that in Franklin County, Ill., she has been told there are hundreds of children who have not had a balanced meal for years; that when the funds for mothers' pensions were cut off in 1930, mothers and children were left without this sole means of support, and the relief given has been inadequate. She gave many other instances of the unfortunate effects of limited relief on child health and welfare. She quoted letters stating that many children are suffering from lack of proper nourishment in Chicago; and that 240 children in one school examined by a doctor were declared clearly cases of malnutrition anæmia.

She added that under the pending bill, in her judgment, sound social standards would be better preserved than under the provisions of the Reconstruction Finance Corporation act.

Mr. Pickett, secretary of the American Friends Service Committee, who has done devoted and effective work for the American Friends testified about relief given in Pennsylvania, Maryland, West Virginia, Kentucky, Tennessee, and Illinois. He stated that his organization was feeding in January in 16 counties in West Virginia and Kentucky about 11,000 or 12,000 children and that the figures have been climbing rapidly; that the proportion of children fed this year in the schools is 51 per cent, compared with 35 per cent last year; that shoes are more scarce this year than last and that funds have been set aside to purchase shoes for the children only. He said:

> In Kentucky, just before I came away, I received notice that three schools have had to close because of the presence of trachoma. * * * I understand it is augmented by malnutrition. It is not necessarily a malnutrition disease. There is another disease which has been turned up by the State department of health which causes a disturbance in the eyes, which makes the child completely blind. * * * Within three weeks, in Kentucky, by putting some of the children on a butter diet, sight has been restored.

He added that the grants in Kentucky from the Reconstruction Finance Corporation were entirely inadequate, the first grants ranging as low as $1 a family per month. He testified that the newer grants had been not nearly adequate, being approximately $1 per week per family. He further stated that conditions are worse this year than last so far as children are concerned.

Miss Ward reported that in Johns Hopkins Hospital a study of the admissions in 1928–29 compared with 1931–32 showed that the causes for admission had changed and that mental depression is an increasing factor. Doctor Reeny was quoted as saying that even in child complaints this year anxiety states and depression have been conspicuous and that in almost every instance the illness can be traced to insecurity resulting from unemployment and overcrowded living conditions. Among the symptoms of anxiety conditions are repeated headaches, rapid heartbeats, and suffocation.

Mrs. Tyson, of the Pennsylvania State Welfare Department, quoted Doctor Appel, secretary of health for that State, as saying that in the last three years the reports of health examinations in Pennsylvania show a progressive increase of some 10 or 28 per cent in 1930 in the proportion of children who are underweight and give evidences of malnutrition. Mrs. Tyson, speaking of the limited diets in Fayette County, Pa., referred to by Mr. Kennedy, said that people living on such diets for a long period of time are living "in a condition of semistarvation," and that when men are offered work the testimony is that they are frequently too weak to do it.

Mrs. Tyson further declares that in May, 1932, the Friends Service were feeding hungry children in five or six bituminous counties and that for lack of funds the service was withdrawn last summer and has not been resumed this fall; that Pennsylvania has hardly touched the problem of transient families and homeless men and boys; that in one little town of 2,000 in southwestern Pennsylvania attempts were made to feed 1,500 transients last year; and that many young boys, hungry and tired and broken in spirit, are simply moving on "looking for a frontier." She further said that in Clearfield County, with a population of 86,000, the State physician reports 6,000 malnourished children who needed dental care, glasses, tonsil operations, and, in one county, operations for crippled children can not be secured; also that the hospitals are burdened almost to the breaking point.

Mr. President, I wish now to advert for a moment to what may be called the failure of the compromise legislation of July, 1932, which gave the Reconstruction Finance Corporation supervision of unemployment relief.

Mr. Hurlin, director of the statistical department of the Russell Sage Foundation of New York City, stated that in some cities of the country there is an almost ridiculously low rate of relief—such as 27 cents, 30 cents, 39 cents, 43 cents, 63 cents, compared with $8.93 per capita in Boston. He added that the table placed in the record by him gives evidence that the policy so far followed by the Reconstruction Finance Corporation has not been directed toward meeting existing needs but merely toward satisfying requirements of the existing law in giving relief, provided certain financial conditions have been met. He further said that it is of the utmost necessity that the law be changed as soon as possible so that a new policy may be adopted which will place at the disposal of the States liberal relief funds.

Dr. S. E. Leland, professor of public finance of the University of Chicago, declared that Federal aid should be outright; that it should not be granted in the form of loans to be collected in more taxes from people who have little or no ability to pay, but the tax should be placed on the entire Nation rather than on State and local units.

Mr. Hodson said that the experience of New York State showed that a Federal grant for relief based on the principle of grants in aid, which means supplementing local resources, and given good administration, will not dry up local resources, but, on the contrary, will stimulate them.

Mr. Betters, executive director of the American Municipal Association, of Chicago, urged that section E of the relief act of the Reconstruction Finance Corporation be repealed immediately. That section provides that municipalities, in order to borrow, must put up collateral and is used where a governor, as at one time in the case of Michigan, refused to assume responsibility, as a result of which Detroit had to borrow. Mr. Betters pointed out that section E gives the governor the opportunity to shift responsibility back to the local government, which he does not think Congress intended because of the varying attitude of different governors. As a result cities in one State must issue bonds while others across a State line 50 miles away do not have to issue bonds.

Mr. Betters also objected to the loan basis in the Federal law, pointing out that a State must almost take a pauper's oath before it can get funds and that Governor Lehman had said that the New York Legislature was not going to take the pauper's oath to borrow. That feature has been eliminated in the substitute. He added that if we are going to permit municipalities to issue bonds we are going to have a most serious credit situation facing American cities; that there are already many defaults and that there will be many more; that if Chicago had not authorized a refunding plan for the city's $24,000,000 bonds there would have been complete financial chaos in Chicago.

Mr. Betters said that the present relief bill in his judgment is "the most sane bill" that can be drawn, especially in regard to distribution. He approved the 40 per cent allotment, and added that there is practically no State which does not need such Federal funds and that the allotment would be equitable.

He also pointed out that, because of the rivalry between cities and rural communities over road-building programs, many governors were reluctant to apply for emergency relief; and that it is bad to tie up the loans with road programs for that reason. He added that the Reconstruction Finance Corporation had taken an unsound position in trying to force States to accept additional taxes, for in Illinois this meant forcing the sales tax on the State, when a balanced tax system ought to be possible.

Speaking of the need to repeal section E immediately, he said that defaults in municipal credit would affect the entire credit situation of the country, adding:

> I can not see that a default in a city of the size of Detroit is going to have no effect other than within the boundaries of the city of Detroit. It will affect the whole financial credit of the United States.

Mr. Clapp, director of the welfare federation of Cleveland, said that there are definite limits to the plan of loaning one-fifth of possible Federal highway funds years in advance.

Attention has already been directed to Mr. Pickett's testimony about the low standards of relief of the Reconstruction Finance Corporation, which were at first about $1 per family per month but which this year have been raised to $1 per week per family.

Mr. Croxton, representing the Reconstruction Finance Corporation, endeavored to avoid that criticism by saying that relief can never be adequate, but conceded that relief is frequently inadequate.

Attention has also been directed to the testimony of Mr. West, page 364, that families in need are often not provided help. This is clearly due in part to the fact that the Reconstruction Finance Corporation is an agency waiting for applications for loans. No testimony was given indicating that it reaches out to know the need and tries to make loans which will adequately meet that need.

A striking illustration of this unsatisfactory feature of the operation of the Reconstruction Finance Corporation law was the case of Philadelphia, where relief was abandoned because of lack of funds during July and August, 1932.

It appears necessary to digress long enough to mention this experience in some detail. The cause was the exhaustion of relief funds which were sustaining 52,000 families when relief was withdrawn.

Shortly before this occurred a public statement was issued by leading citizens of Philadelphia that the city was about to pass from civilization to barbarism.

Those who think that the relief problem can be avoided should read the report of a committee of the community council which investigated what actually happened in Philadelphia in the two months while relief was suspended. This report is contained in our testimony. It was prepared by an economist of Philadelphia, Mr. Clague, and describes conditions in the two months when no relief was available for the destitute people of Philadelphia.

From that report I read the following:

People do not starve to death when relief stops; they just starve, with the margin by which life persists maintained by the pity of their neighbors and by a sort of scavenging on the community.

An examination was made by the Philadelphia committee of some 400 families out of more than 50,000 families that were destitute. The committee reported:

Most of them were absolutely dependent for existence on the food orders supplied through State funds administered by the committee for unemployment relief. Then there were no more funds, and relief—except for a little milk for half-sick children, and a little Red Cross flour—was suddenly discontinued. And Philadelphia asked itself what was happening to these 52,000 families. There were no reports of people starving in the streets, and yet from what possible source were 52,000 families getting enough food to live on?

These are some of the facts that were discovered:

The families rustled for themselves as much as they could. A common source of supply for one group was the docks where fruit and vegetables for market are sorted. Children and adults hung around the stalls and snatched at anything that was cast out. Occasionally they were able to make off with good produce, but the police were watchful and such enterprise was often disastrous. Street begging was only occasionally resorted to, said the investigators, likewise the petty thieving of milk and groceries from doorsteps. There is little doubt, however, that gifts of food from grocers, reported by a considerable number of families, were usually obtained by a form of begging. Children, it seems, had the habit of going to a store and by pleading hunger, inducing the grocer to give them a little food. Children ran errands for grocers, watched pushcarts, did anything in exchange for fruit or vegetables. The myriad ways in which a family, its entire attention concentrated on food, just food, succeeded in obtaining it constitutes abundant evidence of the ingenuity and perseverance of these people.

As a result of all these efforts, what did these families have? What meals did they get and of what did these meals consist? About 8 per cent of the total number were subsisting on one meal a day. Many more were getting only two meals a day, and still others were irregular, sometimes one meal, sometimes two, occasionally, by great good fortune, three.

* * * * * * *

The Bakers, the Beccarias, the MacIntyres, and the other 397 families visited did not starve to death when relief stopped. They kept alive from day to day, catch-as-catch-can, reduced for actual subsistence to something of the status of a stray cat prowling for food, for which a kindly soul occasionally sets out a plate of table scraps or a saucer of milk. What this does to the innate dignity of the human soul is not for this writer to discuss. What it does to the bodies of the social attitudes of adults and children is something that we shall know more and more about for years to come. And these 400 families were, remember, a fair sampling of 52,000 from whom relief was withdrawn. What happened to the 400 happened in greater or less degree to the 52,000, and will happen again if the exigencies of the winter should force another discontinuance of food orders.

The testimony in the record about medical and other aid having been abandoned in various parts of the country supports the same criticism of the relief features of the Reconstruction Finance Corporation act.

Another criticism which frequently appeared in the testimony in regard to the administration of the Reconstruction Finance Corporation law was due to the fact that its loans were made for short-time periods which prevented long-time relief planning. Those who discussed this pointed out that the fear that other money would not be forthcoming for relief had a tremendous effect on families, and whenever fear was expressed in the press demonstrations began at the relief stations arising from other than communistic sources. A witness cited one case of a great mass demonstration at the Loop in Chicago and said that such demonstrations are inspired by facts.

What, then, did the experts offer as desirable further legislation? Witnesses practically without exception favored the proposals of the pending bill, to provide $500,000,000 at least, administered independently of the Reconstruction Finance Corporation. Doctor Billikopf pointed out that relief needs, according to those of past experience, will increase for at least a year after the turn for the better in economic conditions. Mr. West noted that Senator Pomerene, of the Reconstruction Finance Corporation, had suggested in October, 1932, that the $300,000,000 appropriated in July of that year was expected to last for two years, and will have been practically exhausted in one.

The American Association of Social Workers, on February 4, 1933, confirming what has been said, reported through a subcommittee in favor of standards and safeguards for the use of Federal funds contemplated in the bill of Senator LA FOLLETTE and myself, and pointed out that the relief act of 1932 has definite defects. I ask that this report be incorporated in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

AMERICAN ASSOCIATION OF SOCIAL WORKERS,
*New York City, February 4, 1933.*

REPORT OF THE SUBCOMMITTEE ON METHODS OF ADMINISTRATION

The subcommittee has reviewed the reports of the conference on Federal action made in 1931 in so far as they related to the subject assigned to this committee. It has also reviewed the several measures which have been introduced in Congress in the winter of 1932–33.

The committee has undertaken to redraft a statement of the important safeguards which should be applied to a Federal measure as follows:

RECOMMENDED POLICIES AND PRACTICES

1. Federal aid to States for unemployment relief should be granted when evidence accumulates that any considerable number of States are unable to provide through local and State funds for the minimum adequate relief needs of persons in distress due to unemployment. Such aid should be in the form of grants by which the wider taxing powers and the greater credit resources of the Federal Government may be brought into use in such manner as to stimulate State and local responsibility.

2. Federal administration: Allocation and Federal administration of funds to States should be vested in a small appointive board of persons specially qualified for the task. This board should be empowered to employ social workers and such trained specialists as are necessary. A merit system for selection of this staff is essential. The bill should allow an adequate sum for the administrative expenses of the board and its staff.

3. Allocation of funds: The policy of matching Federal funds with State funds should be followed, but provision should also be made for a discretionary fund.

4. It should be the policy and practice of the Federal Board to assist the States in every possible way in the development of necessary local and State machinery for relief and service to those in need. The essential components of such State administration consist of:

(a) Local units able to give quick and effective relief and services, organized on county or city lines.

(b) An effective State administrative unit for the direction and supervision of the expenditures of State and Federal funds for relief purposes. This unit should have authority to allocate funds within the State, and set standards of local relief administration and of personnel. Where the existing State welfare department is or can be made adequate for these purposes, it should be

designated as the State administrative unit unless other adequate relief administration has already been established.

The Federal board, through powers granted to it, can be of effective help in the encouragement and development of adequate State administrative units. To that purpose it should have power to give the State financial assistance to be applied not only to relief but also to service costs.

The Federal board should have sufficient authority over the standards of administration in the States so that it may withhold appropriations which in its opinion would not be properly spent for the needs of the unemployed. It is understood, however, that the influence of a skillful Federal administration would be exercised in the development of economical and humane standards of local and State administration through educational processes rather than through the withholding of appropriations. Allocations should be made for a period of not less than six months in advance, to permit the State administration to develop stable programs, employ proper personnel with some guaranty of security of tenure, and avoid uncertainty and insecurity to those in need of relief.

5. As a corollary to the above, the Federal Government should have its dealings with State governments and not assume the responsibility for allocation of Federal funds within the States. The Federal board should, however, have the power to call for such detailed information as it deems necessary concerning needs and resources of the political subdivisions within the States.

The administration of Federal aid should include provisions for the transient and homeless; that is, individuals or families without legal settlement. Legal restrictions and local practices of long standing now exaggerated by lack of local resources for adequate care of residents creates a particularly acute problem. Special provisions are necessary through Federal funds granted to States for cooperation between localities within States and across State lines in returning transients to their legal residences when such action is socially desirable, and also for providing shelters and other methods of treatment.

EMERGENCY RELIEF AND CONSTRUCTION ACT OF 1932

In comparing the provisions for Federal relief under the emergency relief and construction act of 1932 with the points deemed essential as in the above statement the committee reports the following conclusions:

1. The act does not conform to the provision that Federal aid should be in the form of grants.

2. The act provides no special board to administer Federal funds. The allocation of funds has been a minor responsibility of the board of the Reconstruction Finance Corporation.

3. The act does not establish a matching policy.

4. The act does not give the Reconstruction Finance Corporation specific authority to assist in the development of State administrative programs. The Federal administration under the act has, however, been of such assistance to States in several instances. However, the practice of making advances on short notice and for a period of not more than one or two months has been a severe handicap to sound State planning.

5. The act does not confine the Federal administration's relations to the States. The Reconstruction Finance Corporation has under section E dealt directly with subdivisions of States and under section C has also assumed responsibility jointly with States for allocation of funds to particular subdivisions.

6. Since the act does not provide grants, provisions for homeless and transients have eventually to be financed from local and State treasuries and must necessarily receive only secondary consideration in communities hard pressed for adequate provision for their own residents.

THE COSTIGAN-LA FOLLETTE BILL, S. 5125

Comparison has also been made between the policies and practices as stated by this committee and S. 5125, as amended, and reported by the Committee on Manufactures, as follows:

1. The bill does provide that Federal aid shall be given in the form of grants.

2. The bill does vest allocation and Federal administration in a small board especially appointed.

3. The bill does provide for matching Federal funds with State funds, through section 4–A, and also provides a reserve fund which can be allocated by the Federal board on the basis of need.

4. The bill does not specifically provide for the type of State and local administration nor insure the standards of administration which the committee believes are necessary, but sufficient power is given the Federal board to permit, if not to insure, an effective administration.

5. The bill does provide that the Federal board should have its dealings with State governments and not with political subdivisions thereof.

6. The bill does provide for the use of Federal funds for the transient and homeless.

Mr. BLACK. Mr. President, I do not desire to interrupt the Senator's remarks. I did desire, if he had time, to ask him about two questions for my own benefit as to the difference between the two bills so as to have it in the RECORD.

Mr. COSTIGAN. May I, with due respect, ask the Senator to defer his questions until I conclude? I hope then to have time to answer.

One point made by the report of this subcommittee with respect to the substitute of the Senator from New York [Mr. WAGNER], by implication at least, is that it does not, except for transients, give relief in the form of grants.

Next, the substitute does not provide a special board to supervise the distribution of the Federal funds, although the Senator from New York in December of last year stated to the Senate that he then favored such independent supervision by experts.

Another suggestion stressed in the report is that a State matching policy is desirable. This is not provided in the substitute of the Senator from New York.

It is further urged that the law enacted last July has not led the Reconstruction Finance Corporation to aid the development of State administrative relief programs; also, that the practice of making short-time advances on loans for periods of one or two months has imposed hardships on State and city planning. So far as I am aware, that defect is not corrected in the substitute of the Senator from New York.

It is also urged that a proper bill—the substitute does not have this limitation—should confine the Federal Government's relief relations to States and not extend them to cities. The effect on municipal credit of the present practice has already been indicated.

The report of experts, therefore, indorses the pending bill, not the substitute offered by the Senator from New York.

But time restrictions compel me to conclude, and, unusual though that course may be, I do so not with the customary appeal for the enactment of the pending measure, the desirability and importance of which are apparent to all. Every heart, except it be of bloodless stone, must be moved by the desperate lot of millions out of work whose proudest boast heretofore has been their American citizenship. Nothing, I venture to say, can justify the continuance of an attitude which does not recognize the necessity for immediate, noble, national relief of human distress due to our economic catastrophe. For good or ill, therefore, it is as certain as anything human can be that the vote of the Senate this afternoon, except for the record, is already a finality.

For sound reasons I conclude by paying tribute to the fine men and women, both in and out of this Chamber, who have been supporting constructive and adequate legislation for Federal relief aid. Especially is praise due to public opinion, which for the most part has been in advance of its leadership. Especially is good government indebted to the independent press, including the publications of organized labor, which has consistently recognized the gravity of human need and has supported the demand for adequate statutory relief. Fortunately, there are to-day, as there were in the heroic past, representatives of living journalism in places of power who believe that the supreme task of the writer is to influence human life continuously in the direction of justice and human welfare.

Mr. President, following my remarks I ask to have inserted in the RECORD a brief editorial on the pending bill from the New Republic, as well as a series of editorials from the Washington Daily News, which have received wide circulation.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

[From the New Republic for February 8, 1933]

The problem of finding enough money for relief of the unemployed is steadily growing more serious. Both private charity and municipal funds are about at the end of their rope, and many of the individual States have also exhausted their resources. The Reconstruction Finance Corporation is reported to have loaned to 37 States $145,000,000 of its $300,000,000 fund, but additional needs already in sight will more than eat up the balance. The Reconstruction Finance Corporation, operating on its general policy of giving as little as possible (except to banks) wraps itself in a maze of red tape which the States find it almost impossible to break through. Moreover, the fact that it merely lends the money makes some States hesitate to apply for relief, a fact which in turn contributes to the misery into which at least a fifth of our population is now plunged. Harry L. Hopkins, New York State chairman of the emergency relief organization, estimates that 500,000 families which are in need of relief are not getting it. Even those who are being aided receive pitifully inadequate amounts. The maximum anywhere in the United States is now about $1 per person per week. In some States it

is only 50 cents. Trying to keep body and soul together on 7 cents a day is only slow starvation.

In view of the inevitable necessities of the next few months, a bill has been introduced in the Senate for further Federal relief. A combination of the Costigan-La Follette and Cutting bills, it appropriates $500,000,000 to be expended in the next two years. The money would not be granted in the form of loans but as an outright contribution by the American Government to keep American citizens from starvation. Forty per cent of this money would be distributed among the States on a basis of population and the other 60 per cent held in reserve to be sent where the need was greatest. The money would be raised through the sale of Reconstruction Finance Corporation debentures and would, therefore, not constitute an immediate drain upon the Treasury. A special appropriation of $15,000,000 would be spent in the attempt to rescue America's "wild boys," the hundreds of thousands of lads, mostly between the ages of 15 and 20, whom the depression has turned loose upon the highways. This bill deserves to pass; if it fails to do so in the present Congress, it will be brought up again in the April session which now seems inevitable. Mr. Roosevelt is understood to favor it, and his influence in that session will be great.

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[From the Washington News for January 13, 1933]

HUMANITY'S CALL

The chief opposition to the Costigan-La Follette $500,000,000 direct relief act seems to be not that it is superfluous, but that it is without precedent. Here, some are saying, is something new and untried in America, a Federal dole.

Records of the United States Treasury will reassure them. These records reveal that since 1803 the United States Government has responded to the call of distress 114 times.

Seldom before, the records will show, has America failed to come to the aid of sufferers either in far-off lands or at home. Whether the sufferers were victims of flood, fire, or famine or hurricane, drought, or earthquake Uncle Sam has not failed to reach into his pocket, nor has he passed by on the other side.

Since 1812 Congress has voted money to relieve the victims of foreign disasters nine times. In 1919 it granted $100,000,000 for the American Relief Administration. The American Relief Administration, under Herbert Hoover, distributed a billion dollars in all, feeding upwards of 200,000,000 persons in 20 countries of Europe. At one time it was giving warm meals to 4,000,000 children. Other Federal beneficences abroad included aid to victims of Russian famine; Japanese, Venezuelan, Costa Rican, and Italian earthquakes; Chinese famine; and French West Indian tornadoes.

Our charities begin at home. Since 1803 Congress has made appropriations for domestic relief no less than 61 times. Some of these appropriations appear as loans, most of them as grants. Not counting the $300,000,000 hunger loan fund made available for the Reconstruction Finance Corporation last year, total Federal disbursements for domestic disaster relief to date amount to $650,533,362. From 1827, when Congress voted $20,000 for the relief of fire victims in Alexandria, Va., until last July, when it gave out $40,000,000 worth of Farm Board wheat and cotton for Red Cross distribution to depression victims, the United States of America has kept up its record as a generous giver.

Never, until now, has Uncle Sam turned deaf ear to humanity's cry. And this time he is deaf to the call from his own people.

The time for Federal giving is here again. It was here a year ago when spokesmen from scores of cities told Congress they were at the end of their resources. Testimony of social workers at the current hearings on the Costigan-La Follette bill shows how much more critical is the need to-day. They estimate from 12,000,000 to 15,000,000 Americans in distress now.

"Unless Federal aid be changed from a loan basis to direct aid, American cities are going to have defaults which will shake not only municipal credit, but the whole credit structure of the United States," said Paul V. Betters, executive director of the American Municipal Association. "Cities are crippling essential services to meet relief needs. They are facing default. The present system only stimulates financial chaos."

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[From the Washington News for January 28, 1933]

THE WAR ON HUNGER

A hunger relief bill has been voted out of committee and is before the United States Senate for action in the short session. Combining the Costigan-La Follette and Cutting bills, it is a life-line for 3,500,000 destitute families and 1,000,000 homeless youths.

The revised bill separates hunger relief from business and public works loans. A separate board of three, including an expert social worker, would administer outright grants to the States. Of the $500,000,000 set aside for the next two years $15,000,000 is earmarked for transient care. These sums are desperately needed.

The country is spending $1,000,000,000 a year now on relief. More than a third of the unemployed are on charity. But every report proves that the States and communities are about at the end of their resources. Private charities and local public funds are depleted. We have now reached the third phase of the relief campaign, Federal aid.

At the Senate committee hearings two score of relief workers from many States testified. They had come in from the firing line. Practically all of them said that the fight against hunger is going against them. Practically all urged quick and ample Federal grants.

If anyone doubts that this rich country's enemy to-day is hunger, let him listen to these hunger fighters:

Harry L. Hopkins, New York State chairman of emergency relief: "At a conservative estimate there are 500,000 families in the United States not getting relief who should be receiving it."

Van Bittner, United Mine Workers, Fairmont, W. Va.: "Our people are hungry. Our children are crying for bread. They do not have sufficient clothing to protect them from the blasts of winter."

Dr. Sidney E. Goldstein, Chairman Joint Committee on Unemployment: "Semistarvation is sweeping across the country with the ravages of a plague in its wake."

Dr. Jacob Billikopf, Philadelphia Federation of Jewish Charities: "Many States have no resources to fall back on. The majority of cities are smashed and crippled financially. You can't expect unemployment relief from them."

H. L. Lurie, Bureau of Social Research, N. Y.: "Few of the large relief agencies are giving as much as $1 a week per person for food and in some of the organized cities the amount has fallen to as low as 50 cents per person per week."

Miss Helen Hall, University Settlement, Philadelphia: "Philadelphia has gone through four periods when there was no money for unemployment relief. Of the 52,000 destitute families left without relief 37 per cent were not getting the normal three meals a day."

Clarence E. Pickett, American Friends Service Committee, on conditions in Kentucky and West Virginia mine regions: "Warm clothing is almost nonexistent. In Kentucky I received notice that three schools had to close because of trachoma. One looks with a certain amount of trepidation to what might happen if millions of our people might come to feel that the State is their enemy."

Karl De Schweinitz, Philadelphia Community Council, on overcrowding due to evictions: "Out of every 1,000 families applying for help 220 families are living with somebody else. One child said: 'In the last year we have lived with six different families. At first they were glad to have us, but after a while they get very tired of you.'"

Samuel A. Goldsmith, Chicago Jewish Charities: "With Chicago standards you would need a Federal fund of well over a billion dollars. It is a terrific figure, but we are in a war."

We are in a war. In the last war we spent $35,000,000,000 in two years to beat the enemy overseas. Shall we refuse to spend one-seventh of that to beat the enemy at home?

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[From the Washington News for February 4, 1933]

STARVING CHILDREN

The attention of complacent Congressmen, governors, and legislators is respectfully called to a warning from Health Commissioner Wynne of New York City that the death rate from undernourishment is increasing among children.

Doctor Wynne told the welfare council's health section that 25 per cent of his city's school children to-day show signs of undernourishment compared with 15 per cent a year ago, a fact that probably will be reflected in an increase in the death rate this year. New York's school teachers have spent $2,000,000 helping feed their pupils. New York State has bonded itself for $30,000,000 for relief, and New York City leads all communities in the extent of its giving. Yet in these children's homes it is found that the gas has been turned off and many children are eating raw food. Clothing is scanty. Many go to bed with no covering.

"This can not go on much longer," Doctor Wynne declared.

Here is an official report from the richest city of the richest State of the richest nation of the world. It shows that helpless children slowly are being permitted to sicken and die from lack of food and warmth.

What is happening in poorer States and communities may well be imagined.

Starvation is a bitter word. Yet there is no other word for the weakening brought on by insufficient and improper food. Starvation of children during a famine may be inevitable. Starvation of children in this well-stocked land is criminal.

Testifying before a Senate committee this week Prof. Haven Emerson said distributed relief is too low to permit "growth of children, to maintain a reasonable degree of resistance to infections of various kinds, or to prevent deterioration of the human stock, if long continued."

Miss Grace Abbott, chief of the United States Children's Bureau, testified that "no one familiar with relief believes the needs have been met anywhere."

Congress should pass the Costigan-La Follette and Wagner relief bills for the winter's fight on hunger.

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[From the Washington News for February 9, 1933]

WHEN RELIEF STOPS

Half relief for needy families has become a commonplace in this land of plenty. Some American cities and States facing empty treasuries may be interested to know what happens when relief is shut off entirely. This has occurred no less than four times in Philadelphia.

What did its 52,000 destitute families do when the City of Brotherly Love failed them? The Community Council set out to

answer this question. It studied the condition of 400 typical forgotten families. It reported:

"People do not starve to death when relief stops; they just starve by the margin with which life persists, maintained by the pity of their neighbors and by a sort of scavenging on the community.

"The families rustled for themselves as much as they could. A common source of supply for one group was the docks where fruit and vegetables for market are sorted. Children and adults hung around the stalls and snatched at anything that was cast out. * * * Street begging was only occasionally resorted to, likewise the petty thieving of milk and groceries from doorsteps. * * * Children, it seems, had the habit of going to a store and by pleading hunger inducing the grocer to give them a little food. Children ran errands, watched pushcarts, did anything in exchange for fruit or vegetables. The myriad ways in which a family, its entire attention concentrated on food—just food—succeeded in obtaining it constitutes abundant evidence of the ingenuity and perseverance of these people.

"What meals did they get and of what did these meals consist? About 8 per cent were subsisting on one meal a day. * * * Thirty-seven per cent of all families were not getting the normal three meals a day. * * * They kept alive from day to day, catch-as-catch-can, reduced for actual subsistence to something of the status of a stray cat prowling for food."

Chairman Miller, of the Reconstruction Finance Corporation, admits that the Government's hunger relief loan fund will be exhausted by June. If Congress adjourns without replenishing that fund through passage of the Costigan-La Follette and Wagner bills, it will help turn more American families into such as these.

Mr. COSTIGAN. If there is time, it will be a pleasure to answer the questions of the Senator from Alabama.

The VICE PRESIDENT. The Senator's time has expired.

Mr. WAGNER. Mr. President, I have already addressed the Senate at length upon this question. I shall, therefore, consume only a moment to explain what I regard as the difference between the substitute bill and the bill proposed by the Senators from Wisconsin and Colorado.

At the outset I want to say that if there is any implication in the remarks of either the Senator from Wisconsin or the Senator from Colorado reflecting upon my desire to help in providing relief for the destitute I think that my record and my efforts in that regard since I became a Member of this body are a complete answer to any such suggestion or to any reflection upon the sincerity of my activities.

Mr. COSTIGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Colorado?

Mr. WAGNER. Yes.

Mr. COSTIGAN. I wish merely to state at this time that there was no concealed implication in my remarks with respect to the public devotion and regard for the public welfare, especially in the industrial field, of the able Senator from New York.

Mr. WAGNER. I thank the Senator.

Further than that observation, I shall disregard the criticism made by the Senator from Wisconsin as to the effect of the substitute which I have offered on the question of bringing relief to the destitute. I recognize that in his sincerity and earnestness in behalf of his own legislation he, perhaps, was tempted to overstate his own case. That is a perfectly natural limitation that we all have; and it must, therefore, in my judgment, be overlooked.

Nevertheless, there is no difference between the legislation proposed by me to relieve destitution and that proposed by the Senators from Wisconsin and Colorado except this fundamental distinction:

The payments made to the States under the bill which I proposed are in the nature of loans. The payments made to the States under the Costigan-La Follette bills are outright grants. That is the fundamental distinction and the only distinction.

As to the amount of money which is appropriated or authorized in both cases, there is practically no distinction. I provide $300,000,000, and that, together with the amount which is still available with the Reconstruction Finance Corporation for the relief of destitution, amounts altogether to $450,000,000. Under the Costigan-La Follette bill the amount authorized is $500,000,000, so that at most there is a difference of $50,000,000.

There is a restriction, however, upon the distribution under the Costigan-La Follette bill which does not exist in the legislation which I have proposed. And may I say, by way of interpolation, that I have never been much interested in the method of distribution of the funds. What I have been concerned with and interested in was that funds should be available to the States and to the municipalities to feed the needy and the destitute.

Two hundred million of the five hundred million dollars authorized under the Costigan-La Follette bill is to be distributed among the States according to population, with one restriction; and I think under the present economic and fiscal situation of the States and municipalities it is a serious restriction, because it provides that for every $66 granted under the provisions of the La Follette-Costigan bill a State must match with $100. So that if a State is in financial straits where its burden has become so heavy that it can not raise a sufficient sum to match the particular fund which would be available under the Costigan-La Follette bill, the sum actually granted will be considerably reduced. I regard that as a very serious restriction. There is no such restriction in the substitute proposed by me.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. COSTIGAN. The Senator from New York, of course, knows that under the pending bill money not distributed on the 40 per cent basis would be passed into a reserve fund, and that the reserve fund would be available for relief on the basis of need.

Mr. WAGNER. Yes; I think that is so. I have adopted a method of loans and advances, because Congress in the last session decided by an overwhelming vote that it would not authorize the appropriation of these funds except by way of loans or advances to the States, and I do not want to indulge in pure futilities. I do not see that it gets bread to the destitute to stand for some so-called principle of grants as against loans if, in the end, by pursuing that policy, we invite a veto and the hungry get nothing. I took a more pragmatic view of the situation. In my anxiety to see that funds were available for the needy and the destitute, I framed my legislation so as to secure congressional approval and approval at the White House.

Mr. President, in view of the expressions of the President in reference to all legislation of this character, we are simply courting a veto by insisting upon distributing these moneys as grants to the States rather than as loans. It is for that reason that I adopted the loan system.

This is even more than I had wanted to say, Mr. President, except to assure the Senate that there is just this choice between the two bills—namely, are you for an outright grant or are you for advances or loans to the States?

Mr. BLACK. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BLACK. I desire to ask the Senator one or two questions in order that I may get the difference between the measures clear in my own mind, and perhaps some others may be interested in the questions.

As I understand it, the administration, under the Senator's substitute, would be in the Reconstruction Finance Corporation, and under the Costigan-La Follette bill the administration would be by a board of three to be appointed by the President.

Mr. WAGNER. The distribution of the funds; yes.

Mr. BLACK. Is there any difference between the powers given to the board proposed to be set up under the Costigan-La Follette bill, and the powers to be given to the Reconstruction Finance Corporation, with reference to distribution of funds and supervision of the distribution?

Mr. WAGNER. I could not call it any very great distinction. I think there is a little more detailed provision, requiring plans to be submitted by the States to the board of three, and supervision over the funds to be distributed by the States, which I do not think is present in my legislation, and I doubt whether the power of the Reconstruction Finance Corporation would go quite as far in the way of supervising the distribution of the funds within the States as would the power of the board to be created under the Costigan-La Follette bill.

Mr. BLACK. I might state to the Senator that, as I view it, the powers are practically the same, and the Senator seems to concur in that interpretation.

Mr. WAGNER. I do not quite concur in that. I say that under the Costigan-La Follette bill the powers of actual supervision over the distribution of funds within the State are broader than under the bill which I have offered, and I can see a reason for that. Under the bill I have proposed, the money provided by the Reconstruction Finance Corporation is an advance or a loan to the State, and it becomes the property of the State the moment it is transmitted; whereas under the Costigan-La Follette bill it is Federal money, and under the theory of that legislation the Federal Government has the ultimate power of distribution of the fund within the State. I do not think there is any question about that. I do not think that will be contested by the advocates of the measure.

Mr. COSTIGAN. We contend that the power over distribution would aid in the establishment of sound relief standards.

Mr. WAGNER. Yes; but the Senator does not dispute the statement that under his measure the distribution of the money would really be supervised and directed by the Federal Government.

Mr. COSTIGAN. Not at all.

Mr. WAGNER. The Senator does not dispute that, does he?

Mr. COSTIGAN. The immediate distribution of the funds would be thus supervised, but after the funds passed, the control, of course, would be vested in the separate States as fully as under the Senator's measure.

Mr. LONG. Mr. President, I want to ask the Senator a question, if he will permit, though it is probably directed to both Senators. As I understand it, the difference between the bills is that under the Wagner substitute, as we now have it, the State would receive the money and set up its own organization for the relief of the unemployed. That is our system now.

Mr. WAGNER. The money would be advanced to the States as loans or advances, and then it would become the property of the State, and the responsibility would be on the States to distribute it.

Mr. LONG. Under the La Follette-Costigan bill——

Mr. COSTIGAN. The same result would happen, under the condition that the States would submit in advance the plans under which they proposed to use the relief funds.

Mr. LONG. We do that now.

Mr. COSTIGAN. I do not know what the Louisiana practice is, but the pending measure looks to that course.

Mr. WAGNER. Mr. President, if the distribution is to be the same, and if everything else is to be the same, why the mysterious criticism that under my bill we would have a lowering of standards, and people going destitute and hungry without aid? What justification is there for the criticism that my proposal is an effort to lower the standards of aid to the needy of the States?

Mr. COSTIGAN and Mr. LA FOLLETTE addressed the Chair.

The VICE PRESIDENT. Does the Senator from New York yield; and if so, to whom?

Mr. WAGNER. I yield to all Senators.

Mr. COSTIGAN. Permit me to say, before the Senator from Wisconsin speaks, that for seven months and more we have had in operation the loan practices of the Federal Reconstruction Finance Corporation. The results have been highly unsatisfactory for the reasons already assigned. It is the contention of those best informed in this field that if the Federal Government supervises the distribution of the funds, as in the case of other Federal State-aid acts, it can make more uniform the relief practices to be followed in the States, including the determination of actual relief needs, and can, without interfering with State control, set up highly desirable relief standards, many of which have been totally neglected under the Reconstruction Finance Corporation.

The VICE PRESIDENT. The time of the Senator from New York on the amendment has expired. He has 30 minutes on the bill.

Mr. WAGNER. I will take my 30 minutes on the bill.

I want to ask the Senator from Colorado this question: If the bill which I propose contained a provision for a separate board, would that satisfy the Senator?

Mr. COSTIGAN. Not at all. That would be an admirable addition to the Senator's substitute, but would not correct other defects.

Mr. WAGNER. In other words, the Senator is for a grant rather than for an advance or loan. Is not that the fact?

Mr. COSTIGAN. That is one fact.

Mr. WAGNER. What else is there?

Mr. COSTIGAN. For one thing, the present law, which the Senator from New York desires to perpetuate, results in short-time advances, guarded by bankers, who are thinking in terms of loans rather than the needs of the unemployed, and people in distress are not receiving anything like the relief to which, by intent of the law we enacted, they are entitled. Overwhelming evidence so shows.

Mr. WAGNER. I agree with the Senator, and I therefore view with a good deal of satisfaction the prospect that, after the 4th of March, there will be a rather more sympathetic administration. But I have inquired of a number of the States, and they have not found any fault with the methods in which their applications for funds for the destitute were handled.

I have an appreciation, I want to assure the Senator, of this whole situation. I am not an alarmist, but we have for some time been going along pursuing an aimless policy, putting our heads into the sand and refusing to see the actual facts. In my judgment, an examination of the economic statistics, and an observation of the present misery, as to the existence of which we do not need statistics, convince me that we are in a life and death struggle with the forces of social and economic dissolution; and unless we call upon all the resources of the people of the country, as well as of the Government, to join in this fray we can not prevent disintegration. No one can be more earnest than I am in desiring to bring about the maximum activity on the part of the Federal Government, first, to feed the needy and the destitute so that none shall go hungry or unsheltered; and second, to provide activities by way of a public-works program so as to afford opportunity for employment. We must do these things or we can not arrest the processes of disintegration. There can be no question about what my attitude upon this whole matter is, and I want to make certain that the necessary money will be made available. I am going to be practical enough to propose that sort of bill which will bring aid, and, at the same time, afford reasonable assurance that it will meet the approval of the White House.

Mr. COSTIGAN. Mr. President, there is so much that the Senator from New York has said with which I agree that I hardly know where to begin to state my agreement. As to the economic dangers of the hour I am in entire concurrence with him.

As to the personal qualities of the incoming President of the United States I am also in complete accord, but I confess that I do not wish to deal with legislation on the principle that one President will favorably administer a law and another President will frown on its proper application for the benefit of society. A year ago we similarly met many hidden intimations as to what the President of the United States might do with relief legislation. I believed then as now that it is our duty to legislate, and it is the duty of the Chief Executive to deal with our measures as he deems best under the Constitution. Then as now I favored legislation which is scientific, sound, and humane.

I wish merely to repeat to the Senator from New York that the relief law under which we have been operating has wholly failed to meet the needs of the country. Uncounted thousands in America have been and are at this hour not receiving proper or any relief and are therefore driven to

appeal for miserable pittances to the poor who are good to the poor. Under the loan principle in legislation I am convinced that we shall not reach anywhere the provision for the deserving people of the country that will be achieved under grants for aid provided for in the pending bill.

Mr. WAGNER. The Senator appreciates there is no difference in the amount authorized in the two bills?

Mr. LA FOLLETTE. Only $200,000,000.

Mr. WAGNER. No. The Senator's bill provides an authorization of $500,000,000 and my bill, including the amount still available with the Reconstruction Finance Corporation, provides for $450,000,000. Furthermore, under the La Follette-Costigan bill $200,000,000 are subjected to severe restrictions, as I have already pointed out. The maximum difference between the two bills is $50,000,000.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. WAGNER. I promised to yield to the Senator from Kentucky, and I do so now.

Mr. BARKLEY. Mr. President, I do not want to interfere with the colloquy proceeding if it will clarify the situation. Unfortunately for me it has not done so yet. I want to see if I can ascertain just what are the points of difference. I understand the bill of the Senators from Colorado and Wisconsin provides outright an authorization, to be followed by an appropriation of $500,000,000 out of the Treasury.

Mr. WAGNER. No.

Mr. BARKLEY. I say out of the Treasury. Of course, it is through the agency of the Reconstruction Finance Corporation prior to its extraction from the Treasury. It is coming from the Treasury, no matter whether it comes from the Reconstruction Finance Corporation or outside of it. But it is a grant, not a loan—an outright grant from the Federal Government to the States, which is to be administered here in Washington primarily.

Mr. WAGNER. The plan is to be submitted to a separate board showing the method the States propose to use in distributing the funds.

Mr. LA FOLLETTE. That is now done under the Reconstruction Finance Corporation act.

Mr. BARKLEY. They have simply increased the present $300,000,000 available, or that was available when we passed the bill last year, by another $300,000,000.

Mr. WAGNER. Yes.

Mr. BARKLEY. That makes a total of $600,000,000 to be advanced to the States in the form of loans. We are still entertaining the hope it will be repaid, although we know it will not be.

Mr. WAGNER. That is true.

Mr. BARKLEY. It seems to me unfortunate that those of us who are so much concerned about relief should find differences as to the method of its administration. I am wondering whether the new plan suggested of a grant, and a requirement that plans for distribution shall be set up and submitted in advance, will in any way interfere with or operate to destroy or make useless the machinery that has already been set up in the States for the administration of the funds which have already been available. Unfortunately I was engaged elsewhere and did not hear the category of criticism made by the Senator from Colorado against the present method of distribution.

In my own State, with the exception of some dissatisfaction growing out of the fact that instead of paying money to the people they pay groceries and supplies, I have had no complaints as to the administration of the fund. The Reconstruction Finance Corporation has completely and fully complied with the requests which have been made by the governor of my State, which have been based upon expert information obtained from all the counties, and that expert information brought to Washington and submitted to the Reconstruction Finance Corporation. With very few exceptions, it has been accepted by the authorities here and the loans or allotments made upon that basis.

So far as I am concerned, I would object to any scheme by which the expert forces that have already been set up in the States to gather information upon which to base the distribution of this relief are to be rendered useless and done away with in order that some other State officers or agencies may be set up in the States.

I am wondering in what particular there is a difference between the bills in that respect?

Mr. LA FOLLETTE. Mr. President, will the Senator from New York yield further? He has been very generous.

Mr. WAGNER. I am glad to yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I wish merely to say to the Senator from Kentucky that there will be no such scrapping of the existing machinery as he contemplates, because the pending bill provides that the governor shall designate the agency through which the Federal relief board is to turn over the money for distribution.

Mr. BARKLEY. As a matter of fact, we know that already they are submitting to the Reconstruction Finance Corporation in advance in each county——

Mr. LA FOLLETTE. If the Senator will take 10 minutes to read the report submitted by the committee, he will know all about the pending bill.

Mr. WAGNER. If that distribution is satisfactory, I do not see the point in setting up another bureau appointed by the President of the United States to do the same thing.

Mr. BARKLEY. That is my difficulty.

Mr. WAGNER. However, I am really sorry that so much time is being taken up on the method of distribution. The fundamental question is, Are we prepared to abandon the theory of a loan or an advance to the States, to which we have adhered thus far, in favor of an outright grant to the States? That basically is the difference between the two bills. The other differences involve details which we are exaggerating and which are not really very important.

Mr. BARKLEY. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from New York yield further to the Senator from Kentucky?

Mr. WAGNER. Certainly.

Mr. BARKLEY. I do not know what it will lead to if we are now to depart from the theory of making loans and embark upon the absolute grant of money out of the Federal Treasury to the States. We must not overlook the fact that last week there was a delegation of mayors in the city of Washington who appeared before the Committee on Banking and Currency, of which the Senator and I are both members, asking that the Federal Government advance to those cities money out of the Federal Treasury with which to meet maturing obligations on their bonds. If we can do that as to past expenses, the next step will be to advance money out of the Treasury to carry on the cities in all of their relationships to the people in the communities where they exist.

I am wondering just how far we are going to be able to go in loading down the Treasury of the United States in Washington with the burden of operating all of the subdivisions of our Government, to wit, the States, counties, and cities.

Mr. WAGNER. As a matter of fact, the Senator should have added that one of the other proposals of the mayors called for loans to finance the operating expenses of the municipalities in addition to the meeting of maturities.

Mr. BARKLEY. If the Treasury at Washington is to take over the operation of the cities, I suppose it would have the right to demand that whatever taxes are collected in those cities shall be turned over to the Federal Treasury as an offset against the expenses of operating the cities. If we are to start in on that sort of a program, we might as well abolish State lines and county lines, cities and municipalities, and say this is one large Federal Nation and all of its branches are to be operated here in Washington.

Mr. COSTIGAN. Mr. President, will the Senator yield further?

Mr. WAGNER. Certainly.

Mr. COSTIGAN. The Senator from New York will doubtless allow a word in reply. The Senator from New York has been contending that under his loan provisions we are

to give the same relief aid to the States as under grants. If that be true, much of our discussion has been irrelevant. We are planning to relieve the hungry and starving in this country under either plan. Our contention is that we are going to do that better by grants than by loans.

In the State of Kentucky, under the loan plan, children have been going blind for lack of food and relief help. The real tragedy there, as I view it, is that under the loan law, as operated by the Reconstruction Finance Corporation, not enough money has been loaned to Kentucky to take care of these unfortunate victims of our economic depression. That is one of the defects we criticize in the law, but only one.

Mr. BARKLEY. Congress put upon the shoulders of the governors of the States the obligation of asking for funds. The governor has asked for funds. In my State they have been granting every dollar the governor has asked for. He based his request on expert investigation and information, not furnished by State or county officials or by candidates for office, but by social workers who are trained in the art of understanding the needs of the people. If the Reconstruction Finance Corporation has not loaned the money that was needed it has been either because the governor did not request it—and I am sure that he did request all that was represented to him as being needed—or we did not make enough money available in the first place for the Reconstruction Finance Corporation to make loans to the States.

Mr. COSTIGAN. As pointed out before the Senator from Kentucky entered the Chamber, there are some States from which no requests have come for funds, where nevertheless semistarvation exists. Under the loan act some governors have not applied for Federal aid, for one reason or other. Presumably they could not or would not commit the credit of the States for such loans or they concluded that the States would be so obligated to return borrowed funds and it was not desirable to make the necessary applications.

Mr. WAGNER. May I ask the Senator what particular State has failed to make application because of the requirements of the law?

Mr. COSTIGAN. My statement was that presumably the requests had not been made because of constitutional restrictions or because of the obligation resting upon the State to return the funds.

Mr. WAGNER. But the Senator does not know of any case?

Mr. COSTIGAN. I do not attempt to speak for particular States. However, I understand that the State of New York, for one, made no such request until recently, because of constitutional restrictions, and because the head of that State would not take the pauper oath and go to the Reconstruction Finance Corporation with his hat in his hand. Yet the evidence shows that there are thousands of families in New York State which have not been receiving adequate or any relief under Reconstruction Finance Corporation management.

Mr. WAGNER. I can say, however, that New York State was given the loan it sought. It asked for a specific sum and that loan was made.

Mr. COSTIGAN. Under a very recent request?

Mr. WAGNER. Yes; a very recent request.

Mr. COSTIGAN. But for months and months, until the present Governor of New York came into office with his notably humanitarian outlook, no such request was made.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. WAGNER. Certainly.

Mr. BARKLEY. A State certainly is not to be criticised, nor the governor of that State, merely because he does not rush in as soon as the gate is open to get his share of the sum set apart by Congress. I think it is rather to the credit of any governor who did not apply for a loan until it was necessary to do so.

Mr. COSTIGAN. No such criticism is justified by anything I said.

Mr. WAGNER. I might say so far as New York State is concerned that application was not made until it was absolutely necessary to seek the supplemental aid of the Federal Government because of the terrific burden which we have carried for several years.

Mr. LONG. Mr. President, will the Senator from New York yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Louisiana?

Mr. WAGNER. I yield.

Mr. LONG. I have not been able to be here during the discussion which has occurred on this bill.

Mr. WAGNER. So I read.

Mr. LONG. The Senator from Colorado [Mr. COSTIGAN] goes on to state that there are a number of people not receiving help under the present law, who, as I understand, he intends to take care of under his bill. Just wherein does the matter come in, whether it is a grant or a loan, by which, under the La Follette-Costigan bill, they are going to be taken care of? That is what I am trying to get at.

Mr. COSTIGAN. Mr. President, will the Senator from New York yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Colorado?

Mr. WAGNER. I yield.

Mr. COSTIGAN. In the first place, Mr. President, under the grant provisions of the pending bill there would be an outright appropriation of 40 per cent of the funds provided for to the various States, with a qualifying provision as to the amounts raised in the separate States. There would be an immediate sum of money placed in the hands of the governor of each State of the Union for relief purposes. The balance of the money would go into what is termed a "reserve fund" to be used on the basis of need.

At present nothing may be secured under our relief law for unfortunates where relief is urgently needed, except through applications for loans, which may or may not be granted by the Reconstruction Finance Corporation. There is one distinguishing feature.

Beyond that, there is under the pending bill better opportunity for expert management. Surveys would doubtless be made of human needs, and relief standards provided more effectively to take care of those who are starving.

Mr. LONG. Mr. President, if the Senator from New York will yield further, I happen to know that my State was the first one that received one of these relief loans. We had had a welfare organization in Louisiana administering a fund which had been raised by private subscription. The Reconstruction Finance Corporation adopted the same system which we had been using to dispense the funds under the Wagner bill, and I have been told that that is the basis on which a large majority of the States have been dispensing the funds. I have not been able to see any material difference. We do not ever expect to pay that money back; we have borrowed it, and we say it is a loan; but we know we are never going to pay it back, as the Senator from Kentucky says. So I do not see what difference it really makes. I do not think a governor will hesitate to ask for it under either one. I can not see why he should. The provision as to 20 per cent of the Federal relief funds for public roads does not mean anything to anybody. I do not see the difference. I may be wrong and I may not understand the bill.

Mr. COSTIGAN. Mr. President, if the Senator from New York will yield further——

The VICE PRESIDENT. Does the Senator from New York yield further to the Senator from Colorado?

Mr. WAGNER. I yield.

Mr. COSTIGAN. The Senator from Louisiana certainly sees the difference between funds passed out by those who treat and use those funds with a banker's caution and funds used with a view to human relief. This is the most notable difference between the two proposals. No one has been more frankly critical of Reconstruction Finance Corporation management under the present relief act than the Senator from New York in the past. He led the protests on this floor on December 19 last, and insisted that the hour had come for an expert board to take charge of Federal

relief, so that we might have an end to the present penny-pinching attitude in passing out relief aid.

In the case of Louisiana doubtless similar results would be attained after you had in your hands the amounts allotted for relief.

Mr. WAGNER. Mr. President, I might say to the Senator from Louisiana that——

Mr. LONG. Please do not read the figures.

Mr. WAGNER. I will have to read them. The Reconstruction Finance Corporation has already advanced for the relief of the destitute in the State of Louisiana the sum of $4,751,333.

Mr. LONG. I understand it has loaned $6,000,000.

Mr. WAGNER. The State has received $2,000,000 since?

Mr. LONG. Yes, sir.

Mr. GLASS. The figures I have here show the loan to have been $7,600,000.

Mr. LONG. I do not think we would get very much under this bill.

The VICE PRESIDENT. Senators will address the Chair.

Mr. LONG. I beg pardon. If the Senator from New York will yield further, I desire to say that we have received in Louisiana between six and seven million dollars. Now, as I understand, my State would get, under the La Follette bill, around $3,000,000, would it not?

Mr. COSTIGAN. That is, I believe, under the 40 per cent provision.

Mr. WAGNER. And the State would have to match that.

Mr. LONG. We would have to match it.

Mr. WAGNER. The State would have to match it 100 for 60.

Mr. LONG. We can not match anything.

Mr. COSTIGAN. But the State would not have to match a penny if it could not do so.

Mr. LONG. If we made a pauper's oath to show that we could not.

Mr. COSTIGAN. The State would apply for relief under the reserve fund.

Mr. WAGNER. Mr. President, has my time expired?

The VICE PRESIDENT. The Senator has one more minute.

Mr. GLASS. Mr. President——

Mr. WAGNER. Does the Senator from Virginia desire to ask me a question?

Mr. GLASS. I do not think the Senator could answer the question that I propose to ask in one minute.

Mr. WAGNER. I surrender the floor.

Mr. GLASS. Mr. President, the question I intended to ask the Senator from New York, which he may answer in my time, is, Where do Senators expect this money to come from? Is it to be picked out of the air or is it to be donated to us by some foreign government? We talk about aiding the States, but it has puzzled me to determine just precisely how it is aiding the States if we tax the people of the States, bring their revenues here and impound them in the Federal Treasury, and then erect a Federal system of distribution of money that we have taken from the States, doling it out to States as the judgment of these Federal minions may dictate.

I conceive the idea that the people of Virginia, through their State administrative authorities, are vastly more competent to determine the needs of that State than is any Federal board instituted here at Washington. After all, the only way for the Federal Government to get any money, unless resort is had to the printing-press expedient, is to take it from the pockets of the taxpayers of the respective 48 States; and it is beyond my human wit to determine how we are aiding the States when we first take the money from their taxpayers, bring it here to Washington, and then, as I have said, dispense it in driblets back to the States as the humanitarian instincts or judgment of a Federal board may suggest.

One of the Senators has suggested that he does not expect his State to pay this money back, and I do not either. I note here, and I am ashamed to note it, that the State of Virginia has borrowed $2,700,000 from this fund. I would feel utterly ashamed of Virginia if I could think that she was not able and competent to take care of her destitute without coming here to Washington like a mendicant, hat in hand, and asking for what? For a Federal fund? Yes; but a Federal fund acquired first from the taxpayers of Virginia, for the only way the Federal Government can ever get any money into its Treasury is by taxing the people of Virginia and the American people generally.

The administrative officers of Virginia are better able to determine the processes of humanitarian aid to destitute people than is any board that we may constitute here in Washington. The Reconstruction Finance Corporation funds that have been distributed in my State have been distributed by persons of intimate and expert knowledge of conditions there, by persons who may not be easily imposed upon, by persons who can not be misled by this often exaggerated humanitarian plea. My humanitarian instincts were taken advantage of last week by a fellow who got $10 of my money—and did not deserve 10 cents of it [laughter]—by telling me that he had his wife and children in an automobile in front of the Senate Office Building and they were without anything to eat, when in fact he had no wife and no children. [Laughter.] That sort of thing could not occur in Virginia in the distribution of Virginia funds that had first been taker out of the pockets of the taxpayers of Virginia and impounded here in the Federal Treasury, to be dispensed either by the Reconstruction Finance Corporation or by this additional Federal institution called a board of distribution. So I would be very much obliged to any Senator who could convince me that this is aid to the States rather than a very expensive method of distributing funds first collected from the taxpayers of the States.

Mr. President, I have cast my last vote in the Senate for these temporary expedients providing so-called relief. If I could, I would vote to-morrow to abolish the so-called Reconstruction Finance Corporation. It has not been a reconstruction finance corporation; it has been a "destruction corporation." It has merely deferred the agony, postponed the pay day for all except those States that do not expect to pay this money back, and that will not pay it back. By alarmists we here have been hurried into the passage of measures tendered for curative purposes, but which in the end are proving, and are going to continue to prove, worse than the disease sought to be cured. I am not going to vote for any more of them. I am going to vote first for the proposed amendment, with a suggested modification, of the Senator from New York [Mr. WAGNER], and then I am going to vote against the whole thing. [Laughter.] So much for the vocal aspects of the case.

I now wish to suggest to the Senator from New York that he has a provision in his amendment and in his proposed substitute which I think is of a very dangerous nature. That is the requirement that these loans of State money back to the States shall bear a rate of interest not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States.

Mr. McKELLAR. Mr. President, what page is the Senator reading from?

Mr. GLASS. I am reading from page 4 of the substitute, but I have indicated the text of the requirement. That is to say, this money of the States, accumulated here in the Federal Treasury, may be loaned back to the States at a rate of interest not exceeding one-half of 1 per cent above the interest rate established by the last preceding bond issue of the Federal Government.

If we adopt that suggestion, there is not a State nor a community in a State that will issue its own securities to meet the requirements of the State or community. Every township, city, community, and State will come here to borrow money from the Reconstruction Finance Corporation, or from the board proposed by the other bill, rather than to issue its own bonds, because there is not a State or a community that very likely will be able to issue its own securities at as low a rate as this proposed provision would require.

For example, only the other day, in consultation with a gentleman who is soon to assume the office of Chief Magistrate, he sought my judgment as to whether it might be

possible to float a 5-year Federal bond issue at 2½ per cent. I did not think it might be so.

Mr. BULKLEY. Mr. President, will the Senator permit me to suggest the absence of a quorum?

Mr. GLASS. Oh, no, no. I am obliged to the Senator, but I do not want to trouble Senators to come here to hear what I have to say. I gave it as my judgment that it would be an exceedingly difficult thing to do, because of the fact that every day we are proposing raids here upon the Federal Treasury. Suggestions are being offered involving the very integrity and honor, as well as the credit, of this Nation.

The mortgage-bond market already has been wrecked, so that no person with funds to invest who is yet outside the lunatic asylum would have so little sense as to invest in mortgage bonds, when the Congress and the legislatures and the governors are assuming the function of declaring moratoriums on credits. The Federal land-bank bonds are to-day at a frightful discount, although they are exempt from taxation; and but for the general misapprehension that these securities are guaranteed by the Federal Government—which is not true—their market value would be infinitely lower to-day than it is. The land banks have not been able to sell one of their bonds now for nearly three years. They could not sell one to-day to save their lives.

For these and a multiplicity of other reasons that might be cited here, I say it is very doubtful whether the Federal Government could issue a 5-year bond at any 2½ per cent interest rate. But, assuming that it could do so, then the Reconstruction Finance Corporation in one case and the Federal board of distribution in another case, would loan the funds of the States thus acquired at 3 per cent. Does the Senator from New York imagine that the great metropolis from which he comes could to-morrow float its bonds for 3 per cent?

Mr. WAGNER. It could in normal times.

Mr. GLASS. I am talking about now. I am not talking about normal times. We have not had normal times for 10 years.

Mr. WAGNER. Oh, yes!

Mr. GLASS. No; we have not. We had an era of insane gambling and speculation for 10 years that eventuated in the crash that any man of discernment should have foreseen.

The VICE PRESIDENT. The Senator's time on the amendment has expired. He has 30 minutes on the bill.

Mr. GLASS. I shall not require that long, Mr. President.

The Senator from New York knows perfectly well that New York City could not float its bonds to-morrow at 3 per cent; and why should it, when it may come here to the Reconstruction Finance Corporation and borrow millions of dollars at a lower rate of interest, or come to this humanitarian outfit that is about to be set up?

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from New York?

Mr. GLASS. Yes; I yield.

Mr. WAGNER. If we had a normal bond market, where issues could be had at the normal rate of 3 or 3½ per cent, we never would have erected the Reconstruction Finance Corporation.

Mr. GLASS. We never should have erected it.

Mr. WAGNER. That is a difference of opinion. I do not know where we would be without it.

Mr. GLASS. I know where we would be. We would be on the road to recovery in this country if we had never erected the Reconstruction Finance Corporation.

Mr. WAGNER. After many a tragedy.

Mr. GLASS. Could we have any greater tragedy than we are experiencing right now?

Mr. WAGNER. I think we might have had.

Mr. GLASS. No, Mr. President! We have set a precedent that will return to plague Congress for the next half-century or more. Every contemplated raid on the Federal Treasury, every proposed exhaustion of the taxpayers' funds brought here to Washington has for its excuse now, "You have loaned hundreds of millions of dollars to railroads; you have loaned other hundreds of millions of dollars to decrepit banks, and there is no reason why you should not loan hundreds of millions of dollars to us." That is the cry, until we are rapidly approaching the point where the credit of this Nation will be impaired, and we will not have any "normal times" for a long time to come.

In setting up this abominable home-loan bank, people talk about homes as if one that was sold under mortgage disappeared from the face of the earth, instead of being bought by some worthy person to live in—some person who exercised great discernment and a greater degree of thrift than the man who procured the mortgage on his home in order that he might ride in an automobile and spend the proceeds of the mortgage for gasoline.

Mr. WAGNER. We are on common ground now.

Mr. GLASS. Building new homes! We had better be able to rent those that we already have. I can not rent mine, and if the Senator has one he can not rent his.

Mr. WAGNER. I have not any.

Mr. GLASS. We talk about railroad receiverships as if when a railroad is put in the hands of a receiver it disappears from the face of the earth; as if the receiver does not have to hire engineers and firemen and brakemen and conductors and trackwalkers and clerks. The only thing he does not have to do is to pay $150,000 salary to a president. We imagine, it seems, that the railroad disappears physically from the face of the earth when it goes into the hands of a receiver. I will tell the Senator from New York that the only way we are ever going to get a reconstruction, a reorganization of the exaggerated financial set-up of these railroads, is to put some of them, many of them, in the hands of receivers.

Mr. WAGNER. Mr. President, the Senator is talking to me as if I were in disagreement with him upon that proposition. I am not a defender of the loans to the railroads; quite the contrary. We are on common ground in the present criticism of the Senator.

Mr. GLASS. I am glad to know that I have the academic sympathy of the Senator from New York; but when it comes to the practical part of it, when it comes to appropriating other millions of dollars——

Mr. WAGNER. To put people to work.

Mr. GLASS. Oh, to put people to work! They are being put to work on the roads in my State, and Virginia is going to pay it back. It is the only State in the Union that has reduced its public indebtedness during this time of depression. Its bonds stand at par in the money market; and I am ashamed of it when it comes up here and borrows $2,700,000 from this abominable Reconstruction Finance Corporation to put people to work on roads. We have converted every hog path in the State into a hard-surfaced boulevard. [Laughter.]

But to get back to this unhappy proposed provision of the law not permitting the Reconstruction Finance Corporation to charge an interest rate in excess of one-half of 1 per cent above that of the latest bond issue of the United States, it is nothing in the world but an engraved invitation to every State and every community in the States to do its borrowing here from the Reconstruction Finance Corporation instead of issuing its own securities and selling them on the open market. Why, even your land banks charge 1 per cent above the rate of their last issue of bonds.

A Senator suggests to me in private conversation that the Reconstruction Finance Corporation has been charging an excessive rate of interest. Well, if the loans are not going to be paid back, as some Senators suggest, what difference does it make? [Laughter.] I say that if we can not trust the Reconstruction Finance Corporation to deal with this matter in a businesslike as well as in a humanitarian way, then we ought to get another board of directors of the Reconstruction Finance Corporation; if we do not adopt my saner view of abolishing the whole contraption. [Laughter.]

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Louisiana?

Mr. GLASS. Yes.

Mr. LONG. I just want to observe that the statement I made was not my own statement alone. It was also the statement of the Senators from Virginia and Kentucky.

Mr. GLASS. I did not relate the statement to Virginia.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. GLASS. Yes.

Mr. WAGNER. We do not want to get confused in our statements. The reference of the Senator was to the amount advanced for the relief of the destitute and the needy, which is an entirely different proposition from that with which the Senator is dealing. As to the amounts advanced to relieve destitution and need, the law now fixes the rate of interest at 3 per cent. They could not go beyond that. This deals with advances and loans for public projects needful and in the public interest.

Mr. GLASS. That I know, and any State that is reduced to that degree of penury that it has to come here and ask for a return of a part of the money its taxpayers have paid into the Federal Treasury ought to be required to pay a reasonable interest rate, and the proposed rate would not be a reasonable interest rate. I think that is a reasonable rate which honorable business men, constituted with the serious duty of administering the Reconstruction Finance Corporation, may determine to be in the circumstances the proper interest rate. We may not intelligently determine that here. The board of directors of the corporation must determine that as circumstances warrant it should be determined.

Oh, I look over this list, and see the name of the great State of Pennsylvania, second in population and in wealth, if not first, among all the States of the Union, coming here to Washington to borrow $26,000,000 of the taxpayers' money from the Federal Treasury to take care of the destitute in that State. I venture to say that there is not a respectable community in the United States with any humanitarian spirit whatsoever that is unable to take care of its destitute, not one. The great State of New York is modest beyond compare when contrasted with Pennsylvania; it borrows $6,000,000. Where do we get the $26,000,000 and the $6,000,000? We take it out of the pockets of the taxpayers of the State of the Senator from New York more largely than from the taxpayers of any other State, because the taxpayers of his State have taken it out of the pockets of all the people of the country put together.

I hope the Senator will regard my suggestion with some degree of toleration that this provision of the bill ought to be stricken out, and that we should continue to confide to the business as well as to the humanitarian instincts of the board of directors of the Reconstruction Finance Corporation the duty of lending this money at a reasonable rate of interest, as the circumstances may determine.

Mr. WAGNER. Mr. President, I have exhausted my time. Will the Senator yield?

Mr. GLASS. I yield.

Mr. WAGNER. I shall not agree to a proposal to strike out the section altogether unless the Senate insists upon that procedure. I am quite willing, however, to extend the spread from one-half of 1 per cent to 1 per cent, which would, under present circumstances, bring the rate up to 4 per cent. Of course, the Senator does not believe in the philosophy of this whole proposition of permitting municipalities and States——

Mr. GLASS. I do not think it has any philosophy. The Senator means the fancy of it.

Mr. WAGNER. No; I do not. I think it is the only way we have now available to put people back to work, and to start on our road to recovery. No one has suggested an alternative. But the Reconstruction Finance Corporation has operated its functions as an ultraconservative business institution, looking for large profits, instead of charging a fair rate of interest above that which they pay for the money, so that the municipalities may get the money at a rate which the municipalities in normal times could secure in the open market. Instead of that, they have made it impossible for these municipalities to accept the loans because of the high rate of interest imposed, 5½ and 6 per cent, which is 2 to 3 per cent more than the municipalities are required to pay in the open market in normal times.

We created this instrumentality to take the place of sources of aid in normal times, to help the communities to further their projects, to put people to work, in order to help in this difficult situation, to give people employment rather than charity. I think the country is in favor of that policy, irrespective of the opinion of the Senator from Virginia, from whom I rarely differ.

Mr. GLASS. I do not think the country knows anything about it, and I have come to the conclusion that we knew so little about it as that we permitted ourselves to be rushed off of our feet to adopt all of these psychological expedients or, as I once called them, psychological poultices.

I recall that the State of South Carolina, which has maintained its financial integrity and credit for years, was unable to float an issue of $500,000 of 5 per cent bonds for constructive purposes in that State in 1929. Yet here now it is proposed that we invite South Carolina, and States and communities similarly situated, to come to Washington and borrow back the money which they have paid into the Federal Treasury at one-half of 1 per cent more than the next succeeding bond issue, whatever that may be.

Mr. WAGNER. Prior bond issue.

Mr. GLASS. Yes; prior to this loan. That is the next succeeding bond issue, unless the distinguished Senator from New York imagines that the Federal Government can go on paying out millions upon millions of dollars without engaging in another bond issue.

Mr. WAGNER. I think these enterprises, if they are inaugurated, will so stimulate business, so prime the pump, that there will be no difficulty in collecting taxes. I do not want to interrupt the Senator any further——

Mr. GLASS. I have about concluded. I am glad to have the Senator interrupt me.

Mr. WAGNER. I want to say this, that witnesses appeared before our committee from all over the country, and they had a list of interest charges in normal times to municipalities and to some States on money borrowed to finance their own projects, and in many cases the rates were below 3 per cent, and were rarely ever above 4 per cent. If the language here is changed to read " 1 per cent above the interest rate of the last bond issue," we will permit the Reconstruction Finance Corporation to charge 4 per cent for loans, which is as high as it ought to go.

Mr. GLASS. Mr. President, I am in favor either of discharging the Reconstruction Finance Corporation, or permitting them to exercise their business judgment upon these loans as circumstances require, and I think they can do it a long way more intelligently than we can.

Talk about normal times! Have we done normal things under the administration of the Reconstruction Finance Corporation? Sixty-five million dollars of the taxpayers' money has been loaned to build a concrete bridge across San Francisco Bay, and millions upon millions of dollars for projects of that kind. The people from my State have come here to get my influence—which I do not possess—to have bridges built across the James River, and the York River, and the Potomac River.

Mr. WAGNER. Mr. President, would the Senator stop all progress?

Mr. GLASS. No; but I would stop all raids on the Federal Treasury if I could.

Mr. COUZENS. Mr. President, will the Senator yield to me?

Mr. GLASS. I yield.

Mr. COUZENS. May I ask the Senator, who has had long experience in banking, if he has reached any estimate as to the number of securities the Federal Government will be able to sell?

Mr. GLASS. If we keep on at the present rate, it will not be able to sell any.

Mr. COUZENS. Is there any limit, in the Senator's mind, as to what we might be able to sell?

Mr. GLASS. I understand we will have to fund $600,000,000 of bonds by the 15th day of March. I do not know at what

rate of interest that may be done. We will have in a brief period of time to fund $6,000,000,000 of maturing Government bonds. I do not know at what rate that may be done. We will have in the not very distant future to fund $11,000,000,000 of Government bonds, and if we keep on raiding the Federal Treasury——

Mr. COUZENS. We have now outstanding, in all forms of securities, nearly $21,000,000,000.

Mr. GLASS. Yes.

Mr. COUZENS. Does the Senator believe we could continue to extend that amount until we reached $35,000,000,000?

Mr. GLASS. Perhaps so, unless we are to adopt some of the suggestions that have been presented here. Undertake a devaluation of the gold dollar by curtailing its grain content 30 per cent, and I do not think we would be able to sell another Federal bond at any rate of interest. Undertake by legislation to dishonor this Nation, to say that the requirements denominated in the bonds—$21,000,000,000 of them outstanding—shall not be complied with; undertake to assume authority as has been suggested may be done, to vitiate millions of business contracts that have the gold payment denominated in the bond, mortgage, and other bonds, and the Federal Government will not be able to sell anything, but, on the contrary, there will not be enough free gold left in this country with which to do the dentistry work. In 60 days we would wipe out our Treasury gold reserve, and would wipe out the gold reserve of the banks.

There are in process now demands for redemption. In one great city on last Friday $3,000,000 of currency, paper promises to pay, were exchanged for gold for the strong boxes, and the following day a greater sum, and if we keep on at this rate God only knows how long the credit of the Federal Government may be maintained.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. GLASS. I yield.

Mr. LONG. The Senator states that breaking up private contracts would lead toward this terrible result he mentions. Did we not break up many private contracts in 1920 and 1921, when fares were fixed by contract and rates were fixed by contract, thousands and probably hundreds of thousands of them, and because the dollar was worth only 60 cents, did not the Supreme Court of the United States say they had to yield to regulation, and did it not strike them all out? What is the difference now, when the dollar is worth $1.66, if regulation does the same thing?

Mr. GLASS. I observe a great deal of difference. I am not to be drawn off into this hypothetical discussion. The Senator from Michigan, who is a practical business man, asked me a common-sense question and I tried to give him a common-sense answer.

Mr. LONG. I do not suppose the Supreme Court's answer was any good in 1920. I do not suppose the Supreme Court's answer in 1921 was common sense, but they did what I have stated.

Mr. GLASS. Well, I have known some people to question the common sense of the Supreme Court, and I do not believe the Supreme Court has ever rendered any decision that resulted in the vitiation of a contract, because they could not constitutionally do it. But happily I am not a constitutional lawyer.

But again I appeal to the Senator from New York to leave the determination of practical matters like this to the Reconstruction Finance Corporation, should his substitute prevail, and to the business instinct of the proposed new corporation should the Costigan-La Follette proposal prevail, because they can better determine the matter than we may do here. That is all I have to say.

Mr. WAGNER. I do not want to be obstinate about any provision——

Mr. GLASS. I know none of us ever is.

Mr. WAGNER. I do not want to be, except that all of the efforts of Congress to bring about a large program of municipal and public works have been frustrated by the Reconstruction Finance Corporation in charging what I regard under present conditions as exorbitant rates of interest. It was in order to control that by at least fixing a maximum that I put that provision in the bill. If the Senator feels that a restriction ought not to be placed upon the loans and it ought to be left to the discretion of the board, I shall not complain one way or the other.

Mr. GLASS. I am glad to have that assurance from the Senator. As a matter of fact when the Reconstruction Finance Corporation loans $65,000,000 to build a bridge, I think they ought to get a pretty stiff rate of interest on a loan of that sort, and on loans for many of the other projected public works.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Idaho?

Mr. GLASS. Certainly.

Mr. BORAH. The trouble is that we do not know what kind of a rate of interest they will charge, whether it may be small or what. It seems to me a tremendous power to give these people.

Mr. GLASS. The fact that they have not charged a lower rate of interest than that proposed prompts my suggestion. As a matter of fact the complaint of the Senator from New York and those who inspired this suggestion is that the Reconstruction Finance Corporation has charged a rate of interest which will give some slight assurance that it is not going to lose the taxpayers' money. The Senator from New York talks about conducting the business with an eye to profit. I would like to contribute to a fund to buy a microscope powerful enough to discover any profit the Reconstruction Finance Corporation will ever get out of the business.

Mr. BORAH. I quite agree with the Senator in that respect. I think a large amount of the debate that has been going on for the last day or two on this question as between the two propositions is not very conclusive, for the reason, whether we adopt the one plan or the other, we are not going to get this money back, in all probability.

Mr. GLASS. I am not prepared to dispute that. Pride of State makes me believe and here declare that the Federal Government will get back Virginia's loan. If not, I shall be much more ashamed of her than I ever expect to be.

Mr. BORAH. Where is the pride of a great State which comes down here and asks a loan of $26,000,000?

Mr. GLASS. There is not any. That is what I complain of. We have wiped out all State pride in this country and become a nation of mendicants.

Mr. BORAH. Where is pride of State when the great bankers come down here and ask the Reconstruction Finance Corporation to loan a railroad company $24,000,000?

Mr. GLASS. What has become of the sanity of the administrators of the railroads when they come here and ask us to make loans to the railroads without any collateral security at all? It reminds me of an episode in my own life, when I was addressing the Chicago Association of Commerce in 1914. My companion on the rostrum was Private John Allen, of Mississippi. He told the assembled audience that he had been induced to come there for two reasons only. One was to correct a painful impression that had gotten abroad; that as he was approaching Tupelo a few days theretofore a stranger approached him and asked him the name of the town and he told him. He said, "Yes; Tupelo. That is where John Allen used to live. Poor old fellow; he is dead now." Private John Allen wanted to correct that impression.

Then he said; "I wanted to meet the chairman of the Banking and Currency Committee of the House of Representatives face to face and insist to him that the Federal reserve act should be so modified as to permit a man to borrow money from a bank without collateral and, if the bank insisted upon collateral, to declare in the statute that the borrower should be the judge of his own collateral." [Laughter.]

The railroads are now taking that view, that they should be loaned the taxpayers' money without any collateral whatsoever. The distinguished Senator from Michigan [Mr.

COUZENS] who now rises to his feet, has reported to us that upon his examination he finds that the collateral already lodged is inadequate for its purposes.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. GLASS. Certainly.

Mr. COUZENS. Will the Senator from Virginia support an amendment to the pending bill to repeal the provision of the Reconstruction Finance Corporation act which permits it to loan to railroads?

Mr. GLASS. I will.

The VICE PRESIDENT. The time of the Senator from Virginia has expired.

Mr. GLASS. I am glad of it! [Laughter.]

The VICE PRESIDENT. The question is on the amendment of the Senator from Minnesota [Mr. SHIPSTEAD] to the Wagner amendment, which will be reported.

The CHIEF CLERK. At the proper place insert the following:

SEC. —. The Reconstruction Finance Corporation is authorized and empowered to make loans, in an aggregate amount of not to exceed $25,000,000, under the Reconstruction Finance Corporation act, as amended, to any public or private hospital organized under the laws of any State upon the same terms and conditions and subject to the same limitations as are applicable in the case of loans to financial institutions specified in section 5 of such act, as amended.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is upon the amendment of the Senator from New York [Mr. WAGNER] as amended.

Mr. HAYDEN. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 25, after the so-called Wagner amendment, insert the following proviso:

*Provided,* That this act shall be construed to permit the governor of any State to use, under supervision of the State highway department, such loan in the improvement of highways as a part of his work-relief plan.

Mr. WAGNER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WAGNER. I understand the amendment now pending is in the nature of a substitute?

The VICE PRESIDENT. It is the original amendment proposed by the Senator from New York [Mr. WAGNER] to the amendment of the committee, which was reconsidered.

Mr. WAGNER. I would suggest to the Senator from Arizona that I do not deal with the subject that he desires to amend in the original amendment which I have offered. That will come subsequently, when I offer the substitute.

Mr. HAYDEN. Very well; I withdraw the amendment for the present.

The VICE PRESIDENT. The question, then, is on the amendment of the Senator from New York as amended.

Mr. BULKLEY. Mr. President, I offer the amendment which I send to the desk. The provision which has just been discussed by the Senator from Virginia is that to which the amendment relates. The amendment which I now offer is to strike out the matter to which the Senator from Virginia has objected.

The VICE PRESIDENT. The clerk will report the amendment submitted by the Senator from Ohio to the amendment of the Senator from New York.

The CHIEF CLERK. The Senator from Ohio proposes in title 2 of the so-called Wagner amendment, page 4, lines 15 to 21, both inclusive, to strike out the following:

*Provided further,* That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding one-half of 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan.

Mr. LONG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. Does the Senator's amendment propose to strike out of the bill that part which limits the rate of interest that may be charged to one-half of 1 per cent over the rate of interest on the last issue of Government bonds?

The VICE PRESIDENT. It does.

Mr. LONG. May I ask the Senator if that is his amendment?

Mr. BULKLEY. That is correct.

Mr. LONG. I certainly hope the amendment will not be adopted. I hope the Senator is not serious in offering the amendment. The Senator from New York proposed to increase the rate of interest to 1 per cent above that obtained on the last issue of bonds, but I was hoping that he would not do that. That would not be particularly objectionable, however.

Mr. WAGNER. May I suggest that if the amendment is defeated I had intended to offer an amendment extending the rate from one-half of 1 per cent to 1 per cent above that borne by the last bond issue.

Mr. ROBINSON of Arkansas. Mr. President, would not the Senator from New York prefer to perfect his amendment before the vote is taken on the amendment of the Senator from Ohio?

Mr. LONG. I hope that will be done.

Mr. BULKLEY. I have no objection to that procedure if I do not lose the opportunity to offer my amendment.

The VICE PRESIDENT. The Senator from Ohio withdraws his amendment temporarily. The Senator from New York is recognized.

Mr. WAGNER. Mr. President, I move that the amendment which I have offered may be again amended, on page 4, line 19, by striking out the words "one-half of." That would leave the rate at 1 per cent.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York to his original amendment.

The amendment to the amendment was agreed to.

Mr. BULKLEY. I now offer the amendment to strike out the proviso to which my amendment relates.

The VICE PRESIDENT. Let it be again reported.

The Chief Clerk again stated the amendment.

Mr. LONG. Mr. President, I do not suppose it is necessary, but the Senator from New York has amended his amendment so that the rate of interest to be borne by the Government on loans made to the States is 1 per cent more than the Government pays for the money. What the amendment of the Senator from Ohio would do would be simply to leave it to the Reconstruction Finance Corporation to fix its own rate of interest. That might be 10 per cent for Maine, 3 per cent for Virginia, 12 per cent for Michigan, or any rate they want to fix. I think this ought to be a standard rate, and a reasonable rate. One per cent over the amount the Government itself pays for the money, if we are going to lend money, is sufficiently high.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on the amendment of the Senator from Ohio to the amendment.

On a division, the amendment to the amendment was rejected.

Mr. DICKINSON. Mr. President, I would like to inquire of the Senator from New York [Mr. WAGNER] the purpose of section 28, on page 5, where $5,000,000 is made available for establishing credit insurance organizations or for their benefit. Why is that necessary in this bill?

Mr. WAGNER. Mr. President, representatives of some of the insurance organizations came before the committee and said that at the present time, because of the condition of the market, they were unable to secure insurance to insure the payment of credits upon our exports. They urge that for a temporary time they thought the Government ought to include that particular line.

Mr. DICKINSON. Why should the Government assume that responsibility?

Mr. WAGNER. For the same reason that we are aiding banks and other financial institutions and helping to finance agricultural exports at present through the Reconstruction Finance Corporation. We are doing the same thing for

surplus agricultural products; they are being financed by the Reconstruction Finance Corporation.

Mr. DICKINSON. It is my impression that this provision merely provides additional funds whereby there may be paid premiums for certain insurance organizations that otherwise might not be able to carry on certain types of insurance business. I see no real reason why this provision should be in the bill.

Mr. WAGNER. I do not think the Senator's criticism is justified.

Mr. DICKINSON. What security do they put up for this money?

Mr. ROBINSON of Arkansas. They are required to give adequate security.

Mr. WAGNER. There is a general provision of the law which requires adequate security for all loans. I tried to make it plain on several occasions that there is an omnibus provision in the Reconstruction Finance Corporation act that no loan shall be made by the Reconstruction Finance Corporation except upon adequate security; so that, whatever the nature of the loan is, it must be adequately secured or it can not be granted.

Mr. DICKINSON. The provision reads:

for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed agreed upon—

It would look as though these organizations are to be paid for a special service.

Mr. WAGNER. It is a loan like other loans, I may say to the Senator. Whether he agrees to that particular policy or whether the Senate agrees is another proposition, but the loans can not be granted except adequate security is given to the Government. The idea was to encourage the export of our commodities. That is the explanation which was made before the committee.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York as amended.

The amendment as amended was agreed to.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from New York whether it is his purpose to incorporate in the amendment in the nature of a substitute he is about to offer the amendments which were agreed to on Saturday—to the amendment which has just been adopted to the pending bill?

Mr. WAGNER. It is.

Mr. LA FOLLETTE. The reason why I asked the question is that my colleague [Mr. BLAINE], who is detained to-day because of critical illness in his family, offered an amendment on Saturday to the amendment which has just been adopted, and he is not here to offer it at this time to the Senator's amendment in the nature of a substitute. I wondered whether the Senator intended to incorporate in the substitute all the amendments which have been adopted to his amendment to the pending bill?

Mr. WAGNER. Mr. President, I was going to ask unanimous consent that the amendment which I am about to offer in the nature of a substitute may be so modified as to embrace all the amendments which have been adopted to the amendment just agreed to. In that form I now offer the amendment in the nature of a substitute. Do I make myself clear?

The PRESIDING OFFICER. The Chair does not quite get what the Senator desires.

Mr. WAGNER. I have a few moments' time, and I shall prepare the amendment as proposed to be modified.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from New York.

Mr. COUZENS. Mr. President, I wish to make a motion to strike from the proposed substitute all of section 14 on page 8, beginning in line 17. That was the amendment that was just discussed by the junior Senator from Iowa [Mr. DICKINSON]. I make the motion that that section, embracing subsection (k), may be eliminated from the bill. It reads as follows:

SEC. 14. Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(k) The Reconstruction Finance Corporation is authorized to make available out of the funds of the corporation a sum not exceeding $5,000,000, which may be used by the corporation for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon between the corporation and such credit insurance organizations."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan to the amendment in the nature of a substitute offered by the Senator from New York.

The amendment to the amendment was agreed to.

Mr. STEIWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state his parliamentary inquiry.

Mr. STEIWER. Is an amendment now in order to the amendment in the nature of a substitute?

The PRESIDING OFFICER. An amendment to that amendment is now in order.

Mr. STEIWER. I send to the desk, then, the following amendment and ask that it may be stated.

The PRESIDING OFFICER. The clerk will report the amendment offered by the Senator from Oregon to the amendment in the nature of a substitute offered by the Senator from New York.

The CHIEF CLERK. The Senator from Oregon offers the following amendment to the amendment in the nature of a substitute.

At the proper place it is proposed to insert the following:

TITLE III—ADVANCES TO RECLAMATION FUND

SEC. —. The Reconstruction Finance Corporation, upon request of the Secretary of the Interior, is authorized and empowered to advance from funds made available by section 2 of the act of January 22, 1932 (47 Stat. L. 5), to the reclamation fund created by the act of June 17, 1902 (32 Stat. L. 388), such sum or sums as the Secretary of the Interior may deem necessary for the completion of projects or divisions of projects now under construction. Funds so advanced shall be repaid out of any receipts and accretions accruing to the reclamation fund within such time as may be fixed by the Reconstruction Finance Corporation, not exceeding five years from the date of advance, with interest at the rate of 4 per cent per annum. Sums so advanced may be expended in the same way as other moneys in the reclamation fund.

Mr. STEIWER. Mr. President, I desire to make a brief explanation of this proposal. The language of the amendment which I have offered is identical with Senate bill 5607, which was introduced by the senior Senator from Utah [Mr. SMOOT]. That bill was referred to the Committee on Banking and Currency, from which the Wagner relief bill also comes. The Committee on Banking and Currency authorized a favorable report upon the bill, and that favorable report was made earlier to-day. So the proposal is now before the Senate with a favorable report of the committee.

The object, and the only object, of this proposal is to enable the Reclamation Service to complete projects which are presently under construction. The amendment submitted by me does not involve any additional project or any change in policy or any extension of the reclamation program. Every project for which relief is contemplated under this amendment is a project already authorized by law; every project, with some slight exceptions, which would be benefited by this proposal is a project for which there is a contract presently existing for the construction of the works.

Mr. COUZENS. Mr. President——

Mr. STEIWER. I will yield in just a moment. Every project for which relief is contemplated under this proposal is a project for which an estimate has already been made by the Interior Department and for which an estimate has already been submitted, in many cases, to the Bureau of the Budget, and has been approved by the Bureau of the Budget; and in very many cases all the items that would be included in the loans contemplated by this amendment are items which are covered by the Department of Interior ap-

propriation bill, which was recently passed by the Senate and which, as I understand, is now a law.

The only reason why it is necessary to offer this amendment at this time is that the appropriations made by the Congress for the construction of the reclamation projects are made from a special fund. If they were made from the general fund, of course, the money would be taken out of the Treasury, and it would now be available for the Reclamation Service, but because those appropriations are made from a special revolving fund, they are available only in the event that money is in the special fund at the time it is required.

By the moratorium bill which Congress enacted during the last session the revenues that normally go into that special fund have been very greatly curtailed, and the Reclamation Bureau finds itself at this time in this situation: They have projects authorized and under construction, with contracts made and with appropriations approved by the Bureau of the Budget and actually made by the Congress of the United States, but still the bureau is not able to keep faith in meeting the obligations under its own contracts.

This amendment, Mr. President, would be one form of loan that would be repaid. If the Congress should see fit to add the amendment to the substitute offered by the Senator from New York, we would be creating one class of loans that would be repaid, because they would constitute preferred claims in a moral sense at least, against the reclamation fund; and those in charge of that fund would be able, under any kind of conditions, even under the conditions of this day, to guarantee the return of these loans. Now I yield to the Senator from New York.

Mr. WAGNER. Mr. President, I was going to suggest to the Senator that, of course, the committee has had no chance to study the proposal of the Senator, nor have I, as the sponsor of the legislation, had such an opportunity; and the amendment is brought in now at the last moment, when it seems to me it is rather late to incorporate it in the legislation which is pending. I think at least the committee ought to have an opportunity to study the proposed amendment and its effect. If it is merely to supplement an appropriation already made, it ought to be proposed, it seems to me, in the form of separate legislation and not be made a part of the pending bill. It does not seem to me to be pertinent to the subject matter with which we are dealing.

Mr. COUZENS. Mr. President——

Mr. STEIWER. I will defer replying to the Senator from New York for just a moment until I have yielded to the Senator from Michigan.

Mr. COUZENS. Mr. President, if I understand the Senator's explanation, the money that he proposes to have advanced by the Reconstruction Finance Corporation is in anticipation of an appropriation later to be received from the Government?

Mr. STEIWER. The appropriation has been made in the Department of the Interior appropriation bill of this year.

Mr. COUZENS. Why is it not available?

Mr. STEIWER. It is not available because it is an appropriation out of the special revolving fund. The appropriations for the Reclamation Service are not made, as Senators know, from the general funds of the Treasury, but are made from a special revolving fund. There is no money in that fund at this time sufficient in amount to enable the United States to keep its obligations under its own contracts.

Mr. COUZENS. What will replenish the fund of the Reclamation Service which has now been exhausted?

Mr. STEIWER. That special revolving fund will be replenished by repayments by settlers, by oil royalties, and by the proceeds of the sale of public lands.

Mr. COUZENS. Has the Senator any estimate of the amount involved or does the bill of which the amendment is a copy, state the sum?

Mr. STEIWER. The bill does not state the amount in express terms, but the Interior Department estimates that it will require about $5,000,000.

Mr. COUZENS. In other words, in spite of the depressed condition of industry and all that, the Senator contemplates that the reclamation fund will be sufficiently replenished so as to enable repayment to be made to the Reconstruction Finance Corporation for the loans which it may advance?

Mr. STEIWER. Yes; that is contemplated. Of course the Reclamation Bureau would be obliged to take out of their revenues a sufficient amount to pay this obligation.

Mr. COUZENS. Yes; but I understand that the basic principle is that the reclamation fund will be built up through collections from people who are already unable to pay.

Mr. STEIWER. Oh, no, Mr. President. Even under present conditions, as the economic situation now exists, we have been receiving substantial sums into the reclamation fund. They come from sales of public lands, from oil royalties, and partly from the payments made by settlers. I have no doubt that the settlers on many of the projects of this country could have kept up their payments, which are small on the part of each individual settler; but Congress itself, by the moratorium bill agreed to in the last Congress, has extended deferments in payment; and by our own action we have robbed that fund of its normal income.

Let me say, in further answer, that the total amount in the revolving fund of the Reclamation Bureau, subject, of course, to certain write-offs for losses, is something like $160,000,000. In the old days $20,000,000 was appropriated for a loan to that fund. Of that $20,000,000 substantially $10,000,000 was repaid; and then two years ago, I believe, Congress authorized a further loan of $5,000,000 from the Treasury to the reclamation fund. So at this time the obligation of the reclamation fund to the Treasury is substantially, if not exactly, $15,000,000.

This proposal does not take the money out of the Treasury. It takes it from the funds of the Reconstruction Finance Corporation, and for the first time in history, I believe, would require interest to be paid by the Reclamation Bureau upon the Federal money so advanced.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Florida?

Mr. STEIWER. I yield to the Senator.

Mr. FLETCHER. As I understand the situation, Congress last year passed an act extending the time when these payments by settlers and these other resources would be available. How long does that extension last?

Mr. STEIWER. I think the repayments under the bill of last year start either this year or in 1934. I am not sure whether it falls in the fiscal year or the calendar year, so I can not answer exactly.

Mr. FLETCHER. So what the Senator calls a moratorium expires next year probably?

Mr. STEIWER. Yes.

Mr. FLETCHER. In the meantime there would be no funds coming into that special fund?

Mr. STEIWER. Such little funds as come from oil royalties and the sale of public lands, of course, are coming in at all times.

Mr. FLETCHER. Does the Senator's amendment require that the Reconstruction Finance Corporation must look to that special fund for a return of the money that they advance?

Mr. STEIWER. Yes. It also provides that the Reconstruction Finance Corporation shall prescribe the time for the repayment of the money.

Mr. FLETCHER. We do not want to pay twice. We do not want to make another donation to the fund.

Mr. STEIWER. This proposal comes from the Interior Department. I understand that the Senator from Utah introduced the bill S. 5601 upon the urgent insistence of the Interior Department that unless this loan could be made they would be obliged to default in their contracts, and I want the Senate to know what that means. It means, in the first place, that the contractors would have claims against the United States on account of the breach by the

United States Government. It means, above that, that those who are employed, and who number more than 2,000, would be thrown into the unemployed out in desert countries where there is no work for anybody and little chance for relief. It means, still above that, that something like 10,000 settlers who have moved on the projects in reliance upon the faith of the United States Government, and who have been taught to believe that waters would be delivered to them either this summer or the summer to come, would find themselves upon arid land with no water, with no hope of water, and they would be in just as serious a condition as those who are now the employees of the contractors; and distress would be brought to all of them. Why? Because the Federal Government had failed to keep its own obligations under its own agreements!

In order to avoid that kind of a situation the Senator from Utah brought the bill here, and to further the purpose I have offered it as an amendment to the substitute proposal of the Senator from New York.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator whether the bill to which he has referred has been reported by the committee?

Mr. STEIWER. It has. It was reported earlier to-day.

Mr. ROBINSON of Arkansas. But just to-day?

Mr. STEIWER. To-day. It is not yet on the calendar. It will be on the calendar to-morrow.

Mr. ROBINSON of Arkansas. May I point out to the Senator that there are a large number of additional methods for approaching the Reconstruction Finance Corporation for funds, including flood control and other processes of reclamation. That is particularly true of drainage areas; and I doubt whether we ought to incorporate this provision in the bill.

Mr. STEIWER. May I ask the Senator a question? Are there other situations in which the United States Government has made contracts and where the circumstances indicate that the Government is going to be obliged to breach its own agreements, as is the case with respect to the contracts executed by the Reclamation Bureau?

Mr. ROBINSON of Arkansas. I do not know of cases where the Government has actually made contracts and where the funds are not available; but what I can not understand is why the Government should make contracts for the construction of reclamation projects without having the amounts available in the reclamation fund.

Mr. STEIWER. I am told that the Reclamation Bureau limits its contracts to an amount for which the anticipations of last year seemed to afford a basis of perfect safety, and, of course, the contracts are within the appropriations. The curtailment in receipts, partly brought on by the action of the Congress itself in providing for the moratorium of last year, has depleted the special fund, so that the required funds are not available.

Mr. ROBINSON of Arkansas. Of course everyone who suggested or advocated the moratorium as to reclamation payments knew that that would be the effect of reducing temporarily the fund available for reclamation projects; and they knew that it would be necessary to go to the Treasury or obtain funds in some indirect way. There are a great many applications here for funds for different purposes that are not comprehended within the provisions of this bill for reclamation projects; and I think we had better give this subject separate treatment, if I may make that suggestion to the Senator.

Mr. STEIWER. I know of no other application which could come from an agency of the United States and which might be prompted by the action of Congress itself.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oregon [Mr. STEIWER] to the amendment in the nature of a substitute offered by the Senator from New York [Mr. WAGNER].

The amendment to the amendment was rejected.

Mr. HAYDEN. Mr. President, some time ago I offered an amendment which was not in order. I believe it now is in order, and I should like to have it stated again.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona to the amendment, in the nature of a substitute, will be stated.

The CHIEF CLERK. The Senator from Arizona offers the following amendment to the amendment in the nature of a substitute.

After the amendment of the Senator from Georgia [Mr. GEORGE], inserted on page 2, line 25, of the so-called Wagner amendment, insert:

*Provided*, That this act shall be construed to permit the governor of a State to use, under supervision of the State highway department, such loan in the improvement of highways as a part of his work-relief plan.

Mr. WAGNER. There is no objection to that, Mr. President.

Mr. HAYDEN. Mr. President, the amendment offered by the Senator from Georgia permits money borrowed by States from the Reconstruction Finance Corporation to be expended for supervision and overhead expenses upon the approval of the Reconstruction Finance Corporation.

There has been a tendency in some States for road work to be done by the governors, without utilizing the services and the experience of the State highway departments, thereby building up what amounts to rival road construction organizations. Any road work that is done by a State should be carried on under the supervision of its State highway department. The amendment will also permit money thus borrowed to be expended to supplement Federal aid to highways, which is perfectly proper, particularly since Congress has failed to authorize future Federal aid road appropriations.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arizona [Mr. HAYDEN] to the amendment, in the nature of a substitute, offered by the Senator from New York.

The amendment to the amendment was agreed to.

Mr. WAGNER. Mr. President, I ask unanimous consent that the amendments which were adopted by the Senate to the amendment offered by me, which amendment has been adopted by the Senate, be incorporated in the amendment I have offered in the nature of a substitute for the pending bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DICKINSON. Mr. President, I rise to inquire whether or not the Senator from New York [Mr. WAGNER] has offered his amendment in the nature of a substitute.

The PRESIDING OFFICER. He has. It is pending now.

Mr. DICKINSON. I move to strike out all of section 6, beginning on line 15 of page 3, and ending with line 3 of page 5.

Mr. WAGNER. Mr. President, the effect of that is simply to strike out the authorization for the expenditure of $15,000,000 to take care of transients.

Mr. LONG. That certainly ought to stay in.

Mr. WAGNER. It has been discussed so much in the Senate already that we all understand the problem, so that I shall not spend any further time upon it. It would be most unfortunate if that provision were stricken from the bill.

Mr. DICKINSON. Mr. President, in my judgment we are simply proceeding here to encourage people to become transients rather than to discourage them. We are setting up here a fund of $15,000,000 to be borrowed by the governors of the various States, and they are going to furnish relief and work relief to unemployed and needy transients and to aid in their rehabilitation in training in work camps, which means, if you please, that we are going to be establishing work camps all over the United States with the purpose of taking care of this type of transients.

I know of nothing that will be as much of a contributing factor to the hobo class in this country as this type of provision. We have already taken care of numerous boys under the Couzens amendment to the Army bill. Now we are seeking to extend that, if you please, to the point of inviting

the people of various sections to become transients, and saying, "If you will move from this State to another State, there they are putting in work camps and rehabilitation camps; and all you have to do is to go there and make application, and you will then be a transient, and will be cared for by the Government at Government expense."

To me this is a provision that is headed exactly in the wrong direction. On the other hand, if the Reconstruction Finance Corporation has a request from a governor of a State to assist in caring for their poor, that can be done. The transient, when he comes in for a meal of victuals, is not asked whether he is a resident of New York or not; but here we say to him, "Become a transient, and we are going to set up training camps for you. We are going to set up rehabilitation camps for you."

Mr. WAGNER and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. DICKINSON. I yield to the Senator from New York.

Mr. WAGNER. Mr. President, the evidence adduced in a survey recently made shows that there are over a million and a quarter of men, women, and children wandering around this country homeless, looking for an economic opportunity which in most communities is foreclosed. Most of these people have left their homes because there was no possibility of employment in their own localities. They can not get any work in their States of residence, and therefore they wander to some other section in the hope of securing employment. When they reach their destination they find local restrictive legislation which provides that one must be a resident of that particular locality for a year or two years before one is entitled to any relief or employment. Thus the wanderer is hopeless again; and unless some generous person gives him something to eat, or gives him shelter, he is absolutely abandoned.

It is to take care of that type of case that this provision is made. We are not inviting anybody to go anywhere. These people are all over the country now, a million and a quarter of them. They would not be migrating except that there is no chance for them to work at the places where they formerly lived. By the bill before us we are dealing with this problem, I think, much more intelligently than by the amendment offered by the Senator from Michigan [Mr. COUZENS] because, while it is true that his amendment helps to arrest the process of mental and moral deterioration by putting the young people into a wholesome atmosphere and giving them exercise, there is no provision for training them or providing employment for them.

That is why I think this method of dealing with the subject, for which I am indebted to the Senator from New Mexico [Mr. CUTTING], who was the one who proposed the remedy first, is the best way of approaching it. We permit the States to deal with it, to provide camps or other methods of rehabilitating these people, so as to give them employment, and care for their physical needs. I think it would be very unfortunate if this provision were eliminated from the bill and these unfortunate people were left wandering without aid.

Mr. DICKINSON. Mr. President, the author of the amendment himself implies that they are going to do exactly the thing I contend they will do. If a man and his family, residents of the State of Illinois, find that they are out of work, and the Governor of the State of Ohio has set up one of these rehabilitation camps, all they have to do is to put their furniture in the old Ford and drive over to the State of Ohio and go into that camp. Instead of keeping the people where they have their residence, where they should stay—because, dear knows, they can always get along better in the localities where they have friends and acquaintances than in a strange locality—it will lead them to wander over the country, and that is the thing we do not want them to do.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. ROBINSON of Arkansas. This provision is not intended for the benefit of people who have a residence. It is intended for those who have no residence, people who are wanderers, who are moving about from one community to another, and who are kept moving by reason of the fact that there is no provision in the locality where they happen to be quartered. In other words, the States limit their relief out of the funds that are obtained from the Reconstruction Finance Corporation to their own citizens, or residents of the State, and a person who happens to be in Iowa who is not a citizen of the State of Iowa or not a resident of the State, and not, therefore, entitled to relief or assistance under the State administration, has to move on to another State and receive assistance there for two or three days, and continue the movement. The object of this provision, as I understand it, is to avoid that necessity.

Mr. DICKINSON. As a matter of fact, there is not a large number of people in the United States who have no set place of residence.

Mr. JOHNSON. O Mr. President!

Mr. DICKINSON. If there is a transient group, we ought to insist that they get a place of residence.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield further?

Mr. DICKINSON. I yield.

Mr. ROBINSON of Arkansas. I think the Senator from Iowa had better check up on that statement before he makes it again.

Mr. JOHNSON. Mr. President, will the Senator yield to me?

Mr. DICKINSON. I yield.

Mr. JOHNSON. As to boys, the testimony shows that more than a quarter of a million of them are wandering around the country to-day. The testimony shows, as to those who are not boys, that there are more than a million and a quarter wandering around this country to-day.

Mr. DICKINSON. The Senator does not meet my reply. The fact is that most of those people have residences in some State, and if they are told to go home to the place where they have a residence they can go home.

Mr. JOHNSON. Mr. President, will the Senator yield a moment more?

Mr. DICKINSON. I yield.

Mr. JOHNSON. Tell them to go home! Let us think of that for a moment. Across the line into California during a considerable period of time there came 1,200 per day of homeless people. Our State undertook to establish camps for the relief of those people. Those camps, of course, could take care of only a small portion of those needing aid, and they have taken care of about 5,000 in State-organized and State-supervised camps, where it was sought to relieve distress.

I beg pardon for interfering with the Senator's time. If he will pardon me, I want to continue for an instant. Or would he wish me to conclude?

Mr. DICKINSON. I am glad to extend the Senator's time.

Mr. JOHNSON. Let me say to the Senator this as well: It is not a question of saying to these people, who thus come across the line, "You go home." For the love of God, where will they go? They are there because they have not anything, because they have traveled and traveled and traveled in the hope that they might accomplish something, or that they might get work. We can not turn them around, in a little, broken-down old car, in which they have come, or when they have tramped across the line of our State, and say to them, "Go back to Iowa"—and many of them have come from the State of Iowa. They have nothing in Iowa, and they have nothing in California except the relief which the State and the relief societies may have given them.

The other day, through an amendment offered by the Senator from Michigan [Mr. COUZENS], we undertook to take care of a maximum, if they are taken into the Army camps, of 88,000 boys. If there remain in this country a couple of hundred thousand youths who have no place to go, who are transients, it seems to me that every element, not only of

pity and mercy but every element that exists in a human constitution, ought to lead us to take care of those who thus require it.

I submit to the Senator that, if he will look at the testimony that has been taken in this matter before the various committees, he will see not only the fact that this is desirable, but he will see that it is absolutely essential if we are to deal with humanity at all by legislation.

Mr. DICKINSON. Mr. President, I am familiar with the type of family who put their belongings in the Ford and start from one State to another. We have charitable organizations in every State, and I know those people are cared for in many instances by charitable organizations. It is not a question of taking care of them for a day or two, or anything of that kind, but here it is said we are to establish rehabilitation camps, and are to have work camps, and are to build up an organization that is to be utilized by this type of inhabitants.

The theory that these people have no established residence in any State is in my judgment wrong. Most of them have a home somewhere. They have come from somewhere, and they have come probably thinking they are going to better their condition, and the quicker we discourage that type of transient in the United States, the better we will be off.

Mr. ASHURST. Mr. President, with due respect for the conclusions of the Senator from Iowa, I do not agree with him. Without intending to use offensive language, to say to a man in these days "Go home," is equivalent to telling him to go to Hades. Many of those for whom this provision is sought to be made have no homes. Their homes were shattered before they started out upon the road.

Mr. President, I am in favor of the Wagner substitute. Consider the conditions: The head of the house lost his job, his position, the home was mortgaged, and the mortgage was foreclosed. The elder son, probably all the sons, left school, and the daughters likewise, hoping to secure work to aid the parents. Weary, embarrassed, and out of sheer self-respect, they left their native village, their native county or State, to go forth as our fathers did in other but happier days, to try to carve from the granite face of fate a livelihood for themselves and for those left at home.

Unable to secure employment, they have for months tramped the highways and the streets, and many men with antecedents just as worthy as the antecedents of any Senator here have been reduced to a position where they have almost lost their own self-respect.

For them it is no longer a matter of securing a "job," no longer a matter of securing a position; it is a matter of securing clothing; it is a matter of securing sufficient food to enable them to continue an animal existence.

There has come with this calamitous depression, and naturally comes, a loss of ideals, an evaporation of hope, far more baleful and tragic than the mere loss of money, or even the loss of the home.

They have no home to which they may go. The distress at the home village would only be emphasized and increased if they went "home." They would, forsooth, go back in rags, hungry, in many instances covered with vermin, and be obliged to confess to their already stricken relatives and friends at "home" that they have not been able to earn a dollar during their long wanderings to send back to the old home.

Mr. President, only the most desperate emergency would call for legislation of this sort, but a desperate emergency is upon us. It is worse than war. In war time the national banner floats bravely in the sky, the speeches of the orators encourage and stimulate men and women, and the heroic voice of silver bugles calls them forth. But in circumstances such as those now upon us, men must take courage only from the reservoirs of their own souls. Men receive no encouragement from the orators or from the bugles. There is no romance, no glamour; all is drab, dull, and hopeless. Each man thus tramping has a body of death chained to himself. Each man has a sad soul, and his heart is an aching, lumpish thing. Each man thus wandering almost wishes he could separate himself from an existence here if this condition is to be continued.

Therefore I say, Mr. President, it is an emergency greater than war; it is a distress more poignant than any war; and I support the provision now pending. With due deference, I oppose the amendment of my learned friend from Iowa; but I ask the Senator from New York, whose benevolence and whose ability shine throughout this country and whose leadership will be followed and ought to be followed, in my judgment, to accept an amendment by which I propose, on page 3, line 22, after the word "transients" to insert the words "who are American citizens."

Mr. President, my reason for offering this amendment is: We of the Southwest have an international line of nearly 2,000 miles. Aliens in vast numbers are bootlegged across that line, and it is more than our respective States may do to feed and care for our own people. But, whether or not my amendment shall be adopted, I shall support the provision offered by the Senator from New York, and it would be helpful if the amendment I have offered could be added so that this sort of relief shall be furnished only to American citizens. I ask that my amendment be adopted.

The PRESIDENT pro tempore. That amendment may not be offered at this time, since there is an amendment pending. The question is on agreeing to the amendment proposed by the Senator from Iowa [Mr. DICKINSON] to the amendment of the Senator from New York [Mr. WAGNER].

Mr. CUTTING obtained the floor.

Mr. FLETCHER. Mr. President, will the Senator yield to me for just about two minutes?

Mr. CUTTING. We will have until only 4.30 o'clock, and I know there are a number of other Senators who want to speak on the pending amendment and on the bill.

The PRESIDENT pro tempore. The Senator from New Mexico declines to yield.

Mr. CUTTING. Mr. President, the Senator from Iowa [Mr. DICKINSON] has spoken of charitable organizations. It is quite obvious that the Senator has not read the hearings on the measure originally introduced by me, which has been incorporated in the La Follette-Costigan bill. I may say that a similar measure is contained in the Wagner substitute.

Mr. WAGNER. Mr. President, will the Senator yield to me?

Mr. CUTTING. I yield.

Mr. WAGNER. While the Senator was out of the Chamber, in my short observation on the amendment I have offered I told of my indebtedness to the Senator from New Mexico for this particular provision of the measure.

Mr. CUTTING. I thank the Senator.

What I particularly want to bring to the attention of the Senate is that in most cases local charitable organizations and municipal and State charity organizations have a regulation throughout the country that they can not take care of any except the citizens of the State. The transients are either not being taken care of at all or they are being given one night's lodging and sent on their way. A very interesting questionnaire was sent out to the mayors of many of the cities of the country. I am going to ask that the answers of the mayors may be incorporated at the end of my remarks, because I think they answer very briefly and pointedly the complaint of the Senator from Iowa.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit A.)

Mr. DICKINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. CUTTING. I yield.

Mr. DICKINSON. Does the Senator realize that every mayor would like to get the responsibility of taking care of the people who happen to be within the borders of his city transferred to the Federal Government rather than to have the responsibility rest on his own city?

Mr. CUTTING. The questionnaire was an entirely different one from what the Senator implies. The mayors were not asked whether or not they wanted any aid from the Federal Government. What they were asked was: "What are you doing to take care of transients?" Let me read a few answers from the mayors of some towns in the Senator's own State:

Oskaloosa: Sleep at police station; work on woodpile.
Cherokee: Do nothing.
Mason City: Fed and lodged overnight only.
Bettendorf: One meal and flop and on your way.
Nevada: Feed in return for work on woodpile.
Independence: Free lodging only.
Cresco: One meal and one night's lodging.
Ottumwa: Referred to soup kitchen for a meal and then on their way elsewhere.
Glenwood: Lodging and breakfast once only.

I am not singling out the State of Iowa because it is particularly negligent in the handling of this problem. Every State in the United States has a record of the same kind, from East to West. These young men and aging men and young women are given one night's lodging perhaps—perhaps that is the best that can be given—and then they are sent on to the next community to be taken care of.

Mr. DICKINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. CUTTING. I yield.

Mr. DICKINSON. I am very familiar with the towns mentioned by the Senator, every one of them. I do not believe in a single instance they have asked anything from the State or the Government or any one else. They have taken care of their own relief. Naturally they are going to pass on all of these people they can. They will send them on to New Mexico if we organize a rehabilitation camp down there, or to New York, or wherever we organize one. Perhaps we can spare some more out there. All the Senator is proposing to do with this $15,000,000 is to encourage a lot more people to become gypsy travelers in the United States.

Mr. CUTTING. Our responsibility is greater than that, may I say to the Senator from Iowa. If Iowa will not attend to them and no other State will attend to them, and municipalities all over the country are shirking their responsibility in this respect, is it not the duty of the Federal Government to take care of its own, to take care of the responsibility which is a national responsibility, just as this whole relief responsibility is a national one and not a private or State or municipal responsibility?

The conditions which exist in the country—and I am not speaking merely of the transient problem, but of the whole relief problem—are national in their scope. That seems to me the main principle involved in the vote which will be taken in a moment on the substitute of the Senator from New York. It is the responsibility of the National Government to see that its citizens do not starve. That is the only question involved in the vote we are going to take this afternoon.

We have heard learned discussions as to relative responsibilities of the States, the municipalities, and the Federal Government. What are those responsibilities? Mr. President, the Government is not a set of rulers to decide in their wisdom just what responsibility they have to the people over whom they rule. Our Government is the citizenship of the Nation organized for public purposes. The duty that the Government owes to its citizens is the duty that society owes to its members.

Can there be any obligation of society toward its members as sacred or as fundamental as the duty of keeping them alive?

We talk about self-liquidating projects. We talk about profits. We talk about loans and rates of interest. Society does not owe its members the primary duty of seeing that they make a profit by loaning money through channels of investment or in any other way. That may or may not be desirable as a secondary goal. Most religions have declared it usury. But whether it be desirable or not, it is not primary. The primary right, I submit, is the right to be safe from starvation. Personally I should add the right to maintain a decent standard of living, and in that respect my only criticism of the pending measure is that I think the funds provided are inadequate. But, regardless of that, the principle contained in the measure is sound.

The theory of the amendment is that the minor groups of citizens, the States, and municipalities, should assume the primary responsibility and that the large organization, the Federal Government, should loan money and make a profit out of the loan. I think that theory is at variance with the facts as they exist in the country. I do not believe these loans will ever be repaid. But whether that is so or whether it is not so, I think the substitute is founded on a false theory. I think it is contrary to sound policies of public welfare.

If ever there was a duty toward any body of our citizenship, it is the duty involved in the provisions of this act which the Senator from Iowa is now attempting to strike from the bill. Here we have perhaps a million, perhaps more—it is impossible to get adequate figures, but some have estimated it as high as five million—but let us say a million of the youth of this country traveling about the United States trying to get jobs, homeless, being unable to get any relief from local communities, from local charities, from municipalities, or from States. What are we going to do with them? Ten per cent of them it is estimated come from the so-called hobo class. The remaining 90 per cent are the most ambitious, the most intelligent, the most courageous of our young men.

I submit, Mr. President, that there is no section of the bill which is more necessary and more important than this section, and I trust that the Senate will not allow the amendment of the Senator from Iowa to prevail.

EXHIBIT A

DIGEST OF LETTERS RECEIVED FROM MAYORS

The following excerpts, arranged by States, showing local methods of dealing with the transient problem, are taken from letters received in response to a questionnaire sent to the mayors of all cities and towns in the United States, requesting information concerning local unemployment-relief problems. The summary given here is based upon replies to the question, "How are you meeting the problem of the transient unemployed in need of relief?"

"ALABAMA

"Piedmont (3,668): Pass them on—occasionally give meals to worthy cases.
"Dothan (16,046): Through the Salvation Army.
"Ozark (3,103): One meal and one night's lodging.
"Florala (2,580): Unable financially to handle.
"Jasper (5,313): Small portion of food and send on.
"Andalusia (5,154): Have none.
"Prichard (4,580): Not meeting the problem at all.
"Selma (18,012): One night's lodging, two meals, and insist they move on. Handled very inadequately.
"Opp (2,918): Usually feed and transport to next city.
"Gadsden (24,042): Through Salvation Army.
"Union Springs (2,875): Give temporary relief on work basis, except with women when direct relief is given.
"Atmore (3,035): Temporary relief while present.
"Nine of these cities have an increase in their own unemployment problem over last year of from 75 to over 200 per cent. Three report no city appropriation at all to meet the problem.

"ARIZONA

"Nogales (6,006): Emergency relief only.
"Bisbee (8,023): No serious problem, but recently increasing.
"Nogales has an increase of over 100 per cent in unemployment over last year with only a 40 per cent increase in appropriation. Bisbee has no legal city appropriation for the care of their own unemployed.

"ARKANSAS

"Searcy (3,387): Met through Good Fellows fund.
"Hope (6,008): Unable to meet the problem.
"Texarkana (10,764): Only feeding them.
"Dermott (2,942): Met with State funds.
"Paragould (5,966): A meal and, if ill, possibly transportation home.
"Stamps (2,705): With local funds.
"McGehee (3,488): Sleep in city jail and city hall; get them out of town as soon as possible.
"Pine Bluff (20,760): Put them to work and make use of flop house.
"Wynne (3,505): Small amounts from community chest.
"Crossett (2,811): Have few.
"Mena (3,118): Very few helped.
"Forrest City (4,594): Trying to pass up, as we have no funds.
"Helena (8,316): Fairly well.
"Arkadelphia (3,380): Pushing them on.

"El Dorado (16,421): Trying to care for them through the Salvation Army.

"De Queen (2,938): Impossible to care for; it is our hardest problem.

"Van Buren (5,182): Not taking care of them.

"Brinkley (3,046): Through the Reconstruction Finance Corporation.

"Fort Smith (31,429): By the Salvation Army.

"Some of these cities show an increase in unemployment over 1931 up to 600 per cent. Several state that their appropriation for care of the unemployed has been cut off due to delinquent taxes. A number have no appropriation for their own unemployed. One, Dermott, states that 90 per cent of the city will need help this winter.

"CALIFORNIA

"Maywood (6,794): No relief; can't take care of our citizens.

"Long Beach (142,032): Single males slept and fed three days. Families given emergency relief and returned to original residence.

"Los Gatos (3,168): Two meals; overnight lodging.

"Piedmont (9,333): Have none.

"San Mateo (13,444): City gives three meals and bed; repairs shoes, clothes, etc.

"Auburn (2,661): Temporary relief only.

"Red Bluff (3,517): Small amount of food and gasoline.

"Needles (3,144): City can not handle them.

"Porterville (5,303): Don't have to meet the problem.

"Lompoc (2,845): Give necessary meal.

"Fresno (52,513): Night's lodging and two meals in return for four hours' work.

"Tulare (6,207): Street cleaning and municipal wood-yard work at 25 cents per hour, which is paid in groceries.

"Roseville (6,425): Send them on, as have no place to house them.

"Coronado (5,425): State work camps.

"Burlingame (13,270): The cities of Burlingame, San Mateo, and Hillsborough, with a combined population of 32,000, all within a radius of 2½ miles. Jointly we have prepared a shelter with a service capacity of about 60. Our service consists of lodging in clean bunks and wholesome food. We require each man to take a bath and have all clothing fumigated; we also have a barber shop and shoe-repairing equipment, both operated by capable itinerants, who are willing to remain for their food and bed; we also have a hospital service, local doctors donating their time, local druggists furnish the drugs gratis, local merchants donate the majority of the food, and local residents cast-off clothing. We allow only overnight service for all, except those who require medical treatment; each man must work at least two hours each day on the wood pile; the accumulating wood is given to the poor. I might say that our plan is working splendidly. Since opening the shelter we do not allow begging and can see a decided falling off in this respect.

"Lynwood (7,323): No provision.

"Gardena (15,969): No assistance given.

"Banning (2,752): Meals, temporary lodging, and gasoline in exchange for work in city wood yard.

"Redlands (14,177): State labor camps, forestry work.

"Gilroy (3,502): One good meal and more if they work.

"Pasadena (76,086): Minor factor.

"Fullerton (10,860): 2 meals, 1 night's lodging in return for work. Kitchen and bunk house sponsored by American Legion.

"Pomona (20,804): Work for meal and place to sleep, and move on.

"San Gabriel (7,224): Welfare association gives temporary relief.

"Ontario (13,583): Feed and pass them on.

"Montebello (5,498): Through Salvation Army.

"San Luis Obispo (8,276): 1 meal, bunk, good-by.

"Huntington Beach (3,690): No plan.

"Corona (7,018): Fed and housed where necessary in city-hall basement, in exchange for wood-yard work.

"Tracy (3,829): Have heavy transient problem. We are a terminal on the railroad. Trains stop here and unload the itinerants. Being satisfactorily handled with large wood yard. Any itinerant can get two days' supply of food for two hours' work. We use a large number of married men with families. Use large number of married men to cut this wood along the river. It is then hauled into the wood yard. These married men get $2 per day in food or rent. Each man allowed enough work each month to pay for what supplies he requires.

"Hermosa Beach (4,796): No funds, although some relief probably given.

"Merced (7,066): City assists the Salvation Army.

"Claremont (2,719): Given chance to earn lodging and meals at wood yard or rock pile.

"La Verne (2,860): Police supervise woodpile on which transients given work in return for food and lodging.

"Berkeley (82,109): Temporary shelter at Y. M. C. A. (community-chest funds).

"Yuba City (3,605): 15-cent meal tickets.

"San Rafael (8,022): Established shelter with lodging, meals, heat, and light in return for two hours' work; 2-day stop.

"Dunsmuir (2,610): Unable to care for them.

"Sunnyvale (3,094): Shelter only this year.

"Redondo Beach (9,347): Not meeting the problem.

"Chino (3,118): Getting them to San Bernardino County welfare committee.

"The increase in unemployment in most of the cities is up to about 60 per cent, a few with 200 per cent. However, for instance, Long Beach this year can spend only $31,000 for this relief as against $468,000 in 1932. San Rafael, with no appropriation for the city, says that funds can not be raised privately to adequately handle the situation.

"COLORADO

"Only three cities have reported on the problem here. Denver reports that families are cared for by the community chest and transient men by missions. Montrose reports the problem negligible. Grand Junction reports the problem cared for by the Salvation Army and Reconstruction Finance Corporation funds, and says that the county supplies transportation to destination.

"CONNECTICUT

"New London (29,640): Price of meal and overnight shelter.

"Naugatuck (14,000): No report.

"Stratford (19,212): Through a grocery order charged to their home place.

"Meriden (38,481): Through Salvation Army and charities department.

"Hartford (164,072): Shelter run jointly by city and community chest.

"Derby (10,788): No relief given.

"DELAWARE

"Of the two cities reporting on this problem, Milford (3,700) has not had any transients, and Dover (4,800) says it is not taking care of the transients.

"FLORIDA

"Fort Myers (9,000): Takes care of transients only in emergency sickness or where there are small children.

"Clearwater (7,600): Bunked in barracks. Fed at jail. Often provided with expense money for return home.

"Winter Haven (7,100): By special agencies financed by Reconstruction Finance Corporation.

"Panama City (5,400): Food and sometimes transportation to point of destination.

"New Smyrna (4,100): Sleep in jail but no food.

"Pensacola (31,500): Salvation Army cares for as far as possible.

"Gainesville (10,000): Give food and shelter and attempt to return to legal residence.

"Hialeah (2,600): Have no way of caring. But surely Federal Government should do something. I could tell of some tragic cases.

"Apalachicola (3,100): Supply food for a day and move on. In some cases furnish transportation to friends.

"Arcadie (4,000): Work in wood yard; most do not want to work.

"West Palm Beach (26,600): Through the Salvation Army.

"Bradenton (5,900): Lodging for night and move on.

"Fort Pierce (4,800): Not trying to meet the problem.

"Fernandina (3,000): Where necessary paying transportation back home.

"Lake Wales (3,400): Some food and transportation.

"Increase in unemployment over 1931 runs from 75 per cent (few lower) up to 1,100 per cent. Some cities reporting no increase in appropriation, or no appropriation at all for unemployment relief.

"GEORGIA

"Moultrie (8,000): Feed and send out of town.

"Brunswick (14,000): They usually work for food and lodging.

"Hapeville (4,200): Probably give a meal and send them on their way.

"Atlanta (270,000): Salvation Army cares for lone men and boys and Travelers Aid for families.

"Dawson (3,800): A committee investigates—usually feeds and furnishes transportation to next town.

"Thomasville (11,700): Immediate relief such as food—furnish enough gas to get out of county.

"Rockmart (3,200): Through the Red Cross.

"Marietta (7,600): Sufficient aid to move on.

"LaGrange (20,000): Through the Salvation Army.

"Vidalia (3,500): They call from house to house for food.

"IDAHO

"Emmett (2,700): Not much troubled, a good meal and start them off again.

"Boise City (21,500): Lodging two nights, meals at Salvation Army two days, and they do temporary work in exchange.

"Burley (3,800): Employment from local funds is possible to get them home.

"Weisler (2,700): Each man one night's lodging and one meal.

"Twin Falls (8,700): Have a building where we have equipped 25 bunks for sleeping quarters for transients. Also a fully equipped kitchen and furnish sleeping quarters and two hot meals a day. Meals substantial and a man can have all he wants. Care for them not to exceed three days, when they move on to some other community.

"ILLINOIS

"Lansing (3,300): Can't care for them. Extreme emergency paid out of village miscellaneous fund.

"Pinckneyville (3,000): Doing nothing.

"Vandalia (4,300): City gives some gas and some food.

"Naperville (5,100): Given two hot meals, and, if necessary, given to understand they are to continue transient.

"Bloomington (30,000): Salvation Army and a local mission. Relief confined to one night's lodging and breakfast next day.

"Centralia (12,500): Soup kitchen and lodging place.
"Havana (3,400): Basement in city hall can care for 25. Some nights have 20.
"Metropolis (5,500): Can not meet the problem.
"Carlinville (4,000): Small fund administered by chamber of commerce and Veterans' Bureau.
"Champaign (20,000): Soup kitchens.
"East Alton (4,500): Not helping.
"River Forest (8,800): Not attempting to assist.
"Mount Vernon (12,000): Just furnish place to sleep.
"Carterville (2,800): Help a little.
"Shelbyville (2,800): Housing.
"Edwardsville (6,000): Temporary shelter and food.
"Mound City (2,500): Shelter and one meal. Not able to care for them.
"Joliet (43,000): Through-transportation agreement. Lodging, breakfast, and send them on.
"Benton (8,200): Not being cared for.
"De Kalb (8,500): Can not cope with problem, so many unemployed in our own community.
"Crystal Lake (3,700): Temporary relief and lodging.
"Monmouth (8,600): One meal and gas.
"Geneseo (3,400): Very little to do. Give breakfast only.
"Kankakee (20,000): Meal and bed and transportation through Travelers' Aid.
"Dwight (2,500): Work on woodpile.
"Dixon (9,900): Lodging in police station. Community kitchen gives them food night and morning.
"Waukegan (33,000): Unable to meet problem.
"Normal (6,700): Night's lodging and temporary relief only.
"Streator (14,700): Feed and send on their way.
"Beardstown (6,300): Are not aiding.
"Rochelle (3,700): Food and, if they have a car, gasoline to get them to move on.
"Lawrenceville (6,000): Gas tax and donation.
"Batavia (5,000): Lodging and breakfast.
"Ottawa (15,000): Feed, lodge, and pass on.
"Princeton (4,700): Problem larger than ever. Housed in jail.
"Westmont (2,700): Temporary aid and returned to legal address for relief.
"Benld (2,980): Nothing to meet problem with.
"Mattoon (14,600): Housed in jail. Coffee and rolls in morning.
"Wheaton (8,000): Night's lodging and breakfast and sent on their way. City funds pay the bill.
"Highwood (3,500): Even the press has called Highwood a mecca for the itinerant public; food situation is another thing—for the transient, that is.
"Blue Island (16,500): Transients assisted to meals and sometimes to extent of getting to next town. Money raised by popular subscription.
"In Illinois there is a high increase in unemployment over 1931, ranging from 50 per cent to 200 per cent, with the same story of no funds to appropriate in many cases. A great falling off in private agencies' work and a low weekly rate allowed to families in need.

"INDIANA

"Mitchell (3,200): Try to help along and advise to return to own communities to obtain relief.
"Boonville (4,200): Bed and meals.
"Elwood (10,000): One day's meals.
"Connersville (12,000): No organized effort. Sleeping quarters at city building.
"Aurora (4,300): Sleeping quarters in jail. American Legion and citizens furnish some food.
"Lebanon (6,400): Merchants taking care of.
"Garrett (4,400): Board and room two days at city station.
"Vincennes (17,000): Have done everything possible to discourage.
"Tipton (4,800): By private donations.
"New Albany (25,800): Usual police methods. Sheltered and moved on.
"Union City (3,000): Some shelter in city building. No provision for eats.
"Noblesville (4,800): County sheriff furnishes bed and one meal.
"Shelbyville (10,600): Salvation Army furnishes lodging and some meals.
"Greencastle (4,600): Sleeping quarters one night each and breakfast.
"Huntington (13,400): Fed well and helped on way.
"West Terre Haute (3,500): Nothing regular. Sleep at fire station and when possible citizens help a little.
"Washington (9,000): Only lodging, no food.
"Valparaiso (8,000): Through police fund.
"Lawrenceburg (4,000): Through private relief agencies.
"Oakland City (2,800): Sleep in town hall and beg. Family sometimes assisted to next place.
"Kendallvile (5,400): Mostly fed by private parties.
"Mount Vernon (5,000): Donations by citizens as each case comes up.
"Salem (3,100): Few helped by Red Cross, rest by private donations.
"La Porte (15,700): No provisions made for them here.

"IOWA

"Fairfield (6,600): Furnish produce, and they cook it themselves at city jail.
"Des Moines (142,000): Through Travelers' Aid, Salvation Army, and American Legion.
"Oskaloosa (10,000): Sleep at police station. Work on woodpile for meals furnished by Salvation Army under direction of transient committee.
"Cherokee (6,400): Do nothing—only in case of emergency.
"Carroll (4,600): Fed at the city hall.
"Dubuque (41,000): Handled through private agencies.
"Mason City (23,000): Fed and lodged overnight only.
"Bettendorf (2,700): One meal and flop and on your way.
"Fort Dodge (21,800): Through Salvation Army supported by community chest funds.
"Council Bluffs (42,000): Salvation Army and citizens' committee.
"Nevada (3,100): Feed in return for work on wood lot.
"Independence (3,600): Free lodging only.
"Cresco (3,000): One meal and one night's lodging.
"Burlington (26,700): Meals through Social Service League.
"Waterloo (46,000): Salvation Army operates food kitchen near woodpile and a small cot house. Took care of 561 in 1932.
"Ottumwa (28,000): Referred to soup kitchen for a meal and then on their way elsewhere.
"Glenwood (4,200): Lodging and breakfast once only.

"KANSAS

"Herrington (4,500): One night's shelter and permitted to solicit from citizens (about 750 per month).
"Marysville (4,000): Food and transportation.
"Winfield (9,300): Through the Salvation Army.
"Anthony (2,900): Temporary aid and passing them on.
"Caney (2,700): Aid in smallest amounts possible with funds collected by popular subscription.
"Horton (4,000): Not meeting the problem—can't.
"Eureka (3,600): Welfare association board has budget for this.
"Wellington (7,400): No system.
"Galena (4,700): Must shift for themselves.
"Independence (12,000): Food and lodging on limited scale.
"Newton (11,000): Through the Red Cross, Salvation Army, and Associated Charities.
"Hays (4,600): Get them out of town as soon as possible and help just as little as possible.
"Wichita (111,000): Discouraging transients. Salvation Army gives only temporary aid.
"Fredonia (3,400): Feed and provide what is necessary to keep moving.
"Lawrence (13,700): Try to get them to their legal residence.
"Council Grove (2,800): Help only in extreme emergency.
"Parsons (14,900): Through Salvation Army soup kitchen.
"Garnett (2,700): Work men on rock pile for meals.
"There is a large increase in unemployment over 1931 in Kansas, ranging from 50 per cent to 200 per cent and over, with a very low weekly allowance to families.

"KENTUCKY

"Shelbyville (4,000): Moving them on.
"Mayfield (8,000): Through donations.
"Russellville (3,000): Not being met, saving by individual help.
"Paris (6,000): Lodging and food.
"Ashland (29,000): Through local agencies.
"Harrodsburg (4,000): Lodging—no food unless necessary.
"Princeton (4,700): Not meeting the problem.
"Covington (65,000): Problem met through Red Cross and St. Elizabeth's Hospital.
"Hopkinsville (10,700): Forced to leave if in good health and able to travel. Old persons and children fed until transportation can be arranged out of community.
"Cynthiana (4,300): Police and fire departments give ticket for bowl of soup.
"Catlettsburg (5,000): Met through the government, Red Cross, and Elks.

"LOUISIANA

"Lake Charles (15,700): The city this year can do nothing.
"Merryville (2,600): Feed if we can and send on. We can not meet this problem.
"Gretna (9,500): Through local agencies and reconstruction.
"Bossier City (4,003): Through Red Cross.
"DeRidder (3,700): Have not solved the problem, except to have them move on.
"Haynesville (2,500): Through private donations.
"Winfield (3,700): Can not meet the problem; nothing to give relief with.
"Houma (6,500): Can not meet the problem. They are a drain on the individuals in the community who feed, house, and pass them on to the next city.
"Eunice (3,500): Give small amount for immediate needs.
"Abbeville (4,300): One night bed and board.
"Crawley (7,600): With a local soup kitchen.
"In this State there seems to be no funds from which transient relief could come. There is an increase in unemployment from 50 to 280 per cent. One city says they have no increase because all of their people were thrown out of employment in 1930, and unless they have some help for themselves 75 per cent of the present home owners will be homeless by 1934. Another says that 75 per cent of the laboring people are in need of relief.

"MAINE

"Bath (9,000): Through Salvation Army, Poor Department, Red Cross, and Gospel Mission.
"Waterville (1,500): Police department gives breakfast. Not serious problem.

"Fort Fairfield (2,600): No transients in winter; keep them moving in summer.
"Calais (5,400): Try to feed and keep moving.
"Bangor (28,000): Do nothing except charity food and shelter.
"Eastport (3,400): Attempt to collect from legal residence for any help given.
"Lewiston (35,000): Have few. Usually manage to return to their settlement.
"Biddeford (17,600): Transient paupers out of State charged to State health and welfare department. Those from other municipalities to those municipalities.
"Ellsworth (3,500): By subscription.

"MARYLAND

"Hagerstown (30,000): Through Salvation Army.
"Annapolis (12,500): By mayor's contingent fund.
"Laurel (2,500): One meal only.
"Westminster (4,400): By Children's Aid Society.
"Crisfield (3,800): House and feed while in city.
"Cumberland (37,700): Eating and sleeping quarters only for a limited time.
"Frederick (14,400): By county institutions and Salvation Army.

"MASSACHUSETTS

"Northampton (24,000): In Y. M. C. A. or basement of police building.
"Ware (7,300): By police department through donations from individuals.
"Provincetown (3,800): The best we can.
"Clinton (12,800): Care for by police department. Lodged for night; something to eat in morning and sent on their way.
"Waltham (39,000): Through construction work.
"Newburyport (15,000): Salvation Army and private agencies.
"Haverhill (48,000): Sent to State poor farm or 'infirmary' at Tewksbury.
"Lynn (102,000): $3 to $4 cash.
"Dartmouth (8,700): Return at expense of State or town to place of settlement.
"Amherst (5,800): Night's lodging; usually breakfast; sometimes supper.
"Orange (5,300): Not much bothered. Lock up at police station for night (warm bed). Give good breakfast and send on way.
"Taunton (37,000): Nothing being done.
"Walpole (7,000): Through welfare board.
"North Attleboro (10,000): Food, fuel, clothing, etc. Those able to work for aid paid $2.50 a day.
"Hingham (6,600): Giving work.
"Marlboro (15,500): Through Red Cross and other private organizations.
"Many cities in Massachusetts report that they have no transient problem.

"MICHIGAN

"Coldwater (6,700): Feed one meal and keep overnight. They get their own supper or breakfast for 6 cents each.
"Negaunee (6,500): Handled by police department. Each man gets two nights' lodging and four meals and orders to leave town.
"Greenville (4,700): Charged back to the community from which they come. So far reimbursed for all except 5 per cent.
"Kalamazoo (54,000): Two meals; managed by Federation of Labor.
"Ann Arbor (27,000): Not taken care of.
"East Detroit (6,000): Very few. Given night's lodging in jail.
"Jackson (55,000): Cared for mostly by private contributions.
"Detroit (1,560,000): Housed, fed, and cases looked into.
"Ishpeming (9,000): Given two meals by Salvation Army and moved on.
"Buchanan (4,000): Sleeping quarters only.
"Gladstone (5,000): Handled by superintendent of poor and Salvation Army.
"Berkley (5,500): Cared for and cost charged back to place of last legal residence.
"Grand Lodge (3,500): Lodging overnight and one meal.
"Lansing (78,000): Single men housed and fed by Volunteers of America, who are helped by city.
"Dowagiac (5,500): Shelter only.
"River Rouge (17,000): Minor problem. Either contact relatives or return family to legal residence.
"Ionia (6,000): Through the county jail.
"Melvindale (4,000): Few here. Attempting to return to proper sources.
"Wakefield (3,000): In order to obtain relief here applicant must have resided in city two years and be citizen of the United States.

"MINNESOTA

"Owatonna (7,600): Meals and necessary funds to keep going to their destination.
"St. Louis Park (4,700): Temporary aid and removal to home place.
"Northfield (4,000): Lodging in jail. Small hand-outs of food.
"Fergus Falls (9,000): Temporary relief and pass them on.
"Sauk Rapids (2,600): Not caring for problem.
"Duluth (101,000): Caring for 600 men at Bethel—for men.
"Marshall (3,000): Meal tickets for one meal.
"Eveleth (7,000): A meal and ask them to move on.
"Lake City (3,000): Lodging one night at city jail for single men. Hotel furnished for women and families. One meal (if weather bad, more) and gas for those with cars.
"Austin (12,000): Meal tickets given by police.
"Willmar (6,000): Food twice a day through Salvation Army.
"Montevideo (4,300): Police department takes a record. They are given a 20-cent meal through a ticket system. Told to leave town as soon as possible and not repeat.
"White Bear Lake (2,600): Local welfare organization gives meal tickets in exchange for work.
"Luverne (2,600): Lodging and some food.
"Blue Earth (2,800): One meal and keep them moving.
"Minneapolis (464,000): Through the Union City Mission
"Stillwater (7,000): Through private relief agencies.
"Crosby (3,400): Through private charity.
"New Ulm (7,300): Feed individually. No relief by city or welfare committee.
"Hastings (5,000): Shift for themselves.
"Worthington (3,800): Place to sleep and one 15-cent ticket for meal or groceries given by city.
"A very high percentage in increase of unemployment in Minnesota.

"MISSISSIPPI

"Columbia (4,800): Feeding them.
"Louisville (3,000): Given food.
"Starkville (3,600): Lodging and having them move on.
"Kosciusko (3,200): We are not meeting the problem.
"Tupelo (6,000): Food and lodging worked out on municipal projects. Where not able to work, asking them to move on.
"Belzoni (2,700): Through the Red Cross.
"Biloxi (14,800): Nothing being attempted in this connection.
"Vicksburg (22,900): This city gives a monthly allowance to the Salvation Army to meet this problem.
"Several of the Mississippi cities report that they can not make an allowance for unemployment relief because of their finances.

"MISSOURI

"Webb City (6,800): Salvation Army looks after and sleep men in city hall.
"Independence (15,000): Feed and advise them to return to home communities.
"Brookfield (6,000): Work them in wood yard.
"Ferguson (4,000): Lodge in city hall basement. Make no attempt to feed.
"Marceline (3,500): Through private agency.
"Mexico (8,000): Sleep in city hall and ticket for breakfast.
"Joplin (33,000): Two meals and one bed.
"Crystal City (3,000): One night's lodging and transportation to next stop.
"Aurora (3,800): Temporary relief and get back to their homes.
"Trenton (7,000): City furnishing lodging.
"Maryville (5,000): Taking care only of necessities.
"Kirksville (8,000): Place to sleep, one hour work on wood pile, and one meal ticket.
"Boonville (6,400): Food; lodging at city calaboose.
"Warrensburg (5,000): Try to care for immediate needs and furnish transportation out of town.
"Poplar Bluff (7,500): Cared for inadequately. Permit them to beg without fear of arrest and sleep in police station.
"Lebanan (3,500): Not meeting the problem.
"Chaffee (2,900): Allow to sleep in city hall basement and push on to Memphis or St. Louis, where there are facilities for caring for them.
"Charleston (3,300): They cut wood.
"Monett (4,000): Have a club to take care of them.
"Carthage (9,000): Give them something to eat and send on.
"Washington (5,900): Through private subscription.
"Sedalia (20,000): They have sleeping quarters in city jail and two meals per day through the Salvation Army.
"Perryville (2,900): Cared for through local Red Cross.
"Higginsville (3,300): In the city jail.
"Fredericktown (2,900): Through a community fund.
"Jefferson City (21,000): One meal at Salvation Army. Sleep in city hall.

"MONTANA

"Deer Lodge (3,500): A summer problem. City and county jointly operated a soup kitchen last summer and over 200 fed daily.
"Roundup (2,500): No organized relief.
"Miles City (7,000): City soup kitchen and lodging.
"Among the few cities reporting in this State there is a percentage of increase in unemployment up to 700 per cent. Three cities report no city appropriation for the unemployed.

"NEBRASKA

"Grand Island (18,000): City feeding and housing them.
"Lincoln (75,900): Through missions and Salvation Army.
"Alliance (6,000): Lodging in jail one night only. Labor not to exceed one day.
"Nebraska City (7,000): Soup kitchen at police station.
"Beatrice (10,000): Sleeping quarters in city hall and ticket for breakfast.
"Hastings (15,000): Salvation Army and Red Cross and city furnish meals at 15 cents.
"Superior (3,000): Food and shelter one day.
"Lexington (2,900): Meal and bed and send on.
"Kearney (8,000): Help them along.
"Sidney (3,300): Doing nothing.
"Fremont (11,000): Fed through Salvation Army. City payr Salvation Army in return for work on woodpile.

"NEVADA

"Las Vegas (5,000): Single unemployed work for two meals. Families cared for on emergency basis and plans made to return to legal residence.

"NEW HAMPSHIRE

"Franklin (6,000): One meal; one night's lodging.
"Lebanon (6,000): Through a Salvation Army fund left from two years ago.
"Concord (25,000): Given temporary relief.
"Exeter (4,000): Lodging overnight and breakfast.
"Laconia (12,000): City feeds them.

"NEW JERSEY

"Camden (118,000): Food orders while unemployed.
"Metuchen (5,000): None considered for relief.
"North Plainfield (9,000): Emergency food order and night's lodging in police headquarters.
"Haledon (4,000): Can not meet the situation.
"Butler (3,300): Giving temporary relief.
"Cliffside Park (15,000): Removing to legal residence.
"Maywood (3,400): No way of helping.
"Egg Harbor (3,000): Give relief where necessary and order to former residence.
"Rockaway (3,000): Not trying to meet it.
"Atlantic City (66,000): Give them emergency orders, and if they do not have legal settlement refuse further aid.
"Phillipsburg (19,000): Sleeping quarters and bread. They must beg other food.
"Margate City (2,900): Try to feed for two days and request them to leave.
"Carlstadt (5,000): Night's lodging and meals.
"A great majority of the cities in New Jersey state that it will be impossible for them to care for their unemployed—at least, not without aid.

"NEW MEXICO

"Deming (3,000): Public work in exchange for food and lodging.
"Alamogordo (3,000): Not meeting it.
"Tucumcari (4,100): Not meeting problem.
"Roswell (11,000): Through Salvation Army soup kitchen and beds.
"Raton (6,000): Sleeping quarters and food orders.
"Santa Fe (11,000): Have no city funds for this, same being handled privately.
"Clovis (8,000): Through the Salvation Army.
"Of the 7 cities in New Mexico answering this question 4 state that they can not care for all their unemployed this winter, 2 can, and 1 can if present Federal aid continues.

"NEW YORK

"Cohoes (23,000): Transportation from private funds. Emergency relief until residence established.
"Frankfort (4,000): Not meeting the problem.
"Gowanda (3,000): Shelter and breakfast in local jail. (Had 800 in 1932.)
"Canton (2,800): Meal and lodging and they go on.
"Greenport (3,000): If resident of some other State, cooperate with private agencies and make sure he gets sufficient temporary relief till he reaches legal settlement.
"Baldwinsville (3,800): Sending back to towns from which they came.
"East Syracuse (4,600): Town and county welfare relief.
"Monticello (3,400): Helped by charity.
"Batavia (17,000): Red Cross gives food and Catholic Charities (Inc.) also assist.
"Massena (10,000): Lodging at police station.
"Fredonia (5,800): Free lodging and meals contributed by private and public relief.
"Rochester (328,000): A county problem. Usually send them back to place of settlement.
"Granville (3,400): Food and shelter in jail. Veterans cared for by American Legion.
"Potsdam (4,000): Housing and night's lodging.
"Seneca Falls (6,000): Have no means for handling.
"Amsterdam (38,000): Give them night's lodging and couple of meals. If more required refer them to county commissioner of public welfare.
"Haverstraw (2,800): Helped when asked.
"Olean (21,000): Lodge at police station. Eat at Salvation Army.
"Watervliet (16,000): Billed to home community.
"Irvington (3,000): Free lodging and breakfast at police quarters.
"Dunkirk (17,000): They are taken care of among the people. Are taken care of.
"Hamburg (4,700): One night's lodging, meals, and instructions to move on.
"Kingston (28,000): Private agencies and police department.
"Lynbrook (13,000): No relief given.
"Garden City (7,000): On village improvements.
"Mechanicville (7,900): Give lodging.
"Wellsville (5,600): Through Salvation Army.
"Tonawanda (12,000): Emergency relief until they can be sent back to legal residence.
"Ogdensburg (16,900): Taking care of and charging back to place of residence.
"Johnstown (10,800): By Salvation Army and police department charged back to welfare department.
"Fulton (12,000): Sheltered overnight and fed.
"Lackawanna (23,000): Through police and Father Baker's institution.
"Dunkirk (17,800): Through private agencies.
"The increase in unemployment over 1931 is large in New York. The appropriations for unemployment in many cases are much smaller than the reported increase in unemployment. In some cases this appropriation shows a decrease. The percentage contributed by private agencies is on the whole small.

"NORTH CAROLINA

"Charlotte (82,000): Work on woodpile. Have adequate shelter, etc.
"Burlington (9,700): We ask them to go home.
"Lexington (9,600): Room and meals.
"Concord (11,800): The Salvation Army provides quarters.
"Thomasville (10,000): Lodging and meals and help them reach destination.
"Edenton (3,500): Give food and shelter and pass on.
"Smithfield (2,500): Sleeping quarters and one meal.
"Cherryville (2,700): Send back or on their way.
"Salisbury (16,900): Through Salvation Army, Travelers' Aid, and R. F. C.
"Morehead City (3,400): No definite program.
"Rockingham (2,900): Can not meet the problem.
"Raleigh (37,000): Relief committee supplements budget for this.
"Rocky Mount (21,000): Through the Salvation Army.
"Goldsboro (14,900): Through the Salvation Army.
"In North Carolina it is noticeable that the appropriation for unemployment relief does not keep pace with the increase in unemployment. For instance Salisbury reports a 100 per cent in unemployment and no increase in appropriation. Rockingham an increase of 200 per cent in unemployment and no increase in appropriations and the private agencies, help has increased only 20 per cent.

"NORTH DAKOTA

"Williston (5,000): Allowed to eat at community kitchen.
"Bismarck (11,000): Community kitchen.
"Valley City (5,000): Give them a meal and send them on.
"Williston shows a 100 per cent increase in unemployment over 1931 with a 33⅓ per cent increase in appropriation for unemployed and no private agencies helping and an inability to issue more bonds.

"OHIO

"Findlay (19,800): Through the Salvation Army.
"Newark (30,000): Through the Salvation Army and county commissioners.
"Chillicothe (18,000): Handled through local funds.
"Tiffin (16,000): American Legion handles.
"Kenton (7,000): Help two out of five.
"Oxford (2,500): Through donations.
"Greenville (7,000): Shelter for night and breakfast.
"Miamisburg (5,500): Transportation and feeding and lodging where necessary.
"Zanesville (36,000): Have given funds to Salvation Army for this purpose.
"Rittman (2,700): Not aiming to meet their needs.
"Canton (10,000): Lodging houses for 24 to 48 hours.
"Upper Sandusky (3,800): Not in position to offer much.
"Wellston (5,300): Lodging only.
"Lorain (44,500): Salvation Army handles at 20 cents per individual per week.
"Shelby (6,000): Lodging in city jail; some clothing and shoes.
"Shadyside (4,000): Fed by citizens and permitted sleep in jail.
"Warren (41,000): Lodged in city-rented building by Salvation Army and fed and such necessities as Salvation Army can supply.
"Ashland (11,000): Feed them for 15 cents a meal.
"Orrville (4,400): Lodging; that's all.
"Waterville (2,800): Doing nothing.
"Ashtabula (23,300): Do not care for.
"Wapakoneta (5,000): Help them to next place.
"Mansfield (33,000): Through private agencies.
"East Liverpool (23,000): Flop and breakfast only.
"Maumee (4,500): Out of our own and the mayor's pocket 15 cents a meal.
"Elyria (25,600): Through the Salvation Army.
"Hillsboro (4,000): Through Red Cross.
"Medina (4,000): Feed them at town hall from donations.
"Marion (31,000): Salvation Army feeds at 8 cents a meal.
"Bedford (6,000): Housed in jail and small amount of food.
"Cincinnati (451,000): Through a central registry and transient service bureau.
"Kent (8,000): Just sleeping quarters.
"Circleville (7,000): Two meals and one night's lodging.
"Conneaut (9,000): Not meeting it.
"Dayton (200,900): One to two night's lodging and meals.
"North Olmsted (2,000): Food and sleeping quarters.
"Bexley (7,000): Sending them into Columbus, Ohio.
"Euclid (12,000): Temporary relief in the form of overnight housing.
"Fairport (4,900): Through branch of Red Cross.
"Wadsworth (5,900): Giving free lunch and lodging.
"Cleveland (900,000): Being met by Wayfarers Lodge, which is operated by Associated Charities. It is supported in part by the community fund, part by the city of Cleveland, and part by county of Cuyahoga, with the assistance of State funds (in 1932).
"The proportion of increase for 1932 as compared with the unemployment problem in 1931 is very great in Ohio. In few of

the cities does it go below 50 per cent above the 1931 figure, running round 100 per cent and over in almost all the cities reporting. The appropriation for unemployment has not increased in the same proportion. We find a city with 160 per cent increase in unemployment and only 100 per cent increase in appropriation; another with 200 per cent increase in unemployment and 100 per cent increase in appropriation; another with 95 per cent increase in unemployment and 45 per cent increase in appropriation. Out of 47 cities only 2 reported a weekly allowance to a family of over $5—most of them running between $2.50 and $4. In a number of cases funds of private agencies have decreased.

"OKLAHOMA

"Nowata (3,500): Feed them one day.
"Marlow (3,000): In extreme cases feed and send out of town. In most cases just send out of town.
"Shawnee (232,000): Salvation Army soup kitchen; also a church and a Federal post at Fort Sill with cots.
"Seminole (11,000): Emergency relief. Advising them to pass on.
"Holdenville (7,000): Let them sleep in flop house; give a bowl of soup in the morning and order them out of town.
"Purcell (2,800): Give temporary beds, a cheap meal, a small allowance of gasoline.
"Okmulgee (17,000): Handled by Salvation Army, supported by city.
"Wewoka (10,000): Give a meal, lodging, and send on way.
"Wilson (2,500): Not meeting the problem.
"Guthrie (9,500): Give meal or a little gas.
"Cordell (2,900): Unable to do anything.
"Hugo (5,000): Meet it out of our own pockets.
"Vinita (4,200): Through a community kitchen.
"Altus (8,000): Temporary relief only. Pushing them on where possible.
"Ada (11,000): Give them one day's work and have them move on.
"Out of 13 cities answering a question as to whether the city can care for all who will need relief 11 answer 'no,' 1 'barely possible,' and 1 can 'with outside help.'

"OREGON

"Roseburg (4,000): Through Salvation Army (city pays expense).
"St. Helens (3,900): Sending them on.
"Pendleton (6,600): Giving them a meal or two and one night's lodging.

"PENNSYLVANIA

"Turtle Creek (10,600): Do nothing.
"Doylestown (4,500): Meet from private contributions.
"New Castle (48,000): No provision for this.
"Oakmont (6,000): Not meeting the problem.
"Red Lion (4,700): Meeting it in part.
"South Fork (3,200): Can not now take care of them.
"Kulpmont (6,000): Must take care of themselves.
"Elizabethtown (3,900): Night housing and hand-outs from citizens.
"Pen Argyl (4,000): Community welfare funds.
"Chambersburg (13,700): Through Salvation Army; Traveler's Relief.
"North East (3,600): Feeding from borough funds in the a. m. only.
"Erie (115,000): Lodging only.
"Elizabeth (2,900): Night's shelter in jail.
"New Cumberland (4,200): Trust to luck and depend on housewife.
"Homestead (20,000): Through a soup line and housed in municipal building.
"Quakerstown (4,800): Night's lodging and some breakfast.
"Tamaqua (12,900): At a restaurant where city pays for food, and the Salvation Army.
"Scranton (143,000): Refer to place of legal settlement.
"Gettysburg (5,500): Night's lodging and breakfast.
"Crafton Borough (7,000): Bath, two meals, and a place to sleep.
"Wyoming (2,700): Can not meet problem at all.
"Avalon (5,900): Feed at police station.
"Sunbury (15,000): Not encouraged to remain in city. Chronic itinerants, known to police usually committed to county jail for 10 days, affording opportunity to clean up, bathe, and get their clothes clean and stomachs full. Others are furnished with lodging as follows: City hall for 1932, 5,200; Y. M. C. A. (restricted to certain classes), 517. No clothing or food furnished. Local hospital feeds such persons to extent of extra food prepared and not consumed.
"Spangler (2,700): Place to sleep and breakfast next morning.
"Dubois (11,000): Through Salvation Army.
"Pitcairn (6,500): Twenty-five sleep in borough jail each night; nothing else done.
"Wesleyville (2,800): Give what we can.
"Springdale (4,700): House men in lockup and give local relief where necessary.
"Pittsburgh (669,800): During past year the homeless-men problem has become acute, and in December, 1932, approximately 6,000 homeless men were given assistance. We estimate that about 3,000 of these men are residents of Allegheny County and 3,000 transients. Transient unemployed cared for by a number of agencies using funds from various sources. Just recently have arranged with the State emergency relief board to provide food for free meals served by certain of these agencies. (For bulletin concerning service to homeless persons, write Bureau of Social Research, Federation of Social Agencies of Pittsburgh and Allegheny County, 711 Wabash Building, Pittsburgh, Pa., vol. 1, No. 2, November–December, 1932.)
"Pottstown (19,400): Lodging and breakfast.
"Hellertown (3,800): Through welfare association.
"Windler (9,000): Feed and a place to sleep.
"East McKeesport (3,000): Can not care for local relief properly.
"Reynoldsville (3,400): Bed to sleep and in many cases buy a meal.
"Nazareth (5,500): Through poor board and police activity in making them move along.
"Nanty-Glo (5,500): Not meeting it at all.
"Harrisburg (80,000): Problem not being met; try to feed and lodge them.
"Sharon (25,900): Sleepers in jail get supper and breakfast.
"West Chester (12,000): Through Salvation Army.
"Belle Vernon (2,400): Not meeting problem in any way; unable to.
"Sugar Notch (2,700): Unable to meet problem.
"Emporium (2,900): Sleep in jail and a lunch at night.
"Taylor (10,000): Can't meet the problem.
"Out of 69 cities answering the question as to whether the community can care for all who will need relief 46 answer 'no,' 9 will need help, 13 answer 'yes,' and 1 says 'barely.'"

"SOUTH CAROLINA

"Clinton (5,600): House and feed.
"Greenwood (11,000): Through public subscription.
"Marion (4,900): Partially through local board of charities.
"Gaffney (6,800): Through Salvation Army, food and place to sleep.
"York (2,800): Lodge for night and help get rides, if possible.
"Darlington (5,500): Unable to aid.
"Union (7,500): Through Salvation Army.
"Hartville (5,000): Meal and gas and advice to move on.
"Easley (4,800): Not being met.
"Charleston (62,000): Carried by Salvation Army and Star Gospel Mission. City discourages transients and strictly enforces vagrancy laws. Where transient families have come in a vain endeavor to secure work, the city has in several cases given them free transportation by truck back to original home.
"Out of 11 cities in South Carolina answering the question as to whether the community can care for all who will need relief, 10 answer 'no.' Five cities report no appropriation to take care of unemployment. All of the cities answering the question as to whether they can float further bond issues to meet relief say 'no.'

"SOUTH DAKOTA

"Huron (10,900): Salvation Army does the best it can.
"Sioux Falls (33,000): Beyond one night's lodging and two meals we send them on.
"Brookings (4,300): In extreme emergency give them meal and bed.
"Yankton (6,000): Feed and send on.
"Pierre (3,600): Not helping them.

"TENNESSEE

"Columbia (7,800): Free sleeping and sometimes food.
"Loudon (2,500): Can't help; they beg.
"Lebanon (4,600): Have move on as fast as possible.
"Fayetteville (3,800): Helping them out of town.
"Franklin (3,800): Feed and give transportation money to pass on.
"Jackson (22,000): Meals and lodging overnight and other help in sickness or absolute necessity.
"Newport (2,900): Through street collections.
"Milan (3,100): Help and get them out of town.
"Kingsport (11,000): One night's lodging; not more than two meals (for which they are required to work if able), and advised to move to ultimate destination.
"Johnson City (25,000): Whatever help they can get from the Salvation Army.
"Shelbyville (5,000): Moving them on.
"Harriman (4,500): Have no provision for this problem.
"In Tennessee 5 out of 10 cities answering the question report no appropriation for relief of unemployed; 11 answer the question as to possibility of floating further bond issues for relief and 10 of these can not float issues for this purpose. Out of 10 answering the question as to increase in unemployment over 1931, 7 give over 50 per cent increase.

"TEXAS

"Seymour (2,600): Where worthy and able to work giving employment out of Reconstruction aid.
"Luling (5,900): Give meal and insist that they go back to their own community.
"Jasper (3,300): Through soup kitchen only.
"Bowie (3,000): Each case separately treated; sent to destination.
"Brady (3,900): One meal and enough gas to get to next town.
"Terrell (8,700): No organized effort; they solicit on street and Red Cross helps.
"Huntsville (5,000): Giving work where possible.
"Big Spring (13,000): Food and clothing in dire cases.
"Edinburg (4,800): Warm room to sleep; little food to women and children and ask them to move on.
"McAllen (9,000): Impossible to meet problem without State or Federal aid.

"Pampa (10,400): Temporary aid and ask them to move on to place of residence.
"New Braunfels (6,200): Quarters, food, and transportation furnished by city.
"Center (2,500): Temporary relief and forwarding on.
"Nacogdoches (5,600): Few days' work, depending on size of family; then ask them to move on.
"Floydada (2,600): Assisted on way by purchase of gas or securing transportation in direction headed.
"Denton (9,500): Two meals and house and require them to pass on (required to chop wood, etc.).
"Cleburne (11,500): Try to send back to homes.
"Amarillo (43,100): Met in a measure by community chest organizations.
"Canyon (2,800): Food and transportation out of town.
"Gatesville (2,600): Try to get them to go to some relation.
"Midland (5,400): Make them work on streets for 24 cents an hour. In few cases of helpless destitute, give direct relief without work.
"Gainesville (8,900): Flatly refuse to help.
"Crockett (4,400): Feed and pass on; sometimes give them groceries.
"Taylor (7,000): Through Reconstruction Finance Corporation relief funds.
"Of 32 cities answering the question as to increase in appropriations for unemployed this year over 1931; 15 report no increase; 9 report no appropriation at all for 1932; and several report a decrease. Of 37 cities answering the question as to whether further bond issues were possible for relief, 35 answer 'no' and 2 'yes.'

"UTAH

"Ogden (40,000): Bunk house and meal tickets.
"Helper (2,700): Warm place to sleep. No food.

"VERMONT

"Brattleboro (8,000): 10-cent lunches and beds in police station.
"St. Johnsbury (7,000): Temporary help at least.
"Proctor (2,500): On the woodpile.
"Windsor (3,600): Food and night's lodging by chief of police.

"VIRGINIA

"Hopewell (11,000): By Salvation Army and city contributing.
"Lynchburg (40,600): Police lodging; Salvation Army; appropriation by city.
"Fredericksburg (6,800): Emergency relief only. Night's lodging and two meals.
"Waynesboro (6,200): A hand-out.
"Covington (6,300): Red Cross.
"Norfolk (129,000): Endeavor to return to legal residence.
"Petersburg (28,500): In 90 per cent of cases send back to home cities.
"Big Stone Gap (3,900): Aid with funds to other points.
"Suffolk (10,200): One meal and required to leave city.
"In Virginia only two cities answering feel that they can meet their unemployment problem without Federal aid.

"WASHINGTON

"Bremerton (10,000): No provision. It has become quite a problem.
"Spokane (115,500): Some provision for young women and roving boys and others in extreme necessity. For a limited time. Women and indigents sometimes returned home.

"WEST VIRGINIA

"New Martinsville (2,800): Welfare assistance.
"Keyser (6,000): Through the city administration.
"Hinton (6,600): Sleeping shelter and one meal.
"Grafton (7,700): Bed and breakfast.
"Elkins (7,000): Unable to do anything except perhaps help to get to their own communities.
"Bluefield (19,000): They work for lodging and a meal.
"Fairmont (23,000): They are helped by Salvation Army.
"Hollidays Cove (4,400): Through Salvation Army.
"Benwood (3,900): Sleep in jail and ordered to leave town.
"Only one city out of nine answering the question concerning ability to care for all who will need help in community states that it will be able to take care of the situation, but it must have some help.

"WISCONSIN

"Stevens Point (13,600): Under supervision of industrial commission.
"Platteville (4,040): They pay for lodging and meals by work on rock pile.
"Hartford (3,700): Housed in jail and asked to keep going; except to be reimbursed by county system for transient expense.
"Beaver Dam (9,800): Quarters for sleeping in city jail and breakfast.
"Waupaca (3,131): Room and one meal.
"Chippewa Falls (9,500): Free meals and move on.
"Ladysmith (3,400): Work on woodpile.
"Fort Atkinson (5,700): Transients are cared for through operation of a transient station operated by the city in cooperation with local merchants, who supply considerable of the food. A total of 3,505 men registered through the station during the year 1932, all of whom received lodging, and to whom 7,749 meals were served. Transients are permitted to remain but 24 hours and to repeat not oftener than once per month.
"Menasha (9,000): Night lodging and breakfast and request to move on.
"Portage (6,300): Supper, bed, and breakfast at transient depot run by welfare association, Red Cross, etc.
"Jefferson (2,600): Lodging and breakfast provided by city.
"Stoughton (4,400): Housed in city building, fed by private individuals.
"Reedsburg (2,900): Shelter and food through police department.
"Oconto (5,000): So far by private means.
"Tomahawk (3,000): Sleep and cook in city hall. They beg and work.
"Ripon (3,900): Lodging and one meal.
"Racine (67,500): Urged not to stop. In severe weather night's food and lodging.
"Shawano (4,100): Through chamber of commerce.
"Eau Claire (26,000): By Salvation Army and city.
"Waukesha (17,000): Night's lodging at hotel. Two meals.
"Park Falls (3,036): Take care of them along with the local people.
"Rice Lake (5,100): Have specially prepared room in city building where they bathe, cook, wash, sleep, and keep warm.
"Prairie du Chien (3,900): Send to next town.
"Viroqua (2,700): Through the local community chest.
"Menomonie (5,500): Charge expense back to county.
"Delavan (3,300): Clothing and some food.
"Baraboo (5,500): House nights and breakfast.
"Fond du Lac (26,400): Shelter and food.
"Appleton (25,000): Send them to Oshkosh or Green Bay to State headquarters or to State barricades.
"Two Rivers (10,000): Place to sleep and meal and when necessary transportation home.
"Sheboygan (39,000): According to plan of industrial commissioner of Wisconsin.
"La Crosse (39,500): Quarters through Industrial commissioner of Wisconsin.
"Merrill (8,400): Lodging and one meal a day.
"Oshkosh (40,000): Have a relief station.
"Janesville (21,600): Salvation Army supported by private funds. Also industrial commissioner is handling this problem.
"Madison (57,800): 24 hours' board and lodging.
"The percentage of relief in Wisconsin cities answering the questionnaire seems negligible. In answering the question as to whether the community can take care of all those who will need relief 39 cities answering this question were divided as follows: 17, no; 9, yes; 10 could with aid from outside; 3 were doubtful."

"WYOMING

"Cheyenne (17,300): Through the Salvation Army."

Mr. COUZENS. Mr. President, the provision which the Senator from Iowa [Mr. DICKINSON] seeks to have taken out of the so-called Wagner substitute was thoroughly debated a week ago to-day and a week ago last Saturday. The Senator from Iowa has disclosed his attitude toward all relief of the unemployed youth and others, particularly single men. The Senator from Iowa was chairman of the subcommittee on Military Affairs, which held no hearings, and reported out, in cooperation with his colleagues, the amendment to the War Department appropriation bill providing for the care of 88,000 boys in military camps. They reported it adversely and unanimously. The Senate demonstrated last Monday its disposition and desire to take care of those boys. If the Senate is of the same mind that it was then, it should ignore the motion of the Senator from Iowa. The Senator from Iowa does not care what becomes of these youths or the unemployed.

Mr. DICKINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. COUZENS. I yield

Mr. DICKINSON. The Senator is not justified in any such conclusion as that. As a matter of fact we have gotten along for one hundred-odd years in this Government without having to establish rehabilitation or work camps such as the Senator proposes. I do not know how many of them the Senator expects to establish in the United States. If there are a million of these men, the Senator would have the munificent sum of $15 a piece to spend on them in these camps. As a matter of fact, it is simply the beginning of a program which, in my judgment, will finally result in taxation that can not possibly be maintained for the benefit of this type of people.

Mr. COUZENS. Mr. President, the Senator is of just that stand-pat type, as I have told him personally. I am saying nothing now that I have not said to his face in private conversation. He is one of the men who never want to do anything new. He wants to stand pat on everything, rely upon history and precedent, and no emergency can arise anywhere in the United States, humane or otherwise, which will

budge the mind of the Senator from Iowa. His mind is eternally fixed, as solid as the Rock of Gibraltar, and no heart beat can change his position. In many respects I am as hard-boiled as he is, but, Mr. President, I refuse to be controlled by his yardstick. I refuse to be guided by his heartbeats, for I do not know whether he has any or not. But I do know that he has a lack of consideration and sympathy for the 88,000 boys for whom we provided care in military camps. As chairman of the subcommittee of the Committee on Military Affairs, he opposed that proposal and put it over unanimously in the committee.

Mr. CUTTING. Mr. President, will the Senator yield?

Mr. COUZENS. Certainly.

Mr. CUTTING. May I point out to the Senator for the benefit of the Senator from Iowa that the provisions in the bill make no mention of camps? They leave each State to select its own methods for dealing with the situation. It might be through camps; it might be through some other method; but the primary need which is to be taken care of by the States is, when possible, to send these transients home.

Mr. DICKINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Michigan has the floor. Does he yield to the Senator from Iowa?

Mr. COUZENS. I yield.

Mr. DICKINSON. I want to suggest that line 23, page 3, reads as follows:

> And to aid in their rehabilitation in training and work camps.

I do not know how the English language could be any plainer than that.

Mr. WAGNER. Mr. President——

Mr. COUZENS. I wish to point out that that provision is discretionary.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. WAGNER. I just wanted to make that very statement; that the word "camps" does not appear in the Costigan-La Follette bill. I included that merely as a suggestion to the States; but each State, in dealing with this problem, is at liberty to adopt any plan or any policy it may see fit, and is in no way limited by this legislation.

Mr. CUTTING. In other words, it is not a compulsory feature of the Senator's bill?

Mr. WAGNER. Not at all; it is merely a suggestion, which I incorporated in the bill in view of the proposal some days ago of the Senator from Michigan [Mr. COUZENS].

Mr. CUTTING. It was not included in my provision. I notice that the provision in the substitute of the Senator from New York reads:

> In training and work camps or otherwise.

So that is in no way a compulsory feature of the bill; it is simply left to the States to carry out their own policy, subject to the approval of the Federal board.

Mr. COUZENS. Mr. President, in the debate we had last Monday, in particular, and on the previous Saturday, it was pointed out that there are at least a million and a quarter homeless single men alone, and the proposal I made was to take care of those from 17 to 25 years of age. It was afterwards amended in the Senate to provide for those not under 15 or over 21, which leaves unprovided for almost a million single men over 21 years of age, graduates of high schools and colleges, young men who have never had a job during the nearly four years of depression. For three years the colleges and schools have been graduating young men who have never had an opportunity for employment, who have never had an opportunity to earn a dollar. During the discussion a week ago the very excellent care that was being taken of some three or four thousand young men in the camps of California was pointed out. This money can be used to aid and augment that sort of activity. Every forester knows the opportunities in the forests of the United States to set up camps where healthy and desirable work can be afforded.

Mr. President, in view of what was said a week ago, I do not care to debate the matter any longer, but I do hope the Senate will not approve of the amendment of the Senator from Iowa.

Mr. GRAMMER obtained the floor.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. The Chair understands that the Senator from Arizona wishes to perfect the text of the proposal?

Mr. ASHURST. Yes; I wish to have a vote on my amendment before the vote finally comes on the motion to strike out. In other words—and I ask the Chair for advice—have I not the right to perfect it?

The PRESIDENT pro tempore. Inasmuch as the text must be perfected before it can be otherwise dealt with, the Chair will see to it that that vote is taken on the amendment of the Senator from Arizona.

Mr. ASHURST. I thank the Chair.

Mr. GRAMMER. Mr. President, I rise at this time, while this important measure is pending, with great sympathy in my heart not only for the unemployed man who is seeking and would like to secure honest employment in his vicinity but also for the man who is employed, if you please, but finds his burden heavy. When we perform an act as individuals or as a legislative body, if we wish to maintain our standing among our friends and in our respective communities, indeed, if we wish to main the standing of the Nation, we must ponder well the result of any action we may contemplate taking.

Mr. President, what will be the result in case a very large appropriation, for the purposes designed by the pending measure, shall be made by the Congress at this time? I wish to be conservative in the figures I shall give, and I shall deal in round figures. I believe that the records show that the United States Government now owes in excess of $20,000,000,000, upon which an average of 3 per cent interest is being paid. I understand that within the last 12 years the national debt of our country has been reduced by some $3,000,000,000. It is easy to see that if the reduction in our national debt shall continue at the same rate, namely, $250,000,000 a year, it will require 80 years to pay the obligations which the Government now owes and should pay.

Applying the same calculation to the $600,000,000 involved in the pending bill and computing the interest which we must pay at 3 per cent—simple, annual interest, if you please—it amounts to $18,000,000 a year; so that in 80 years the interest alone will aggregate $1,440,000,000. Thus, the appropriation of $600,000,000, which we are about to make, will by that time have cost the people of the United States $2,040,000,000.

If it shall cost 5 per cent to administer this $600,000,000 fund, there will be left $570,000,000 to be applied to relief, which, as I understand, is to be devoted largely to public works and similar activities.

So, Mr. President, by a very short process of division, we find that in order at this time to get the use of $570,000,000, before that sum shall actually be repaid it will cost, as I have already said, $2,040,000,000, and the actual present benefit to be derived from that vast expenditure will be but 28 per cent of the cost. Can we afford to indulge in such extravagance? Do we want to build roads or overhead crossings or tunnels or canals or any other imaginable project in the United States at this time, Mr. President, at an expense of 100 per cent when we can only receive 28 per cent in value? Can we afford to do that? May we do it?

Mr. President, if 2 decades be a generation, 80 years constitute 4 generations, and, according to the figures which I have given, we are starting now on the fifth generation of indebtedness. Our great-great-great-grandchildren are the ones who are to repay this $600,000,000. Are we so cowardly as men that we are willing to mortgage the blood and the happiness of a generation five times removed from us in order to do something at this time for which we only get 28 cents on the dollar? If we should do such a thing, our posterity in their day and generation should rise up to shame the day in which we lived.

Mr. President, these may be broad statements, and they may not coincide exactly with the ideas of other Senators, but I see no other result. It seems to me that the Congress has simply gone wild; it has indulged in an orgy of appropriations for the past 25 years. Vast sums of money have been appropriated for many things. Have we received even 28 per cent for much of the money that has been appropriated by the Congress?

I want, Mr. President, to leave with the Senate this further thought: This Nation is divided into some 48 States; these States themselves have some obligations to perform through their governors and treasuries, if you please. Have they lined themselves up and said to the Congress of the United States, "We are helpless; we have used every possible resource"? And have they proven it by showing that they can not sell their bonds, that their resources are absolutely exhausted, and that it is up to Congress to supply them with money with which to feed the unemployed and take care of those who are in distress? I think, sir, that quite the opposite is the fact. It seems to me that the Congress is trying to force upon the States money with which to feed and care for their people. No doubt many people need to be taken care of, but, in my estimation, as I see it, if I were the governor of a State—which I never was and never expect to be—I think that I should make sure that the people of my State would certainly have the benefit of their own resources before I would appeal to Congress to appropriate money supplied by the taxpayers of the Nation.

Mr. President, if I may have a moment more, why do I say that? It costs money to collect the taxes and put them into the Treasury of the United States and then disburse them again. The very best thing we can do to help the taxpayer and the mortgagor and those in distress is not to collect more taxes but to leave the money in the hands of the individual who gets a hundred per cent benefit of it instead of a 28 per cent benefit, as would be the result, according to the figures I have given, of the appropriation now contemplated.

Mr. President, perhaps I should apologize for what I have said. I have only been a Member of the Senate for a short time, and my term will expire within the next two weeks. I simply have spoken to the Senate as a plain business man, giving, in a very rough way, my idea of the situation confronting us. I have not done so in a picturesque manner, but at this time we are really not considering or thinking about a beautiful picture.

The VICE PRESIDENT. The hour of 4.30 o'clock having arrived, the question is on the amendment of the Senator from Arizona [Mr. ASHURST] to the amendment in the nature of a substitute, which will be stated.

The LEGISLATIVE CLERK. On page 3 of the substitute amendment, line 22, after the word "transients," it is proposed to insert the words "who are American citizens," so that, if amended, it will read:

SEC. 2 (a). The Reconstruction Finance Corporation is further authorized and empowered to make available out of funds of the corporation the sum of $15,000,000, under the terms and conditions hereinafter set forth, to the several States and Territories, to be used in furnishing relief and work relief to unemployed and needy transients who are American citizens—

And so forth.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Debate is closed.

Mr. McNARY. I desire to suggest the absence of a quorum before the vote is taken. I rose for that purpose.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Byrnes | Dickinson | Hull |
| Austin | Capper | Dill | Johnson |
| Bailey | Caraway | Fess | Kean |
| Bankhead | Carey | Fletcher | Kendrick |
| Barbour | Clark | Frazier | King |
| Barkley | Connally | George | La Follette |
| Bingham | Coolidge | Glass | Logan |
| Black | Copeland | Goldsborough | Long |
| Borah | Costigan | Gore | McGill |
| Bratton | Couzens | Grammer | McKellar |
| Brookhart | Cutting | Harrison | McNary |
| Bulkley | Dale | Hayden | Metcalf |
| Bulow | Davis | Howell | Moses |
| Neely | Robinson, Ark. | Smoot | Tydings |
| Norris | Robinson, Ind. | Steiwer | Vandenberg |
| Nye | Russell | Stephens | Wagner |
| Oddie | Schuyler | Swanson | Walcott |
| Patterson | Sheppard | Thomas, Idaho | Walsh, Mass. |
| Pittman | Shipstead | Thomas, Okla. | Walsh, Mont. |
| Reed | Shortridge | Townsend | White |
| Reynolds | Smith | Trammell | |

Mr. LA FOLLETTE. I desire to announce that my colleague [Mr. BLAINE] is unavoidably absent because of illness in his family.

Mr. WHITE. I wish to announce that my colleague the senior Senator from Maine [Mr. HALE] is necessarily absent from the Chamber and from the city because of a death in his family.

Mr. SHEPPARD. I desire to announce that the Senator from Illinois [Mr. LEWIS] is necessarily detained on official business, and that the Senator from Montana [Mr. WHEELER] is detained on account of illness.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Arizona [Mr. ASHURST] to the amendment, in the nature of a substitute, offered by the Senator from New York [Mr. WAGNER]. The amendment to the amendment will be stated.

The legislative clerk restated the amendment to the amendment.

Mr. ASHURST. I ask for the yeas and nays.

Mr. SMITH. May the amendment be stated before the vote is taken?

The VICE PRESIDENT. The amendment to the amendment will be stated again.

The legislative clerk restated the amendment to the amendment.

The VICE PRESIDENT. A demand is made for the yeas and nays. Is the demand seconded?

The yeas and nays were ordered.

Mr. WAGNER. Mr. President, I ask unanimous consent to say one word upon the amendment of the Senator from Arizona to the amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. WAGNER. Mr. President, under the provisions of the bill which I have offered as an amendment in the nature of a substitute, each State has a right——

Mr. ASHURST. Mr. President, I do not wish to object; but if the Senator from New York is going to have a minute, then I want a minute.

Mr. MOSES. I will settle the matter, Mr. President, I object.

The VICE PRESIDENT. Objection is made. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BULOW (when his name was called). I am paired with the Senator from Rhode Island [Mr. HEBERT], and withhold my vote.

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I do not know how he would vote on this question, and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. McGILL (when his name was called). On this question I am paired with the junior Senator from New Hampshire [Mr. KEYES]. Not knowing how he would vote, I withhold my vote.

Mr. SMITH (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. LA FOLLETTE. Making the same announcement as before concerning the unavoidable absence of my colleague [Mr. BLAINE], I wish to state that he is paired with the junior Senator from Illinois [Mr. LEWIS], who is likewise absent. If my colleague were present, he would vote "nay" on this question.

Mr. THOMAS of Idaho (after having voted in the negative). Has the junior Senator from Montana [Mr. WHEELER] voted?

The VICE PRESIDENT. That Senator has not voted?

Mr. THOMAS of Idaho. I have a general pair with the junior Senator from Montana, and therefore withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Louisiana [Mr. BROUSSARD];

The Senator from South Dakota [Mr. NORBECK] with the Senator from Virginia [Mr. SWANSON]; and

The Senator from Illinois [Mr. GLENN] with the Senator from Texas [Mr. CONNALLY].

Mr. SHEPPARD. I deside to announce that the Senator from Virginia [Mr. SWANSON] and the Senator from Illinois [Mr. LEWIS] are detained on official business, and that the Senator from Texas [Mr. CONNALLY] and the Senator from Montana [Mr. WHEELER] are absent because of illness.

The result was announced—yeas 21, nays 51, as follows:

YEAS—21

| | | | |
|---|---|---|---|
| Ashurst | Caraway | Hayden | Smoot |
| Bankhead | Carey | Moses | Thomas, Okla. |
| Bingham | Dale | Patterson | Trammell |
| Bratton | Dickinson | Russell | |
| Byrnes | Fess | Schuyler | |
| Capper | Fletcher | Sheppard | |

NAYS—51

| | | | |
|---|---|---|---|
| Austin | Cutting | King | Robinson, Ark. |
| Bailey | Dill | La Follette | Robinson, Ind. |
| Barbour | Frazier | Long | Shipstead |
| Barkley | George | McKellar | Steiwer |
| Black | Glass | McNary | Stephens |
| Borah | Gore | Metcalf | Townsend |
| Brookhart | Grammer | Neely | Tydings |
| Bulkley | Harrison | Norris | Wagner |
| Clark | Howell | Nye | Walcott |
| Coolidge | Hull | Oddie | Walsh, Mass. |
| Copeland | Johnson | Pittman | Walsh, Mont. |
| Costigan | Kean | Reed | White |
| Couzens | Kendrick | Reynolds | |

NOT VOTING—24

| | | | |
|---|---|---|---|
| Blaine | Goldsborough | Lewis | Smith |
| Broussard | Hale | Logan | Swanson |
| Bulow | Hastings | McGill | Thomas, Idaho |
| Connally | Hatfield | Norbeck | Vandenberg |
| Davis | Hebert | Schall | Watson |
| Glenn | Keyes | Shortridge | Wheeler |

So Mr. ASHURST'S amendment to the amendment of Mr. WAGNER, in the nature of a substitute, was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. DICKINSON] to the amendment, which will be reported.

The LEGISLATIVE CLERK. The Senator from Iowa proposes to strike out all of section 6, lines 15 to 25, inclusive, on page 3, all of page 4, and lines 1 to 3 on page 5.

Mr. DICKINSON. I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question now is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on the amendment, in the nature of a substitute, offered by the junior Senator from New York [Mr. WAGNER].

Mr. KING. Mr. President, I desire to offer an amendment to the substitute of the Senator from New York.

Mr. LA FOLLETTE. A parliamentary inquiry. Are amendments in order, the time having passed when debate is permitted?

The VICE PRESIDENT. The Chair is of opinion that amendments are in order, but that no debate is in order. The Senator from Utah will submit his amendment.

Mr. KING. I move to strike out lines 11 and 12, page 6, of the amended substitute. I do not know how else to describe it. The language to be stricken out is as follows:

Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

Mr. COUZENS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COUZENS. Does the RECORD show that all the amendments that were made to the so-called Wagner substitute are now in the substitute upon which we are asked to vote?

The VICE PRESIDENT. The Chair is advised that the RECORD does so show.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the amendment of the committee, as amended, together with the substitute, as amended, be printed in the RECORD preceding the roll call.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The Costigan-La Follette substitute for Senate bill 5125, as amended, was ordered to be printed in the RECORD, and it is as follows:

That it is hereby declared to be the policy of the Congress to cooperate more effectively with the several States and Territories and the District of Columbia in furnishing relief to their needy and distressed people and in relieving the hardship resulting from unemployment.

SEC. 2. (a) The Reconstruction Finance Corporation is authorized and directed to make available out of the funds of the corporation not to exceed $500,000,000 for payments to the States for emergency relief expenditures and for other expenditures authorized under the provisions of this act, upon certification by the Federal emergency relief board created by section 3.

(b) To enable the Reconstruction Finance Corporation to obtain funds for the purposes of this act, the amount of notes, debentures, bonds, or other such obligations which the corporation is authorized and empowered under section 9 of the Reconstruction Finance Corporation act, as amended, to have outstanding at any one time is increased by $500,000,000.

(c) Ten days after the date upon which a majority of the members of the Federal emergency relief board have qualified and have taken office, no application for funds shall be approved by the Reconstruction Finance Corporation under the provisions of Title I of the emergency relief and construction act of 1932, and the Federal emergency relief board shall have access to all files and records of the Reconstruction Finance Corporation relating to the administration of emergency relief under Title I of such act.

SEC. 3. (a) There is hereby created a Federal emergency relief board (referred to in this act as the "board"), which shall consist of three members to be appointed by the President, by and with the advice and consent of the Senate, two of whom shall be experienced in public welfare and relief administration. The board shall have full power of apportionment and allotment of funds under the provisions of this act. The President shall designate one of the members of the board as its chairman. The members of the board shall receive no compensation for their services, except that they shall be paid a per diem compensation of $25 for time devoted to the work of the board, and necessary traveling and subsistence expenses, within the limitations prescribed by law for civilian employees in the executive branch of the Government. The board shall cease to exist upon the expiration of two years after the date of the enactment of this act.

(b) The board—

(1) Shall make such rules and regulations as may be necessary to execute the functions vested in it by this act; and

(2) Shall print monthly for public distribution and shall submit to the President and to the Senate and the House of Representatives (or to the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of its activities and expenditures. Such reports shall, when submitted, be printed as public documents.

(c) The board may appoint and fix the compensation of an executive officer and such experts and, subject to the provisions of the civil service laws, appoint, and, in accordance with the classification act of 1923, as amended, fix the compensation of such other officers and employees as are necessary to carry out the provisions of this act; and may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere and for printing and binding), not to exceed $350,000, as are necessary to carry out the provisions of this act. All expenses of the board shall be paid out of the amount made available for that purpose by section 4 (b).

(d) The board may appoint advisory committees to advise and confer with it with respect to the administration of this act. No salary shall be paid to committee members, but when attending meetings of the board they shall be allowed necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government.

SEC. 4. (a) Forty per cent of the amount made available under section 2 (a) of this act shall be apportioned among the States on the basis of population according to the Fifteenth Decennial Census. Payments made in any year out of the amount apportioned to any State on the basis of population shall not be in excess of two-thirds of the amounts appropriated or otherwise made available for such year by the State (or, in the case of the District of Columbia, appropriated by the Congress for use therein), by the civil subdivisions thereof and/or by private contributions from within the State for emergency relief as defined in section 11 of this act.

(b) The balance of the amount made available under section 2 (a) of this act shall be set aside as a reserve fund for emergency

allotments as provided in section 8; except that not to exceed $350,000 of such balance may be used for administrative expenses of the board under this act which shall be paid by the Reconstruction Finance Corporation upon presentation of vouchers approved by the Federal emergency relief board.

(c) The amounts apportioned or allotted to any State under this act shall be available for payment to and expenditure by such State, for the purposes of this act, until the expiration of two years after the date of enactment of this act; except that at the expiration of the fiscal year 1933, if the amount certified prior to the expiration of such year for payment to any State out of amounts apportioned on the basis of population under this act is less than one-half of the total amount apportioned to that State on the basis of population, the difference between the amount so certified and one-half of the total amount apportioned shall be added to the reserve fund provided for in subsection (b) of this section and shall be available for allotment to the several States on the basis of need.

SEC. 5. (a) In order to obtain payments out of the amount made available under section 2 (a) of this act a State, through its governor, shall designate or create an agency to cooperate with the board.

(b) Relief shall be administered within each State under rules and regulations adopted by the State agency.

SEC. 6. Any State desiring to obtain funds under this act shall, by the agency designated or created to cooperate with the board, make application therefor from time to time and submit at such times and for such periods as may be prescribed by the board plans for carrying out the provisions of this act within such State. The plans shall include (1) information as to the amounts actually expended for emergency relief by public and private agencies in the State for such periods as the board may prescribe; (2) estimates of the amounts appropriated or otherwise available for emergency relief needs within the State for the period covered by such plan or plans; (3) estimates of amounts necessary to meet the emergency relief needs in the State in the calendar year 1933, and, upon call of the board, in the calendar year 1934; (4) provision for adequate administrative personnel; and (5) provision for securing the benefits contemplated by this act to persons within the State, irrespective of the period of residence within the State. When the board determines that such plans are in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, they shall be approved by the board, and due notice of such approval shall be given to the State agency.

SEC. 7. Within 10 days after the date upon which a majority of the members of the board have qualified and have taken office, the board shall make the apportionment on the basis of population provided in section 4 (a). After application by any State and approval of its plans as provided in section 6 of this act, the board shall immediately certify to the Reconstruction Finance Corporation the amount to be paid to such State.

SEC. 8. (a) Whenever, from an application presented by a State agency and verified by the board, the board finds that the combined moneys available within the State from all sources, supplemented by any moneys to be paid to the State under section 4 (a), will fall below the estimated needs for emergency relief in any State, the State shall be eligible for an emergency allotment on the basis of need from the reserve fund provided in section 4 (b); but no such allotment shall be made to any State unless the board is satisfied that the State or its political subdivisions have made reasonable efforts within their resources to provide for emergency relief expenditures. The board shall, from time to time, certify the amounts to be paid under this subsection.

(b) The board is authorized to allot to the States not to exceed $15,000,000 out of the reserve fund, to be used in furnishing relief and in maintaining work and training programs for persons who have no legal claim on the State or the local community for such assistance.

(c) Any State desiring to receive funds under subsection (b) of this section shall submit to the board through its designated relief agency an application which shall set forth, in the manner prescribed by the board, the extent of the need for service to transients, and a detailed plan for administering relief, and for work and training programs, for transients. In considering such application the board shall determine whether sufficient need has been demonstrated, and whether the plans submitted will, if put into effect, actually relieve distress among transients, assist in their rehabilitation, and tend to decrease the transient problem. If the board finds that need has been demonstrated and approves the plan, it shall certify to the Reconstruction Finance Corporation the sum or sums which it approves for payment to the State. For the purpose of this section a transient is a person within the borders of a State who has no legal residence within that State.

SEC. 9. The Reconstruction Finance Corporation shall make payments without delay to the several States in such amounts and at such times as the Federal Emergency Relief Board may certify under sections 7 and 8 of this act, but no payment shall be made pursuant to certificate which has been revoked by the board as provided in section 10.

SEC. 10. Each State agency cooperating with the board under the provisions of this act shall make such reports concerning its operations and expenditures as shall be prescribed or requested by the board. The board may revoke any existing certificate or withhold any further certificate under this act whenever it shall determine, as to any State, that the State agency has not properly expended or supervised the expenditure of moneys paid to it in accordance with the plans approved under this act. Before any such certificate shall be revoked or withheld from any State the board shall give notice in writing to the State agency stating specifically wherein the State has failed to comply with such plans.

SEC. 11. The term "emergency relief," when used in this act, means relief in the form of money or commodities or services furnished by the State or its civil subdivisions or by private contributions from within the State to persons in their abode or habitation, or for the transient and homeless, or in the form of wages or other compensation for work furnished on the basis of need, but not including old-age pensions under special acts, or public aid under special acts to mothers for the care of dependent children, or relief to veterans under special acts. The decision of the board as to the purpose of any expenditure shall be final.

SEC. 12. This act shall be construed as intending to secure to the several States control of the administration of relief under this act within their respective territorial limits, subject only to the provisions and purposes of this act.

SEC. 13. The term "State," as used in this act, shall include the District of Columbia, Alaska, Hawaii, and Puerto Rico; and in the case of the District of Columbia the Commissioners of the District of Columbia shall designate the agency to cooperate with the board.

TITLE II—AMENDMENTS TO EMERGENCY RELIEF AND CONSTRUCTION ACT OF 1932

SEC. 21. Paragraph (1) of subsection (a) of section 201 of the emergency relief and construction act of 1932 is amended to read as follows:

"(1) to make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided*, That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation, in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years."

SEC. —. Paragraph (2) of subsection (a) of section 201 of such act is amended by inserting immediately before the semicolon a comma and the following:

"and to make loans to finance the construction of housing projects for families of officers of the United States Army, Navy, and Marine Corps, which are self-liquidating in character."

SEC. 22. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"(3) to make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks, canals, urban water systems, irrigation systems, and markets (including markets for the purpose of buying, selling, warehousing, or storing of agricultural commodities and livestock) devoted to public use and which are self-liquidating in character."

"SEC. —. Nothing in subsection (a) of section 201, of the emergency relief and construction act of 1932, shall be held to render ineligible to purchase by the Reconstruction Finance Corporation debentures issued by any State or commission or other agency thereof secured by the pledge of receipts from taxes or other impositions upon or derived from the sale of gasoline, the avails of the sale of such debentures to be devoted exclusively to the improvement of the highways of such State."

SEC. 23. Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

SEC. 24. Subsections (c) and (d) of section 201 of such act are amended to read as follows:

"(c) In order that the surpluses of agricultural commodities and livestock (including products manufactured directly therefrom) may not have a depressing effect upon current prices of such commodities and products, the corporation is authorized and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses in the markets of foreign countries in which such sales can not be financed in the normal course of commerce; but no such sales shall be financed by the corporation if, in its judgment, such sales will affect adversely the world markets for such commodities and products: *Provided, however*, That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"(d) The Reconstruction Finance Corporation is authorized and empowered to make loans if adequately secured to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States, and the products manufactured directly therefrom."

SEC. 25. Subsection (f) of section 201 of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "but in determining the adequacy of security offered by a borrower applying under subsection (a) of this section the board may, in its discretion, accept as adequate security under this section, a lien on, or other

satisfactory assurances of the application of, so much of the revenues from the project as may be required to meet interest payments during the period of the loan and assure refunding within a reasonable period: *Provided further,* That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan.

SEC. 26. The second proviso of subsection (g) of section 201 of such act is amended by striking out "(1) or (5)" and inserting in lieu thereof "(1), (2), or (5)."

SEC. 27. Subsection (h) of section 201 of such act is hereby amended to read as follows:

"(h) The corporation may make loans under this section at any time prior to January 23, 1934: *Provided,* That nothing herein shall prevent the corporation from issuing funds to a borrower prior to January 23, 1939, under the terms of any agreement with the borrower made prior to January 23, 1934."

SEC. 28. Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(k) The Reconstruction Finance Corporation is authorized to make available out of the funds of the corporation a sum not exceeding $5,000,000, which may be used by the corporation for the purpose of enabling and assisting established credit insurance organizations in the United States to provide export credit guaranties upon such terms and conditions as may be agreed upon between the corporation and such credit insurance organizations."

SEC. 29. Paragraph (1) of subsection (a) of section 301 of such act is amended by striking out "July 1, 1933" and inserting in lieu thereof "January 1, 1934."

At the proper place insert the following:

SEC. —. Section 5 of the Reconstruction Finance Corporation act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is further authorized and empowered to make loans to any fund created by any State for the purpose of insuring the repayment of deposits of public moneys of such State or any of its political subdivisions in banks or depositories qualified under the law of such State to receive such deposits. Such loans may be made at any time prior to January 23, 1934, and upon such terms and conditions as the corporation may prescribe; except that any fund which receives a loan under this paragraph shall be required to assign to the corporation, to the extent of such loan, all amounts which may be received by such fund as dividends or otherwise from the liquidation of any such bank or depository in which deposits of such public moneys were made. As used in this paragraph, the term 'State' includes the several States, and Alaska, Hawaii, and Puerto Rico."

Amend the title so as to read: "A bill to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardship and suffering caused by unemployment, to amend the emergency relief and construction act of 1932, and for other purposes."

The Wagner substitute to Senate bill 5125, as amended and passed, is as follows:

*Be it enacted, etc.,* That subsection (a) of section 1 of the emergency relief and construction act of 1932 is hereby amended by striking out "$300,000,000" wherever it appears and inserting in lieu thereof "$600,000,000."

SEC. 2. (a) The first sentence of subsection (b) of section 1 of such act is amended by inserting before the words "Puerto Rico" the words "the District of Columbia."

(b) The last sentence of subsection (b) of section 1 of such act is amended to read as follows: "before any amount is paid under this section to the Commissioners of the District of Columbia, or to the Governor of Puerto Rico or of the Territory of Alaska, the District of Columbia, Puerto Rico, or the Territory of Alaska shall enter into an agreement with the corporation for the repayment of such amount with interest thereon as herein provided, in such installments and upon such terms and conditions as may be agreed upon."

SEC. 3. (a) The first sentence of subsection (c) of section 1 of such act is amended to read as follows:

"The governor of any State or Territory may from time to time make application for funds under this section, and in each application so made shall certify the necessity for such funds to supplement the relief resources of the State or Territory, the steps taken by the State or Territory, its political subdivisions, and private agencies, to meet the relief needs of the State or Territory, and the purposes for which the funds requested upon this section will be used."

(b) Subsection (c) of section 1 of such act is further amended by adding at the end thereof the following new sentence: "No part of the amounts paid to the governor of a State or Territory under this section shall be used for the payment of administrative expenses incurred in furnishing relief and work relief under this section except upon the approval of the Reconstruction Finance Corporation, and all such expenditures shall be reported to the corporation as often as required by it: *Provided,* That this act shall be construed to permit the governor of a State to use, under supervision of the State highway department, such loan in the improvement of highways as a part of his work-relief plan."

SEC. 4. Subsection (f) of section 1 of such act is amended to read as follows:

"(f) As used in this section the term 'Territory' means Alaska, Hawaii, Puerto Rico, and the District of Columbia; and the term 'governor' shall include the Commissioners of the District of Columbia.

SEC. 5. Section 1 of such act is further amended by adding at the end thereof the following new subsection:

"(g) For the purposes of this act, the provisions of section 13 of the act entitled 'An act providing a permanent form of government for the District of Columbia,' approved June 11, 1878 (D. C. Code, title 20, ch. 4, sec. 622) (relating to increasing the indebtedness of the District of Columbia), are hereby declared inoperative."

SEC. 6. Such act is further amended by adding after section 1 thereof the following new section:

"SEC. 2. (a) The Reconstruction Finance Corporation is further authorized and empowered to make available out of funds of the corporation the sum of $15,000,000, under the terms and conditions hereinafter set forth, to the several States and Territories, to be used in furnishing relief and work relief to unemployed and needy transients, and to aid in their rehabilitation in training and work camps, or otherwise. Such sum shall be available for payment to the several States and Territories for the purposes of this section, upon application therefor by them through their governors (or, in the case of the District of Columbia, through the Commissioners of the District of Columbia) or such public relief agencies as the legislatures thereof (or, in the case of the District of Columbia, the Congress) may designate, and upon approval of such application as hereinafter provided.

"(b) Any State or Territory which desires to receive funds under this section shall set forth in its application the need for such funds, the plan by which it proposes to administer such funds for the relief and rehabilitation of transients, and such other information with respect to its transient problems as the corporation may by regulation prescribe. Upon approval by the corporation of any such application, in whole or in part, it shall make an estimate of the amount needed by the applicant for the purposes of this section for a reasonable period in advance. The amount so estimated shall be immediately paid by the corporation to the proper State or Territorial officials. Each amount so paid shall be considered as an outright grant to the State or Territory receiving the same, but the officials of the State or Territory who administer the amounts received under this section shall file with the corporation a statement of the disbursements made by them for the purposes of this section.

"(c) As used in this section the term 'Territory' means Alaska, Hawaii, Puerto Rico, and the District of Columbia."

SEC. 7. Paragraph (1) of subsection (a) of section 201 of such act is amended to read as follows:

"(1) To make loans to, or contracts with, States, municipalities, and political subdivisions of States, public agencies of States, of municipalities, and of political subdivisions of States, public corporations, boards and commissions, and public municipal instrumentalities of one or more States, to aid in financing the construction, reconstruction, replacement, extension, or improvement of projects authorized under Federal, State, or municipal law which, in the opinion of the corporation, are needful and in the public interest, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Reconstruction Finance Corporation is authorized to bid for such securities: *Provided,* That nothing herein contained shall be construed to prohibit the Reconstruction Finance Corporation in carrying out the provisions of this paragraph, from purchasing securities having a maturity of more than 10 years."

SEC. 8. Paragraph (2) of subsection (a) of section 201 of the emergency relief and construction act of 1932 is amended by inserting immediately before the semicolon a comma and the following: "and to make loans to finance the construction of housing projects for families of officers of the United States Army, Navy, and Marine Corps, which are self-liquidating in character."

SEC. 9. Paragraph (3) of subsection (a) of section 201 of such act is amended to read as follows:

"(3) To make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks, canals, urban water systems, irrigation systems, and markets (including markets for the purpose of buying, selling, warehousing, or storing of agricultural commodities and livestock), devoted to public use and which are self-liquidating in character."

SEC. 10. Nothing in subsection (a) of section 201 of the emergency relief and construction act of 1932 shall be held to render ineligible to purchase by the Reconstruction Finance Corporation debentures issued by any State or commission or other agency thereof secured by the pledge of receipts from taxes or other impositions upon or derived from the sale of gasoline, the avails of the sale of such debentures to be devoted exclusively to the improvement of the highways of such State.

SEC. 11. Subsection (a) of section 201 of such act is further amended by striking out "(other than by taxation)."

SEC. 12. Subsections (c) and (d) of section 201 of such act are amended to read as follows:

"(c) In order that the surpluses of agricultural commodities and livestock (including products manufactured directly therefrom) may not have a depressing effect upon current prices of such commodities and products, the corporation is authorized

and directed to make loans, in such amounts as may in its judgment be necessary, for the purpose of financing sales of such surpluses in the markets of foreign countries in which such sales can not be financed in the normal course of commerce; but no such sales shall be financed by the corporation if, in its judgment, such sales will affect adversely the world markets for such commodities and products: *Provided, however,* That no such loan shall be made to finance the sale in the markets of foreign countries of cotton owned by the Federal Farm Board or the Cotton Stabilization Corporation.

"(d) The Reconstruction Finance Corporation is authorized and empowered to make loans, if adequately secured, to bona fide institutions, organized under the laws of any State or of the United States and having resources adequate for their undertakings, for the purpose of enabling them to finance the carrying and orderly marketing of agricultural commodities and livestock produced in the United States and the products manufactured directly therefrom."

SEC. 13. Subsection (f) of section 201 of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "but in determining the adequacy of security offered by a borrower applying under subsection (a) of this section the board may, in its discretion, accept as adequate security under this section, a lien on, or other satisfactory assurances of the application of, so much of the revenues from the project as may be required to meet interest payments during the period of the loan and assure refunding within a reasonable period: *Provided further,* That each loan made under paragraphs (1) to (5) of subsection (a) of this section after this subsection, as amended, takes effect, shall bear interest at a rate not exceeding 1 per cent more than the rate of interest established for the last issue of bonds of the United States preceding the making of such loan."

SEC. 14. The second proviso of subsection (g) of section 201 of such act is amended by striking out "(1) or (5)" and inserting in lieu thereof "(1), (2), or (5)."

SEC. 15. Subsection (h) of section 201 of such act is hereby amended to read as follows:

"(h) The corporation may make loans under this section at any time prior to January 23, 1934: *Provided,* That nothing herein shall prevent the corporation from issuing funds to a borrower prior to January 23, 1939, under the terms of any agreement with the borrower made prior to January 23, 1934."

SEC. 16. Paragraph (1) of subsection (a) of section 301 of such act is amended by striking out "July 1, 1933" and inserting in lieu thereof "January 1, 1934."

SEC. 17. Section 5 of the Reconstruction Finance Corporation act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is further authorized and empowered to make loans to any fund created by any State for the purpose of insuring the repayment of deposits of public moneys of such State or any of its political subdivisions in banks or depositories qualified under the law of such State to receive such deposits. Such loans may be made at any time prior to January 23, 1934, and upon such terms and conditions as the corporation may prescribe; except that any fund which receives a loan under this paragraph shall be required to assign to the corporation, to the extent of such loan, all amounts which may be received by such fund as dividends or otherwise from the liquidation of any such bank or depository in which deposits of such public moneys were made. As used in this paragraph, the term 'States' includes the several States and Alaska, Hawaii, and Puerto Rico."

The VICE PRESIDENT. The question is on agreeing to the substitute offered by the Senator from New York [Mr. WAGNER] as amended and as it will appear in the RECORD preceding the vote upon it.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when Mr. BLAINE's name was called). Making the same announcement as before concerning the absence of my colleague, and the fact that he is paired with the junior Senator from Illinois [Mr. LEWIS], I wish to announce that if my colleague were present he would vote "nay," and I understand that if the junior Senator from Illinois [Mr. LEWIS] were present he would vote "yea."

Mr. BULOW (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. HEBERT]. In his absence I withhold my vote. If the Senator from Rhode Island were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. LOGAN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I do not know how that Senator would vote, and I therefore withhold my vote.

Mr. McGILL (when his name was called). I have a pair on this vote with the junior Senator from New Hampshire [Mr. KEYES], who is absent. If he were present, I understand he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. SMITH (when his name was called). Again announcing my pair with the senior Senator from Indiana [Mr. WATSON], not knowing how he would vote, I withhold my vote.

Mr. THOMAS of Idaho (when his name was called). On this vote I have a pair with the senior Senator from Maine [Mr. HALE]. If the Senator from Maine were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. FESS. I desire to announce a special pair on this question between the Senator from West Virginia [Mr. HATFIELD] and the Senator from Montana [Mr. WHEELER]. If the Senator from West Virginia [Mr. HATFIELD] were present, he would vote "yea," and if the Senator from Montana [Mr. WHEELER] were present he would vote "nay."

I also desire to announce the following general pairs:

The Senator from Illinois [Mr. GLENN] with the Senator from Texas [Mr. CONNALLY];

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Louisiana [Mr. BROUSSARD]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Virginia [Mr. SWANSON].

Mr. SHIPSTEAD. I wish to announce the unavoidable absence of my colleague [Mr. SCHALL]. On this question he is paired with the Senator from Delaware [Mr. HASTINGS]. If my colleague were present, he would vote "nay" on this question, and I am informed that if the Senator from Delaware [Mr. HASTINGS] were present he would vote "yea."

Mr. SHEPPARD. I desire to announce the necessary absence of the Senator from Virginia [Mr. SWANSON] and the Senator from Illinois [Mr. LEWIS]. If present, these Senators would vote "yea."

Mr. WALSH of Montana. My colleague [Mr. WHEELER] is absent this afternoon on account of illness. If he were present, he would vote "nay."

The result was announced—yeas 44, nays 28, as follows:

YEAS—44

| | | | |
|---|---|---|---|
| Ashurst | Dickinson | King | Smoot |
| Barbour | Fess | Long | Steiwer |
| Bingham | Fletcher | McKellar | Stephens |
| Black | George | McNary | Townsend |
| Bratton | Glass | Metcalf | Tydings |
| Bulkley | Gore | Moses | Vandenberg |
| Byrnes | Harrison | Oddie | Wagner |
| Carey | Hayden | Pittman | Walcott |
| Coolidge | Hull | Reed | Walsh, Mass. |
| Copeland | Kean | Robinson, Ark. | Walsh, Mont. |
| Dale | Kendrick | Russell | White |

NAYS—28

| | | | |
|---|---|---|---|
| Austin | Caraway | Grammer | Patterson |
| Bailey | Clark | Howell | Reynolds |
| Bankhead | Costigan | Johnson | Robinson, Ind. |
| Barkley | Couzens | La Follette | Sheppard |
| Borah | Cutting | Neely | Shipstead |
| Brookhart | Dill | Norris | Thomas, Okla. |
| Capper | Frazier | Nye | Trammell |

NOT VOTING—24

| | | | |
|---|---|---|---|
| Blaine | Goldsborough | Lewis | Shortridge |
| Broussard | Hale | Logan | Smith |
| Bulow | Hastings | McGill | Swanson |
| Connally | Hatfield | Norbeck | Thomas, Idaho |
| Davis | Hebert | Schall | Watson |
| Glenn | Keyes | Schuyler | Wheeler |

So Mr. WAGNER's amendment in the nature of a substitute as amended was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment as amended.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when Mr. BLAINE's name was called). Making the same announcement concerning the absence of my colleague [Mr. BLAINE] and his pair, I wish to state that, if present, on this vote he would vote "yea."

Mr. KING (when his name was called). I have a general pair with the junior Senator from California [Mr. SHORTRIDGE]. I withhold my vote.

Mr. McGILL (when his name was called). On this vote I am paired with the junior Senator from New Hampshire [Mr. KEYES]. If he were present, I understand he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "yea."

Mr. SMITH (when his name was called). Making the same announcement as before with reference to my pair, I withhold my vote.

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). Has the junior Senator from Kentucky [Mr. LOGAN] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. DAVIS. I have a pair with that Senator, and therefore withdraw my vote.

Mr. WALSH of Montana. My colleague the junior Senator from Montana [Mr. WHEELER] is absent on account of illness. Were he present, he would vote "yea."

Mr. FESS. I was requested to announce that the Senator from New Hampshire [Mr. KEYES], the Senator from Maine [Mr. HALE], and the Senator from West Virginia [Mr. HATFIELD] are necessarily absent, and that if present they would vote "yea."

I also wish to announce the following general pairs:

The Senator from Maryland [Mr. GOLDSBOROUGH] with the Senator from Louisiana [Mr. BROUSSARD];

The Senator from Illinois [Mr. GLENN] with the Senator from Texas [Mr. CONNALLY]; and

The Senator from South Dakota [Mr. NORBECK] with the Senator from Virginia [Mr. SWANSON].

I also desire to announce the special pair of the Senator from Delaware [Mr. HASTINGS] with the Senator from Minnesota [Mr. SCHALL]. If present, the Senator from Delaware [Mr. HASTINGS] would vote "nay," and the Senator from Minnesota [Mr. SCHALL] would vote "yea."

Mr. SHEPPARD. I desire to announce the necessary absence of the Senator from Virginia [Mr. SWANSON] and the Senator from Illinois [Mr. LEWIS]. If present, these Senators would vote "yea."

The result was announced—yeas 54, nays 16, as follows:

YEAS—54

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Kendrick | Robinson, Ind. |
| Bankhead | Cutting | La Follette | Sheppard |
| Barkley | Dale | Long | Smoot |
| Black | Dickinson | McGill | Stelwer |
| Bratton | Dill | McKellar | Thomas, Okla. |
| Brookhart | Fess | McNary | Trammell |
| Bulkley | Fletcher | Neely | Tydings |
| Byrnes | Frazier | Norris | Vandenberg |
| Capper | George | Nye | Wagner |
| Caraway | Harrison | Oddie | Walsh, Mass. |
| Carey | Hayden | Pittman | Walsh, Mont. |
| Clark | Howell | Reed | White |
| Copeland | Hull | Reynolds | |
| Costigan | Johnson | Robinson, Ark. | |

NAYS—16

| | | | |
|---|---|---|---|
| Austin | Borah | Grammer | Patterson |
| Bailey | Coolidge | Kean | Russell |
| Barbour | Glass | Metcalf | Townsend |
| Bingham | Gore | Moses | Walcott |

NOT VOTING—26

| | | | |
|---|---|---|---|
| Blaine | Hale | Logan | Stephens |
| Broussard | Hastings | Norbeck | Swanson |
| Bulow | Hatfield | Schall | Thomas, Idaho |
| Connally | Hebert | Schuyler | Watson |
| Davis | Keyes | Shipstead | Wheeler |
| Glenn | King | Shortridge | |
| Goldsborough | Lewis | Smith | |

So the amendment of the committee in the nature of a substitute as amended by the substitute proposed by Mr. WAGNER as amended was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

The bill was passed.

The title was amended so as to read: "A bill to amend the emergency relief and construction act of 1932."

### THE TRANSIENT CAMP

Mr. FLETCHER. Mr. President, a very important contribution toward the solution of the problem we have been discussing to-day has been made at Jacksonville, Fla., by the establishment and successful operation of a transients' camp there. The matter is disclosed in the statement I submit and ask to have printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

THE TRANSIENT CAMP—AN EXPERIMENT IN SOCIAL RECONSTRUCTION

One phase of the problem facing the country as a result of the present economic conditions is that relating to the relief of the thousands of men who are wandering from place to place looking for work.

The extent of the problem is not accurately known, estimates of the number of these wanderers varying from 250,000 to 2,000,000 or more. That it is a problem can not be denied, and it concerns largely thousands of self-respecting men who have hitherto been able to support themselves and their families in comfort, but who now find themselves without work, often without a home, which they may have lost through foreclosure or tax sales, and who are traveling the country over in hopes of obtaining the means of bare subsistence. The professional hoboes, of course, are present in this throng, but their problem is different, and perhaps insoluble. It is the artisan, the former clerk, or small storekeeper whose present situation appeals to our sympathy and calls for a constructive program of relief and rehabilitation.

An attempt has been made to supply such a program in Jacksonville through the establishment of a camp for transients. The Florida National Guard placed at the disposal of the relief committee the barracks and other facilities at Camp Foster, situated about 10 miles from the city, and in consideration of such use it was agreed that the men housed in the camp would be employed in making improvements on the camp reservation, which consists of 1,000 acres. The cooperation of the mayor and the city police department was enthusiastically proffered, so that after the camp was established a man on pass from the camp was not molested, but those without passes were advised to go to the camp or run the risk of being considered vagrants and subject to arrest.

Funds were provided by the Reconstruction Finance Corporation, and two former service men who were without jobs were employed to operate the camp. Cots and blankets were obtained from the Army. Arrangements were made with the Salvation Army to have men gather at their building and at 9 o'clock every night trucks were sent to get these men and carry them to the camp.

From the beginning it was decided to eliminate red tape, but since this was to be a work camp, men whose physical condition or age precluded them from doing any kind of work were not admitted. A certain number of elderly men were given clerical or other work suited to their age, but since such positions are limited, only a small number were allowed to enter.

No time limit is placed on the length of stay. On admission, however, the applicant is told that he will be expected to remain at least one week, but he may stay indefinitely as long as he behaves himself. The rules are simple and are largely made and enforced by the men themselves. The possession or use of liquor is prohibited. Orderly conduct is required at all times. Seven hours is given to work daily except Sunday, and Saturday afternoon is a holiday. The camp is operated on a semimilitary plan, order and discipline being enforced by sergeants selected by the camp commander from the ex-service men who applied for admission. The cooking is done by former Army cooks, the storeroom is in charge of a former groceryman, the camp dispensary in charge of a former Army Hospital Corps man who has had in addition three years in a medical school. Each man is allowed the use of two blankets, a towel, and a pair of overalls, the latter obtained from the Red Cross. They are served a balanced Army ration of three meals a day and are paid 5 cents a day.

On admission each man is questioned separately. His name, his age, his home address, if any, and his occupation are entered on a card and he is told what is expected of him and that the camp is his camp and that he must do his part to keep it the kind of a place he would like to live in. He is then sent to take a hot shower bath, at which time a physical examination is made of his person and his clothes. The latter, if vermin infested, are disinfected and the man assigned to the receiving barracks, where he remains until danger of contamination is passed.

The camp population has grown from 18 on December 16, the opening day, to 418 on February 13, when this is written. During that time 392 men have passed through the camp, many leaving voluntarily, others being dismissed for various reasons. Among this group, coming from all parts of the United States, there have been clerks, cooks, accountants, architects, engineers, machinists, electricians, plumbers, carpenters, auto mechanics, farmers, fishermen, telegraphers, railroad trainmen, prize fighters, sailors, tailors, barbers, common laborers, and a sprinkling of college graduates who find themselves at a loose end in a world that can not provide a living to a skilled artisan, much less to a man without a trade. They range in age from 15 to 70, and they all want a job. The loafer and the bad actor, both of whom

are in a very small minority, do not remain. Usually they leave voluntarily; sometimes the other men tell them to leave.

This story is called an experiment in social reconstruction. Let me explain that. In the first place, so far as possible, the men are given work in their own trade. The farmers have planted and are cultivating a truck farm which will furnish fresh vegetables to the camp mess. The barbers cut the men's hair. The shoemakers and tailors repair shoes and clothes. The electricians and linemen are replacing rotting poles with new poles cut on the reservation and are renovating the entire electrical equipment.

The automobile mechanics have repaired and put into operation many old trucks dating from war time and have made them available for use by the State military department. Since the camp is located on the St. Johns River, even the fishermen have found it possible to follow their vocation and have built themselves a boat from scrap lumber and are catching fish, which they keep in a live trap until enough are accumulated for a meal for 370 men. The prize fighters entertain their companions once a week with a boxing match, and the musicians have formed an orchestra. On Sunday afternoons religious services are held, attendance at which is not compulsory, but a very large majority of the camp population is present at these services. The older men give instruction to the youngsters, vocational training which fits them to become self-supporting when jobs again become available. Then, again, many of these men have been enabled to obtain work because they had a place where mail could reach them. Did you ever think what it would mean not to know where you would be to-morrow? These men might be picked up as vagrants and spend the night in jail, only to be turned loose the next day and told to move on, and have the process repeated the next day.

Then, again, I say it is an experiment in social reconstruction, because these men have shown a spirit of cooperation; yes, enthusiasm, of helpfulness to each other, of willingness to work for what they receive, that shows they have recovered their self-respect and have demonstrated a cheerfulness and hopefulness for the future that is astonishing under the circumstances.

Certain theorists have expressed the conviction that it would be harmful and demoralizing to have boys in association with older men in such a camp. Our experiences at Camp Foster is the contrary. The younger men and boys are getting vocational training from the older skilled workmen, and because discipline in this camp is largely self-imposed the influence of the older, settled men is distinctly beneficial. There is no guardhouse at Camp Foster. There is no need for one. There has been no disorder, no infractions of the civil or criminal laws, not one single article loaned to the men has been lost or stolen during the three months the camp has been formed.

There are many problems connected with transients which Camp Foster does not even attempt to solve. The transient family, the aged, the physically disabled, still await some solution of their troubles. Perhaps the young boys might be better helped in other ways, but our experience indicates that the numbers of the latter in the army of the wanderers has been greatly exaggerated. But we do think we are doing something for the great numbers of fine, self-respecting American citizens whose present plight is caused solely by inability to find a job, and that while they are waiting for better times we are preserving their self-respect, their respect for constituted authority, and allowing to them an opportunity to demonstrate a spirit of cooperation and mutual consideration which is a heartening augury for the future.

### MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States, and it was signed by the Vice President.

### PROMOTION OF ECONOMIC RECOVERY (H. DOC. NO. 560)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was ordered to lie on the table and to be printed, and it was read, as follows:

*To the Senate and House of Representatives:*

There are certain measures looking to the promotion of economic recovery which have been under consideration by the Congress and are so advanced toward completion or understanding as to seem possible of enactment during the present session.

1. It is most necessary that the principles of the bankruptcy bill which has already been acted upon by the House should be passed by the Senate. The whole object of the bill is to secure orderly cooperation between creditors and debtors, whether farmers, individuals, general corporations, or railroads, for mutual adjustment which will preserve the integrity and continuous operation of business, save the values of good will and the continuation of people in their occupations, and thus avoid destruction of the interest of both parties. This legislation is of the most critical importance in this period of readjustment. Incidentally, such a workable system is highly necessary in order to permit a certain minority of railroads to be so reorganized as to reduce fixed charges and thus relieve the Reconstruction Finance Corporation of drains in prevention of destructive receiverships.

2. The Great Lakes-St. Lawrence seaway treaty should be ratified. It not only will serve a great national purpose but is of importance now also to relieve unemployment by its construction.

3. The enactment by the House of the general principles embodied in the Glass banking bill, which has already passed the Senate, will greatly contribute to reestablish confidence. It is the first constructive step to remedy the prime weakness of our whole economic life—that is, organization of our credit system.

4. Authority should be given to the Reconstruction Finance Corporation to increase the amount of loans to States and municipalities for purposes of assistance to distress on the same terms as the present act. While the corporation has funds available which will last until July, it is desirable that they should be supplemented.

5. It seems clear that the domestic-allotment plan is wholly unworkable. It will do far greater harm than good to agriculture.

Pending the return of the great commercial countries to the gold standard and the consequent increase in world consumption, and thus rise in world prices, it is essential temporarily to reduce farm production so as to remove the back-breaking surpluses of agricultural products and thus to raise agricultural income. The plan proposed by the Secretary of Agriculture some time since for temporary leasing of marginal lands is the least harmful and the most hopeful of all the plans which have been proposed. It has the merit of direct action in reducing supply to demand and thus unquestionably increasing prices; it would affect all farm products; give equal benefits to all farmers; is free of increased bureaucracy; very much less costly; and could be covered by a manufacturers' excise tax of probably 1 per cent to 2 per cent upon these commodities. It would also largely eliminate the tax and interest problems which the Congress is seeking to solve at much greater cost.

6. I earnestly recommend repeal of the procedure of the House of Representatives in publishing loans made by the Reconstruction Finance Corporation. These transactions should be open to the fullest degree to the representatives of the Congress, but their publication in the last few months has led to widespread, mostly innocent misinterpretation, vicious in effect, by depositors and alarmists who do not recognize that such borrowings represent an endeavor of the institution to provide funds needed in service to their respective communities. This publication is destroying the usefulness and effectiveness of the Reconstruction Corporation, is exaggerating fears, and is introducing new elements of grave danger. It is drying up the very sources of credit. The effect of such publication is forcing payment by distressed debtors to replenish bank funds. It is causing the hoarding of currency.

7. While the Congress could not enact such a law during this session I recommend that it should institute an inquiry with view to the early expansion of the home loan discount banks into a general mortgage discount system to be owned cooperatively by banks and mortgage companies (with adequate encouragement of the special activities of building and loan associations) and thus to parallel in the field of long-time credit the service of the Federal reserve system for short-time credit. Such a system would relieve the Reconstruction Finance Corporation of many of its functions, would assist in the orderly readjustment of the present situation, and through private initiative would serve many purposes for which the Congress is striving through direct action by the Government.

8. Peace would be promoted and the killing of men checked in various parts of the world to-day, if the Execu-

tive had the authority to join with other nations in preventing the shipment of arms to such localities. I earnestly recommend that the legislation proposed for this purpose be enacted.

HERBERT HOOVER.

THE WHITE HOUSE, *February 20, 1933.*

AMENDMENT OF BANKRUPTCY ACT

Mr. ROBINSON of Arkansas. Mr. President, I move that the Senate proceed to the consideration of calendar 1310, House bill 14359, to amend the bankruptcy act.

Mr. MCNARY. Mr. President, the Senator from Delaware [Mr. HASTINGS] is necessarily absent. It was his wish that the bill be made the unfinished business. I hope the motion will prevail.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 14359) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which had been reported from the Committee on the Judiciary with an amendment.

Mr. ROBINSON of Arkansas. Mr. President, I understand the Senator from Utah [Mr. SMOOT] desires to call up the independent offices appropriation bill. Therefore I ask unanimous consent that the unfinished business be temporarily laid aside for that purpose.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

INDEPENDENT OFFICES APPROPRIATIONS

Mr. SMOOT. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of the independent offices appropriation bill.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Chair lays before the Senate the following bill.

The CHIEF CLERK. A bill (H. R. 14458) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes.

ADJOURNMENT

Mr. MCNARY. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 5 o'clock and 13 minutes p. m.) adjourned until to-morrow, Tuesday, February 21, 1933, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

### MONDAY, FEBRUARY 20, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou, who art love in its tenderest form, let go that precious consolation, "Thy sins are forgiven thee." Draw aside the veil and enable us to perceive the divine compassion and the all-sufficiency of Thy holy will. Speak in the whispers of that peace which comforts the heart of a child. Our citizens of every section, abide with them in great measures of material and spiritual blessings. Strengthen our fellowship, instruct us by Thy teachings, and become to us a light on our pathway. Thou God of all peoples and of all lands, set in motion divine influences that shall flow like ocean tides around the world until all shall be bathed in their floods and the knowledge of the Lord shall fill the earth as the waters cover the sea. Through Christ our Savior. Amen.

The Journal of the proceedings of Saturday, February 18, 1933, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 5122. An act to provide for the purchase and sale of cotton under the supervision of the Secretary of Agriculture.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 14199) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REED, Mr. BINGHAM, Mr. STEIWER, Mr. CUTTING, Mr. KENDRICK, Mr. MCKELLAR, and Mr. FLETCHER to be the conferees on the part of the Senate.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL—FISCAL YEAR 1934

Mr. BYRNS. Mr. Speaker, I present a conference report on the bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, and in this connection I would ask unanimous consent to proceed for five minutes for the purpose of explaining the report.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to address the House for five minutes. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, the report is not coming up to-day?

Mr. BYRNS. No; but I want to make an explanatory statement of about five minutes, and I think the statement will be of interest to every Member of the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNS. Mr. Speaker, this report contains, of course, a report upon the amendments which have been made to the appropriations carried in the regular appropriation bill. It was necessary, under the rules of the House, for the conferees to return the other amendments to the House for its action, because they are filled with legislation. I refer particularly to the so-called economy amendment of the Senate and also to the reorganization provision, both of which are contained in the same amendment. There are also two other amendments that it is not necessary to refer to.

Your committee of conference has been in steady and almost continuous session with the Senate since last Monday morning. It took us the entire week to go through this very long amendment and consider it carefully, as we endeavored to do.

We agreed on many things. There are some things to which we did not agree.

I think I may say for the conferees that we were exceedingly anxious, even though some of us may have favored some matters not contained in the motion I will present, to report a bill which would not provoke a discussion, if I may say so, at the other end of the Capitol and probably jeopardize the passage of the bill between now and March 4, or to put into the bill any amendment which might possibly provoke a veto. For this reason members of the conference committee probably did not insist upon some things that they would have insisted upon had it not been for this fact, and also the feeling that later on, if it is desired to amend the measure, there will be no trouble at the next session of Congress in bringing the matter to the attention of the Congress.

The amendment which I will submit represents the views of the House conferees as a majority. There are some members of the conference committee who do not agree to every particular provision in this amendment, but the amendment represents the views of the majority.

I am perfectly well aware that in a long amendment like this it will be impossible for any Member of the House to hear it read from the desk and fully understand all of its provisions.

I have always believed that notwithstanding this is a large membership and notwithstanding the fact that we have to have rules in order to do business, there is no

reason why every Member of the House should not have an opportunity to express himself upon major matters as they come before the House, even though to a limited extent, and it is my desire that every Member of the House shall have an opportunity to-morrow to offer any amendment that is germane to the motion that I shall make, and have the House vote upon it. Therefore, we have prepared our motion and in order to give the House the fullest information at the earliest opportunity as to what we are going to propose, I ask unanimous consent to insert it in the RECORD along with this report, and I wish also to advise the House that copies of the amendment will be available after 1 or 2 o'clock this afternoon in the Committee on Appropriations, so that you can see the motion and not have to wait until in the morning to look it over.

[Here the gavel fell.]

The amendment which will be offered reads as follows:

Amendment proposed by Mr. BYRNS to Senate amendment No. 14, Treasury and Post Office appropriation bill, fiscal year 1934 (H. R. 13520): A motion that the House recede from its disagreement to the amendment of the Senate No. 14, and agree to the same with the following amendment: Strike out all of the matter proposed to be inserted by the Senate amendment and insert the following:

"SEC. 4. (a) The provisions of the following sections of Part II of the legislative appropriation act, fiscal year 1933, are hereby continued in full force and effect during the fiscal year ending June 30, 1934, namely, sections 101, 102, 103, 104, 105, 106, 107 (except paragraph (5) of subsection (a) thereof), 108, 109, 112, 201, 203, 205, 206 (except subsection (a) thereof), 211, 214, 216, 304, 315, 317, 318, and 323 and, for the purpose of continuing such sections in the application of such sections with respect to the fiscal year ending June 30, 1934, the figures '1933' shall be read as '1934'; the figures '1934' as '1935'; and the figures '1935' as '1936'; and, in the case of sections 102 and 203, the figures '1932' shall be read as '1933,' except that in the application of such sections with respect to the fiscal year ending June 30, 1934 (but not with respect to the fiscal year ending June 30, 1933), the following amendments shall apply:

"(1) Section 104 (a) is amended by striking out the period at the end thereof and inserting a semicolon and the following: 'and (12) special delivery messengers in the Postal Service'; and section 105 (d) (2) is amended by adding at the end thereof the following: 'special delivery messengers in the Postal Service, but in the case of such messengers, the sum of $400 shall not be included in the calculation of the rate of their compensation for the purposes of this title;'.

"(2) Section 106 is amended by striking out 'except judges whose compensation may not under the Constitution be diminished during their continuance in office' and inserting in lieu thereof 'except judges whose compensation prior to retirement or resignation could not under the Constitution have been diminished.'

"(3) Section 216 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: '*Provided further*, That no employee under the classified civil service shall be furloughed under the provisions of this section for a total of more than 90 days during the fiscal year 1934, except after full and complete compliance with all the provisions of the civil service laws and regulations relating to reductions in personnel.'

"(4) Section 317 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: '*Provided further*, That no part of any appropriation for "public works," nor any part of any allotment or portion available for "public works" under any appropriation, shall be transferred pursuant to the authority of this section to any appropriation for expenditure for personnel unless such personnel is required upon or in connection with "public works." "Public works" as used in this section shall comprise all projects falling in the general classes enumerated in Budget Statement No. 9, pages A177 to A182, inclusive, of the Budget for the fiscal year 1934, and shall also include the procurement of new airplanes and the construction of vessels under appropriations for "Increase of the Navy." The interpretation by the Director of the Bureau of the Budget, or by the President in the cases of the War Department and the Navy Department, of "public works," as defined and designated herein, shall be conclusive.'

"(b) All acts or parts of acts inconsistent or in conflict with the provisions of such sections, as amended, are hereby suspended during the period in which such sections, as amended, are in effect.

"(c) No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application, as provided in this section, of such sections 101, 102, 103, 104, 105, 106, 107, 108, 109, or 112, as amended, unless such suit involves the Constitution of the United States.

"(d) The appropriations or portions of appropriations unexpended by reason of the operation of the amendments made in subsection (a) of this section shall not be used for any purpose, but shall be impounded and returned to the Treasury.

"(e) Each permanent specific annual appropriation available during the fiscal year ending June 30, 1934, is hereby reduced for that fiscal year by such estimated amount as the Director of the Bureau of the Budget may determine will be equivalent to the savings that will be effected in such appropriation by reason of the application of this section and section 7.

"SEC. 5. Effective the first day of the month next following the passage of this act, in the application of Title I of Part II of the legislative appropriation act, fiscal year 1933, and section 4 of this act, in any case where the annual rate of compensation of any position is in excess of $1,000, the provisions reducing compensation shall not operate to reduce the total amount paid for any month to any incumbent of any such position unless the total amount earned by such incumbent in such month exceeds $83.33: *Provided*, That any such reduction made in any case where the total amount earned by any such incumbent in any month exceeds $83.33 shall not operate to reduce the total amount to be paid to such incumbent for such month to less than $83.33.

"SEC. 6. (a) Sections 103 and 215 of the legislative appropriation act, fiscal year 1933, shall be held applicable to the officers and employees of the Panama Canal and Panama Railroad Co. on the Isthmus of Panama, and to officers and employees of the United States (including enlisted personnel) holding official station outside the continental United States, only to the extent of depriving each of them of one month's leave of absence with pay during each of the fiscal years ending June 30, 1933, and June 30, 1934.

"(b) During the fiscal year 1934, deductions on account of legislative furlough shall be made each month from the compensation of each officer or employee subject to the furlough provisions of Title I of Part II of the legislative appropriation act, fiscal year 1933, as continued by section 4 (a) of this act, at the rate of 8⅓ per cent per month regardless of the number of days of such furlough actually taken by any such officer or employee in any month.

"SEC. 7. No administrative promotions in the civil branch of the United States Government or the government of the District of Columbia shall be made during the fiscal year ending June 30, 1934: *Provided*, That the filling of a vacancy, when authorized by the President, by the appointment of an employee of a lower grade, shall not be construed as an administrative promotion, but no such appointment shall increase the compensation of such employee to a rate in excess of the minimum rate of the grade to which such employee is appointed, unless such minimum rate would require an actual reduction in compensation: *Provided further*, That the restoration of employees to their former grades or their advancement to intermediate grades following reductions of compensation for disciplinary reasons shall not be construed to be administrative promotions for the purposes of this section. The provisions of this section shall not apply to commissioned, commissioned warrant, warrant, and enlisted personnel, and cadets, of the Coast Guard.

"SEC. 8. All officers and employees of the United States Government or of the government of the District of Columbia who had reached the retirement age prescribed for automatic separation from the service on or before July 1, 1932, and who were continued in active service for a period of less than 30 days after June 30, 1932, pursuant to an Executive order issued under authority of section 204 of Part II of the legislative appropriation act, fiscal year 1933, shall be regarded as having been retired and entitled to annuity beginning with the day following the date of separation from active service, instead of from August 1, 1932, and the Administrator of Veterans' Affairs is hereby authorized and directed to make payments accordingly from the civil-service retirement and disability fund.

"SEC. 9. The allowance provided for in the act entitled 'An act to permit payments for the operation of motor cycles and automobiles used for necessary travel on official business, on a mileage basis in lieu of actual operating expenses,' approved February 14, 1931 (U. S. C., Supp. V, title 5, sec. 73a), for travel ordered after the date of enactment of this act shall not exceed 2 cents per mile in the case of travel by motor cycle or 5 cents per mile in the case of travel by automobile.

"SEC. 10. Whenever by or under authority of law actual expenses for travel may be allowed to officers or employees of the United States, such allowances, in the case of travel ordered after the date of enactment of this act, shall not exceed the lowest first-class rate by the transportation facility used in such travel.

"SEC. 11. From and after the date of enactment of this act, the provisions of the act of March 3, 1931 (U. S. C., Supp. V, title 5, sec. 26a), shall not apply to any employees of the Veterans' Administration homes, hospitals, or combined facilities where, in the discretion of the Administrator of Veterans' Affairs, the public interest requires that such employees should be excepted from the provisions thereof. As to those employees excepted from the provisions of the act of March 3, 1931, seven hours shall constitute a workday on Saturday and labor in excess of four hours on Saturdays shall not entitle such employees to an equal shortening of the workday on some other day or to additional compensation therefor.

"SEC. 12. Assignments of officers of the Army, Navy, or Marine Corps to permanent duty in the Philippines, on the Asiatic Station, or in China, Hawaii, Puerto Rico, or the Panama Canal Zone shall be for not less than three years. No such officer shall be transferred to duty in the continental United States before the expiration of such period unless the health of such officer or the public interest requires such transfer, and the reason for the transfer shall be stated in the order directing such transfer.

"SEC. 13. The act entitled 'An act to provide for deducting any debt due the United States from any judgment recovered against the United States by such debtor,' approved March 3, 1875 (U. S. C., title 31, sec. 227), is hereby amended to read as follows:

"'That when any final judgment recovered against the United States duly allowed by legal authority shall be presented to the Comptroller General of the United States for payment, and the plaintiff therein shall be indebted to the United States in any manner, whether as principal or surety, it shall be the duty of the Comptroller General of the United States to withhold payment of an amount of such judgment equal to the debt thus due to the United States; and if such plaintiff assents to such set-off, and discharges his judgment or an amount thereof equal to said debt, the Comptroller General of the United States shall execute a discharge of the debt due from the plaintiff to the United States. But if such plaintiff denies his indebtedness to the United States, or refuses to consent to the set-off, then the Comptroller General of the United States shall withhold payment of such further amount of such judgment as in his opinion will be sufficient to cover all legal charges and costs in prosecuting the debt of the United States to final judgment. And if such debt is not aready in suit, it shall be the duty of the Comptroller General of the United States to cause legal proceedings to be immediately commenced to enforce the same, and to cause the same to be prosecuted to final judgment with all reasonable dispatch. And if in such action judgment shall be rendered against the United States, or the amount recovered for debt and costs shall be less than the amount so withheld as before provided, the balance shall then be paid over to such plaintiff by such Comptroller General of the United States with 6 per cent interest thereon for the time it has been withheld from the plaintiff.'

"SEC. 14. Section 319 of Part II of the legislative appropriation act, fiscal year 1933, is repealed as of June 30, 1932; and the rate of interest to be allowed upon judgments against the United States and overpayments in respect of internal-revenue taxes shall be the rate applicable thereto prior to the enactment of section 319 of such act.

"SEC. 15. All laws providing for permanent specific annual appropriations are hereby modified so that, after June 30, 1934, in lieu of the appropriations made therein, the sums available for the purposes of such laws shall be such sums (not exceeding the amounts now provided in such laws) as may hereafter be provided therefor from time to time by Congress.

"SEC. 16. Section 322 of Part II of the legislative appropriation act, fiscal year 1933, is amended by adding at the end of the section the following proviso: ': *Provided further*, That the provisions of this section as applicable to rentals shall apply only where the rental to be paid shall exceed $2,000 per annum.'

"SEC. 17. Title IV of Part II of the legislative appropriation act, fiscal year 1933, is amended to read as follows:

"'TITLE IV—REORGANIZATION OF EXECUTIVE DEPARTMENTS

"'DECLARATION OF STANDARD

"'SEC. 401. The Congress hereby declares that a serious emergency exists by reason of the general economic depression; that it is imperative to reduce drastically governmental expenditures; and that such reduction may be accomplished in great measure by proceeding immediately under the provisions of this title.

"'Accordingly, the President shall investigate the present organization of all executive and administrative agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes:

"'(a) To reduce expenditures to the fullest extent consistent with the efficient operation of the Government;

"'(b) To increase the efficiency of the operations of the Government to the fullest extent practicable within the revenues;

"'(c) To group, coordinate, and consolidate executive and administrative agencies of the Government, as nearly as may be, according to major purposes;

"'(d) To reduce the number of such agencies by consolidating those having similar functions under a single head, and by abolishing such agencies and/or such functions thereof as may not be necessary for the efficient conduct of the Government;

"'(e) To eliminate overlapping and duplication of effort; and

"'(f) To segregate regulatory agencies and functions from those of an administrative and executive character.

"'DEFINITION OF EXECUTIVE AGENCY

"'SEC. 402. When used in this title, the term "executive agency" means any commission, independent establishment, board, bureau, division, service, or office in the executive branch of the Government and, except as provided in section 403, includes the executive departments.

"'POWER OF PRESIDENT

"'SEC. 403. Whenever the President, after investigation, shall find and declare that any regrouping, consolidation, transfer, or abolition of any executive agency or agencies and/or the functions thereof is necessary to accomplish any of the purposes set forth in section 401 of this title, he may by Executive order—

"'(a) Transfer the whole or any part of any executive agency and/or the functions thereof to the jurisdiction and control of any other executive agency;

"'(b) Consolidate the functions vested in any executive agency; or

"'(c) Abolish the whole or any part of any executive agency and/or the functions thereof; and

"'(d) Designate and fix the name and functions of any consolidated activity or executive agency and the title, powers, and duties of its executive head; except that the President shall not have authority under this title to abolish or transfer an executive department and/or all the functions thereof.

"'SEC. 404. The President's order directing any transfer, consolidation, or elimination under the provisions of this title shall also make provision for the transfer or other disposition of the records, property (including office equipment), and personnel, affected by such transfer, consolidation, or elimination. In any case of a transfer or consolidation under the provisions of this title, the President's order shall also make provision for the transfer of such unexpended balances of appropriations available for use in connection with the function or agency transferred or consolidated, as he deems necessary by reason of the transfer or consolidation, for use in connection with the transferred or consolidated function or for the use of the agency to which the transfer is made or of the agency resulting from such consolidation.

"'SAVING PROVISIONS

"'SEC. 405. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title, and in effect at the time of the transfer or consolidation, shall continue in effect to the same extent as if such transfer or consolidation had not occurred, until modified, superseded, or repealed.

"'(b) No suit, action, or other proceeding lawfully commenced by or against the head of any executive agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of any transfer of authority, power, and duties from one officer or executive agency of the Government to another under the provisions of this title, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the head of the executive agency or other officer of the United States to whom the authority, powers, and duties are transferred.

"'(c) All laws relating to any executive agency or function transferred or consolidated with any other executive agency or function under the provisions of this title, shall, in so far as such laws are not inapplicable, remain in full force and effect, and shall be administered by the head of the executive agency to which the transfer is made or with which the consolidation is effected.

"'WINDING UP AFFAIRS OF AGENCIES

"'SEC. 406. In the case of the elimination of any executive agency or function, the President's order providing for such elimination shall make provision for winding up the affairs of the executive agency eliminated or the affairs of the executive agency with respect to the functions eliminated, as the case may be.

"'EFFECTIVE DATE OF EXECUTIVE ORDER

"'SEC. 407. Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be submitted to the Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission, unless Congress shall by law provide for an earlier effective date of such Executive order or orders: *Provided*, That if Congress shall adjourn before the expiration of 60 calendar days from the date of such transmission such Executive order shall not become effective until after the expiration of 60 calendar days from the opening day of the next succeeding regular or special session.

"'APPROPRIATIONS IMPOUNDED

"'SEC. 408. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any purpose but shall be impounded and returned to the Treasury.

"'TERMINATION OF POWER

"'SEC. 409. The authority granted to the President under section 403 shall terminate upon the expiration of two years after the date of enactment of this act unless otherwise provided by Congress.'"

Mr. BLANTON. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER (after counting). Two hundred and ninety-one gentlemen present, a quorum.

HOUR OF MEETING TO-MORROW

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

Mr. SNELL. Mr. Speaker, reserving the right to object, what is coming up to-morrow and what is the reason for this request?

The SPEAKER. The conference report just referred to by the gentleman from Tennessee.

Is there objection to the request of the gentleman from Illinois?

There was no objection.

REPEAL OF THE EIGHTEENTH AMENDMENT

Mr. RAINEY. Mr. Speaker, I move to suspend the rules and take from the Speaker's table the Senate joint resolution (S. J. Res. 211) proposing an amendment to the Constitution of the United States and agree to the same.

The Clerk read the Senate joint resolution, as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

The SPEAKER. Is a second demanded?

Mr. DYER. I demand a second.

Mr. BLANTON. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. It is impossible for Democrats over on this side to get any time to oppose this repeal resolution from the majority leader, who has moved to pass it under suspension of rules, and it is necessary to have some one demand a second who is against it, and who will yield his time to the opposition, and we will have only 20 minutes' debate to the side.

The SPEAKER. The gentleman will have some one against it when the Member qualifies.

Mr. DYER. I demand a second.

The SPEAKER. Is the gentleman from Missouri opposed to the resolution?

Mr. DYER. I am not.

The SPEAKER. The gentleman does not qualify.

Mr. MOORE of Ohio. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the resolution?

Mr. MOORE of Ohio. I am opposed to the resolution.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from Illinois if it is his purpose to divide the time between those in favor and those opposed, or will he yield to those only who are in favor of the resolution?

Mr. RAINEY. I am going to yield only to those who are for the resolution, but I intend to yield to gentlemen on that side.

Mr. SNELL. And the gentleman from Ohio, Mr. MOORE, will yield time to those opposed to the resolution?

Mr. RAINEY. Yes.

Mr. DYER. Reserving the right to object——

Mr. BLANTON. There is no question of objection. I make a point of order. I ask for the regular order.

The SPEAKER. The regular order is, a second has been demanded, and it takes unanimous consent to agree that the second shall be considered as ordered. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The gentleman from Illinois is recognized for 20 minutes, and the gentleman from Ohio [Mr. MOORE] for 20 minutes.

Mr. RAINEY. Mr. Speaker, I am not going to discuss this resolution except to quote from a speech made by the proponent of prohibition, Senator SHEPPARD, of Texas, in the Senate, July 30, 1917, CONGRESSIONAL RECORD, pages 5553 and 5554, in which he states among other statements——

Mr. RANKIN. Mr. Speaker, I make the point of order that the gentleman from Illinois has no right to attack a Senator on the floor of the House.

Mr. RAINEY. I am not attacking any Senator, I am approving of what he said.

Mr. RANKIN. It is an indirect attack, and he can not read from the Senate proceedings.

The SPEAKER. The point of order made by the gentleman from Mississippi is well taken. Speaker Longworth held in an elaborate ruling that a Member of the House could not refer to a Senator and quote what he said. The gentleman from Illinois is recognized.

Mr. SABATH. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SABATH. Has not a Member a right to quote anything that a Senator said?

The SPEAKER. The Chair has just ruled on that.

Mr. RAINEY. Then, Mr. Speaker, I say this on my own responsibility. I would vote to submit any amendment to the States in order to preserve the right of petition, and for that reason I am voting for this. I voted for the submission of the five amendments which have been added to the Constitution since I have been a Member of this House.

During my period of service here I have voted to submit to the States every amendment which seemed to have the support of any considerable bloc of people. I have already voted to submit five amendments, the income-tax amendment, the amendment providing for the direct election of Senators, the prohibition amendment—the eighteenth—the woman's suffrage amendment, and the lame-duck amendment, and I expect to vote now to submit this amendment.

I refuse to stand in the gateway in an attempt to prevent the people of the United States from amending their own Constitution in the way provided by the Constitution itself. I am not arrogant enough to do that.

A Member of this House is not voting wet or dry when he votes to submit this amendment. He is simply conceding to the States the right of petition and enormous petitions have been filed here for the resubmission of this amendment. There seem to be a great many people in the United States who would like to see the Federal Government obtain as revenue the profits now made by bootleggers, and I must confess that personally I sympathize with them in the position they take, and this Government certainly needs revenue. At the present time we are borrowing just half the amount it costs to run this Government. This can not go on forever. We are going to reach the end of our borrowing power sooner than some people think. Every time we borrow five hundred million or a billion dollars we are in effect mortgaging all the homes and all the farms in every State in this Union for that amount of money, and we are placing a mortgage on them which must be paid in advance of the mortgages these owners have been compelled to place on their property, and unwillingly compelled to place there. Every dollar of profit in this country is pledged to the payment of the immense sums we are adding now to the national debt.

I know what the rules of this House are. I can not quote here what has been said on the floor of another body, but, of course, what has been said there can not be changed and the CONGRESSIONAL RECORDS disclose it all. I, however, desire now to appropriate the language of a very prominent prohibition leader as my own, and I simply make this statement in order to show that the quotation I am now making is not my own language so that I can relieve myself of the charge of plagiarism. I now read the following statement into the RECORD:

* * * The Member of Congress who will not vote for the submission of a constitutional amendment to the decision of the States, where it belongs, unless he personally believes it should become a part of the Constitution, usurps the function of the States, arrogates to himself and the Federal Government a prerogative that belongs to the States and violates the very essence of their sovereignty. Furthermore, over 12,000,000 of the American people have petitioned Congress to submit the prohibition amendment to the States. In refusing these people the right to appeal to the only tribunal having the power of amendment—the tribunal of the States—for the redress of what they consider one of the most terrible grievances in the Republic, Congress would

deny to them one of the most sacred of all popular rights—the right of petition. Were I opposed on principle to nation-wide prohibition I would vote to submit the amendment to the States in order that they might exercise one of their fundamental rights. An issue is thus presented by the nation-wide amendment entirely independent of prohibition, and that issue is expressed in two questions:

(1) Shall Senators and Representatives in Congress, either wholly or partly, substitute themselves for the States as the amending power of the Constitution, thereby centralizing sovereignty at Washington to a degree threatening the extinction of the State?

(2) Shall they refuse the people the right of petition?

Senator GEORGE, of Mississippi, a vigorous and outspoken antiprohibitionist, was a member of the Senate Committee on Education and Labor, to which was referred a national prohibition amendment some 40 years ago. He joined in a favorable report for its submission on the ground that to do otherwise would be to deny to millions of people the right of petition. * * *

* * * At the close of this debate we will have an opportunity to enable the States to exercise their highest function—the right to shape, alter, and develop the Federal Constitution. They are the proper tribunal to decide the fate of this amendment. They compose the mightiest array of free Commonwealths united in a federated whole the world has ever seen. There are chapters in the history of each that add honor to American citizenship. If there is anything in the amendment subversive of their liberties and their welfare, they can be trusted to condemn it. Let not Congress assume to judge for them. Let Congress discharge its preliminary task of submission and stand aside. Let it put in motion the referendum provided by the Nation's organic law—the method of amendment the States themselves established when they created the Constitution. Let the States perform the duty which remains the sole instance of their sovereignty over the Federal Government itself. If the State and Nation may each retain the attributes contemplated in the Constitution, if each shall be kept within its sphere and permitted to perform its appointed agency, the most beneficent system of government yet devised will be strengthened and glorified for all time.

As I view the matter, the Member of either branch of the American Congress who denies the power of amendment to the States, especially an amendment which vast numbers of the people desire the States to consider, violates the basic principles both of the Constitution and of popular government, repudiates the fundamental rights of the States, and overturns the two most sacred privileges the people possess, the privileges of referendum and of petition.

In conclusion, I desire to say that I hope this amendment will pass. It will take three-fourths of the States to ratify it. Opposition to its passage now by prohibition leaders shows a decided weakness on their part. Framers of the Constitution have provided that it is not easily changed and can only be changed by three-fourths of the States, and if three-fourths of the States want to amend the Constitution they have the right to do so. If this amendment is adopted the question will be remitted to the States in compliance with the provisions of the Constitution, and the States will have the right to amend, to reject, or to adopt it in the manner provided by the Constitution itself.

Mr. YATES. Mr. Speaker, is it in order now that each Member may have five legislative days in which to extend his own remarks?

The SPEAKER. It is not.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. BRITTEN. Mr. Speaker, I object.

Mr. MOORE of Ohio. Mr. Speaker, I yield two minutes to the gentleman from Maine [Mr. NELSON].

Mr. NELSON of Maine. Mr. Speaker and Members of the House, the success or failure of national prohibition is of peculiar interest to the people of my State. It was in Maine some 87 years ago that the first prohibitory law ever enacted was placed upon our statute books. In 1884 it was written into our State constitution. Since I came to manhood and cast my first vote I have seen going on in Maine the same struggle as regards prohibition, resubmission, and repeal that is to-day being enacted on a larger scale in the Nation. For 27 years before coming to this Congress I voted dry, voted against the money and efforts of out-of-State liquor organizations to nullify our State laws, voted for what I believed and still believe to be for the best interests of the homes of Maine and the women and children of my State. For 11 years as a Member of this House I have voted to support and enforce the eighteenth amendment. My convictions remain unchanged.

I realize, of course, that I am one of a very definite minority, and that the result of the coming vote is a foregone conclusion. The Republican leaders of this House are supporting this resolution, which to my mind does violence to a solemn promise made to the people of this country in our party platform, while the Democratic leaders have had recourse to arbitrary caucus methods seeking to override the very consciences of their members. Nevertheless, I make this prediction: That the experience of Maine will be the experience of the Nation, and that unless some definite assurance against the return of the saloon is given to the American people no Member of this House will live to see national prohibition wiped from the pages of the Federal Constitution. [Applause.]

The great danger, however, as all must realize, lies in the breakdown of enforcement and the nullification of law that is already foreshadowed and bound to exist during the years of the interregnum between the passage of this resolution and its final disposition. The recent election was an economic revolution, a demand on the part of the people, not for rum, but for better economic and social conditions. That demand has not yet been met, nor will this resolution meet it. It is a poor time to encourage lawlessness or to let loose a flood of intoxicating liquor on a mechanized world seething with social unrest.

Futile as it may be, little as I may add to this discussion in the few moments allowed me, it does not seem fitting that Members from the original prohibition State should be altogether silent at this time, representing as we do a State that in the past has furnished the world leaders in several great humanitarian movements: William Ladd, in the cause of world peace and a high court of nations; Elijah Parish Lovejoy, a leader and martyr in the cause of freedom of the press; and Neal Dow, the father of prohibition. Standing here in this dark hour, when the friends of prohibition and all that pertains to it seem but few, let me say that I am proud of Gen. Neal Dow as a great Maine citizen, humanitarian, and soldier, and that I take pride in the pioneer prohibition record of my people. Maine came into the Union as a compromise between right and wrong, but the men and women of Maine, as a group, have never yet so compromised. As a humble Member of this House I have sought, in a small way, to maintain the traditions of my State; and while it will never be given to me to lead the forward march of a great cause, yet, God helping me, I do not propose to lead a retreat in this great moral and humanitarian movement. [Applause.]

The SPEAKER. The time of the gentleman from Maine has expired.

Mr. MOORE of Ohio. Mr. Speaker, I yield two minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, there are only two sides to this war. A man ought to be on one side or the other. He ought to be dry or he ought to be wet. I respect the views of any man who thinks the eighteenth amendment ought to be repealed and stands by his convictions. For the man who deep down in his heart does not think it ought to be repealed, and believes that its repeal would endanger every fireside in America, but nevertheless votes for repeal and assigns as his reason the declarations of some delegates to some convention or the action of some party caucus, I have only profound sympathy. No job in the world is worth a sacrifice like that. I pity the man who says that he is going to vote for repeal here and then go home and vote against repeal. He is neither a soldier nor a sailor. He might be a marine, fighting first on water and then on land, except for the fact that the marines are good fighters and are always loyal to one flag. The Bible speaks about him when it says:

Thou art neither hot nor cold; I will spew thee out of my mouth.

But my profoundest commiseration goes out to men who have voted on both sides of this question, and especially to

those who, as lately as last December, voted against repeal and now vote for repeal. There has been no party convention since then. The same platform declarations existed then that exist now. A party caucus may have intervened, but whoever heard of a party caucus being more powerful than a party platform? Will gentlemen who voted "no" in December, despite their party platform, vote "aye" now and attempt to excuse themselves by pointing to a party caucus? The suggestion is absurd.

There are few, if any, men who have won honor by fighting on both sides in any war. The man who says that he is going to vote wet here and then go home and vote dry exhibits a versatility which might have enabled him, if he had been in the World War, to have piloted the Germans through Belgium and then have joined with the Allies in the defense of Paris.

I will not bring the enemy to my people's doorsteps and then undertake to repel him. I will fight him all the way. And neither as a citizen, a Democrat who expects always to be a Democrat, nor as a public servant shall I offer any apology for so doing to any individual on earth, believing, as I do, that I am keeping faith with those who sent me here and whose agent I am.

I shall not "hold with the hare and run with the hound." I shall not sacrifice my convictions upon any altar of alleged party loyalty. The Democratic Party of my fathers is a party of good morals and good government, and I shall do my utmost as an humble member to keep it so. The principles of that party have never required any man to sacrifice his conscientious convictions upon a moral question. If I am true to my people and true to myself, I shall not be untrue to the Democratic Party.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from Pennsylvania [Mr. LICHTENWALNER].

Mr. LICHTENWALNER. Mr. Speaker, ladies and gentlemen of the House. I am very proud to have the opportunity of doing my part here to-day to bring about the repeal of the eighteenth amendment and prohibition. I have no doubt this result will follow within a year if we pass this resolution to-day.

In season and out of season I have fought against the principle involved in the eighteenth amendment, when Congress and the State legislatures amended the Constitution to try to regulate the personal habits of the people and when it invaded their private rights and liberties it wrote into the Constitution what might better have been passed as town ordinances in those communities which desired to be bone dry.

I did not believe at the time that prohibition was passed that it represented the majority will of the people at all, and I think that the results of 13 years of attempted enforcement justify that belief, because no law can be enforced that is against the will of the people.

The Government has been most liberal in appropriating money for enforcement and those of us who are willing to face the facts know the results. Prohibition has not brought about temperance. We know now that it has had the opposite effect. We know that for every saloon that has been eliminated that there have been three speakeasies to replace it. Where local authorities were formerly able to enforce the laws preventing liquor being sold to minors and to intoxicated persons and on Sundays, it is now an undercover business and therefore passed out of control. So that prohibition must now be pronounced a national failure.

But more important and most serious of all is the fact that billions of dollars which would have flowed into the United States Treasury in revenue, and which might have gone to the reduction of taxes and of the public debt, have reverted instead to racketeers and gangsters in most of our cities and have created lawlessness much more serious than the breaking of liquor laws.

So that while I was and am against prohibition in principle, my opinion has been further confirmed by its results; but irrespective of my views, now that the Government under the present economic conditions needs the revenue so badly, this alone would be sufficient for me to form my opinion regarding it. I therefore hope that this resolution will pass. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from Massachusetts [Mr. GRANFIELD].

Mr. GRANFIELD. Mr. Speaker, 15 years ago, as a member of the State Legislature in Massachusetts, I voted against the ratification of the eighteenth amendment. My attitude on this great problem has not changed. I rejoice in the opportunity that is offered to vote for this resolution. The gentleman from Maine [Mr. NELSON] a few moments ago in his remarks to the House made some reference to the saloon. I have heard a great deal about the saloon. Every time a dry discusses prohibition he speaks about the return of the saloon. None of them say anything about the speakeasy, with all of its evils, which has taken the place of the saloon. [Applause.]

This talk of the return of the saloon is nothing but subterfuge. A cursory investigation of the conditions as they exist should convince the most ardent drys in this country that their concern should be with the abolition of the present day speakeasy, and not with the possibilities of the return of the saloon. As bad as they claim the saloon was, the speakeasy of to-day, with its attendant evils, is a far more serious problem. Instead of being concerned about the return of the saloon, let these gentlemen suggest ways and means by which we can eliminate the speakeasy from our national life; I am for immediate action of this character.

I regret there is insufficient time for me to discuss this issue further; however, under the right of extension of my remarks, at a later date I shall speak on this problem at length. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. MOORE of Ohio. Mr. Speaker, I yield one minute to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Speaker, the resolution now before us would decide the policy of a Nation. Within the hour and without opportunity for debate or amendment we must vote for or against the return of the saloon. I am against it. The resolution does not comport with the Republican nor the Democratic platforms. It gives no guarantee against the old-time saloon. This resolution opens wide the door. It will pass to-day because a great political party has bound and gagged its members and prevented the exercise of their individual rights and judgment. Feeding the hungry and solving economic problems are pushed aside.

The home-farm mortgage and high taxes are the twin giants that now grind our people to the quick. This resolution destroys neither of these giants of despair. It feeds both. The free flow of liquor will not lift the mortgage nor reduce taxes for the masses.

Sagging farm-commodity prices and unemployment are of the very essence of our Nation's distress. What is the Congress of the United States doing to-day?

Are we lifting the mortgage?

Are we sheltering the homeless?

Are we employing the millions?

Are we feeding the hungry?

Do we hush the infant's cry for food?

Can you spend a dollar for drink and at the same time spend it for food?

Seriously, can you put dollars into the till of the grocer, the butcher, the department store, the garage, the filling station, and the movies by cashing the pay check in the saloon?

Will the saloon inject lifeblood into languishing agriculture and commerce and industry?

Will the free flow of liquor help men to secure jobs?

Will its unlimited supply help men to house and clothe and feed their wives and helpless children and educate our youth?

This is the machine age. Will liquor make safer our highways and railways and factories?

With what liquors shall our pilots be served before taking the air?

You talk of revenues. Taxes come directly or indirectly from the pockets of the people. I know and you know this is not the sound, unselfish judgment of the American people but the hue and cry of paid propagandists. This is the culmination of a deep-laid plan of heartless millionaires to shift the tax burden from their pockets to the cravings of the helpless.

This is an economic crime you would perpetrate to-day. The free flow of liquor never did and never can solve the problems of this or any other country. Wet Britain and Germany are suffering worse to-day than we.

This hour calls for hope and faith and courage.

This Congress is playing at tweedledum and tweedledee. The farmer and laborer starve while you enrich the brewer and shift the tax burden from the millionaire to the honest toiler.

It should not be. I do not believe the American people will so decree.

Gladstone said:

> It is the duty of government to make it easier to do right and harder to do wrong.

We are writing history to-day. To ignore the present and the future is a travesty on statesmanship.

I respect the honest convictions of all men. But let us at this hour recall the words of the immortal Lincoln:

> With malice toward none, with charity for all, but with firmness for the right, as God gives us to see the right.

So let us cast our votes this day.

Mr. MOORE of Ohio. Mr. Speaker, I yield two minutes to the gentleman from South Dakota [Mr. CHRISTOPHERSON].

Mr. CHRISTOPHERSON. Mr. Speaker, the pending resolution provides for an absolute and unqualified repeal of the eighteenth amendment. This may be in accordance with the platform declaration of the Democratic Party, but it is my belief that a majority of the people will not approve, when they come to realize that passage and ratification of this resolution will restore the old order to the liquor traffic.

It was repeatedly stated at the Chicago conventions and seems to be a prevailing sentiment that we do not want a return of the saloon. The majority of those who favor change and modification of our national prohibition laws protest against the open saloon. But, notwithstanding this well-known opposition, we are about to approve a resolution which, if ratified, will return the open saloon, with all its attendant evils, to a large area of our land. When this becomes evident there will be a wave of resentment against this backward step; and I wish to say to you, my friends on the Democratic side of this House who are dry, that it will then be no alibi for you to say that your party platform called for a repeal or your party caucus bound you to vote for a repeal. This involves a moral question which each one should settle according to his or her convictions and is outside of party dictation.

We should reject this resolution to-day and then write one embodying such changes and modifications as the experience of the past 12 years suggests, profiting by that experience and avoiding the evils of the liquor traffic of former days. I venture the prediction now that this repeal resolution will not be ratified by the required number of States. [Applause.]

The SPEAKER. The time of the gentleman from South Dakota [Mr. CHRISTOPHERSON] has expired.

Mr. RAINEY. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Speaker, the eminent lexicographer, Noah Webster, defines the word platform as follows: "A declaration of principles on which a group of persons or a party stand, and on which they appeal for support. A declaration of principles and policies of government adopted by a political party."

The Republican Party in its platform adopted in Chicago, June, 1932, favored the submission of this question to the States to be acted upon by State conventions called for that purpose.

The Democratic platform adopted in Chicago, July, 1932, contained the two following paragraphs:

First:

> We believe that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe. We hereby declare this should be the platform of the Democratic Party.

Second:

> We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal.

In the light of the planks in the platforms of the two parties which I have just read, it appears to my mind to be a distinct breach of faith with the people of our country if we fail to vote to-day for the submission of this question. [Applause.]

Mr. MOORE of Ohio. Mr. Speaker, I yield one minute to the gentleman from Kansas [Mr. GUYER].

Mr. GUYER. Mr. Speaker, if the House passes this resolution to-day, every Republican and every Democrat who votes for it votes not only to repudiate the most solemn and binding pledge of his party platform but also for the return of the saloon, the most sinister influence that ever cursed American life and politics. The final ratification of this proposed amendment insures the return of the saloon. It will be here the moment the thirty-sixth State gives it final approval to this proposed amendment to the Constitution.

Never in the political history of the United States was there such a betrayal of a party-platform pledge. Both the Republican and Democratic platforms contained the most solemn and unequivocal pledge that there should be no return of the saloon. The Republican platform pledged "to safeguard our citizens everywhere from the return of the saloon." The Democratic platform likewise promised "such measures by the several States as will actually promote temperance, effectively prevent the saloon."

Never did parties state in more unequivocal language a more positive position, and never in the political history of this country did congressional party leadership more brazenly violate the pledge of their parties. Does a platform declaration mean nothing to the party leadership in this House? If such a party pledge is thus so violently repudiated, what confidence do we justify in the judgment of the people? Can we complain if they lose confidence in the parliamentary machinery of our country?

What kind of unholy alliance is this between the Republican and Democratic leadership of the House, whose inevitable end is the return of the saloon if this program of repeal is ever carried out? I understand it is based upon the action of the so-called Republican wet bloc. It, no doubt, is inspired by the same type of political wisdom that induced President Hoover to reverse his position from that of 1928. I am sure he yielded with reluctance to the advice of those who urged compromise upon this great moral problem.

He suffered an overwhelming defeat. He probably could not have been elected in such a financial crisis even if he would have stood firm as in 1928, but he would have had the satisfaction of knowing that he was on the right side of a great moral problem. And what a fight the good people of this country would have put up against the boast of Franklin D. Roosevelt, that "from this day the eighteenth amendment is doomed," if they had had the opportunity to express themselves on that question. And what a towering figure these same people would have had to rally around as this wild, wet craze is sweeping the country, a craze that is sure to wane with the reign of booze that is to begin on March 4.

I want here to pay tribute to those Democrats who have refused to be bound by the Democratic caucus, that last relic

of parliamentary slavery in the Congress of the United States. They had the moral courage to stand by their party platform against the return of the saloon. They are right when they declare that their party platform claims a higher fealty than the dictation of a secret caucus. May their tribe increase.

What a contrast is the attitude of the distinguished Speaker who having failed the first hour of this session to jam a naked repeal resolution through the House has now resorted to the secret caucus to force his party in the House to repudiate the platform upon which he was elected both to Congress and to the second highest office in the gift of the Nation. What a tragedy that such a great career in this House should have for its valedictory the betrayal of his party platform and the invitation contained in this resolution for the return of the old saloon with all its evils and abuses.

If one should judge from our actions in this House what was the most important matter for consideration since we met in December, he would be forced to conclude that nothing was important except that the people be given booze to drink. Yet people are hungry and children are crying for food. The farmer was never in such a desperate plight. His farm and property are on the auction block. He is facing bankruptcy. What have we done for him? All we have done thus far is to set before him the mirage and vision of a schooner of ice-cold beer in the dead of winter and a bottle of booze and said "Drink and be damned."

Let no one be deceived concerning the ease with which the eighteenth amendment is going to be repealed. The framers of the Constitution made it difficult to amend and alter. Let no one imagine that submitting this to the States is going to settle it. It is only the opening gun in a battle that will rock your district from center to circumference. It will penetrate every precinct in your district in your campaign in 1934. Then we will answer for our votes to-day.

Vote against this resolution and thus vote against the return of the saloon. Vote for it and condemnation will assail you from a million firesides where little children play. Vote for it and anathemas will thunder from 100,000 pulpits for this base and infamous treason to party platforms. Vote for it and it will kindle fires under you in every precinct in your district in 1934. Vote for it and it will call to the colors of decency and sobriety millions of women who hate the very name of the saloon and who will never consent to the repeal of the eighteenth amendment. Vote against it and unborn generations will call you blessed. [Applause.]

Mr. MOORE of Ohio. Mr. Speaker, I yield one and one-half minutes to the gentleman from Colorado [Mr. EATON].

Mr. EATON of Colorado. Mr. Speaker, in the last election, in both political parties, there was absolutely no dispute or debate on two propositions. One was the prevention of the return of the saloon and the other was the protection of dry States against wet States. To-day, in the pending resolution, there is not presented for our consideration any prevention of the return of the saloon. I ask the gentleman from Illinois [Mr. RAINEY] if he will not let us, by unanimous consent, insert in this resolution, in line 3, on page 2, after the word "liquors," the words "and the return of the saloon," so that it will include with the new proposed prohibition of "transportation and importation of intoxicating liquors," the prevention of the return of the saloon in any State or Territory in violation of the laws thereof.

Mr. BRITTEN. Will the gentleman yield?

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman from Illinois [Mr. BRITTEN] should be good enough sport not to interrupt the gentleman in a 1½-minute speech.

Mr. EATON of Colorado. I yield to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. I will not make that request. This resolution has passed the Senate. It comes up now before the House on motion to suspend the rules. It can not be amended in the way the gentleman suggests.

Mr. EATON of Colorado. It can be by unanimous consent.

Mr. RAINEY. For this reason I shall object to such a unanimous-consent request.

Mr. Speaker, I yield one and one-half minutes to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Mr. Speaker, the fight for repeal is not led by the hierarchy of any church; it is led by the "lower archy" of all of the churches of America. We are endeavoring to lift up the pulpits to the level of the pews.

The legislative road to heaven has been infested with bandits. In order to abolish the bandits we have got to abolish the road. The taxpayer has paid the police to catch the bootlegger. The customer has paid the bootlegger to run away from the police. No wonder the bootlegger has considered himself the hero of a victory, while the policeman considers himself the victim of a double-cross. The customer is the taxpayer.

The budget of crime shows a surplus. The Budget of Government shows a deficit. Let us abolish the fortune of crime and reestablish the integrity of the finances of Government, the enemy of crime. Let us have one on the House. Prosit! [Applause.]

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I am, indeed, gratified to have the chance of voting for this resolution. The resolution carries out the pledges and the promises not only of the Democratic convention but of the Republican convention, and has been approved by over 22,000,000 people and 42 States, notwithstanding that the Anti-Saloon League in Washington has been endeavoring to thwart the mandate of the 22,000,000 people by injecting sectionalism into the matter and to mislead willfully the membership of this House, as was done when the eighteenth amendment was first submitted.

All this resolution does is to submit the question to the people for approval or disapproval, and it protects the rights of every State. The charges by gentlemen that this will bring back the saloon is unjustifiable and unwarranted, and I hope will not mislead anyone. The threats by the forces of Bishop Cannon will be of no avail, as the membership of this House must recognize that this law-destroying, crime-breeding prohibition law should and must be repealed if law and order are to be restored. The sooner favorable action is taken the sooner law and order will be reestablished and the will of the people carried out.

In answer to the gentleman from Georgia, let me say that if the Members vote as they profess to vote at home, the resolution will be adopted.

Mr. MOORE of Ohio. Mr. Speaker, I yield three minutes to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Mr. Speaker, in order that the record may be clear, I ask that my statement, which I have sent to the desk, be read by the Clerk in my time.

The Clerk read as follows:

A vote for to-day's repeal resolution is a vote of surrender on the main issue between the two great parties on the proposed repeal of the eighteenth amendment.

There was and is no issue as to the submission of a proposal to repeal or modify the eighteenth amendment. It is the right of the people to vote on any outstanding question. This is particularly true when it affects their own Constitution. On this both parties are agreed. The only question was and is what form the proposed modification or repeal amendment should take.

The Democratic Party indorsed naked repeal. The Republican Party opposed it. The Republican Party insisted that the repeal amendment contain some constitutional guaranty against the return of the saloon. The entire campaign, so far as it concerned the eighteenth amendment, was fought on this outstanding difference in the two major platforms.

The resolution which comes before the House to-day contains no such provision. It is an abandonment of any attempt at such action. The task of writing such a proposed constitutional guaranty is simple. No definition of a saloon is needed. A plain provision to take private profit out of the liquor business or to declare that the sale of intoxicating liquor for consumption on the premises where the sale is made be illegal is wholly sufficient.

In the absence of such a provision it seems to us that no Republican who took the 1932 party platform seriously should vote in favor of this resolution.

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|---|---|
| FRANK CROWTHER. | JOHN G. COOPER. |
| CARROLL L. BEEDY. | WILLIAM E. EVANS. |
| F. M. DAVENPORT. | ROBERT LUCE. |
| ROBERT L. HOGG. | CLYDE KELLY. |
| FRANK L. BOWMAN. | CLIFFORD R. HOPE. |
| W. P. LAMBERTSON. | U. S. GUYER. |
| SCOTT LEAVITT. | DAVID HOGG. |

Mr. RAINEY. Mr. Speaker, I yield one-half minute to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, and Members of the House, I am glad that I have lived to see this day. For 13 years the American people have looked forward to it. Let us do our part to make it a happy day by voting to sustain our party platform, restore confidence, bring back temperance, and reduce taxation. [Applause.]

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from Georgia [Mr. PARKER].

Mr. PARKER of Georgia. Mr. Speaker, I voted against the repeal resolution that was considered by the House on December 5 because I believed an effort would be made by those sponsoring the legislation to have the Federal Government call and supervise the conventions to be held in the several States for the purpose of ratifying or rejecting the proposal.

I am now of the opinion that those plans have been abandoned and that the States themselves will be permitted to refer the question of repeal to the people.

For these reasons, and in conformity with my campaign pledges, I am supporting the resolution. [Applause.]

Mr. MOORE of Ohio. Mr. Speaker, I yield one minute to the gentleman from Vermont [Mr. WEEKS].

Mr. WEEKS. Mr. Speaker, this is an hour that may be fraught with gravest consequences to every home in America. It is on behalf of the American home that I rise in opposition to Senate Joint Resolution No. 211 which has for its ultimate purpose the invasion of that home by the liquor legions of the world. Not by my vote shall they enter lawfully. It has been bad enough to have such unlawful intrusion as we have witnessed in recent years, and I for one shall not sanction an effort to return to the lawful liquor desecration of the American home which was permitted prior to the passage of the eighteenth amendment.

If I appear pronounced in my convictions, let me assure you that they are founded on facts. For nearly 25 years I was connected with institutional work in Vermont. Thousands of cases came under my observation; many of them had my personal attention. It is a matter of record that in approximately 75 per cent of those cases, liquor was the underlying cause for the unfortunate circumstances in which the victim found himself. May the American home be uppermost in our minds when we cast our votes on this resolution.

Mr. RAINEY. Mr. Speaker, I yield two minutes to the gentleman from Pennsylvania [Mr. BECK].

Mr. BECK. Mr. Speaker, to-day we are making history. For the first time we are giving to the American people an opportunity, through the convention method, to determine directly and authoritatively whether they wish to repeal an amendment to the Constitution. The repeal does not seek to change the fundamental law which was subscribed to by Washington, Franklin, Madison, Hamilton, and the other immortals of the Constitutional Convention. To them the eighteenth amendment would have been an unforgivable affront. The resolution now to be adopted proposes to repeal an amendment to the Constitution which, in a period of hysteria, was incorporated by a later generation in the fundamental law without any mandate of the American people.

It is a satisfaction that the repeal of this un-American amendment is not the proposal of any party but is now supported by a majority of the two historic political parties.

That this repeal of the eighteenth amendment will be ratified by a large majority of the States and by at least three-fourths of the American electorate is reasonably sure. If, unhappily, 13 States, numbering less than one-fifth of the American people, should fail to ratify this amendment—and such failure is improbable—then the basic right of majority rule will not be defeated, for, if a large majority of the people on this solemn referendum favor such repeal, then their representatives in Congress will in that event enforce the will of the people by repealing all enforcing legislation. Happily, this will not be necessary. We propose the direct method of tearing up by the roots this upas tree of prohibition, whose blighting shadow has too long lain upon our people.

The American people, after a practical trial of the eighteenth amendment of over 10 years, are now convinced that it was a fatal error to write into the Constitution an amendment which was not only subversive of the fundamental principle of local self-government but also offended the greater and even more basic ideal of American individualism in vainly attempting, by governmental edict, to dictate to the citizen a narrow moral code of conduct in a matter of personal habit. This ill-fated experiment, which may have been "noble in motive," was doomed to failure from the beginning. It was alien to the individualistic spirit of America. The revolt of the American people against the eighteenth amendment is one of the most hopeful signs of the times, for it clearly indicates that the American citizen has not wholly lost his ancient love of individual liberty and his jealous hatred of government tyranny.

On February 7, 1930, I first had the privilege of expressing my views upon the eighteenth amendment in the Seventy-first Congress. I then tried to base the argument not upon the ponderables of the problem but upon the higher principle of the right of the individual, within reasonable limits, to order his own life and to be the judge of his own moral code. At that time those who shared my views were but a small minority in the House. This did not discourage me, for I had faith in the American people, who sometimes think slowly but, in the long run, surely. I believed then, and expressed my belief, that this great people were too wise not to acknowledge a demonstrated error, and I added:

> Above all, they have not lost their love of individual liberty and their jealousy of governmental power, and if they do not, in their own good time, end this "witches' sabbath" of moral demagoguery, hypocrisy, and corruption, then I have much misjudged the character of the American people.

To-day we may be making history even in a larger sense than the mere repeal of the intolerable eighteenth amendment. For the last 25 years there has been a seemingly irresistible movement in this country to convert these United States into the united state. If history teaches anything, it is that a unitary state is not possible in a territory so vast as ours and with a people who are so numerous and heterogeneous. The unitary state, if it should finally triumph, would inevitably fall of its own weight, and of this the eighteenth amendment is a striking example.

To-day may mark the turn of the tide and the restoration of the Constitution of the fathers. If we shall return to the federated Republic which they founded, and respect the great and essential principle of local self-government, then many of the evils of the present hour will pass away, for the causes of our present discontent can be largely found in the impossible attempt to govern more than 100,000,000 people from Washington. "Back to the Constitution of the fathers" should be the rallying cry of all Americans. The broad path to complete centralization is the path to destruction. Let us take the straight and narrow path which returns to the earlier and nobler ideals of the Republic.

To-day is a new emancipation day for the American people, an emancipation not of one race but of all the people.

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Speaker, this is not the question as to whether or not there shall be a return of the saloon, but the bigger and broader one as to whether or not we shall take prohibition out of the United States Constitution. The matter of the return of the saloon will then be for the States, and if the people of the respective States do not

want saloons there will be none. Prohibition is not the business of the Congress. The writers of the Constitution never intended it should be. It has been clearly demonstrated after 14 years of Federal prohibition that you can not legislate sobriety and temperance into a great free people. Drunkenness and disregard for the law, as a result of prohibition, are greater to-day than they have ever been.

Mr. Speaker, I was a Member of Congress when the resolution, out of which came the eighteenth amendment, was adopted the 17th of December, 1919. I voted against it and did all I possibly could to prevent its passage. Ever since that day I have looked forward to the time when we would repeal it. This vote to-day is the first step. In quick order I look for the 48 States to ratify this amendment to repeal the eighteenth amendment. This vote will itself have a good effect upon the country. The ratification will have a better one. This is not a Democratic or Republican victory. It is one of the people. Thousands of Republicans voted the Democratic ticket on November 8, last, believing that party more than the Republican Party would hasten the repeal of the eighteenth amendment. A majority of the Republican Members of this Congress will join to-day in voting with a majority of the Democratic Members in carrying out the mandate of the country, and that mandate is to take the prohibition issue of Congress, and prohibition itself, out of the Constitution and return it to the States, where it belongs and where it will be safely handled, as previously. [Applause.]

Mr. MOORE of Ohio. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, in my football days, in a hospital, on an operating table, with my leg and ankle being set where they had been broken in three places, there was still pounding in my ears the cry, "Hold that line! Hold that line! Hold that line!" And from America to-day here in this Chamber comes the earnest cry of anxious mothers and fathers of 48 States, "Hold that line!"

It is the open saloon that is bucking the line. Are we going to hold it? It is the hideous liquor traffic that is trying to break through. Are we going to hold it?

It takes brave men here to-day to hold the line. It takes men who are not afraid of wet newspaper criticism; who are not afraid of wet radio attacks; who can withstand barbed ridicule; who can not be destroyed by frame-ups; who do not quail under unjust misrepresentation; who do not lay down when obstacles arise; who can resist all pressure political and otherwise; who love their country better than they do public office and position; men who are willing to carry on, even when they receive threats of being "put on the spot," such as I received this morning; no other kind of men need try to-day to hold the line. Let me read you one of these threats I received in my mail this morning.

Mr. SIROVICH. Hold that line. [Laughter.]

Mr. BLANTON. You wets ought to be good enough sports not to interrupt a 2-minute speech on a most serious question. Saloons and liquor may break through this line to-day, but down the field this side of the goal stands an unerring fullback who never fails when downing a runner—the fathers and mothers of America—by whom saloons shall not pass. And let wet politicians now carrying the ball beware of the final tackle, for the fall will be hard. Here is the threat I received.

This letter says:

> The people are tired of tactics in reference to prohibition. You believe the hypocritical preachers can keep you in office. Maybe they can, but they can not keep you alive. We are sending you an ultimatum. Vote right. Keep your nose out of prohibition or we are going to "bump you off."

It takes men who are not afraid of being "bumped off" to fight to hold the line. We will likely not hold it to-day, and I will likely be defeated for voting dry, and I may be "bumped off," but I will have been faithful to the trust my constituents have in me.

[Here the gavel fell.]

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, this is the only method by which the question of prohibition can be settled. After all, the final decision under our Constitution is left to the people. I am in favor of the resolution, not because I believe that liquor is good but because I know that prohibition is bad.

A change in our liquor policy is necessary, not only because of the widespread violation of the law by the criminal element but the general and universal disregard of the law by well-meaning, law-abiding people.

I am in favor of the resolution not because I favor the licensed saloon but because I am opposed to the unlicensed speakeasy.

I am in favor of the resolution because it will be possible to tax liquor, not only because of depleted Federal and State treasuries but because of the dangerous enrichment of the racketeers and the criminal element.

Mr. Speaker, the lines of prohibition have broken. Twelve years' experimenting has demonstrated the impossibility of enforcement and the widespread use of liquor. We must place the liquor traffic under proper control. Mr. Speaker, we have been fighting for this resolution for the past 10 years. We are now too weary and too law-abiding to celebrate our victory. Congress will now be able to give its undivided attention to economic matters, less controversial but far more important. [Applause.]

[Here the gavel fell.]

Mr. RAINEY. Mr. Speaker, I yield one minute to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I shall vote to do away with the eighteenth amendment and its handmaiden of iniquity, the Volstead Act, with its highjackers, rum runners, snipe entrapments, "dirty business of wire tapping," shotgun murders, poison alcohol, use of children as spies, of coeds as stool pigeons, and of prostitutes as decoys, with its moral knavery and its political skullduggery. Let us flee from prohibition as one would from a foul dungeon, from a charnel house.

I am one of those who believe that a platform is something to stand upon, not something merely to get in on. The Democratic platform advocates this resolution. I am for it.

I will say to the gentleman from Texas [Mr. BLANTON], who wants "to hold the line," that his line is nothing but a "rope of sand." I say to the gentleman from Kansas [Mr. GUYER] that his talk about the failure to include some provision against the saloon is a lot of idle chatter. He would not vote for the resolution if it did include such a provision. Each State must determine for itself the type of supervision it wishes over the distribution of liquor. Kansas shall not dictate to any State.

I say to the gentleman from South Dakota [Mr. CHRISTOPHERSON] that there was a preponderating majority for this resolution during the recent election; 21,000,000 people spoke in thunderous tones. They want the eighteenth amendment consigned to limbo. The verdict of the people last November is a tribute to the returning common sense of our Democracy—the Democracy of Wilson, who vetoed the Volstead Act as not setting well on the stomach of the Nation.

Repeal of the eighteenth amendment, as has been argued, does not mean the return of liquor, since liquor has always been with us; its flow has never been dammed. Prohibition simply opened wider the sluices. New York City had 26,000 saloons before prohibition; it now has over 32,000 speakeasies. Under our very noses here in Washington during the 10 years after prohibition as compared with the 10 years before prohibition there have been five times as many arrests for drunkenness of persons under 21 years of age. Save the youth of the Nation by voting for this resolution.

We, wet veterans, have been patient. We have been battling for 10 years or more. Our struggle at first seemed hopeless, but we have carried on despite catcalls, howlings, and abuse heaped upon us. We kept on even despite threats of impeachment from the gentleman from Texas

[Mr. BLANTON]. I pay tribute to my wet colleagues, who, during 10 years, have had the wisdom, foresight, and courage to know the truth and to battle for it. To them, rather than to the belated wets, the half-hearted wets, the frightened wets, and the bandwagon wets, belongs the palm of victory.

Ratification is to be by conventions. There seems to be much pother about the convention procedure. There should be none. I may be wrong, but I incline to the belief that by reasonable interpretation the word "convention" as used in Article V of the Constitution precludes and repels the idea that the convention shall be called, elected, organized, or governed by congressional fiat. I incline to the belief that that must and shall be a State matter exclusively.

Without going into the question of the power of Congress in this regard, I would say as a matter of expediency, as a matter of policy, that even if Congress had the power to do all this, it should not exercise that power. In doing so Congress would irritate the States; it would stand in the rôle of interfering with the liberty of the States. The States would deem themselves affronted. Ratification might thereby be imperiled.

Each State shall set up its own procedure. There may be 48 different types of machinery. That is unfortunate, but can not be helped.

I would prefer to say that Congress compel each State to elect its delegates to a convention at large. But I do not dare advocate this for fear that I would again be imperiling ratification. The States would resent even this dictation from above. The election of delegates at large would prevent gerrymandering by the drys.

It may be necessary, however, to blink the possibility of gerrymandering and refrain from exercising compulsion of any sort upon the States, in order to get the amendment ratified expeditiously.

The Supreme Court, in the case of Lesser against Garnett, held that the ratification by the States and the acceptance by the Secretary of State of the appropriate certificate is conclusive on questions of procedure in ratifying legislatures. There can be no different ruling on ratifying conventions. If the Secretary of State of the United States certifies to the certificates of ratification as submitted by the States, that should end the matter. Even the Supreme Court can not go behind the certificates submitted by the States certifying to the ratification. Therefore, no matter what method the State pursues as to the calling, electing, and organizing the convention, just as soon as the certificate of ratification by the State is submitted to Washington the method of conduct or procedure of delegates at the convention becomes a closed incident.

See interesting argument in this regard made by United States District Judge William Clark, page 12, Senate Document 181, Seventy-second Congress, second session.

Mr. MOORE of Ohio. Mr. Speaker, I yield two minutes to the gentleman from Kansas [Mr. HOCH].

Mr. HOCH. Mr. Speaker, the fair question about prohibition is not whether there are widespread violations, but what conditions would be to-day if we had no prohibition. If prohibition is to be repealed on the ground of its violation, the same logic would compel the repeal of most of our criminal statutes. Theft and robbery and murder are rampant in the country. Is that any reason for repealing the penal laws? Is there anyone who believes for a minute that in this day of world chaos, with its demoralizations, with its lowering of ethical standards everywhere, pay-day nights would be better, family life would be happier, highways would be safer, drinking among young people would be less, industrial life would be more secure, and political life would be cleaner if we had a legalized liquor traffic?

Let no one delude himself with the idea that the liquor traffic can be made decent simply by repealing the laws against it. It will be as it has always been, a destroyer of family life, a demoralizer of industrial and social life and a corrupter of political life.

Oh, this resolution may comply with the Democratic platform, but let no Republican here contend for a moment that it complies with the Republican platform. It plainly violates it. It tears from the Federal Government every vestige of power to prevent the return of the open saloon. Gentlemen may express a pious hope that the saloon will not return; but if this resolution is ratified, the saloon will return.

This is a surrender to the liquor forces which have always been lawless, and at a time when above all else we need to promote a spirit of law observance in the country. We boast of our liberty. But we can not long maintain liberty unless side by side with liberty we maintain respect for law, which alone makes liberty possible in the world. It is a vain delusion to imagine that surrender to the lawless liquor traffic will help to maintain it. [Applause.]

Mr. MOORE of Ohio. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, we are considering an amendment to the Constitution of the United States. Article V of the Constitution provides:

> The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress.

When we deem it necessary we shall propose amendments to this Constitution. I am unwilling to propose an amendment to which, under the circumstances, I am opposed. This resolution repeals the eighteenth amendment.

Mr. Speaker, I am opposed to this resolution because I believe it is the first step toward the return of the saloon. It may be said that matter will be left to the States, but gentlemen sitting here that I can see have told me privately that the adoption by the States of this resolution means the return of the saloon. The Republican Party in its national platform declared against the return of the saloon, but this resolution permits its return.

If this proposal were anything new in the control of the liquor traffic we might be willing to try it, but we are going back to what we left after more than 100 years of trial. I am supporting prohibition, with all the difficulties we have had, because I think it is still the best method thus far advanced to control the liquor traffic. [Applause.] There is insistent demand for the consideration of economic questions to afford the people of the country relief. Instead of giving relief to the country to-day, what this resolution will do will be to take the first step to give relief to the liquor traffic.

My friends, let us vote down this resolution. As a member of the Judiciary Committee I listened to the arguments in support of prohibition, by teachers, religious leaders, economists, athletes, the representatives of home and school associations, parent-teachers' associations, social workers, and the representatives of many other groups from all over this country who enumerated the benefits of prohibition.

I am willing to cast my vote with those unselfish persons and with the thousands of others who to-day are praying that we shall not take a backward step upon this important question. These earnest, sincere, and unselfish persons desire a sober nation. I believe prohibition helped to bring this about. I am unwilling to return to a system of State control that we found unsatisfactory.

Let us not take the first step to bring back the liquor traffic which, in many instances, debauched our manhood, prostituted our womanhood, and pauperized our childhood. [Applause.]

[Here the gavel fell.]

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their own remarks in the RECORD upon this resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAINEY. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, to my mind this day is not only an historical day in this country and throughout the world, but to those people who are interested in a democratic form of government it points a new way and inaugurates a new era in the conduct of our democratic form of government, because for the first time the Congress of the United States is recognizing that we are made up, not of States, not of State legislatures, but that all Federal powers come from the people of the States, and we are sending this resolution back to conventions in the States for the nearest thing to a direct referendum that was ever had in this entire country. [Applause.]

I have always favored the convention system of ratifying constitutional amendments. I tried to have the convention system incorporated in the child-labor amendment and in the lame-duck amendment.

I am for repeal of the eighteenth amendment and always have been. I do not attempt any alibi that I am merely for the submission of the question to the people. I have some sympathy with the sentiment of the gentleman from Georgia [Mr. TARVER]. If his personal views coincide with those of his constituents, then I have no complaint against the right course he is following; but I frankly state, after this resolution is submitted, I am for the ratification of it and the repeal of the eighteenth amendment. I am going into my State, if anybody asks me, and openly advocate the repeal of the eighteenth amendment.

Mr. Speaker, I am glad to see this question taken out of our hands and placed in other hands, for one reason if for no other—it has furnished every possible form of alibi that can be conjured in a legislative mind. Some Members are for submission only, careful not to go so far as to say they are for repeal; others would be for it if it has a specific provision abolishing the saloon—whatever that is; others would be for it, if it were submitted to legislatures; others would be for it, if it were not brought up under suspension of the rules, and so forth. I am wondering if each and every one of these provisions were incorporated in the resolution would one vote be changed here to-day. In the last analysis the real test is whether you are against the eighteenth amendment or for its retention. As for me, I am against it.

As to the saloon alibi, let me point out to those who fall back on that as their reason for not voting for the resolution that the resolution permits every State to determine for itself whether it will have the saloon. During the last week the great Empire State of New York practically determined that there would be no saloons in the State of New York. When the State of New York leads the way upon such a question other States usually follow:

It is we who shall vote for this resolution who are "holding the line," let me say to my friend from Texas [Mr. BLANTON]. We are "holding the line" to-day in the cause of a true democratic form of government for these United States. So let us dispose of this question now and forever. Let us send the repeal amendment to the States where it belongs and from whose jurisdiction it never should have been taken. [Applause.]

The SPEAKER. The question is on suspending the rules and passing the joint resolution.

Mr. BLANTON. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 289, nays 121, not voting 16, as follows:

[Roll No. 161]

YEAS—289

| | | | |
|---|---|---|---|
| Abernethy | Bacon | Boland | Campbell, Iowa |
| Aldrich | Baldrige | Bolton | Campbell, Pa. |
| Allgood | Bankhead | Boylan | Canfield |
| Almon | Barbour | Briggs | Cannon |
| Amlie | Barton | Britten | Carden |
| Andresen | Beam | Brumm | Carley |
| Andrew, Mass. | Beck | Brunner | Carter, Calif. |
| Andrews, N. Y. | Black | Buchanan | Carter, Wyo. |
| Arentz | Bland | Buckbee | Cary |
| Arnold | Bloom | Bulwinkle | Castellow |
| Auf der Heide | Boehne | Burch | Cavicchia |
| Bacharach | Bohn | Burdick | Celler |
| Bachmann | Boileau | Byrns | Chapman |
| Chase | Gavagan | Lewis | Romjue |
| Chavez | Gibson | Lichtenwalner | Rudd |
| Chindblom | Gifford | Lindsay | Sabath |
| Clague | Gilbert | Lonergan | Schafer |
| Clancy | Gillen | Loofbourow | Schneider |
| Clark, N. C. | Golder | Lozier | Schuetz |
| Cochran, Mo. | Goss | McCormack | Seger |
| Cole, Md. | Granfield | McDuffie | Selvig |
| Collier | Green | McLeod | Shannon |
| Condon | Gregory | McMillan | Shreve |
| Connery | Griffin | McReynolds | Sinclair |
| Connolly | Griswold | McSwain | Sirovich |
| Cooke | Hadley | Major | Smith, Va. |
| Corning | Haines | Maloney | Smith, W. Va. |
| Cox | Hancock, N. Y. | Mansfield | Snell |
| Coyle | Hancock, N. C. | Martin, Mass. | Somers, N. Y. |
| Cross | Harlan | Martin, Oreg. | Spence |
| Crosser | Hart | May | Stafford |
| Crowe | Hartley | Mead | Steagall |
| Crump | Hastings | Michener | Stewart |
| Cullen | Hess | Millard | Stokes |
| Curry | Hill, Ala. | Miller | Stull |
| Darrow | Hill, Wash. | Milligan | Sullivan, N. Y. |
| Davis, Pa. | Hollister | Mitchell | Sullivan, Pa. |
| Davis, Tenn. | Holmes | Montet | Sumners, Tex. |
| Delaney | Hooper | Moore, Ky. | Sutphin |
| De Priest | Hopkins | Nelson, Mo. | Sweeney |
| DeRouen | Horr | Nelson, Wis. | Taylor, Colo. |
| Dickinson | Howard | Niedringhaus | Thomason |
| Dickstein | Huddleston | Nolan | Tierney |
| Dies | Hull, William E. | Norton, N. J. | Tinkham |
| Dieterich | Igoe | O'Connor | Treadway |
| Disney | Jacobsen | Oliver, Ala. | Turpin |
| Doughton | James | Oliver, N. Y. | Underwood |
| Douglas, Ariz. | Jeffers | Overton | Vinson, Ga. |
| Douglass, Mass. | Johnson, Mo. | Owen | Vinson, Ky. |
| Doutrich | Johnson, S. Dak. | Palmisano | Warren |
| Drane | Johnson, Tex. | Parker, Ga. | Watson |
| Drewry | Johnson, Wash. | Parker, N. Y. | Weaver |
| Dyer | Jones | Parks | Welch |
| Eagle | Kading | Parsons | West |
| Eaton, N. J. | Kahn | Peavey | White |
| Englebright | Keller | Perkins | Whitley |
| Erk | Kelly, Ill. | Person | Whittington |
| Estep | Kemp | Pettengill | Wigglesworth |
| Evans, Mont. | Kennedy, Md. | Pittenger | Williams, Mo. |
| Fernandez | Kennedy, N. Y. | Polk | Williams, Tex. |
| Fiesinger | Kerr | Pou | Wingo |
| Fish | Kleberg | Prall | Withrow |
| Fishburne | Kniffin | Pratt, Harcourt J. | Wolcott |
| Fitzpatrick | Kunz | Pratt, Ruth | Wolfenden |
| Flannagan | Kvale | Purnell | Wolverton |
| Flood | LaGuardia | Ragon | Wood, Ga. |
| Foss | Lambeth | Rainey | Woodruff |
| Freeman | Lamneck | Ramspeck | Woodrum |
| Fulbright | Lanham | Ransley | Wyant |
| Fuller | Lankford, Va. | Rayburn | Yon |
| Fulmer | Larrabee | Reilly | |
| Gambrill | Lea | Rogers, Mass | |
| Gasque | Lehlbach | Rogers, N. H. | |

NAYS—121

| | | | |
|---|---|---|---|
| Adkins | Ellzey | Leavitt | Shallenberger |
| Allen | Eslick | Lovette | Shott |
| Ayres | Evans, Calif. | Luce | Simmons |
| Beedy | Finley | Ludlow | Snow |
| Biddle | Frear | McClintic, Okla. | Sparks |
| Blanton | French | McClintock, Ohio | Stalker |
| Bowman | Garber | McFadden | Strong, Kans. |
| Brand, Ohio | Gilchrist | McGugin | Strong, Pa. |
| Browning | Goldsborough | McKeown | Summers, Wash. |
| Burtness | Greenwood | Magrady | Swank |
| Busby | Guyer | Manlove | Swanson |
| Cable | Hall, Ill. | Mapes | Swick |
| Cartwright | Hall, N. Dak. | Mobley | Swing |
| Chiperfield | Hardy | Moore, Ohio | Taber |
| Christopherson | Haugen | Morehead | Tarver |
| Clarke, N. Y. | Hawley | Mouser | Taylor, Tenn. |
| Cochran, Pa. | Hoch | Murphy | Temple |
| Cole, Iowa | Hogg, Ind. | Nelson, Me. | Thatcher |
| Collins | Hogg, W. Va. | Norton, Nebr. | Thurston |
| Colton | Holaday | Partridge | Timberlake |
| Cooper, Ohio | Hope | Patman | Underhill |
| Cooper, Tenn. | Houston, Del. | Patterson | Wason |
| Crail | Jenkins | Ramseyer | Weeks |
| Crowther | Johnson, Okla. | Rankin | Williamson |
| Culkin | Kelly, Pa. | Reed, N. Y. | Wilson |
| Davenport | Ketcham | Rich | Wood, Ind. |
| Dominick | Kinzer | Robinson | Wright |
| Dowell | Kopp | Sanders, N. Y. | Yates |
| Doxey | Kurtz | Sanders, Tex. | |
| Driver | Lambertson | Sandlin | |
| Eaton, Colo. | Lankford, Ga. | Seiberling | |

NOT VOTING—16

| | | | |
|---|---|---|---|
| Brand, Ga. | Hall, Miss. | Johnson, Ill. | Montague |
| Christgau | Hare | Knutson | Reid, Ill. |
| Free | Hornor | Larsen | Smith, Idaho |
| Glover | Hull, Morton D. | Maas | Stevenson |

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

The following pairs were announced.

On the vote:

Mr. Knutson and Mr. Hornor (for) with Mr. Christgau (against).
Mr. Stevenson and Mr. Montague (for) with Mr. Hare (against).

Until further notice:

Mr. Brand of Georgia with Mr. Free.
Mr. Hall of Mississippi with Mr. Smith of Idaho.
Mr. Larsen with Mr. Reid of Illinois.

Mr. DRIVER. Mr. Speaker, I am requested by my colleague, Mr. GLOVER, who is confined to his bed by illness, to announce that if he were present he would vote "no."

Mr. BLAND. Mr. Speaker, my colleague, Mr. MONTAGUE, is confined to his bed by sickness. He desires me to state that if he were present he would vote "aye."

Mr. SMITH of West Virginia. Mr. Speaker, my colleague, Mr. HORNOR, is unavoidably absent. If he were present, he would vote "aye."

Mr. FRENCH. Mr. Speaker, my colleague, Mr. SMITH of Idaho, is absent on account of illness. If present, he would vote "no."

Mr. KVALE. Mr. Speaker, my colleague, Mr. MAAS, is unavoidably and unexpectedly absent and can not secure a pair. If present, he would vote "aye."

Mr. BACHMANN. Mr. Speaker, the gentleman from Idaho, Mr. SMITH, and the gentleman from Illinois, Mr. REID, are unavoidably absent, and if here they would vote "no."

The result of the vote was announced as above recorded.

REPEAL OF THE EIGHTEENTH AMENDMENT—EXTENSION OF REMARKS

Mr. McLEOD. Mr. Speaker, to-day the House of Representatives, for the second time this session of Congress, is afforded the opportunity to vote on repealing the Eighteenth Amendment. On the first day of the present session we repealists in the House lacked only six votes of the two-thirds necessary, while to-day, with the additional impetus afforded by the Senate's favorable action last week, together with the added section of protection for dry States, every conceivable objection, in my opinion, is now squarely met. In accordance with our party pledges, we must pass Senate Joint Resolution No. 211 to-day, and by so doing, keep faith with the American people.

During the past few months we have witnessed the most remarkable and overwhelming demonstration of resolute determination ever staged by an awakened and thoroughly aroused population resolved and intent upon forcing abolishment of an unwise and deservedly unpopular law, one that has fostered and been the malevolent and prolific source of growing intemperance and crime, lost revenue and the consequent resort to other and unbearable forms of taxation, much of our distressing unemployment, and countless other economic and civic disorders.

I have direct reference to that unparalleled expression at the polls last November of popular sentiment against prohibition. The people of the Nation have given us a profound and impressive exhibition of their refusal to longer tolerate the imposition of this statute which has to date cost us $11,000,000,000 or more in lost revenue and is adding to this stupendous sum at the rate of nearly a million dollars a day.

The sovereign will of the people on this vital problem has been manifested in clear, lucid, and unmistakable terms, impossible of misinterpretation. It is our sacred duty and obligation to heed and obey this outspoken mandate of the voters and, by voting to-day for passage of Senate Joint Resolution No. 211, do our part in ridding the country at once of the most vexatious and troublesome measure ever inflicted upon a people renowned for their inherent and strict sense of personal right and liberty.

The overwhelming deluge of wet votes in the November elections—insistent and imperative in expressing the urgent and determined demand of the great majority of our patriotic, law-abiding, and sincere thinking citizens for immediate and outright repeal of the obnoxious eighteenth amendment—is the natural and inevitable culmination of many years' dissatisfaction and disgust engendered by the pronounced and ignoble failure of this gigantic attempt to regulate by legislative decree the personal habits and morals of our people.

Wide dissemination of statistics and facts relating to the enormous increase of criminal activity, the sinister racketeering of organized bootleggers and gangsters and the disgraceful corruption and bribery which have been notoriously rampant even among the ranks of the forces ostensibly devoted to prohibition enforcement, have awakened the people to the realization that paradoxically, prohibition has proved the greatest force imaginable for the promotion of the very evils the enactment of the eighteenth amendment was supposed to prevent and make impossible of recurrence.

Striking proof of the deep root this sentiment against prohibition has taken in the hearts and minds of the people is shown by the fact that seventeen States have either repealed or never had State prohibition laws; twenty-six that have retained their State laws to date are refusing to spend a cent for enforcement, while the five remaining States are making but a negligible effort to assist Federal enforcement officers.

Confronted by this decisive indication of our country's attitude and facing the most serious industrial and unemployment crisis the world has ever known, it would be criminal folly as well as the basest betrayal of the people to disregard their eloquent plea at the polls last November for outright and immediate repeal of prohibition.

Repeal of the eighteenth amendment is not only a patriotic duty of the highest order, but a fundamental economic necessity of extreme urgency. The wheels of industry are moving imperceptibly, business is stagnant, millions are unemployed in this great national calamity and world-wide catastrophe, and are dependent upon the fast-diminishing resources of welfare agencies for barest necessities of life.

Beginning with the producers of beverages, repeal will start a great chain of activity that will rejuvenate our entire business structure. Hundreds of thousands of unemployed will be permanently enlisted in the great fight being waged for business recovery. By no means, however, will employees of the various beverage concerns be the sole beneficiaries of this great progressive step. In the coal industry, thousands of miners will be put back to work immediately digging the approximately 3,000,000 tons of coal that was annually required for the brewing of beer alone. The automobile trucking industry and the stricken railroads will, of necessity, increase the number of their employees to haul the products that amounted to thirteen and one-half millions of tons yearly from just the brewers of beer, requiring constant operation of many hundreds of locomotives and the use of more than 200,000 freight cars annually.

These three major industries are splendidly representative of how hundreds of other commercial units of our economic system will be helped by the powerful stimulus repeal will bring to our harassed country. The farmers will find an immediate outlet for the vast quantities of surplus grain now flooding our markets and the demand will be instantly increased for various metals, machinery, bottles, bottle caps, corks, boxes, labels, printers' ink, barrels, lumber, miscellaneous hardware, and countless other articles too numerous to mention.

Repeal is an absolute and vital economic necessity, not only because of the work it will create for so many hundreds of thousands, and the tremendous impetus it will give to business in general throughout the entire country, but from the extremely important standpoint of a most prolific source of urgently needed revenue.

The tax on alcoholic beverages proved the only definite and dependable source of revenue of our Government for 50 years prior to the World War. From 1868 it did not vary more than 9 to 10 per cent from year to year, even in periods of business depression and financial panics. It steadily increased from $39,000,000 in 1867 to $284,000,000 in 1917. Before the World War and the enactment of the income tax our Government's income was made up almost entirely of customs revenue and taxes on liquor and tobacco. Depending as it does on foreign trade, the customs revenue varies widely and invariably declines in years of economic disturbance.

The customs receipts for the fiscal year ended last June were $240,000,000 less than in 1928. The income tax is yielding less than half the 1928 total. The only source that is holding up with any degree of steadiness is the miscellaneous internal revenue, which is comprised chiefly of the tobacco

tax. Even these receipts have dropped somewhat from their normal yield.

By their whole-hearted indorsement of repeal the American people have shown their emphatic disapproval of a revenue-losing statute that is largely responsible for the tax condition that has caused the loss of thousands of homes and farms because of inability of their owners to pay taxes that have steadily mounted as incomes and national revenue have diminished. The taxation of beer alone will yield our impoverished Treasury a hundred and twenty-five millions of dollars or more yearly in a form of revenue that will inflict no burden whatsoever on the taxpayers and will make possible a great reduction in the present heavy burden of other taxes.

The vote last November 8 was virtually an ultimatum from the American people to release this golden stream of revenue which would help fill our empty Treasury and assist in bringing immediate relief to the Nation. To fail in this emergency to pass the repeal resolution to-day would be an un-American departure from the very principles of self-government upon which our great Nation was founded. The clear-cut issue confronting us to-day must be unflinchingly met in a true spirit of cooperation and nonpartisan unity of action. Jobs for hundreds of thousands, business for hundreds of industries, will spring into being upon the abolishment of prohibition, while every day we delay costs the Government a vast sum in indispensable and vitally needed revenue.

Let us show that in a great national crisis our American Government of Washington and Lincoln is still equal to any emergency. Let us show, by submitting this great question to the people for their final decision and judgment in State conventions, that ours is still the truly representative form of self-government that our forefathers bequeathed us. Let us triumph again, as we have many times in the past, over the relentless forces of the depression that are to-day besieging our country from within, and by removing this great obstacle to progress and ultimate recovery, show that we are still able and capable of directing our destiny as the greatest Nation on earth.

Mr. ROBINSON. Mr. Speaker, Senate Joint Resolution 211, which is now before us for a vote, reads as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"ARTICLE —

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Section 1 repeals the eighteenth amendment.

Section 2 attempts to protect dry States.

Section 3 provides State ratification by the convention method within seven years. It does not say a word against the return of the saloon!

Before the enactment of the prohibitory amendment, the saloon was a political center, in some respects a social center, and a very great power. The influence and political power of the American saloon were tremendous. Do you want it in action again? The saloon was the resort and center of almost everything that was undesirable and harmful. Experience shows the inability of the States acting alone to control the saloon.

This resolution is for the return of the saloon in America with no restriction guarding against its admitted evils.

I believe in the right of our people to decide under what laws they shall live and I desire to give to them every opportunity for an honest expression of such desire, but I can not vote to submit a resolution of this character which gives them no opportunity to vote against the saloon, which I believe the people of my district do not wish to see returned. The resolution as introduced in the Senate gave Congress the power to prevent the return of the saloon. It was amended in the Senate by a vote of 33 to 32, with 31 not voting, striking out the section which gave Congress this power.

Four years ago Herbert Hoover, Republican candidate for President, vigorously opposed the return of the saloon, and Alfred E. Smith, Democratic candidate for President, in his acceptance speech said:

When I stated that the saloon is and ought to be a defunct institution in this country I meant it. I mean it to-day. I will never advocate or approve any law which directly or indirectly permits the return of the saloon.

President Hoover, in his letter of acceptance in 1932, said:

It is my belief that in order to remedy present evils a change is necessary by which we resummon a proper share of initiative and responsibility which the very essence of our Government demands shall rest upon the States and local authorities. That change must avoid the return of the saloon.

It is my conviction that the nature of this change, and one upon which all reasonable people can find common ground, is that each State shall be given the right to deal with the problem as it may determine, but subject to absolute guaranties in the Constitution of the United States to protect each State from interference and invasion by its neighbors, and that in no part of the United States shall there be a return of the saloon system, with its inevitable political and social corruption and its organized interference with other States.

Gov. Franklin D. Roosevelt—now the President elect—on August 28, 1932, at Seagirt, said:

Thus the Democratic platform expressly and unequivocally opposes the return of the saloon and with equal emphasis it demands that there be Federal control of the liquor traffic to protect dry States.

The Republican national platform, 1932, says:

We do not favor a submission limited to the issue of retention or repeal, for the American Nation never in its history has gone backward and in this case the progress which has been thus far made must be preserved while the evils must be eliminated.

We therefore believe that the people should have an opportunity to pass upon a proposed amendment the provision of which, while retaining in the Federal Government power to preserve the gains already made in dealing with the evils inherent in the liquor traffic, shall allow States to deal with the problem as their citizens may determine, but subject always to the power of the Federal Government to protect those States where prohibition may exist and safeguard our citizens everywhere from the return of the saloon and attendant abuses.

The 1932 Democratic platform has a plank as follows:

We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

Notice the clause therein—"effectively prevent the return of the saloon."

President Hoover, President-elect Roosevelt, and ex-Gov. Alfred E. Smith, as shown by these statements, all agree that the saloon should not be allowed to return. The National Government is the only power that can make certain this outcome. Many of those who have been fighting for repeal have declared their opposition to the return of the saloon. "The saloon, never" has been one of their frequent public utterances. This resolution is not in accordance with the Republican national platform. Notwithstanding all this, the section in the resolution as it was introduced, giving to the Federal Government the right to prevent the return of the saloon, has been taken out, and under our present parliamentary procedure we in the House are not permitted to attempt to restore it. I believe we should make the return of the saloon impossible. This resolution does not so do, but, rather, it provides:

Out goes the eighteenth amendment; in comes the saloon.

I can not agree with or support this program.

Mr. GARBER. Mr. Speaker, Members of the House, Senate Joint Resolution 211 was submitted to the House to-day under suspension of the rules which limits time

for debate to 20 minutes on each side, prohibiting all amendments. It is to be regretted that a question of national interest, of such grave importance to the Nation, should be submitted under such a drastic rule as to prohibit amendments and discussion.

But the liquor interests of the country do not want discussion or publicity. Ever since this session convened they have been demanding immediate action. With great éclat and spectacular announcement a resubmission resolution was submitted to the House on the first day of this session. It was given priority over all other imperative measures awaiting action, and now, when the matter is again considered, the same arbitrary rule is invoked. I therefore am compelled to extend my remarks in the RECORD, that it may show my position upon this question.

The resolution reads:

That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by conventions in three-fourths of the several States:

"SECTION 1. The eighteenth article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors in violation of the laws thereof is hereby prohibited.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Under Article V of the Constitution, Congress is authorized to propose amendments to the Constitution by two-thirds vote of both Houses and when proposed and ratified by the legislatures of three-fourths of the several States or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress, then such amendment becomes a part of the Constitution. The same power of proposing amendments is reserved by the several States upon application of the State legislatures of two-thirds of the several States.

Under Article V cited, Congress may propose a resolution either to the legislatures of the several States or to State conventions. Its power is limited to that of proposing the resolution and to the designation of the agency as the State legislature or the convention, whichever it may select. The power of Congress thus ends with such proposals. It remains for the States, through their legislatures to determine, first, whether action shall be taken upon such proposal; and second, whether such action shall be one of approval or disapproval.

The resolution, having been passed by two-thirds majority of Congress, will now be submitted to the several States for their disposition.

The first section of the resolution provides for the naked repeal of the amendment. If the resolution is approved by three-fourths of the States, it will be the first instance of a repeal of an amendment to the Constitution in the history of our country.

Any thirteen States may defeat the proposal: First, by refusing to call a convention; and second, by refusing to approve the resolution should a convention be called.

Section 2 prohibits the transportation or importation of intoxicating liquors for delivery or use into any of the several States where the laws of the States prohibit such. This section, it is claimed, will protect the dry States. If the resolution is adopted and intoxicating liquors are again legalized, section 2 will prove unavailing in protecting the dry States. Bootlegging from the wet States into the dry States will be increased tenfold. In this modern period of transportation by automobiles, trucks, and planes, an ample supply will always be available, and the States will be helpless to enforce their dry laws and ultimately will be compelled to repeal them.

Section 3 requires ratification by conventions in the several States. This is the first requirement for submission to State conventions that has been enacted in our history. There is a general impression that the conventions referred to will be similar to the old-time State political conventions and subject to all the political manipulations in the way of packing caucuses, trading votes, and so forth. But the conventions required will be an altogether different type of State agency. It will be a convention created by law, enacted by the State legislature, clothed with the same degree of solemnity and sanctity of law as State constitutional conventions. The State legislatures will fix the time and place of holding the conventions, the number of delegates, the apportionment of delegates, the qualifications of delegates, and the voters. It perhaps would utilize the election laws of the State as far as applicable in the selection of delegates and the adoption of the procedure in their selection.

At the present time there are 43 State legislatures in session. A desperate drive will be made to secure favorable action by at least 36 States calling State conventions before their legislatures adjourn. The wets are already organized to make this drive. They are amply supplied with money to pay the necessary expenses, and in doubtful States organization and money will determine the result of the conventions and may ultimately determine the issue of repeal.

It remains to be seen whether or not the people of the dry States will awaken in time to face the impending crisis now confronting them. Will they permit economic conditions to control their action? The strategy of the wets is to politicalize the depression to repeal the amendment. They claim the Government is in desperate straits financially, which is true; that unless additional revenues are provided for, its credit will be impaired and such impairment will affect financial conditions throughout the country; that the repeal of the amendment and the legalization of the manufacture and sale of beer and intoxicating liquors will give the Government $150,000,000 additional revenue annually, and, second, such manufacture will furnish a market for farm grains and relieve the present distressed condition of the farmers. In this respect, it is hoped to make economic conditions control the moral conditions and determine the issue involved.

It is to be regretted that the House majority, through its leadership, should entertain even for a moment the submission of such a grave constitutional question affecting the morals of our people at such a time, and should lend a willing ear to the importunities, pleadings, and seductive influences of the bloated brewers and distillers of the country and give them prior and preferential consideration over the interests of the impoverished farmers and the millions of unemployed! It is to be regretted that such a proposal should even be entertained for a moment, let alone be considered and pushed through by caucus regulations to enactment, at a time when industries are closed; laboring men out of employment for want of work; when they are in bread lines for want of sufficient means to purchase food; at a time when the great industry of agriculture has collapsed; when the prices of farm products will not pay 50 per cent of the cost of their production; when farmers can not pay their taxes, interest, and mortgages, or purchase the bare necessities of life; when they are being sold out by the sheriff or compelled to resist such sales by physical force at the courthouses in order to save their homes; when business men are forced to the wall, into bankruptcy; when the banks are closed and are being closed every day and deposits tied up; at a time when there is no purchasing power in the hands of the producers and workers and the charitable institutions have exhausted their resources in feeding the hungry; that in the very midst of this cataclysm of economic conditions, without precedent, the demands of the brewing and liquor interests should be given right of way, prior, preferential, and favorable consideration at a time when the producers and the workers, out of employment through no fault of their own, are in need of every penny to buy milk and food for their children!

Why should the brewing and liquor interests be given such consideration? Have they been filling the lobbies in the committee rooms for charitable purposes, to relieve the hungry and unemployed and the homeless farmers ejected from their premises? They are interested in this legislation

solely for the profits they can make out of the business. At a time when the law-abiding people are not even thinking of profits, the liquor interests will not only continuously demand their profits but their tolls as well, in all directions, to control legislation. They will debauch the politics of the country and insist upon exercising the political influences to elect the sheriffs, the prosecuting attorneys, the members of the State legislatures, and of Congress. And yet we are told that a repeal of the law is necessary in order to secure law and order. If these criminal selfish interests will violate the law in one instance, what is to prevent them from doing so in the other?

This has been a sad day for the people of this country. Our standards have been lowered. The Christian citizenship of the country has been humiliated and the roll call just taken should have been accomplished by cathedral-bell solemnity in the presence of such a great tragedy.

We voted against the resolution because it affords no adequate protection to the dry States; it affords no adequate safeguards against the return of the open saloon; because bread-and-butter legislation for the millions of the unemployed now in the bread lines and the impoverished farmers now being evicted from their homes is of far greater importance than beer and liquor legislation for the profit of the brewers and distillers. The money to be spent in the consumption of beer and liquor is needed for bread and butter for the hungry and for homes for the homeless.

To thrust the consideration of this controversial question into the public mind already distracted with the grave questions of sustenance will contribute nothing to the stabilization of public opinion and the abiding peace and security of our country. Conditions already are menacing, are revolutionary, calling for the exercise of the highest degree of self-restraint, calm, considerate judgment, and the economic utilization of every penny to secure the necessaries of life. The adoption of this resolution, without the enactment of necessary legislation by the States, will but encourage increased flagrant violations of law.

The submission of repeal, with adequate safeguards, under normal conditions might have been justified. The question could then have been determined upon its merits, uninfluenced by the prevailing economic conditions. The adoption of this amendment will be the beginning of the end and it will only be a question of time when the prohibitory laws of the dry States will be nullified and repealed.

Mr. COLE. Mr. Speaker, debate on the resolution repealing the eighteenth amendment being limited to one or two minute speeches, obviously too short a time to discuss the subject, I want to briefly present my views in the general leave given for extension of remarks.

Nearly simultaneously with the passage of the eighteenth amendment the people of the State of Maryland, whom I am happy to represent as one of their Congressmen, rose up in revolt and advocated the immediate repeal and restoration to the States of that power which had been taken from them by the eighteenth amendment. At that time I had just returned from overseas service during the World War and, not having been given an opportunity to participate in the vote which Maryland cast on the eighteenth amendment, I immediately aligned myself with those in opposition to that theory of governmental encroachment and activity, and from that date to this I have been active in my campaign promises and in my previous votes to bring about the enactment of legislation similar to that which passed the House to-day.

It is therefore my happy privilege to be able to not only vote my individual sentiment and views on the subject but to express what I have long since interpreted to be the will and desire of the people of Maryland, that this cancer in the Constitution of our country be removed without any trace of its malignancy remaining, and to restore as nearly as possible the Constitution to those fundamentals of government to which I believe our forefathers intended it to be limited.

It will interest the House to know briefly the history of the prohibition amendment and the change in attitude of Congress since 1917 to the present time toward that law.

On August 1, 1917, the Senate voted to submit the eighteenth amendment, and the vote was 65 for and 20 against, with 11 not voting.

On December 17 of the same year the House voted to submit the prohibition amendment with a vote of 287 for and 100 against, with 40 not voting. It will be noted that this vote numerically closely approaches the vote of the House to-day for repeal.

On January 16, 1919, Nebraska became the thirty-sixth State to ratify the amendment, and a few days later the adoption of the said amendment was proclaimed, and it became operative on January 16, 1920.

On July 22, 1919, the House passed the national prohibition act—the Volstead Act—with a vote of 287 for and 100 against.

On September 4, 1919, the Senate passed the same legislation without a record vote. On October 27, 1919, President Wilson vetoed the Volstead Act, and on the same day the House overrode President Wilson's veto by a vote of 175 to 55, with 198 Members not voting; and on the following day the Senate also overrode the veto.

The legality of the Volstead Act was immediately challenged, and on June 7, 1920, its validity was upheld by the Supreme Court of the United States.

In 1921 antibeer legislation was passed by Congress, but not until 1928 was there any record vote reflecting the attitude of Congress for the prohibition amendment. On February 15 of that year the House voted on the Linthicum amendment to prohibit enforcement appropriation and forbidding the poisoning of industrial alcohol. I was one of the 61 voting for that amendment, but there were 283 votes against it, and the House therefore refused even this sensible interference with the existing law, and seemingly were unwilling to submit to any change whatsoever.

In 1929 a semblance of a test appeared in the vote of the House on the $24,000,000 enforcement appropriation with a record vote of 244 for and 141 against. The following month, February, 1929, the Senate and the House voted for the Jones five and ten law, the Senate vote being 64 for and 18 against, while the House vote was 284 for and 90 against. In each of the foregoing instances it was my privilege to vote in the negative.

It can be seen from the foregoing period of 12 years, aside from additional and more drastic dry laws, no vote of the House or Senate looking to repeal or modification had become a matter of record. I returned to Congress in 1921, succeeding as I did my dry predecessor, who represented the Second Congressional District of Maryland, or, I might say, misrepresented it, so far as the attitude of his people upon this important question was concerned, and not until March 1, 1932, were we able to bring a wet-and-dry issue to the floor of the House. One hundred and forty-five signatures were obtained on that day to discharge the Judiciary Committee from further consideration of the Beck-Linthicum resolution for repeal. On March 14 the House voted, 169 for and 228 against this discharge rule, but from that day on those of us who made up the 169 realized that the end of the eighteenth amendment was not far distant. We forced another vote at a later date on the beer bill, which was also defeated 169 to 228.

All of the agitation throughout the country and the change of sentiment as reflected in the votes of Congress brought for the first time an expression in the platforms of the Republican and Democratic Conventions, advocating in general terms what the resolution of to-day puts into legal form and effect. When the present short session of Congress convened in December I was in sympathy with the decision of Speaker Garner to force a vote upon the repeal resolution and while that vote of 272 for and 141 against was short of six votes only to gain it the required two-thirds, and, therefore, pass it, I believe this overwhelming

sentiment furnished the necessary encouragement to the Senate for the action of that body which followed on February 16, 1933, when the resolution received the necessary two-thirds, the vote being 63 for and 23 against, and also furnished the necessary encouragement for the caucus action of the two major parties in the House and the culmination of all that effort in the success of it's being passed when 289 Members voted for and 121 Members against the resolution.

I have cited the foregoing brief recapitulation of record votes to show first how determined Congress was 13 years ago to do an unwise thing and yet how responsive the same lawmaking body of our Government has been to the popular demand of our people.

Almost immediately after the passage of the eighteenth amendment the lawless element of our country took advantage of the disrespect and disregard for this sumptuary law and steadily and to an alarming extent bootleggers, racketeers, demagogues, and criminals of every conceivable character flooded our courts, debased the sanctity of our laws, invaded territories in our country theretofore protected by local option and in general presented a most disgusting and humiliating condition for a country enjoying the traditions that ours does to tolerate. It was perfectly inevitable that the best thinking people of the country would demand a change and it is not surprising to find the great Democratic Party being the first political organization in its national platform taking a definite, open, easily understandable position in favor of the repeal of the eighteenth amendment and the submission of that great question to the people of the States of the Union.

The Democratic platform of 1932, under which President-elect Roosevelt ran for the Presidency, said:

> We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

Twenty-one million of our people rallied to the support of the Democratic candidate, and I am quite sure this unprecedented vote was due very largely to the desire and the feeling of certainty they had that if the Democratic Party was given control of the Government, one of the first actions of the administration would be the redemption of this pledge.

It is a source of real satisfaction, therefore, to find the present Congress, controlled absolutely by the Democratic Party in the House and almost having a majority in the Senate, not waiting for the Seventy-third Congress to convene but as loyal Democrats, sensing the sentiment of the people of this country and the platform upon which many of them had been reelected, to vote immediately in the present Congress this important change in our organic law.

In these troublesome times it will go far to restore confidence in Congress and in our people.

The foregoing has not alone presented the reasons for this change in sentiment. The overburdened tax-paying people of our country know that prohibition has not been, and can not be, enforced, and yet we have contributed to date approximately $6,000,000,000, or about one-third of the total national debt, in attempting to enforce this law. Our United States courts, which should be devoting their time to serious and important litigation, are clogged with cases of picayune character because of this law.

Taxes collected on liquor in 1919 would have paid one-half of the huge deficit of this country in 1931.

Without reflecting in any way upon the ability of the legislators of my own State and the other States, the set-up of convention machinery, as the resolution calls for, and I am sure this thought will be of use and value to those serving in the legislatures of our States at the present time. Take Maryland, for instance; in the election of November 8, 1932, Governor Roosevelt received an overwhelming majority, as well as Senator TYDINGS and the six Democratic Members of the House. Maryland has a total population of 1,600,000, of which number 470,000 reside in my congressional district. Of the majority received by President-elect Roosevelt in Maryland, approximately one-third was given by the congressional district I represent, and yet the Eastern Shore of Maryland is said to be dry, if we look at the vote of my able and distinguished colleague who represents that district. If that be true, then any convention assembled in Maryland should reflect the popular will of the State as a whole, and not on the basis of representation therein, such as our legislature is made up of at the present time. I mean by this that while the existing representation of the counties and cities might be advisable for certain purposes, the problem we are now dealing with—that is, to change the Constitution of our Government—is a broad, state-wide question, and one in which popular sentiment should prevail and control. I hope, therefore, that not only my own great State, a pioneer in advocating this victory which has come to the country to-day, so far as Congress is concerned, will set up at a very early date, through enactment by the present legislature now in session, a model bill for the calling of a convention to pass on this resolution, and one that will appeal to other States of the Union because of the assurance it will give to the great masses of our people where the popular sentiment and feeling of the people will prevail against any idiotic and asinine schedule of representation where county lines or city lines might, as a result of existing law, otherwise dictate.

I feel that the vote I have cast on this resolution to-day interprets the desire of the people of the great district I represent, and I am happy to report in this way it has been my privilege to voice their sentiments and their feelings against the eighteenth amendment in the vote I have cast for its repeal. I believe I am promoting temperance in changing present conditions, because I have confidence in my own State when the eighteenth amendment is repealed to see to it in the expression it gives to the prerogative of the State in permitting the sale, manufacture, and use of intoxicating liquors to protect those parts of Maryland which want to be dry, and to control those parts which want to be wet in a way that will restore the respect and confidence of our people in the existing law.

Mr. PETTENGILL. Mr. Speaker, I vote "aye," because I believe the American people have the right to decide this question for themselves.

Mr. GRIFFIN. Mr. Speaker, in the brief one and two minute speeches permitted under the exceedingly limited time allowed for debate, the outstanding arguments of the opponents of this resolution were predicated upon four grounds:

First. That the eighteenth amendment is a good thing.

Second. That its repeal would bring back the saloon.

Third. That Members believing in prohibition would stultify themselves if they voted to permit the people of the sovereign States to express their views on the subject.

Fourth. That the passage of this resolution would pave the way for Federal legislation dictating to the sovereign States the times, places, and procedures of holding the State conventions.

It would be vain to rehash the arguments of the last 13 years. Suffice it to say that the people have spoken. The verdict of the last election, in which both the great parties stood for submission of the subject to conventions to be held in the separate States, indicates quite clearly that the voters of the country now realize that the eighteenth amendment has not been the success that was anticipated.

"A COSTLY AND UNPROFITABLE EXPERIMENT"

Mingled, no doubt, with that conclusion it is evident that the people of this country have come to realize that prohibition by force is now about proven to have been a very costly and unprofitable experiment.

It has deprived the United States Treasury of excise revenues of over half a billion dollars a year for 13 years—aggregating six and one-half billion dollars—besides entailing interminable expenditures for enforcement—increased courts, penitentiaries, judges, clerks, and enforcement officers. Added to that, and this is no negligible

factor, has come the expense of making arrests for prohibition enforcement of from fifty to one hundred thousand persons a year, with all of the charges for maintenance and costs incidental thereto.

SOCIAL AND MORAL DEGRADATION

With this picture of the mere material costs of prohibition, in addition to the social and moral degradation ensuing in its wake, it is not surprising that the American people have begun to suspect that the abortive attempt at prohibition enforcement is largely responsible for the present deficit in the Treasury and the mountainous taxes which are now piled up on the backs of our suffering taxpayers.

THE PEOPLE SHOULD HAVE THE RIGHT TO VOTE ON IT

Be that as it may, the proposition that confronts us to-day in voting on this resolution is whether or not the American people should have the opportunity to express their convictions with finality on the subject by the lawful constitutional method provided by the fifth article of the Constitution, instead of being compelled to resort to newspaper and magazine straw votes, to find out what ought to be done about it.

That is all there is to this resolution. A vote for it is neither a vote for the eighteenth amendment nor a vote against it.

The text of the resolution does not touch on the merits of the question, nor bind any Member as to his ultimate individual action. If he votes for this resolution, he may go back to his constituency and fight as hard as he likes against repeal. No one can challenge him. No honest dry at home can blame him for his action here; no honest wet here can blame him for his action there.

But, on the other hand, a vote against this resolution is a virtual annulment of the fifth article of the Constitution itself, which grants the right of submission of any proposal when there is an obvious popular demand for it.

A vote against this resolution is an arbitrary denial of justice evincing a desire, at any cost, to keep the people bound forever in the shackles of a law against which there has rolled up an almost universal wave of condemnation.

Those who take this stand of refusing to put their convictions to the test of popular approval confess their own weakness and their fear of defeat.

THE RETURN OF THE SALOON

Fears about the return of the saloon are utterly unfounded. No State can have saloons within its confines unless it wants them. If it does want them, that is the business and sole concern of the people of that State. Even at that, impartial opinion is now unanimous that the worst saloon is better than the best speakeasy, with its attendant train of bootleggers, thieves, cutthroats, and racketeers.

Take the case of Maine, which to-day was referred to as a model State in paving the way for total abstinence by force. Does anyone believe that there is such a thing as real total abstinence in Maine? If he does, his innocence is amusing. Prohibition has only been maintained—or the semblance of it maintained—in Maine by the most degrading connivance between the prohibition forces and the police and the owners of the thousands of speakeasies. The officials simply ignore the existence of the speakeasy for 364 days in the year. Then, as collection day comes round, the places are raided and the owners fined $1,000 or thereabouts, which is the equivalent of what would be an annual license fee in a self-respecting and decent state of affairs. Having paid his fine, the owner goes back to his blind tiger and resumes business as usual. No, my friends, do not talk about Maine as an example—except as one that ought not to be emulated or perpetuated.

AS TO THE CONVENTIONS

The sole remaining alibi for voting against the pending resolution is that its passage will open the way for congressional interference with the times, places, and procedures of holding the conventions. There is no merit in that excuse. The resolution is carefully worded to avoid that very pitfall. Its very brevity is its safeguard and recommendation. It leaves the initiative to the States to act upon it of their own volition.

The Constitution itself was ratified by conventions in the individual States, without either molestation or dictation by the Continental Congress and without the suggestion of financial aid or pressure of any kind. The States to-day can be safely relied upon to follow this precedent.

The language of the resolution is perfect in its simplicity and gives the largest measure of latitude to the States in holding the conventions as to times, places, and procedures.

There will be no justification for Congress to meddle with their sovereign freedom. There is no need to. The wet States will be only too anxious, if anything, to start the conventions moving in order to win. In like manner, the dry States will not be less diligent in striving hard not to lose. It is a fair issue which should be left to the people of the country to decide, as is their sole right and province.

Mr. CLANCY. Mr. Speaker, nothing will do more at this time to restore prosperity and to renew confidence in the American Congress than the passage of the repeal of the eighteenth amendment resolution to-day.

Congress has never suffered a more violent barrage of abuse and criticism in its history than during recent months. Representative government has been under attack and suspicion as never before. Nothing Congress could do in counterattack could be more effective than to pass promptly this repeal resolution.

Whether rightfully or not, the majority of the American people have a firm and ever-growing conviction that the repeal of the eighteenth amendment will speed the return of prosperity more quickly than anything else.

First. The people look forward to increased employment in the brewery business and all its accessories and ramifications of business. They anticipate the employment of hundreds of thousands of additional workingmen.

Second. They anticipate the release of millions of dollars of capital in the tremendous purchasing power of raw materials and equipment and tremendous investment in transportation.

Third. They anticipate the lessening of crime and the destruction of gangs of gunmen and racketeers. This means less public expense in maintaining law-enforcing agencies, such as patrolmen, detectives, courts, jails, and so forth.

Fourth. Tremendous deficits have grown up in every branch of Government and additional revenue is absolutely necessary. The people are clamoring for the hundreds of millions of dollars revenue to be gained from the taxation of beer, wine, liquor, and so forth.

These are only a few of the reasons why the people are convinced that the eighteenth amendment is an overwhelming failure. They gave their mandate for its repeal by an overwhelming vote in last November's elections. Our Government is a failure if it does not register the people's wishes in this matter.

I have every confidence that the States will speed ratification after to-day's vote. When the Senate passed the repeal resolution, I promptly telegraphed wet leaders in Michigan, and Michigan is now exerting itself to win the honor of being the first State in the Union to ratify the repeal.

This is one of the happiest days of my life, for I have devoted many years to prevent the adoption of the eighteenth amendment, and I have also fought aggressively and persistently for many years to secure the repeal of this dreadful law.

Mr. McSWAIN. Mr. Speaker, under general leave to extend remarks upon the motion made in the House Monday, February 20, to suspend the rules and to pass Senate Joint Resolution 211, proposing an amendment to the Constitution of the United States, I submit some of the considerations which have induced me to vote for this resolution.

This proposed amendment to the Constitution is, in fact, a proposal to repeal the eighteenth amendment, but also to give a constitutional guarantee that the transportation or importation into any State of intoxicating liquors, in violation of the laws of such State, shall be prohibited

forever. If 36 States should act in favor of ratifying this proposed amendment, then, undoubtedly, each and every State in the Union could be just as dry as its own laws make it and as its own courts and juries make it.

The Democratic platform adopted at Chicago in 1932, on which Roosevelt was elected President and on which I was elected to Congress on November 8, 1932, binds the Democratic Party to submit to the States a proposal for the repeal of the eighteenth amendment. I am a Democrat by tradition, by inheritance, by association, and by conviction. I have always been a Democrat, and I expect to remain one as long as I live. Of course, the Democratic Party in the past has made mistakes and probably will make mistakes in the future. But however numerous and serious its mistakes may be, they have been, and are, and will be, less numerous and less serious than the mistakes of the Republican Party. There is no other major party before the American public, and the warnings of history do not encourage us to contemplate the organization of a new party. Hence, my resolution to remain a Democrat is well grounded in reason and conviction, and I expect to remain a Democrat as long as there is breath in my body.

Before the campaign for the nomination by the Democratic primary in South Carolina was closed, the National Democratic Convention had met in Chicago, and had adopted the platform to which I refer, and had nominated Roosevelt for President, and he had appeared before the convention and had expressed his personal resolution to stand upon that platform, and to seek to carry out its policies, if he should be elected. In like manner, during my campaign for renomination by the Democrats of the fourth congressional district, I declared that I stood upon that platform from beginning to end. Being a Democrat, I do not consider myself at liberty to pick and choose those parts of the platform that I approve and will support. If I can reject one plank in the platform, and still be a Democrat, I could reject two such planks, and finally could reject 99 per cent of the principles and policies declared for in that platform, and still be a Democrat. Such a conclusion is logically preposterous. A man is not obliged to be a Democrat, and if he is a Democrat, he is not obliged to be a candidate for office upon a Democratic platform, but if he chooses to be a Democratic candidate, then I submit that good faith compels him to accept the platform as a solemn obligation to the people. If, after the platform was formulated, I could not conscientiously support its principles, then it would have been my duty to myself and to my political friends to have declined to be a candidate.

I have been surprised, therefore, that some of my personal friends have urged that I am not bound by the Democratic platform to support the resolution to submit to the States a proposal to repeal the eighteenth amendment. If I am not bound by that specific pledge of the Democratic platform, then I am not bound by any other pledge in that platform. Those who advocate repudiation of a part of a platform should remember that such a principle would lead to the repudiation of the entire platform. Furthermore, unless there be such a thing as political honor and political integrity, evidenced by the support of a party platform, then party government and popular government are doomed to failure. Unless the people have some assurance that their representatives will keep their pledges made during a campaign, then they will lose confidence in representative government; and when confidence fails, the government itself will fail.

Furthermore, those who advocate the repudiation of a part of the platform, by the same token advocate party perfidy and political treason. If a candidate is not bound by the party platform, written with deliberation and adopted by the representatives of the party in convention assembled, then a candidate would not be bound and should not be bound by his public speeches and private conversations during a campaign. If a candidate for office should during a campaign by his speeches promise the people that he would vote for the revision of the tariff, and if, after election, he should refuse to vote as he told the people he would, then the people would have a right to denounce him as a traitor and to spurn him from their confidence and party councils. Even more so should the people repudiate a Representative who refuses to abide by the solemn platform pledges upon which he was elected to office.

MY SPECIFIC PLEDGE AS DEMOCRATIC CANDIDATE

But as for myself, I signed a pledge, required by the party rules of South Carolina, binding me specifically, if elected to Congress, to support the policies and principles of the Democratic Party, and to act in cooperation with my colleagues in Congress in furtherance of same. The history of this pledge and its fair and reasonable interpretation show that reference is made to the principles and policies of the National Democratic Party, and those principles and policies are to be found expressed in the latest National Democratic platform. It would be idle and absurd to seek to bind the Representatives from South Carolina to cooperate with their Democratic colleagues from other States in promoting the principles set out in the Democratic platform of the State of South Carolina, or of the State of Georgia, or of the State of Tennessee, or of the State of Texas. Undoubtedly, the purpose and intention of that pledge is to bind the Democratic Members of Congress from South Carolina to support the principles and policies of the National Democratic Party as expressed in the National Democratic platform.

TO AMEND IS TRUE AMERICANISM

Feeling that I am honor bound by the foregoing considerations to submit to the States the question of repealing the eighteenth amendment, I have voted so to do. This proposal is not radical, nor un-American. In fact, it is the very essence of Americanism. It is the taproot of democratic institutions. It is the heart and soul of the republican form of government. The people are the masters in America. The people have adopted the Constitution of the United States in conventions assembled, and the people have already ratified 20 amendments to that Constitution. If the Constitution should never be changed then the eighteenth amendment could never have been adopted. Members of Congress at that time voted to submit to the States a proposal which became known as the eighteenth amendment. If I had been in Congress at the time I would have voted to give the people of the States the chance to say whether or not they desired to confer on Congress this police power of regulating the manufacture, sale, and distribution of alcoholic beverages.

The people of the States have been living under the law passed in pursuance of the eighteenth amendment, and dissatisfaction therewith has been widespread enough to cause both major political parties to declare in favor of a change. These two political parties represent, as shown by the vote, over 95 per cent of the people of America. The popular vote cast in favor of the prohibition candidate and his platform was almost negligible. The difference between the Democratic and the Republican platforms on this question is well-nigh infinitesimal. The proposal which has now been submitted to the States by the action of the House of Representatives to-day, contains the essence of the platforms of both parties on that subject. It is true that the Democratic platform declared that there should be out and out repeal, and the Republican platform declared that there should be repeal, but reserved to the Federal Government the power to prevent the return of the saloons in any part of the Nation.

The proposal voted on to-day gives to every State absolute power to control the manufacture, sale, and transportation of alcoholic and intoxicating beverages. It will be up to the people of every State to say whether or not they will permit any intoxicating beverages to be sold or transported or stored in each such State, and if they, by their State laws, prohibit such manufacture, sale, and transportation within the State, then, such State laws will be supreme on that question, and whiskies can not be shipped into, or transported into such State; and, if laws prohibiting such

importation and transportation of intoxicating beverages are violated by common carriers, or by private individuals, then State courts, and State juries must try, and convict, and punish all such violations.

EACH STATE'S WILL SUPREME IN MAKING AND ENFORCING LAWS

In other words, if 36 States should ratify this proposed amendment, then the fight will be transferred from Congress to the legislatures in each State to say what the law of that State shall be. If the law of South Carolina remains as it now is, then there is no danger whatsoever that liquor will be sold or transported into, or manufactured in, South Carolina. If South Carolina will look after her own problems along this line, and I know she did it well before the adoption of the eighteenth amendment, and if Georgia will do the same, and if North Carolina will do the same, and if the other States of the Union do the same, then there will be much less intoxicating beverages made and sold and transported than is the case now. A law of this kind can be best supported by the people of the State enacting that law. So long as it was possible to throw the expense and responsibility upon the shoulders of the Federal Government, then the State governments let their own laws remain in a state of quasi abeyance.

FEDERAL CALL AND CONTROL OF CONVENTIONS REVOLUTIONARY AND DANGEROUS

In conclusion, Mr. Speaker, I wish to record, as I did in December, my solemn conviction that any attempt by the Congress of the United States to enact a law for the calling of conventions in all the States, to meet at the same time, and to be subject to the same Federal regulations concerning membership, and all the other qualifications for voting for delegates, would be unconstitutional, un-American, undemocratic, and unwise. My conviction is perfectly clear that the Congress has no power, either express or implied, to call a single convention of the sovereign people of a single State, to pass upon any question, whether it be the ratification of a proposed amendment to the Constitution or anything else. To grant such a power would be the most dangerous step in the destruction of our dual system of government that the human mind could conceive. To grant the power proposed by the Hon. A. Mitchell Palmer, and some others, would make it possible for a party in power and in control of the Federal Government, to work its own will in the uprooting of, and destruction of, those things that are most fundamental to American life and American institutions.

There has been no more radical and revolutionary and dangerous proposal made since the days of reconstruction following the War between the States. If such a proposal ever finds expression in the form of a bill introduced in Congress, then I pledge myself to exert every ounce of my strength, both physical and mental, to defeating that proposal in the most summary and decisive manner. The very suggestion itself is repugnant to the principles of any person grounded in the doctrine of States' rights. The justification for any such proposal is rested upon a few fugitive and unimportant dicta of the Supreme Court. Being familiar with the history of that court and having studied its doctrines and decisions for 40 years, I feel that if a majority of both Houses of Congress could ever be induced to vote for any such proposal, and if any American citizen, sitting in the chair of President, could ever be prevailed upon to sign his approval to any such bill, then an appeal to the courts to test the constitutionality of such a proposed law would meet with the prompt and unanimous declaration of all the courts of the land that the same is unconstitutional, null and void.

If ever the power and right of the courts to declare an act of Congress to be unconstitutional, and therefore null and void, is justified, then the case now under consideration would be the most thoroughly justified of all cases that have ever been considered. The reason is that it is the solemn duty of the Supreme Court to preserve not only our Constitution but to preserve our constitutional system. It is the duty of the Supreme Court not only to declare and protect the rights of the Federal Government but to declare and protect the rights of the States. If the rights of the States are invaded, and if by reason of such invasion the rights of the States are ultimately destroyed, by the same act the Federal Government would be destroyed. It would cease to be a confederation, and would become a consolidated and single sovereign government.

The very argument advanced by the Hon. A. Mitchell Palmer in support of his plan whereby he suggests that if State legislatures are hostile to the contemplated amendment to the Constitution, then even if they call a State convention they may so fix the qualifications of those who are to vote and of those who are to be elected delegates, and the number of delegates, and the districts from which delegates may be selected, and the time and place of meeting, and all the other details of such a convention, as to completely defeat and overthrow the effort to amend the Constitution.

I admit that it is true. To grant the existence of a power is to grant the possibility of abusing that power. The power to do right in a sovereign way involves the power to do wrong. The power in a legislature to enact good laws of necessity involves the power to enact bad laws. By the same argument, but with multiplied danger to our dual system of government, to admit the power of the Federal Government to call conventions in States and to fix the qualifications for those who vote and to fix the qualifications of delegates and to prescribe the territory to be represented and to fix the time and the places of election and the time and places for the meeting of the convention would be to admit the existence of a power in the Federal Government which might be exercised at any time, whereby amendments might be railroaded through and adopted that would destroy our whole plan of government in America. To concentrate such a power into the hands of the single Federal Government would give to that Government the power of destroying America herself. But to distribute that power among the people of 48 States is in the interest of safety and wisdom. While a few States might abuse their power, it is not likely that 36 States would at the same time abuse their power to the extent of ratifying an amendment to the Constitution which would pervert and destroy the beauty and symmetry of the system.

For these considerations I hope that no effort will be made to enact any such law, but if such an effort is made, I pledge all that I can do to its swift and overwhelming defeat.

Mr. WOLCOTT. Mr. Speaker, the Congress, when it provided that the proposed twenty-first amendment to the Constitution of the United States should be ratified by conventions to be held in the several States, thereby expressed its desire that all of our citizens should have an equal opportunity to be heard individually on this all-absorbing question.

Since the passage of the resolution there has been much comment on the manner in which this might be accomplished. Many contend that the Congress of the United States has authority to and should set up the machinery for calling these conventions. The consensus of opinion, however, seems to be that the framers of our Constitution, in recognition of the sovereignity of the States, intended that the calling of the convention should be purely a State function. I am of this belief, for the reason that to hold otherwise would be contrary to the spirit of our Federal Constitution and might result in a usurpation by the Congress of certain vested rights retained by the States at the time the Constitution was originally adopted.

There has been much discussion of the manner in which these conventions might be called by the several States. Having in mind the intent of Congress that all of our citizens should have an equal opportunity to voice their desires, and having in mind also the numerous suggestions which have been made in each of the States as to the form the legislation should take, I have evolved a plan embodying a method of procedure which I believe will carry out the intent of Congress, and which is also expeditious and easily comprehended. It is suggestive only, and may be so modified as

to coincide with the election machinery of the several States. The plan in substance contemplates the nomination and election of a small body of delegates and carries out the principle of the so-called electoral college. Legislation may be enacted by the several State legislatures providing for the following:

First. The purpose of the convention.

Second. The time and place of holding the convention; the time and manner of holding primary and general elections, which may be in conformity with existing law.

Third. That the convention shall consist of a number of delegates equal to the number of congressional districts within the State. Where there are too few congressional districts to make this advisable, a stated number of delegates may be elected at large, or a delegate may be elected from each State senatorial or representative district, or more than one from each such congressional, senatorial, or representative district if it is thought advisable to increase the number of delegates.

Fourth. That one delegate be nominated on each side of the question from each congressional district, but who shall be elected at large, as hereinafter provided.

Fifth. That each person desiring to be nominated in each district shall file with the secretary of state, previous to circulating nominating petitions, an affidavit substantially as follows:

I, ———, being duly sworn, depose and say that I reside at ———; that I am a citizen of the United States, of the age of 21 years and upwards, and am a qualified elector of the county of ——— in said State. That I am a candidate for nomination to the office of delegate to a convention to convene on ———, in the city of ———, State of ———, for the purpose of considering the ratification of the proposed twenty-first amendment to the Constitution of the United States; that if elected to said office I will vote in said convention for (against) the ratification of said amendment.

Sixth. That each person so desiring to be nominated shall file with the secretary of state, after the filing of such affidavit and before a specified date, a nominating petition signed by a number of electors to be designated, in substantially the following form:

We, the undersigned, qualified electors of the township (city) of ———, county of ———, State of ———, hereby nominate ——— of ———, county of ———, State of ———, as a candidate for the office of delegate to a convention to be held at the city of ———, in said State, on ———, for the purpose of considering the ratification of the proposed twenty-first article of the Constitution of the United States; that it has been represented to us that ——— has heretofore filed with the secretary of state an affidavit declaring that if nominated and elected to said office he will vote for (against) the ratification of said amendment.

These nominating petitions may be filed with the secretary of state before a specified date preliminary to the printing of the name of such candidate on the primary ballot. In lieu of a number of signatures of electors, provision may be made for the filing of a fee. It may be also provided that where only one person files on either side of the question from such district, he shall be certified by the secretary of state as the nominee, and in this event no primary election will be necessary.

Seventh. That the primary ballot be arranged in columns; one column to be headed "For ratification," and the other column to be headed "Against ratification." In their respective columns should be listed the names of those who have qualified by filing the affidavit and petition; the names of those having declared that they will vote for ratification will be listed in the column under such heading; likewise, the names of those who have by their affidavit and petitions declared their intention to vote against ratification will be listed in that column. Squares should appear opposite the names of such candidates in which the elector may declare his preference. In casting his ballot the elector may vote for one candidate in each column, and the person receiving the highest number of votes on each side of the question shall be certified as the nominee on that side of the question by the secretary of state.

Eighth. The election ballot may be prepared in like form, except that these persons nominated in the manner provided shall become one of a group of as many delegates as there are congressional districts. The elector when casting his ballot in the general election will vote for all of those persons designated as nominees in the column wherein his desires are expressed. For example: In States having 17 congressional districts, 17 individuals will be nominated on each side of the question as delegates to the convention, and their names will all appear on the ballot under respective headings, the same as the names of presidential electors now appear on ballots cast for the election of the President and Vice President. A person desiring to vote for ratification will vote for all of those who have been nominated under the column headed "For Ratification." Likewise, a person desiring to vote against ratification will vote for the 17 names under the heading "Against Ratification." That group of delegates so elected will receive certificates of election by the secretary of state and will organize and conduct the convention.

To avoid any question of personalities, the legislature may also provide that the form of the ballot to be submitted to the voter at the general election shall be in substantially the following form:

Shall the proposed twenty-first amendment to the Constitution of the United States, which is as follows, be ratified:

The proposed amendment may be set forth in full on the ballot, with a provision for the elector to vote either "yes" or "no."

In this event the legislation must provide that an affirmative vote shall for all intents and purposes be deemed and construed as a vote for that group of nominees who have been nominated to vote for ratification; a negative vote will for all intents and purposes be deemed and construed as a vote for that group of nominees who have been nominated to vote against ratification. This plan is thought advisable because under it the voter will be casting his vote directly on the question, with all personalities eliminated.

The question will be raised as to whether this is constitutional. Let me observe that in the election of presidential electors in the election last November, many States had previously provided by law that the names of the candidates for President and Vice President be written on the ballot in lieu of the names of presidential electors, and that a vote for these candidates would, for all intents and purposes, be deemed and construed as a vote for the group of presidential electors named by the respective parties in their conventions or primaries.

Ninth. The legislation may also provide the manner of conducting the convention; the election of temporary and permanent officers; the manner of casting and recording the votes in the convention; and the manner in which the proceedings shall be recorded and certified to the secretary of state. The secretary of state then certifies the result of the convention in the manner now provided by law.

This plan, it will be seen, does not contemplate the election of delegates by districts. It provides that every qualified elector of any State shall be given an equal opportunity with every other elector to express himself on the question of ratification. It prevents gerrymandering and the possibility that minorities might control the conventions. It is to be hoped that these suggestions will be found helpful. The principle involved will at least meet with response from those who are conscientious in their belief that the people should be given an opportunity to directly solve the problem of prohibition, without interference by groups or minorities.

Mr. TREADWAY. Mr. Speaker, in voting for Senate Joint Resolution 211, submitting to the States the question of the repeal of the eighteenth amendment to the Constitution, I adhered strictly to the position which I consistently have taken on this important subject over a period of years.

During the campaign last fall a representative of the Women's Organization for National Prohibition Reform asked me to state my views on the question of repeal. I quote the following self-explanatory extracts from my reply to her:

During our interview this afternoon I also read you verbatim a report of remarks I made in Springfield under date of May 23, 1931, and which were printed in the Springfield Republican and Union the following day. I quote from these remarks as follows:

"As before stated, I voted to submit the question of adoption of the eighteenth amendment to the legislatures of the States because of the then preponderant sentiment of the people for such submission.

"In order to be consistent, if a similar preponderant sentiment is shown to exist for resubmission, I should deem it my duty to vote in Congress for such resubmission."

* * * * * * *

If reelected to Congress and the question comes before the House in the usual method of procedure, I shall vote for resubmission, preferably to State conventions called in accordance with constitutional provision.

As further evidence of my adherence to the position which I have publicly announced on various occasions, I call attention to the fact that in the first session of the Seventy-second Congress I voted "yea" on the following measures:

H. J. Res. 208. Proposed amendment to the Constitution to amend the eighteenth amendment. On motion to discharge the Committee on the Judiciary.

H. R. 10017. To permit the manufacture and sale of beer, etc., of not more than 2.75 per cent of alcohol by weight, and placing a tax thereon. On motion to discharge the Committee on Ways and Means.

During the second session of the Seventy-second Congress I voted "yea" on the following measures:

H. J. Res. 480. Proposing an amendment to the Constitution to repeal the eighteenth amendment.

H. R. 13742. To provide revenue by the taxation of certain nonintoxicating liquors, and for other purposes.

Mr. GIBSON. Mr. Speaker, the Congress can only propose amendments to the Constitution. It is for the people to ratify or reject. The resolution just adopted submits the question of the retention or rejection of the eighteenth amendment to the people. It provides protection for dry territory. It provides for ratification by conventions. The Federal ban on saloons was dropped out by the Senate after full argument because it was found difficult of application. Prevention of the return of the saloon and its attendant evils is left to the States.

My platform for nomination and election has the approval, before announcement, of both friends and enemies of the eighteenth amendment as a fair and just proposition. It called for a submission of the question as follows:

The issue in respect to prohibition is: Shall the people have an opportunity to determine it by their votes?

I favor a prompt submission by the Congress of the question of the repeal or retention of the eighteenth amendment in such a way as to provide, as nearly as possible, a direct vote on that issue. It should be decided openly and decisively at the polls by the American people themselves. I prefer a straight direct vote, but that way is not now open. A properly framed convention plan is the best substitute.

The bootlegger and racketeers must be driven out of the country. In the event the people repeal the eighteenth amendment they should prevent the return of the saloon and its attendant evils.

The provisions of the resolution fairly meet the platform on which I was elected. I would not be entitled to the confidence of my constituents, whether wet or dry, if I went back on it.

Mr. TIERNEY. Mr. Speaker, I am supported by an overwhelming majority of the electorate of Connecticut in voting to repeal the eighteenth amendment to our Constitution.

Connecticut in its longheadedness, its conservativeness, its allegiance to constitutional traditions—and Connecticut, as you know, created the first Constitution in America—was one of the very few States—two, I believe—to refuse to vote to enact the eighteenth amendment.

Ten years' prohibition experiment has brought disgrace to America, ruination of our youth, disregard for law and order, hard times, and a dangerous increase of criminal class and criminal wealth, so great and so dangerous as to menace the security and good name of our communities and our Government.

We welcome the chance to eliminate this eighteenth amendment conceived in misrepresentation as a supposed patriotic temporary war measure, by well-meaning but misguided citizens of our land.

Were I in doubt as to my personal convictions, and I am not, I would but turn to my party platform of the 1932 Chicago Democratic Convention which overwhelmingly elected President-elect Roosevelt and read:

We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal."

I answer that demand by not only voting for such plank, but state I would consider it a breach of party faith and good citizenship to vote otherwise.

I have little patience with the die-hard drys who talk of the peril of the saloon. The saloon under past State control, though perhaps undesirable, out of date, and likely not to be restored, was infinitely better than the present-day speak-easy. Prohibition technically abolished the saloon. It actually created the speak-easy. In my section of the United States, I feel safe in saying for every saloon existing before prohibition days there are one or two more speak-easies.

These establishments are unregulated in their thousands by any other form of government than the rule of the beer baron and the bribe or blindness of Government officials. They live through the utter inability of our Government to regulate, stop, or control same.

We have found we can not regulate by law the morals or tastes of our citizens. That is for the home, the church, the uplift, social, and religious organizations of the country, not the statute law of this or any land.

Any law that flouts our inherent constitutional rights and traditions, our country's ideals of freedom—the homely, crude standards of the mass of our people—can not be enforced. Any unenforcible law, though an apparently good law for the few, is the kind of law which creates lawlessness, crime, and anarchy; the sooner repealed the sooner order and peace are restored. I venture an opinion that this repeal, if carried through the House by a two-thirds vote, will be supported by nearly all the 48 States in conventions assembled; respect for law will be restored, business progress will be aided, and taxation reduced. It will be at least one step—and maybe one big step—in turning back the depression and bringing a more satisfied America again to work.

I feel that one of the strongest elements in this measure is the feature which gives to each State the right to regulate its own liquor traffic free from wet States' interference or so-called regulation by the present Government's discredited prohibition service. It will aid and protect the so-called dry States in permitting them to exclude, if their citizens so wish, all liquor traffic in their domains.

My State of Connecticut has no more speak-easies or illegal liquor traffic than any other State. We are one of the most law-abiding States in the Union. We desire real regulated State liquor traffic, a regulation of such a character as will come exclusively from the excise laws of Connecticut, and give opportunity to return to a higher standard of law and order than prevails in this country to-day.

Mr. LANKFORD of Georgia. Mr. Speaker, there are many reasons why I can not conscientiously vote to repeal the eighteenth amendment and bring back the legalized barroom. I shall not now, at all, attempt to discuss all of them; I shall only mention one or two and make just a few observations. Feeling as I do about this matter, I would be a traitor to my conscience and to those who believe as I do if I voted for the return of the saloon—I would be acting a deliberate falsehood and not entitled to the respect or confidence of either those who honestly believe in the open barroom or those who are just as conscientious in their opposition to it.

The mighty drive is on for the return of the open barroom in every State, in every county, at every cross road, in every city and town, in every block, on every corner, open every day in the week every hour of the day, without the payment of license or tax—if possible—without restriction, and with the determination of this mighty political and financial force to dominate all local, State, and Federal Governments and to crush out the life of every one that opposes it.

No one who remembers the activities of the liquor interest before the adoption of the eighteenth amendment can question this now being the ultimate objective of the big whisky interest; neither can anyone who closely studies the fight now being waged in the country by this interest at all honestly doubt this now being their main objective. Long before the adoption of the eighteenth amendment, the late Senator Thomas E. Watson of Georgia, in speaking of the liquor traffic said:

> It is a warrior whom no victory can satisfy, no ruin satiate. It pauses at no rubicon to consider, pitches no tents at nightfall, goes into no quarters for winter. It conquers amid the burning plains of the South, where the phalanx of Alexander halted in mutiny. It conquers amid the snowdrifts of the North, where the grand army of Napoleon found its winding sheet. Its monuments are in every burial ground. Its badges of triumph are the weeds which mourners wear. Its song of victory is the wail that was heard in Ramah: "Rachel crying for her children and weeping because they are not."
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> It never buries the hatchet; its temple of Janus never closes its doors. No dove of peace ever carries its message; in its hand is never the olive branch. It sends no flag of truce and receives none, its wounded are left where they fall, and its dead bury their dead. Every citadel that it storms it devastates, and in every charge that it makes its cry is "No quarter."
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> Those who fall before its onset die deaths of shame, and they go down to dishonored graves to which love can bring no willing tribute of flowers and over which pride can rear no enduring monument. To its prisoners it grants no exchange, holds them to no ransom, but clutches them fast in a captivity that is worse than death and ends only at the grave.

Mr. Speaker, there is no middle ground; the fight is on, to the finish, for the return of the saloon. This resolution could have been drawn so as to have prevented the return of the saloon. It was deliberately drawn so as to permit the return of the saloon. It was taken up in the House, deliberately and purposely, in such a way as to prevent any amendment to prohibit the return of the saloon. The purpose to bring back the saloon is the motive back of this entire move. Let no one be decieved and let no one mislead others as to this matter. Those who are fighting for the return of the saloon are opposed to the Representatives of the people here in Congress having the chance to vote on this matter. They are opposed to the people's representatives in the various States having the chance to vote on the various phases of this question and they are deliberately preventing the people of the Nation from having a referendum on this question to determine whether the people desire the retention of the eighteenth amendment, or the return of the barroom, or some form of sale of intoxicants under governmental control other than by the open saloon.

No chance has or will be given to either Members of Congress or members of the State legislatures or the people of our country to say whether or not they want the eighteenth amendment repealed and either a Federal or State dispensary system in its stead. Nowhere at any time—either in Congress or out—will those who are opposed to the eighteenth amendment but do not want the return of the saloon have a chance to vote their convictions. This great conservative, middle-ground, reasonable group of our very best citizens, to whom both the Democrats and Republicans sought to appeal last national campaign, are to be denied the right of a vote expressing their own views on this most vital issue. Only those are to be allowed a vote in this contest of life and death who are extreme and do not want the repeal at all or who are equally as extreme and want the return of the saloon with all its hideous consequences and nothing else.

We all have extreme views at some time on some matter and we are all wrong sometimes, and those who occupy the middle ground are right ninety-nine times out of a hundred and yet these—probably much the larger half of our voters—are the citizens of our country who are to be deliberately deprived of the right to participate in this much-heralded and much-boasted referendum.

If the wet forces in Congress want all the people to have a referendum on this question, let them submit to the States another resolution providing for the repeal of the eighteenth amendment, but preventing the return of the saloon, and also one providing for State and/or Federal dispensaries and so on, in this way submitting to the people for their consideration the various proposals in connection with this important matter.

This will not be done. Those who favor the return of the saloon dare not give the people the right to pass on this question. But it is urged that the Democrats are bound by platform pledge to vote for the repeal resolution. Let us see about this. I do not find any plank specifically pledging repeal and the return of the saloon. Were not the people led to believe that there would be urged and sponsored repeal coupled with an absolute prohibition against the return of the saloon? Are not the wet forces of both parties now absolutely repudiating the campaign pledges and pronouncements of both parties when it is sought by them to put over this mighty drive to disfranchise all those with average views on this subject and to bring back the saloon without a fair referendum?

The extreme wet forces want just whatever is necessary to help them secure the return of the saloon. They favor the kind of a referendum that helps them; they are opposed to any referendum that might get a result other than the saloon. They always have, and now oppose all party pledges, all law, and all parts of the Constitution interfering with their drive for the return of the saloon; they favor only that which helps them in this fight. The wets are not in position to criticize those of us who do not favor this resolution. They just as well admit that they are fighting for the return of the saloon and accord to those of us who are opposed to the saloon the same honesty of purpose which they claim for themselves.

Mr. FULLER. Mr. Speaker, I shall vote for Senate Joint Resolution 211 to submit the repeal of the eighteenth amendment to the various States of the Union. On the first day of this session I voted against such a measure for the reason I thought it was not timely nor proper to put the liquor question against the remedies to overcome this depression; when the people were demanding bread they should not, at the first opportunity, be given liquor. Then, too, the proposed measure did not comply with the Democratic platform in that it did not provide for the protection of States which remained dry. During my service in Congress I have voted against all repeal and modification acts and voted for all appropriations seeking the enforcement of the prohibition laws.

There is not a doubt but what the repeal of the eighteenth amendment will be submitted to the States of the Union, if not at this session, then by the next Congress, which will be most overwhelmingly for repeal. Under such circumstances the drys should fight for the most favorable measures with proper restrictions, such as this measure contains. If this measure were left to the next Congress it is possible that legislation might be passed which would give the Federal Government the right to hold the election, the supervision thereof, and also fail to contain a provision to protect the dry States.

I am considered the standard bearer and leader of democracy in my district, and whatever honor I have as a Congressman I owe to the Democratic Party. I feel it my duty to either go with my party or get out of it. The Democratic platform adopted at the 1932 Chicago convention provided:

> We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal.

It also provided and demanded of Congress a modification of the Volstead Act. As a delegate to that convention I was opposed to and voted against this provision of the platform. It is a cardinal principle of democracy that the majority

should rule, and should I place my personal opinion and views above this platform at a time when the question was made an issue, I would be attempting to be bigger than my party. I can not conclude that the overwhelming victory of last November was other than a mandate to support the party platform. It would be hypocrisy to use the platform only for the purpose of getting into office. Both the Democratic and Republican platforms demand the submission of this question by Congress to State conventions.

The laws of our Government are based upon party procedure; no party can successfully function and accomplish good for the people that is not organized and united. A caucus of the Democratic Congressmen has been called and voted to instruct its membership to vote for the submission. In my opinion, a Representative can not expect to legislate only for his district; no community can live unto itself. It is necessary that we should vote for the welfare of the entire Nation where it is not ruinous, harmful, or destructive to our own districts. I am convinced that the constituency of my district does not expect me to be out of step with my party nor to fail to function and carry out its demands.

The submission of the eighteenth amendment simply means the various States of the Union shall have the right to vote upon the question of repeal. This resolution means that elections will be held in every voting precinct; and if a majority are opposed to the repeal, then Arkansas will remain dry; unless three-fourths of the States of the Union approve this resolution, the eighteenth amendment will not be repealed. In a debate in Congress made by the leader of the prohibition forces asking for the adoption of the eighteenth amendment he said:

> The Member of either branch of the American Congress who denies the power of amendment to the States, especially an amendment which vast numbers of the people desire the States to consider, violates the basic principles both of the Constitution and of the popular Government, repudiates the fundamental rights of the States, and overturns the two most sacred privileges the people possess, the privileges of referendum and of petition.

The liquor question always has been and will always continue to be of grave importance to the welfare of our people. Under present conditions a vote for submission is not a wet vote nor in any way compromising with the liquor interests.

Regardless of the result of the vote on this repeal, I am thoroughly convinced that saloons are outlawed and will never again be permitted in this Nation.

In a recently published signed statement, Dr. A. C. Millar, minister, a leader of the Anti-Saloon League in Arkansas and the editor of the Arkansas Methodist, states:

> While I am for the eighteenth amendment, I have for several years contended that under present conditions it might be best to have a referendum on the question, and I even went so far in meetings of the executive committee of the National Anti-Saloon League as to offer a resolution providing for an amendment to the Constitution under which the people might vote by States on the question.

Mr. LUDLOW. Mr. Speaker, the high esteem I have for multitudes of good friends who disagree with me on my prohibition votes, and which is not affected or diminished in the least by our honest differences of opinion, prompts me to make this statement explaining why I can not go along with the majority of the House and the majority of the body at the other end of the Capitol in support of this pending resolution for the repeal of the eighteenth amendment.

Goaded and harassed by appalling economic conditions our people have drifted far from the moorings of safety on the liquor question. Among all of our ills piled mountain high the pending resolution is, I fear, the culminating tragedy born out of the distress of the times.

The saddest part of it all is that when the storm subsides and economic peace again settles over the land and when, with the cessation of the turmoil we might reasonably expect brighter days, contentment, and happiness ahead, we shall awaken to find that we have provided no constructive program of liquor control to take the place of prohibition but have fastened upon ourselves the old saloon and all the old evils of the liquor traffic and that after a hundred years of noble effort to solve the liquor problem we are back just where we started. If prohibition is to be repealed, we should at least submit something constructive to take its place and in the resolution of resubmission should protect the major gains it has brought about, chief among which is the elimination of the saloon.

As a newspaper writer of 40 years' experience in various large cities in close contact with life's activities, I can give first-hand evidence in regard to the damage that was done to society by the saloon. As a young police reporter, zealous in the pursuit of news, I spent a great deal of time in saloons, and in gambling places and brothels, dark and sinister establishments of which the saloon was a feeder, while I garnered human-interest stories about the saloon's tragic toll. And such opportunities to delve into the realm of human interest as we reporters of those times had, with sorrowful tragedies unfolding around us that would defy the descriptive powers of a Dickens or a Hugo!

I can see to-day, as if it were but yesterday, the saloon of the olden time, with the gambling gentry in checkered vests and reverberating haberdashery who lingered and plied their calling thereabout, and set their traps to catch their human toll, and the scarlet women with big hats and gorgeous plumes who flitted in and out and seemed always to be in the offing. I can see unsophisticated girls fresh from their mothers' apron strings caught in the net of the wine rooms and started on the downward path to perdition. It would be a hard-hearted person indeed who could see them drawn into the vortex without being touched with infinite compassion. As I look backward in the moving panorama I can see a great many men bearing the image of their Maker made into wrecks in the saloons and then delivered as human derelicts at the gates of hell.

No one need tell me that the saloon was not a social canker. It is not guesswork as far as I am concerned. I know it was by the indubitable evidence of my own eyes and ears. I know by having seen men of good intentions converted by it into beasts who went home and beat their children. I know by the girls it started on the primrose path to ruin. I know by the scores and hundreds of fine, intellectual newspaper associates of mine whom it sent to premature graves. I know by the murders, suicides, divorces, and wrecked homes I can trace to it. I know by the gamblers who swarmed around it as moths attracted to a flame and whose intake from their victims was a part of the devil's grist. I have always been against the saloon and I am against it now.

I am sorry to see so many good men on both sides of this chamber and outside of the chamber supporting it—men for whose character and motives I have as high esteem as I have for my own but who, I believe, are misled by the emotions of the hour. I think they are making a tragic mistake for which many of them will be truly sorry in the years to come.

I would forfeit their respect if I were to vote for something which I believe to be wrong. The only way I can justify the confidence of those who sent me here is always to vote according to my conception of right and as my conscience dictates, and that I always intend faithfully to do.

I can recall at this moment hundreds of splendid friends on the opposite side of the liquor question for whom I have a real affection. To them I owe this explanation of the vote I shall cast to-day. I think they regard me as being like the Irishman at the drilling match who is out of step with all of the rest of the regiment. I am with them in bonds of friendship and their sharp letters and telegrams or criticism are poignantly painful to me, but the good Lord has given me only one head to think with and one heart to love with. I can not think that any roseate embellishment of the saloon will make it righteous or that it would ever be right for me to sanction it or support its reappearance in the life of America, and I love my fellow beings too much ever to want to put this infliction upon them. There has never been any change in my attitude toward the saloon and there never will be. I want it always to remain an outlaw. As between the saloon on one hand and humanity on the other hand I take my stand for humanity. When I first

ran for Congress in 1928, I so expressed myself and in each one of my two campaigns since then I have made my position plain and unequivocal. When the Association Against the Prohibition Amendment interrogated me in the recent campaign, I stated in writing my position to be:

In no event and under no circumstances by any vote or influence of mine will I be a party to the return of the saloon and the old-time liquor evils in America.

America at present is a very sick Nation. The malady we suffer is both economic and spiritual in its nature. We are now feeling the full rebound of the awful toll of war. A power higher than mortal ken or vision is teaching us the costliness of war and the danger that comes from lowering our spiritual standards. I do not know how long, O God, we shall have to remain in this crucible, but of one thing I am certain and that is that the return of the saloon and the old liquor domination would not cure our malady but would aggravate the ills that now afflict us.

The resolution (S. J. Res. 211) before us to-day opens the way for the return of the saloon and the old liquor evils under the protection of our Government. I am against it. In the name of the millions of inarticulate men, women, and children in the homes and the ordinary walks of life who are seriously thinking this afternoon about what all of this means, though their voices can not be heard in this historic chamber, I oppose this resolution, which is wide open and without a single ban or check against the saloon. I am going to play square with them and with the boys and girls of to-morrow, and with the boys and girls of all the to-morrows that are to come, by voting against the return under legal sanction of what I believe to be a damnably wicked institution.

CLARENCE R. KILLION

Mr. HILL of Alabama submitted a conference report on S. 2148, for the relief of Clarence R. Killion.

NAVAL APPROPRIATION BILL

Mr. AYRES, from the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 14724) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1934, and for other purposes, which was referred to the Union Calendar and ordered printed.

Mr. FRENCH reserved all points of order.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I would like to ask if it is the intention to take up anything beside the Consent Calendar to-day?

The SPEAKER. The Chair will state that there is a long Consent Calendar. To-day is the last day of this session that you will get an opportunity to call the calendar. It seems to the Chair that the entire day, if necessary, should be devoted to the consideration of this calendar, and he indulges the hope that the membership will cooperate with the Speaker in facilitating the consideration until the calendar is completed to-day?

Mr. STEAGALL. Mr. Speaker, I desire to say a word in answer to the inquiry of the gentleman from New York. In a conversation with the majority leader a few moments ago he assented to a suggestion that he ask for another night for the purpose of completing the Consent Calendar, if it becomes necessary.

Mr. SNELL. Mr. Speaker, that does not interfere with the program for this afternoon, does it?

The SPEAKER. No.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. What is the order for the 22d of February?

The SPEAKER. If the House determines to dispense with Calendar Wednesday, it can do what it desires to do.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Speaker appoint the Clerk or one of the Members to read George Washington's Farewell Address.

The SPEAKER. The Chair will first consult the majority leader and others before he recognizes anyone to ask unanimous consent for that purpose. The Clerk will call the Consent Calendar.

MODOC NATIONAL FOREST

The first bill on the Consent Calendar was the bill (H. R. 188) to extend the provisions of the forest exchange act, approved March 20, 1922, to certain lands adjacent to the Modoc National Forest, in the State of California.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

ADDING CERTAIN LANDS TO THE MODOC NATIONAL FOREST

The next business on the Consent Calendar was the bill (H. R. 189) to add certain lands to the Modoc National Forest, in the State of California.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object. The department properly recommends striking out certain provisions in this bill which are not necessary and would not be affected in the situation.

Mr. STAFFORD. What is the reason why we should extend the national forest to a tract of land comprising 640 acres already entered upon and privately held? Mr. Speaker, I object.

Mr. EATON of Colorado. Mr. Speaker, will the gentleman withhold that objection for a moment?

Mr. STAFFORD. I reserve the objection.

Mr. EATON of Colorado. The author of this bill has been temporarily called from the Chamber, the gentleman from California [Mr. ENGLEBRIGHT]. I ask unanimous consent that it be passed over until he returns.

The SPEAKER pro tempore (Mr. BANKHEAD). The gentleman from Colorado asks unanimous consent that the bill be passed over for the present. Is there objection?

There was no objection.

RETURN TO THE PHILIPPINE ISLANDS OF UNEMPLOYED FILIPINOS

The next business on the Consent Calendar was the resolution (H. J. Res. 577), to provide for the return to the Philippine Islands of unemployed Filipinos resident in the continental United States, to authorize appropriations to accomplish that result, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. CABLE. Mr. Speaker, I object.

OTOE AND MISSOURIA TRIBES OF INDIANS

The next business on the Consent Calendar was the bill (S. 4578) conferring jurisdiction on the Court of Claims to adjudicate the rights of the Otoe and Missouria tribes of Indians to compensation on a basis of guardian and ward.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. A companion House bill was considered on the Consent Calendar and was objected to about a month or so ago. I have given further consideration to this bill, even to the extent of examining some of the United States Supreme Court decisions which confirm the opinion I held that this bill should not pass. Therefore, I object.

Mr. HASTINGS. Mr. Speaker, I do not want to interfere and ask permission to speak, but I do want to say that if the gentleman has definitely made up his mind that he is going to object I shall not detain the House.

Mr. STAFFORD. Mr. Speaker, as I said before, since a companion House bill to this was under consideration I have examined Supreme Court decisions and they confirm my position taken at that time.

Mr. HASTINGS. Then the gentleman is going to object?

Mr. STAFFORD. I am. Mr. Speaker, I object.

LIMIT OF COST OF ONE AIRCRAFT CARRIER

The next business on the Consent Calendar was the bill (H. R. 14243) to authorize an increase in the limit of cost of one aircraft carrier.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object. This would add another $2,000,000.

SUPERINTENDENT OF HAWAII NATIONAL PARK

The next business on the Consent Calendar was the bill (S. 4374) to empower the superintendent of the Hawaii National Park to perform the functions now performed by the United States commissioner for the said national park, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

Mr. STAFFORD. Oh, give the Delegate from Hawaii a chance to explain his bill.

Mr. BLANTON. But Congress is constantly appointing too many assistants, both in Hawaii and the United States. Let the principals do some work.

The SPEAKER pro tempore. The gentleman objects to the present consideration of the bill.

The Clerk will report the next bill.

AGRICULTURAL ENTRY OF LANDS WITHDRAWN

The Clerk called the next bill, H. R. 13745, to provide for agricultural entry of lands withdrawn, classified, or reported as containing any of the minerals subject to disposition under the general leasing law or acts amendatory thereof or supplementary thereto.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. EATON of Colorado. Will the gentleman reserve his objection?

Mr. BLANTON. No; I do not want to reserve the objection to this bill. I object, Mr. Speaker.

LEASE CONCESSIONS OF RESERVOIR SITES

The Clerk called the next bill, H. R. 5070, to authorize the Secretary of the Interior to lease concessions on reservoir sites and other lands in connection with Indian irrigation projects.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, there is insufficient information in this report to satisfy me. What kind of concessions are these that are to be given?

Mr. LEAVITT. The lands have to do with homes and pastures, and other uses to which the area may be put. Of course, the concessions would also be business concessions.

Mr. LAGUARDIA. That is what I am getting at. They are leases to business people to put up some sort of a business on this Government property?

Mr. LEAVITT. Yes.

Mr. LAGUARDIA. Now, where do the Indians fit in on this?

Mr. LEAVITT. I offered an amendment myself when this was before the committee. Of course, the gentleman knows it is not my bill. In the reprint the gentleman will notice the first line reads: "The Secretary of the Interior, after consultation with the Indians involved."

Mr. LAGUARDIA. Oh, yes. The gentleman anticipated my next question. What good is consultation if we do not give the last say to the Indians? After all, it was their money that built these projects.

Mr. LEAVITT. Does the gentleman wish to change that to "consent" rather than "consultation"?

Mr. LAGUARDIA. Well, I would like to have it "consent," and I would like to know if the Indians really want these concessions there?

Mr. LEAVITT. Oh, yes; I am sure they do.

Mr. STAFFORD. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. STAFFORD. I am fearful, if we make the concession conditional upon the consent of the Indians, it will be difficult of operation. These are short-term leases, just merely for the surface rights. We virtually destroy the administration of the bill if we require the consent of the Indian tribes.

Mr. LEAVITT. I think the gentleman from Wisconsin is entirely correct on that.

Mr. STAFFORD. I am in sympathy with the position taken by the gentleman from New York in trying to safeguard the rights of the Indians, and we provide here that they shall be consulted.

Mr. LAGUARDIA. The gentleman knows these are not short-term concessions. The gentleman also knows that a few days ago we had an illustration of those concessions, where they put up a building, and after they found the concession was not profitable, they wanted the Government to pay for the building.

Mr. STAFFORD. I regret very much the gentleman has brought that matter back to my attention, for the reason, as stated on that occasion, that in my early years I was in the concession business, and perhaps I know more about the concession business than the gentleman from New York did when he was out in Arizona. I believe the concessionaires should have had the privilege to remove their improvements, as they are generally constructed with that understanding.

Mr. LEAVITT. These concessions are a source of revenue to the Indians. The land is withdrawn and can not be so handled. The concessions will result in the money going to the Indians.

Mr. STAFFORD. These concessions are of a temporary character. Some little boom going on, and some tradesmen want to get a lease on Indian lands while that boom is on for perhaps 5 or 10 years.

Mr. LAGUARDIA. But the bill says no concession to exceed a period of 10 years. It seems to me that can hardly be called a short term.

Mr. STAFFORD. Oh, that is a short term. There is public work to be inaugurated out in the Indian country and some person wants to obtain a lease for 10 years to erect a temporary shack to sell merchandise and the like. It is impractical for the Secretary of the Interior to get the consent of the Indian tribe. That is a matter for immediate action.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. In its present form I object, Mr. Speaker.

Mr. LEAVITT. Does the gentleman wish to offer an amendment?

Mr. LAGUARDIA. I would like to give the Indians some say.

Mr. LEAVITT. That is what I intended by my committee amendment.

Mr. LAGUARDIA. If the gentleman will offer the amendment which I suggested.

Mr. LEAVITT. I offered the amendment with reference to "consultation." I do not have authority to offer the amendment which the gentleman suggested. It is not my bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. I object.

WATER SUPPLY, UNITED STATES NAVAL STATION, GUANTANAMO BAY, CUBA

The Clerk called the next bill, H. R. 14201, to authorize the Secretary of the Navy to make a long-term contract for a supply of water to the United States naval station at Guantanamo Bay, Cuba.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

STATE OF WYOMING

The Clerk called the next bill, S 3475, to amend section 5 of the act approved July 10, 1890 (28 Stat. 664) relating to the admission into the Union of the State of Wyoming.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, I am willing for the gentleman from Wyoming to make a statement if he desires, but I do not think we ought to amend any acts that created States by unanimous consent in the closing hours of Congress.

Mr. RAGON. Mr. Speaker, the regular order.

Mr. BLANTON. I do not think we ought to amend any of the acts creating any States in the closing hours of

Congress, at a time when we can not carefully consider them, especially on a day like this, when most Members are thinking only of froth instead of having on their minds, and close to their hearts, subjects of more importance to the people.

The SPEAKER pro tempore. The regular order is demanded. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

OSAGE INDIANS IN OKLAHOMA

The Clerk called the next bill, S. 3085, relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I notice in a statement in the report the commissioner says:

> Some question has been raised by attorneys for various oil companies as to the phraseology of the acts of 1906 and 1929 in regard to the extension of restrictions on trust property.

Can the gentleman from Oklahoma [Mr. DISNEY] give me some information as to this?

Mr. DISNEY. This is not my bill. I shall object to the bill unless it is amended.

Mr. LAGUARDIA. I want to get some information on this point. I do not see just how these oil companies enter into this situation. Is there any gentleman here who can give me some information? The bill was reported by Mr. LOOFBOUROW.

Mr. HASTINGS. What is the gentleman's question?

Mr. LAGUARDIA. In the first place, how do the attorneys for oil companies enter into the situation? Has the gentleman read the report of the Commissioner of Indian Affairs? It is February 15, 1932, transmitted in a letter from the Secretary of the Interior.

Mr. HASTINGS. The gentleman from New York knows that these oil leases in the Osage Tribe are put up and sold at public auction. The gentleman from New York probably knows also that the mineral rights are reserved to the tribe. I do not know the particular inquiry the gentleman from New York is making. I do not see where the attorneys for the oil companies should be interested, because the oil rights are reserved to the tribe. The leases are sold at public auction.

Mr. LAGUARDIA. It is not I who interjects the oil companies in this, it is the office of the Commissioner of Indian Affairs.

Mr. HASTINGS. My understanding is that this bill if changed by certain amendments that will be offered by the gentleman who represents the district, Mr. DISNEY, is entirely agreeable to the Indian Bureau.

Mr. LAGUARDIA. May we have the proposed amendments read?

Mr. DISNEY. I shall be pleased to read them. The first section is agreeable, but I wish to offer an amendment on page 4. If anyone is going to object to the amendments I shall object to the bill.

Mr. LAGUARDIA. The gentleman from Texas said he was going to object if any amendment was offered. I do not see the gentleman from Texas here.

Mr. BLANTON. Yes; he is here.

Mr. LAGUARDIA. I beg the gentleman's pardon.

Mr. DISNEY. If he is going to object to the amendments I shall object to the bill.

Mr. LAGUARDIA. May we hear the amendments read? I shall be pleased to yield to the gentleman from Oklahoma if he will tell us what his amendments are.

Mr. DISNEY. On page 4, line 3, after the words "Osage Tribe" insert "with the approval of the board of county commissioners."

Mr. LAGUARDIA. Why is this amendment necessary?

Mr. DISNEY. This relates to the homestead laws and surplus lands. It is to effect a change of the taxation feature on these lands.

Mr. LAGUARDIA. That undoes the very thing the gentleman is seeking to do, does it not?

Mr. DISNEY. No; it does not.

Mr. HASTINGS. The Osages have homestead lands that are exempt from taxation. The purpose of the amendment is to allow the exchange of homesteads with the consent of the county commissioners, as I understand it.

Mr. DISNEY. Yes.

Mr. STAFFORD. Will the gentleman yield in that particular? The bill provides that the exchanged land shall be of equal area. Has the gentleman any objection to inserting "of approximately equal value"?

Mr. HASTINGS. That is left to the discretion of the county commissioners and the Secretary of the Interior. They have to consent together.

Mr. LAGUARDIA. What is the other amendment?

Mr. DISNEY. The next amendment is a similar amendment in line 10; and then, in lines 10 and 11 eliminate the words "or otherwise."

Mr. LAGUARDIA. So it will read:

> That each tract after the change and designation shall take the status of the other as it existed prior to the change in designation, as to alienation, taxation, and that any order of change or designation, with the approval of the board of county commissioners, shall be recorded in the proper office of Osage County.

Mr. DISNEY. The next amendment is to add a new section, section 4.

Mr. STAFFORD. Mr. Speaker, the bill under consideration meets my approval, I believe, but if we are going to have a large number of amendments it will not.

Mr. DISNEY. Without the amendments I shall object to the bill.

Mr. HASTINGS. Mr. Speaker, let me say that as I understand these amendments they meet with the approval of the gentleman representing the district in which Osage County is located and they are offered with the approval of the Indian Office. The Indian Office has carefully studied these amendments, and I may say to the gentlemen from New York and the gentleman from Wisconsin that I am advised these amendments meet with the approval of the Indian Office.

Mr. LAGUARDIA. I see no objection to the amendments requiring the approval of the county commissioners. What is the new section the gentleman proposes to add?

Mr. DISNEY. The next amendment is as follows:

> Where a certificate of competency has or may hereafter be revoked or canceled in accordance with the provisions of section 4 of the Act of Congress approved February 27, 1925, such revocation shall not take effect as to creditors until the order revoking the same has been filed for record in the office of the county clerk of Osage County.

Mr. HASTINGS. There ought not to be any objection to that amendment.

Mr. STAFFORD. Why were not these amendments given consideration in the committee? The gentleman is asking the House to accept amendments of very general character. Will the gentleman again read his last amendment, which I think is a rather important one?

Mr. DISNEY. Mr. Speaker, I wish it understood that I am reserving the right to object throughout the discussion of these amendments.

Mr. STAFFORD. Certainly. The gentleman is only reading the amendment for information; he is not offering them. Will the gentleman read his last amendment again?

Mr. DISNEY. The last amendment reads:

> Where a certificate of competency has or may hereafter be revoked or canceled in accordance with the provisions of section 4 of the act of Congress approved February 27, 1925, such revocation shall not take effect as to creditors until the order revoking the same has been filed for record in the office of the county clerk of Osage County.

Mr. LAGUARDIA. Just along this line, suppose a certificate of competency is properly revoked; suppose the individual is wholly incompetent and his certificate is withheld, would the gentleman dissipate all his property among creditors who dealt with the incompetent Indian?

Mr. DISNEY. No; this will operate as notice.

Mr. HASTINGS. I think the gentleman does not exactly understand it. If an Indian is declared competent now, of course he can pay his debts and ought to pay them.

Mr. LAGUARDIA. Yes; in other words, he has the right of contract.

Mr. HASTINGS. If, for instance, the Interior Department revokes the certificate of competency, it does not affect his creditors until notice is given and, of course, notice will be given by the certificate being recorded.

Mr. STAFFORD. Upon whom is the obligation to record it?

Mr. HASTINGS. The Indian Office will do that at once.

Mr. LAGUARDIA. It ought to be done at once, because otherwise all the property of this Indian may be dissipated.

Mr. STAFFORD. What is the effect of section 4 of the law of 1925 which is referred to in the gentleman's amendment?

Mr. DISNEY. That provides for the granting of a certificate or the cancellation of a certificate of competency.

Mr. HASTINGS. If a man is competent, he pays his debts and is subject to the payment of all legal obligations, and ought to be.

Mr. STAFFORD. But, as soon as he is declared competent, then his property should not be dissipated before proper notice is given.

Mr. HASTINGS. Of course, if it is revoked, public notice ought to be given at once and that will be done.

Mr. STAFFORD. Who is to give the public notice?

Mr. HASTINGS. Oh, well——

Mr. STAFFORD. The gentleman says, "Oh, well," but there is no provision in the gentleman's amendment to that effect.

Mr. HASTINGS. The Secretary of the Interior; and if the gentleman has any objection to the bill on that account, it can and will be amended.

Mr. STAFFORD. Such an amendment will not be objectionable.

Mr. DISNEY. Section 5—this is another amendment—where an Osage Indian headright or any interest therein has been acquired through inheritance, purchase, or otherwise, by any person, firm, or corporation, any person acquiring such headright or interest therein being not of Indian blood, it shall be lawful for any creditor of such person, firm, or corporation to cause a garnishment to issue and to garnishee any money owing any such person, firm, or corporation by the Osage agency or the Secretary of the Interior by reason of the ownership of such Indian headright or interest therein.

Mr. LAGUARDIA. Oh, no.

Mr. STAFFORD. I do not think that should be included. That is entirely foreign to this bill.

Mr. BLANTON. Mr. Speaker, is it understood that all the amendments that were offered by the Department are going to be put in this bill?

Mr. STAFFORD. Not section 5. If so, I shall have to object.

Mr. BLANTON. Unless the bureau amendments are going to be put in, I shall object.

Mr. STAFFORD. I hope the gentleman will not press the last amendment.

Mr. DISNEY. I am not pressing the bill. I am objecting to the bill unless the amendments are in it.

Mr. STAFFORD. Mr. Speaker, I object to section 5 being incorporated in the bill.

Mr. DISNEY. Then I object to the bill.

### ACCEPTANCE OF BEQUEST OF THE LATE WILLIAM F. EDGAR

The Clerk called the joint resolution (S. J. Res. 48) to authorize the acceptance on behalf of the United States of the bequest of the late William F. Edgar, of Los Angeles County, State of California, for the benefit of the museum and library connected with the office of the Surgeon General of the United States Army.

Mr. LAGUARDIA. Mr. Speaker, may I make a friendly suggestion?

In the first place, there is no reference in the law as to the property involved. True you refer to it in your whereas clause. In the second place, you authorize the Secretary to receive this property as designated in the will, but you make no provision and give no authority to receive the accumulated interest, whatever it may be, and there is some interest, because this money is on deposit.

Mr. BLANTON. If the gentleman will permit, the money is in the bank drawing interest and whenever you authorize the department to accept the bequest, it accepts it just like it finds it, including the money and the interest.

Mr. LAGUARDIA. No; I am afraid not.

Mr. BLANTON. Oh, yes; especially with this expression of legislative intent put in the RECORD now.

Mr. LAGUARDIA. All right; now that the gentleman has the legislative intent in the RECORD, if the gentleman will look at the body of the bill he will note it says that "the Surgeon General of the United States Army be, and is hereby, authorized to accept the said bequest." This is the first time there is any reference to a bequest in the bill.

Mr. BLANTON. We ought to add an amendment describing it.

Mr. LAGUARDIA. I have prepared an amendment striking out the words "said bequest" and inserting the following: "The bequest of William F. Edgar, of Los Angeles County, Calif., as contained in his will and codicil thereto."

Mr. BLANTON. That is all right. That ought to be in there. That is a wise suggestion.

Mr. LAGUARDIA. The gentleman does not believe "interest" is necessary?

Mr. BLANTON. I think that is carried with it, because it has been drawing interest and certainly the interest has become part of and goes with the principal, but he may make that plain also in his amendment.

Mr. LAGUARDIA. Then, if the gentleman pleases, the bill provides that this property, of course, is to be used for the purpose designated in the law. So I provide in line 8, after "codicil," insert the following: "copy of which shall be filed in the General Accounting Office." Then, of course, he can properly audit the expenditures.

Mr. BLANTON. Yes; certainly. We will pass the amendments proposed by the gentleman.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Whereas by a codicil to his will the late William F. Edgar, of Los Angeles County, Calif., provided as follows:

"4. After the foregoing bequests are made I desire that the bulk of the funds in the hands of my trustees may go to the benefit of the museum and library of or connected with the office of the Surgeon General, United States Army, and I therefore revoke the bequest in the foregoing will and bequeath to said institution as follows. Second:

"I give and bequeath to these institutions to the extent of $40,000, or what may be lawful in that amount, or if not lawful then less, but in the proportion as follows: To the museum connected with the office of the Surgeon General, United States Army, at Washington, District of Columbia, four-fifths of said amount above mentioned, and one-fifth of said amount I give and bequeath to said library connected with the same office."

Therefore be it—

*Resolved, etc.*, That the Surgeon General of the United States Army be, and is hereby, authorized to accept the said bequest and to receipt therefor on behalf of the United States and to deposit the funds so received in the Treasury of the United States as a special fund dedicated to the purposes stated in said codicil, said fund to be subject to disbursement for such purposes upon vouchers submitted by the Surgeon General of the United States Army under authority of the Secretary of War and to be available until expended.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 4, after the word "accept," strike out the words "said bequest" and insert the following: "The bequest of William F. Edgar, of Los Angeles County, Calif., as contained in his will and testament and codicil thereto and such interest as may have accrued from the funds covered by such bequest."

In line 8, after the word "codicil," insert "a copy of which shall be filed in the General Accounting Office."

Mr. STAFFORD. I offer the following amendment to the LaGuardia amendment.

The Clerk read as follows:

After the word "to" insert the word "late," so it shall read "the late William S. Edgar."

The amendment was agreed to.

The amendment as amended was agreed to.

Mr. LAGUARDIA. I ask unanimous consent that the whereases be stricken out.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

TO CONFER DEGREE OF BACHELOR OF SCIENCE UPON GRADUATES OF THE NAVAL ACADEMY

The Clerk read the next bill on the Consent Calendar, H. R. 13367, to confer the degree of bachelor of science upon graduates of the Naval Academy.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

PAN-AMERICAN MEDICAL ASSOCIATION

The Clerk read the next resolution on the Consent Calendar, Senate Joint Resolution 243, authorizing the President of the United States to extend a welcome to the Pan-American Medical Association, which is to hold its convention in the United States in March, 1933.

There being no objection, the Clerk read the joint resolution, as follows:

*Resolved, etc.*, That the President of the United States is authorized on behalf of the Government of the United States to extend a welcome to the Pan-American Medical Association, which is to hold its fourth congress, being its first congress held in an English-speaking nation, at Dallas, Tex., from March 21 to March 25, 1933.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

APPROPRIATION FOR LI PO-TIEN

The Clerk read the next bill on the Consent Calendar, H. R. 14323, authorizing an appropriation to the Government of China for the account of Li Po-tien.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

INTERNATIONAL MONETARY AND ECONOMIC CONFERENCE

The Clerk read the next resolution on the Consent Calendar, House Joint Resolution 536, authorizing an appropriation for participation by the United States in an international monetary and economic conference to be held in London.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object. This would be $150,000 wasted.

Mr. LAGUARDIA. Will the gentleman reserve his objection?

Mr. BLANTON. I will reserve it, but I want to say that just now we should stay out of Europe. We ought just now to keep our people out of Europe. To spend $150,000 on this conference would be foolish in the extreme, and might involve us in most serious complications.

Mr. LAGUARDIA. I want to say that statements like that made on the floor of the House are reflected all over the world. I want to say to the gentleman that this conference was suggested by the United States Government. It has the approval of the incoming administration. It is to be one of the most important conferences that ever has taken place.

Mr. BLANTON. Oh, I know how much this Government spent foolishly in Europe last year, and I know that nothing was accomplished, and to spend this additional $150,000 would be a waste, and it would be utterly foolish.

If we do not keep our so-called diplomats out of Europe, they are going to embarrass us in many ways. They will involve us in a situation where it will be contended by those special interests that would benefit by hundreds of millions overnight for foreign debts to be canceled, that our Government is obligated by some commitment they made, to grant some additional concession respecting debts, even if they do not go so far as to demand outright cancellation.

Then, too, with conditions disturbed as they are both in Europe and the Far East, some unwise move or statement made by Americans there could involve us in serious complications, and as one Member of this Congress I am going to insist that we stay at home for a while and attend strictly to our own business.

Mr. LAGUARDIA. The time to have kept out of Europe was in 1917.

Mr. BLANTON. And another very opportune time to keep out is right now, at least for a while. I object. I may not stop the passage of this bill if a rule is presented, but I can stop its passage now. I object.

STATUARY HALL

The next business on the Consent Calendar was House Concurrent Resolution 47.

The SPEAKER pro tempore. Is there objection.

There was no objection.

The Clerk read the resolution, as follows:

House Concurrent Resolution 47

Where each State may have statues of two of its distinguished citizens placed in Statutary Hall; and

Whereas the weight of the statues already placed therein is so great as seriously to endanger the stability of Statuary Hall, so that a number of those statues should be removed; and

Whereas certain States have applied for representation, and such requests must either be declined or deferred until proper provision for the reception of the statues from them can be made: Therefore be it

*Resolved by the House of Representatives (the Senate concurring)*, That the Architect of the Capitol, upon the approval of the Joint Committee on the Library, with the advice of the Commission of Fine Arts, is hereby authorized and directed to relocate within the Capitol any of the statues already received and placed in Statuary Hall, and to provide for the reception and location of the statutes received hereafter from the States.

Mr. EATON of Colorado. Mr. Speaker, I move to strike out the last word, and I do that for the purpose of asking the chairman of the Committee on Foreign Affairs, the gentleman from Tennessee [Mr. MCREYNOLDS], a question in respect to House Joint Resolution 536, which has just been objected to. The title of the joint resolution is for an appropriation for participation by the United States in an international monetary and economic conference. Last year when the appropriation was made, it was made for an international monetary conference, including silver. I rise to ask if the gentleman will consent to a change in this joint resolution when it is passed, as it will be finally, to conform to that.

Mr. BLANTON. It is not going to be passed by unanimous consent. It may be passed by a rule.

Mr. EATON of Colorado. I am asking the chairman of the Foreign Affairs Committee a question.

Mr. MCREYNOLDS. Personally, I have no objection. I see no reason for it, however, because of the fact that the agenda includes silver, and it has been passed in the Senate in its present form.

Mr. EATON of Colorado. I call the gentleman's attention to the present appropriation that is running for this purpose. It is for participation by the United States in an international monetary conference, including silver. That was passed on the first of July, 1932, and if the appropriation to be authorized here is to continue for the same purpose I suggest to the gentleman that the text ought to be exactly the same.

Mr. LAGUARDIA. But it is not the same convention at all.

Mr. MCREYNOLDS. It is a broader convention. The question of silver is included in the agenda.

Mr. STAFFORD. Oh, the gentleman from Colorado [Mr. EATON] weakens his case by insisting on silver being included in that way, because he will connote the idea that silver to-day is not before the monetary conference.

Mr. LAGUARDIA. I wish the gentleman from Tennessee would put the agenda and all of the information that he has in respect to it in the RECORD, because apparently some Members of the House do not know that negotiations have been carried on for the purpose of bringing about this conference and the necessity for it. I think that all of the information ought to be put into the RECORD.

Mr. BLANTON. The gentleman knows how many other questions are connected with the agenda now. Eventually,

the one of most importance to Europe will be the cancellation of honest debts they owe us.

Mr. LAGUARDIA. I do; but I am not afraid to face representatives of other countries, because we are living in this world to-day, and we can not isolate ourselves as if we were on some far-off planet.

Mr. BLANTON. That is not all there is to it, and the gentleman knows that. I am against permitting any step to be taken which might end in cancellation of debts Europe now owes us.

Mr. McREYNOLDS. The agenda is as follows: First, monetary and credit policy; second, prices; third, resumption of the movement of capital; fourth, restrictions of international trade; fifth, tariff and treaty policy; sixth, organization of production and trade. The gentleman will see from that that "monetary" will include silver, and there is a further discussion by experts in reference to this matter, including silver. Recently India and China have joined in this world conference, and experts on the silver question will be sent from this country.

Mr. EATON of Colorado. Then, I understand the chairman of the Foreign Affairs Committee has no objection to it?

Mr. McREYNOLDS. I have no objection to it, but I do not see the reason for it.

Mr. STAFFORD. I think it would be a mistake to change the wording to include silver in that way. Why not include copper pennies? The gentleman is weakening his case.

Mr. EATON of Colorado. The question is entirely different from that of copper pennies.

Mr. JENKINS. Does the gentleman from Tennessee [Mr. McREYNOLDS] expect to adopt some other proceeding by which this bill may be passed?

Mr. McREYNOLDS. I certainly do. I shall either go before the Committee on Rules or ask the Speaker of the House to recognize me for suspension of the rules.

Mr. LAGUARDIA. Oh, I believe if the gentleman would wait a while, and call this bill up again, we can pass it at this time. I am sure the gentleman from Texas, who is a very able and intelligent and useful legislator, will get over his temporary peevishness by that time and will go along with us.

Mr. BLANTON. The gentleman from New York ought to know that the prime purpose of European nations to-day is to get us into a conference over yonder for the purpose of canceling our foreign debts. And I am not going to allow any measure to pass by unanimous consent that may even tend to bring that about.

Mr. LAGUARDIA. But we control that situation.

Mr. BLANTON. We can not control it at all, and that is the reason I object.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. STAFFORD. Mr. Speaker, I move to strike out the preamble.

The SPEAKER pro tempore. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Strike out the preamble.

The amendment was agreed to, and the concurrent resolution was agreed to, and a motion to reconsider laid on the table.

### CHANGING THE NAVY RATION

The next business on the Consent Calendar was the bill (H. R. 14438) to effect needed changes in the Navy ration.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, now that we have attended to Statuary Hall, I want to ask the gentleman the necessity of this bill at this time. After all, we provide and appropriate for rations. It seems to me it makes it too rigid if we define the quantity and particular food. I notice with a great deal of interest the salt pork has been reduced and cream and chicken have been added.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. LAGUARDIA. Yes; I yield.

Mr. VINSON of Georgia. If the gentleman will examine the law, he will find now that the ration is prescribed by statute, and the object and purpose of this is to change the present statute and permit the addition of more vegetables and different kinds of rations which the law to-day requires to be fed.

Mr. LAGUARDIA. I do not object to that. Is this based upon a matter of nourishment or one of delicacies?

Mr. VINSON of Georgia. It is based upon nourishment and economy.

Mr. LAGUARDIA. I can see no objection to that.

Mr. McCLINTIC of Oklahoma. Reserving the right to object, Mr. Speaker—and I will object unless the gentleman wishes me to reserve it—this bill absolutely nullifies the law with reference to the amount that can be expended for rations. That will be seen in section 4.

Mr. VINSON of Georgia. If the gentleman intends to object, I trust he will object and not take up the time of the committee.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I object.

### NEW SITES FOR COURTS AND POST OFFICE, HUNTSVILLE, ALA.

The Clerk called the next business (H. R. 14321) to authorize the Secretary of the Treasury in his discretion to acquire a new site in Huntsville, Ala., and to construct a building thereon for the accommodation of the courts, post office, and other Government offices.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, where does the gentleman get any authority from the Department of Justice that approves of this, and requires that the sessions of the court will be held there?

Mr. ALMON. They are held there now by law. Regardless of this bill, the courts will be held there in the new building.

Mr. LAGUARDIA. Why have we a specific bill on this one when we have a complete building program?

Mr. ALMON. I will explain it in just a minute, briefly. I may say that this bill was written in the Treasury Department and sent to me and I introduced it, and the bill had a unanimous report from the committee. The Treasury Department now has authority to buy or condemn property adjacent to the building and build it on the old site, but the price of that property adjacent to the old building is so unreasonably high that they have asked permission here to buy a new site. If that permission is given, it will enable the Government to buy a lot and build a house on it and save the old house, worth at least $50,000.

Mr. LAGUARDIA. My reference was to another bill. I was confused on the bills.

Mr. JENKINS. Will the gentleman yield?

Mr. ALMON. I yield.

Mr. JENKINS. If this bill is passed, what effect will that have on the appropriation that is now made?

Mr. ALMON. It will not affect it at all. They can not expend to exceed the amount allocated for that building, $234,000.

Mr. JENKINS. I knew of another case somewhat like this; and it struck me that, if the appropriation was made to erect a post-office building on the old site, the money could not be used to erect a post-office building on another site.

Mr. ALMON. By passing this bill it gives the Treasury Department the authority to do that in another part of the town and save the old site and the old building. If we do not pass this bill, it will force the Government to buy property adjacent to the old site, which will cost the Government a great deal more money. It will cost more than the new site, which will be in another part of the town.

Mr. JENKINS. Did I understand the gentleman to say this bill was drawn by the Treasury Department?

Mr. ALMON. It was, and I introduced it at the request of the Treasury Department.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized, in his discretion, to acquire a new site in Huntsville, Ala., and to construct a building thereon for the accommodation of the courts, post office, and other Government offices, at a cost not to exceed the sum of $234,000, in lieu of the asquisition of additional land, demolition of building, and construction of a new building within said limit of cost fixed under authority of the act approved July 21, 1932, as modified by the act approved June 30, 1932.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

FEDERAL BUILDING, BINGHAMTON, N. Y.

The Clerk called the next resolution, House Joint Resolution 583, to provide for a change of site of the Federal building to be constructed at Binghamton, N. Y.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. JENKINS. Reserving the right to object, I see there is no report from either department on this bill.

Mr. LANHAM. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. LANHAM. This resolution was drawn after much collaboration by the Treasury Department and also two committees of the House, namely, the Committee on the Post Office and Post Roads and the Committee on Public Buildings and Grounds, in cooperation with the citizens of Binghamton, N. Y. It is a matter of mutual agreement whereby we are trying to do what the people want without increasing the limit of cost that has already been made.

Mr. JENKINS. That is information that is not in the report.

Mr. LANHAM. They have collaborated with us.

Mr. JENKINS. With that understanding, I will withdraw the reservation of objection.

Mr. STAFFORD. Reserving the right to object, will the chairman of the Committee on Public Buildings and Grounds inform us how much land is to be taken from the site for street purposes?

Mr. LANHAM. It is set forth in the last paragraph of the bill. Practically all of this new site is now owned by the Government, and at the time of its acquisition the people of Binghamton themselves contributed $20,000 toward its purchase.

Mr. STAFFORD. Which the report discloses; but the report does not show how much of this old site is going to be donated to the city for street purposes.

Mr. MEAD. None of the old site. It is a part of the new site, in order to straighten out the street. It is at an angle, and they gave them a small strip of land on one side, none on the other, to straighten the street in front of the post office.

Mr. STAFFORD. Just a small portion of the new tract?

Mr. MEAD. Just a small portion of the new tract.

Mr. STAFFORD. Then what was the need of this unusual provision that after the new post-office building has been occupied, no rental postal station shall be maintained within 2,000 feet?

Mr. LANHAM. Oh, that is a matter of economy.

Mr. STAFFORD. I do not question that; but what is the need of incorporating it as legislation?

Mr. LANHAM. There is at present a postal substation, operated at a cost of almost $10,000 a year. This new site is in the center of the business district, and we are advised that no substation will be necessary. Consequently there will be an annual saving of approximately $10,000 a year.

Mr. STAFFORD. The gentleman has no fear that this will not be taken as a slight on the incoming administration as to their position for economy and that they can not be relied upon? [Laughter.]

Mr. LANHAM. Well, I think we can rely upon the judgment of those who have collaborated with us in that regard.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read as follows:

*Resolved, etc.*, That the Secretary of the Treasury is authorized and directed to cause the new Federal building at Binghamton, N. Y. (authorized by the second deficiency act, fiscal year 1931, approved March 4, 1931 (46 Stat. 1587)), to be erected on the Government-owned site located on the north side of Henry Street and extending northwardly between Washington and State Streets, in lieu of on the site of the present post-office building. For such purpose the Secretary is authorized and directed to (a) cancel the existing contract or contracts for the erection of such new building and make a settlement with the contractor for damages sustained by him as the result of such cancellation, or (b) effect a modification of such contract or contracts to provide for construction of the new building on the Henry Street site, and allow reasonable additional compensation for any damages or increased costs occasioned the contractor by the change to such new site.

SEC. 2. The Secretary of the Treasury is further authorized and directed to purchase additional land necessary to permit the construction of such new building on the Henry Street site.

SEC. 3. All obligations incurred and/or expenditures made in carrying out the provisions of this joint resolution shall be limited to the amount made available and fixed by existing law for the demolition of the old building and construction of such new building, and shall not be in excess of such amount.

SEC. 4. After occupancy of the new building constructed pursuant to this joint resolution, no rented postal station shall be maintained within 2,000 feet of such building.

SEC. 5. The act entitled "An act to authorize the sale of the Government property acquired for a post-office site in Binghamton, N. Y.," approved May 13, 1930 (46 Stat. 273), is amended to read as follows:

"That the Secretary of the Treasury is authorized and directed to transfer by the usual quitclaim deed to the city of Binghamton, N. Y., the southerly triangular portion (measuring approximately 59.84 feet on Washington Street and 159.75 feet on Henry Street), or such portion thereof as the Secretary may deem practicable, for the purpose of straightening out said Henry Street, of the Government property acquired for a post-office site in such city, fronting on the north side of Henry Street and extending northwardly between Washington and State Streets."

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

LAKE OF THE WOODS

The Clerk called the next Senate joint resolution, Senate Joint Resolution 124, to provide for the determination of claims for damages sustained by the fluctuation of the water levels of Lake of the Woods in certain cases, and for other purposes.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to proceed for five minutes under reservation of objection. I wish to make some observations on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. Mr. Speaker, a casual reading of the bill and the report would lead to the conclusion that the Government is under an obligation to pay the claims that have been determined by the Secretary of War; but if you refer to the report of the Secretary of War as found in House Document No. 774 of the Seventy-first Congress, third session, on which this resolution is predicated, you will come to the conclusion that there has never been a more outrageous attempt to get money out of the Treasury of the United States than this.

What are the facts? Long before any settlers settled around the Lake of the Woods the lake levels were raised, and raised higher than they were at the time when the treaty was entered into between Canada and the United States. In 1892 artificial barriers were placed in the Rainy River, 36 miles from the international border, that raised the lake level 5 feet. That dam was partially washed away afterwards, but still the water level was raised nearly 3 feet.

I call your attention to the report of the Secretary of War, in which a tabulation showing high-water levels is printed. This is found on page 3. The extreme high-water natural levels prior to 1892—and, remember, the treaty was not entered into until 1915—was 1,062½ feet. The level fixed by the treaty is 1,062½ feet.

These lands on the Lake of the Woods were never opened to entry until 1910 and 1915, and now these persons who have entered on these lands are seeking to put their hands into the Treasury of the United States based upon a state-

ment in the treaty that if there were any claims for flowage the United States would pay the claims of its citizens and the Canadians would pay claims arising on the Canadian side.

I took occasion to read this report of the Secretary of War. It covers 12 pages. I have read the treaty also. If you but read the report accompanying this resolution you would come to the conclusion that this is a meritorious claim presented to Congress a few years back for damage arising from flowage, but let me read you what the Secretary of War said in this connection:

> Settlement on the United States shore was not authorized until after the lake level had been raised. The lands on the south and west shores were opened October 5, 1898, and those in the northwest angle on June 15, 1894.

I read another paragraph:

> These facts create the impression that speculation with the hope of obtaining flowage damages prompted some of these entries.

Their idea was that the land having been overflown they might be able to make some claim for damage by reason of Canada having raised the level long before they had ever entered upon the land. Let me read one further paragraph:

> The greater part of the lands have undergone practically no change since they were opened to settlement. Except for the opening of a few farms on the south shore near Warroad on Zippel Creek, and at some other widely scattered points, agricultural activities along the lake shores are slight. Within the zone subject to overflow in the past years, including a total of 39,620 acres of privately owned land, only about 300 acres have at any time been broken by the plow.

I invite your attention to this report if you really want to see how easy it is for covert interests to get their hands under the tent and grab some of the money out of the Treasury. There is no basis whatsoever for the payment of this $77,000.

[Here the gavel fell.]

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. The reason I am taking the floor on this matter at this time is because I am going out of Congress and I wish to call the attention of the membership of this House to what I regard as an outrageous claim. I ascertained these facts only after digging back in the records. I do not incorporate in the RECORD matters that I uncover, but I take the floor to call attention to the facts in cases which I consider important. With my multitudinous duties it is impossible for me to incorporate these things in extensions of remarks.

Mr. PETTENGILL. Does the gentleman know how many of these claimants are dead, insane, or have assigned their claims at a discount?

Mr. STAFFORD. No one had a claim to damage from flowage when they entered upon the land. At that time the level had been raised, yet they are seeking to get nearly $100,000, basing their claim upon matters which give them no right to assert any claim at all.

[Here the gavel fell.]

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. McREYNOLDS. Mr. Speaker, the gentleman who has just preceded me acts as though he were giving the House something new. He was not a Member of this House in 1926, I believe. Is that correct?

Mr. STAFFORD. That is absolutely correct.

Mr. McREYNOLDS. At that time I was on the subcommittee and opposed this bill. I brought those facts before the House at that time, with the insistence that these people who had made the entries there after the water level had been raised were entitled to no damages. I succeeded finally in getting an amendment by which it should be reported back to the Committee on Foreign Affairs in that it provided that the Secretary of War should assess these damages. It was over my protest, because I did not think there was a liability on the part of the Government, but after it was heard in this House it was passed and became the law. Since that time various efforts have been made before the Committee on Foreign Affairs to get this shifted from our committee to the courts.

You will note in this bill that we amended that was the purpose, and the claims they were making were for something like $800,000 for damages; but on account of this statute, and feeling we were bound by this statute, we brought this bill out under reports of the Secretary of War that these were the damages that should be paid. It is for this reason that this bill has been reported, and if you are ever going to get rid of it, and unless you are going to nullify that statute, you should pass this bill and let these people get advantage of it.

Mr. PITTENGER. Will the gentleman yield?

Mr. McREYNOLDS. I will be glad to yield.

Mr. PITTENGER. I ask the gentleman to yield at this moment because I know we are proceeding on what amounts to a unanimous-consent calendar, and because I was the author of a bill for Lake of the Woods claimants and I was on the floor and heard my distinguished colleague from Wisconsin [Mr. STAFFORD]. He is incorrect in everything he says about this bill except as to the unfair attitude of the War Department. I have a high regard for my colleague from Wisconsin, and he is ordinarily right; but I want to say, and I shall have to leave it in the RECORD if he leaves his remarks there, that I have never seen him so misinformed on any subject since I have been in Congress as he is on this subject. I regret I will not be permitted to argue this on its merits. My colleague has not had the advantage of hours and hours of hearings before the Committee on Foreign Affairs. I do not care what he says about me, but his language is a reflection on the integrity of the members of the Committee on Foreign Affairs. There has never been a more meritorious bill on behalf of any claimants than the one that passed the Senate and was before this committee, in this case. The committee did what they thought was proper, and did not do what we asked, namely, give American citizens their day in court. I want to say that that is the very essence of Americanism, and yet the committee was conscientious and so strict that they would not even give us that right and they adhered to arbitrary findings of the War Department engineers. My colleague from Wisconsin [Mr. STAFFORD] is entirely mistaken as to the facts in this case.

Mr. McREYNOLDS. Mr. Speaker, I merely want to state this in conclusion. I never thought at any time there was any legal liability, and the records will show that I made this fight some six years ago, but the House did not agree with me. The act of 1926, passed in reference to the Lake of the Woods, provided that the Secretary of War should make investigations as to the damages to the property overflown by the lake and report that amount back to the Foreign Affairs Committee of the House. It took the Secretary of War some two or three years to have this investigation and appraisals of damages to all the different properties and finally did make this report to your committee. While this investigation was being made by the War Department, as provided by statute, various bills were introduced before your committee by Members of the House from Minnesota, insisting that these matters be left to the courts of the State. In each instance these bills were defeated, because your committee knew that damages in large amounts were claimed and felt that an injustice would be done the Government if it was not determined by the War Department as provided. This bill, as reported out, was opposed by the Members of Congress interested in this matter, from Minnesota, but your committee felt that the amounts reported by the War Department were just if liability of the Government was granted in accordance with the act of 1926; and in order to get this matter settled after some six years, I feel that this bill should be passed. I have not yet changed my mind as to the original liability

of the Government; but, having made my fight some six years ago along the lines then that the gentleman from Wisconsin now undertakes to enlighten the House and my position having been overridden and this statute passed, your committee, in making this report, is merely following the law in reference to this matter.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

MODOC NATIONAL FOREST

Mr. JENKINS. Mr. Speaker, when we began the call of the calendar this afternoon it was agreed that the bill (H. R. 189) to add certain lands to the Modoc National Forest in the State of California would be passed over without prejudice. I ask that that bill be called now.

The Clerk called the bill (H. R. 189) to add certain lands to the Modoc National Forest, in the State of California.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask the gentleman from California in just what way the whole people of the United States will be benefited by incorporating this 640 acres of land in the Modoc National Forest?

Mr. ENGLEBRIGHT. It is intended to add this 640 acres of land to the national forest for a possible exchange of land for purposes of watershed protection and fire protection. This is an area that is adjacent to the national forest and is in private ownership. It is cut-over land. It is a fire menace, and to properly administer the timber of the people of the United States it is desired to add this land so that proper protection may be given to it by the Forest Service.

Mr. BLANTON. Why did not the department send this bill here?

Mr. ENGLEBRIGHT. It is approved by the department.

Mr. BLANTON. Why did not the department send the bill here, if it were a Government matter?

Mr. ENGLEBRIGHT. It has been approved by the department.

Mr. BLANTON. Yes; but it was introduced here not by the department but by the gentleman at the instance of some one, I do not know whom.

Mr. ENGLEBRIGHT. No; not by the department.

Mr. BLANTON. At whose instance was the bill introduced?

Mr. ENGLEBRIGHT. It was introduced primarily after talking with the officials of the Forest Service in this locality.

Mr. BLANTON. But the talk came from the gentleman to the officials, and not from the officials to the gentleman.

Mr. ENGLEBRIGHT. No; it was the other way around. It came from the officials to the gentleman from California.

Mr. BLANTON. Did the United States Government officials bring this question up themselves?

Mr. ENGLEBRIGHT. After I had discussed with them fire-protection matters in that vicinity, yes.

Mr. BLANTON. Then the suggestion from the department followed a conversation that the gentleman had with them.

Mr. ENGLEBRIGHT. That is correct.

Mr. BLANTON. Did the gentleman suggest this would help the situation?

Mr. ENGLEBRIGHT. As a matter of general fire protection in that locality, yes.

Mr. BLANTON. Has the gentleman in mind any interest or any individual there that may be involved?

Mr. ENGLEBRIGHT. I have not the slightest idea in whom ownership may be.

Mr. BLANTON. Is there any particular individual that the gentleman had in mind who would be interested in getting this done?

Mr. ENGLEBRIGHT. I have not any idea who the owner may be.

Mr. BLANTON. The gentleman did not answer my question.

Mr. ENGLEBRIGHT. No; I have not.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, when the bill was originally under consideration I stated that four entries had been made on this 640 acres of land, and I assume this is to grant the right to these four entrymen to take other lands.

Mr. ENGLEBRIGHT. If an exchange can be worked out, yes.

Mr. STAFFORD. Why should the Government give consideration to these four entrymen on this section of land?

Mr. ENGLEBRIGHT. Because it has been the policy throughout the forest reserves to make exchanges where it is to the advantage of the forest reserve for administration purposes, for consolidations, watershed protection, or fire protection.

Mr. STAFFORD. We have been objecting to similar bills of much larger extent where they sought to take in hundreds of thousands of acres. This is a small parcel, it is true, and I did not know but what there may be some exceptional conditions that would warrant our receding from the position we have taken heretofore in objecting to such omnibus extension bills.

Mr. ENGLEBRIGHT. Yes; this is land that is in an intense fire area. The fire menace in this locality every year is very severe, and we are endeavoring to extend protection so as to keep down fires in the national forests and protect Government timber.

Mr. STAFFORD. Then there is a special condition of affairs pertaining to this section that warrants our extending the forest borders to this section of land?

Mr. ENGLEBRIGHT. That is my opinion.

Mr. LAGUARDIA. Reserving the right to object, the department recommends the striking out of everything on line 3 after the word "that" down to and including the word "resource" in line 1, on page 2. I have an amendment to carry this out.

Mr. ENGLEBRIGHT. That is satisfactory.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That subject to any existing valid claims or entries, all lands of the United States in the areas hereinafter described be, and the same are hereby, added to and made parts of the Modoc National Forest, in the State of California, to be hereafter administered under the laws and regulations relating to the national forests, for the purpose of production of timber, regulation of stream flow, and the improvement and utilization of the forage resource; and the provisions of the act approved March 20, 1922 (U. S. C., title 16, secs. 486, 487), entitled "An act to consolidate national forest lands," as amended, are hereby extended and made applicable to all other lands within the said described area: Northeast quarter, northeast quarter northwest quarter, south half northwest quarter, southwest quarter, east half southeast quarter, southwest quarter southeast quarter, section 15; and the east half northeast quarter, section 22; all in township 39 north, range 11 east, Modoc County, Calif., Mount Diablo base and meridian.

Mr. LAGUARDIA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 1, in line 3, after the word "That" strike out the balance of the line and all of lines 4 to 9, inclusive; and on page 2, line 1, strike out the words "utilization of the forage resource."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 5, strike out the word "other" and in the same line strike out the word "said" and after the word "the" and before the word "described" insert the word "following."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FUTURE TRADING IN AGRICULTURAL PRODUCTS

The Clerk called the next business on the Consent Calendar, Senate Joint Resolution 108, to authorize and direct the Secretary of Agriculture to investigate the cost of maintaining the present system of future trading in agricultural products, and to ascertain what classes of citizens bear such costs.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

THIRD INTERNATIONAL CONFERENCE ON PRIVATE AERIAL LAW

The Clerk called the next business on the Consent Calendar, House Joint Resolution 568, a joint resolution authorizing an appropriation for the expenses of participation by the United States in the third international conference on private aerial law to be held in Rome, Italy, in 1933.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

ACQUISITION OF LAND IN THE VICINITY OF CAMP BULLIS, TEX.

The Clerk read the next bill on the Consent Calendar, H. R. 12769, to provide an additional authorization for the acquisition of land in the vicinity of Camp Bullis, Tex.

Mr. LAGUARDIA. Reserving the right to object, how many artillery ranges have we in operation?

Mr. McSWAIN. I am sorry I can not tell the gentleman.

Mr. LAGUARDIA. I remember when the original bill was up for the acquisition of this property, it was said it was the only artillery range, and I remember another instance where the appropriation was for a cavalry or machine-gun field, and found out later that it was not wanted. I am trying to ascertain if this artillery range is a necessary one.

Mr. McSWAIN. This would not be adequate for an artillery range. The artillery field in North Carolina contains 122 acres.

Mr. LAGUARDIA. The report says that it is an addition to the Leon Springs target and maneuver reservation. It says that the War Department continued to occupy the Neutze tract under lease at an annual rental of $650, owing to the fact that the use of this area is necessary as a firing point for artillery. Have they any artillery down there?

Mr. HILL of Alabama. Yes.

Mr. BLANTON. The gentleman knows that San Antonio is one of the finest cities in the world in which to live, and the officers and their wives want to live there because there is always plenty of society there. That was why the Army moved our cavalry from the Rio Grande, where it was needed to protect us from border raiders, to the East, where we have no need for it. They wanted to be near high society.

Mr. HILL of Alabama. I am with the gentleman from Texas, but I want to say that Camp Marfa was not deserted for that reason; those troops went to Kentucky.

Mr. BLANTON. Yes; so as to be near the big cities.

Mr. JENKINS. What has the abandonment of Camp Marfa to do with this?

Mr. HILL of Alabama. It has nothing to do with this. The truth is this land has been condemned by the Government in the United States district court, and judgment awarded the owners, and we are paying interest on the judgment.

Mr. BLANTON. Moving our cavalry has this to do with it. They were moved from the Rio Grande without any excuse or justification whatever, and I merely wanted to give notice to the Army that sooner or later they are going to be forced to return there, hence they had better keep their property there intact.

Mr. LAGUARDIA. The gentleman points out that this is a large concentration of our land forces.

Mr. HILL of Alabama. Yes.

Mr. LAGUARDIA. That is all right. I think we would save a great deal if we did concentrate in four or five points rather than have these sparsely located small posts and garrisons.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection, and the Clerk read the bill as follows:

*Be it enacted, etc.*, That, in addition to the sum of $15,000 authorized by the act of January 12, 1929, to be appropriated for the acquisition by the Secretary of War in the vicinity of and for use in connection with the present military reservation at Camp Bullis, Tex., and which was appropriated in the War Department appropriation act for the fiscal year 1931, there is authorized to be appropriated for the same purpose, to meet the judgment in condemnation proceedings, an additional sum of not to exceed $6,400, together with such amount as may be necessary to pay interest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RESCINDING CERTAIN NEW AIR MAIL CONTRACTS

The next business on the Consent Calendar was House Resolution 359, to rescind certain new air mail contracts, and so forth.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. MEAD. Mr. Speaker, I ask unanimous consent to proceed for five minutes to explain the resolution.

Mr. STAFFORD. Mr. Speaker, I reserve the right to object.

Mr. MEAD. Mr. Speaker, some time ago the House authorized the Post Office Committee to make an investigation of all postal facilities. One of those investigated was air mail. We have gone into this question very extensively, and we are ready now to make our report. Along about the latter part of January information reached us that the Postmaster General was going to make a number of changes in the air mail map, that he contemplated extending a number of lines, and that he intended to create a number of new lines. We believed that it was the wrong time to make such changes. We had made a complete survey of all the air mail lines and were ready to make our recommendations based on lines then in existence.

The Appropriations Committee of the House was considering appropriations based on the then existing lines, and our committee, believing it was inopportune for an administration in its closing days to radically change the air mail service, reported out this resolution. We then asked the Postmaster General to leave the service as it was at least for the time being. It was not the proper thing to do just at this time. Some there are who even suggest that it was a discourteous act, unfair to the incoming administration. But he put his program through and for good measure he put a number of new ocean mail contracts into effect, one from Galveston to the Orient, an ocean mail contract that could not possibly carry much mail, for if mail was to be expedited, such mail to the Orient would leave from the Pacific coast rather than from Galveston to go via the Panama Canal.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MEAD. Yes. I yield.

Mr. McCORMACK. I understand a bid is being opened to-day for the awarding of a mail contract from Norfolk, Va., up along the Atlantic coast and then over to Europe.

Mr. MEAD. I believe the gentleman is correct. The present administration is doing everything possible to extend both the air mail and the ocean mail systems, which will increase the subsidies.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. MEAD. Yes. I yield.

Mr. JENKINS. I would like to ask the gentleman this question: Does he expect that this resolution would have any legal consequence if it were passed? If the Postmaster General has a right to do something and has done it, how can anything we pass be other than just a simple request that he rescind?

Mr. MEAD. The members of the Post Office Committee went on record in opposition to the action taken by the Postmaster General when we adopted this resolution. We felt it was the only course for us to pursue. The next Postmaster General, by reason of the authority he possesses, backed up by the action of the Post Office Committee, may be able to make changes that will eliminate much of the harm that has been done.

Mr. JENKINS. Then the gentleman agrees that there can not be any legislative effect to this if we should pass it. And I shall object.

Mr. MEAD. Suppose the House and the Senate should pass this resolution, or a similar resolution. Does the gentleman believe the Postmaster General would overrule the Congress? It is an expression by which our committee seeks to inform the Postmaster General that he is exceeding his

powers. These changes should not be made until the appropriation for air mail is decided upon and until our committee has made its report.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. LAGUARDIA. Mr. Speaker, I reserve the right to object and call the attention of the gentleman from New York [Mr. MEAD] to the fact that if he should introduce a resolution or amend this resolution providing that from the date of the enactment of the resolution no further contract or certificate should be made or issued I am sure that he would find a sympathetic response in the House; but the gentleman's resolution does more than that. It asks to rescind existing contracts. The gentleman says that the passage of a resolution of this kind would be conclusive on the Postmaster General. The gentleman knows that we wrote a prohibitory provision in one of the appropriation bills in respect to a certain contract and the Postmaster General disregarded it. I suggest in a spirit of friendliness that if the gentleman will revise his resolution to prevent the issuance of certificates or the making of contracts after its passage I think the House would respond to it.

Mr. LEAVITT. Mr. Speaker, I reserve the right to object. Where negotiations have been entered into for needed extensions, do I understand that this resolution would express the opinion of the House and the Congress that they should not be entered into?

Mr. MEAD. Where they are contrary to law and not in the public interest. That is all.

Mr. LEAVITT. Who would decide whether they were in the public interest or not?

Mr. MEAD. The Postmaster General, under the terms of the Watrous Act.

Mr. LEAVITT. I would have to object if this would interfere with the establishing of what I consider an extremely important program.

The SPEAKER pro tempore. Is there objection?

Mr. JENKINS. Mr. Speaker, I object.

MORRISTOWN NATIONAL HISTORIC PARK, N. J.

The Clerk called the next bill, H. R. 14302, to provide for the creation of the Morristown National Historical Park in the State of New Jersey, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over. There has been a rule introduced for its consideration.

Mr. FULLER. Will the gentleman not reserve his objection for a moment? It will only take a short time.

Mr. STAFFORD. Oh, there are 40 bills here where there is no rule at all. This matter will be considered in due course.

I object to the present consideration, Mr. Speaker.

FEDERAL BUILDING AT MANGUM, OKLA.

The Clerk called the next bill, H. R. 14489, relating to the construction of a Federal building at Mangum, Okla.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, this is the bill I referred to a few moments ago, which I got confused with another Federal building bill. I see there is a letter here to the gentleman from Oklahoma by the assistant chief clerk, with reference to the attitude of the Department of Justice. How does the assistant chief clerk come to speak for the department?

Mr. McCLINTIC of Oklahoma. If the gentleman will permit, I will give a brief history of the legislation and the gentleman can understand the facts in connection therewith. A bill was passed through this body allocating eighty or ninety thousand dollars to be used in the construction of a post office at Mangum, Okla. That bill contemplated the purchasing of a site. The citizens of that city afterwards decided they would be willing to condemn and donate a portion of their large public square for this purpose, thus eliminating or avoiding the necessity for purchasing a site, and making the amount for that purchase available to put an extra room on the top of the post-office building. I took it up with the Treasury Department. They thought well of it and instructed the architect to draw new plans.

Mr. LAGUARDIA. I have all of that. That is clear. What I want to know is, does the Federal court hold sessions in this city?

Mr. McCLINTIC of Oklahoma. Yes.

Mr. LAGUARDIA. Where do they hold their sessions now?

Mr. McCLINTIC of Oklahoma. In the courthouse.

Mr. LAGUARDIA. Why did we not have the benefit of the usual communication from the Department of Justice instead of a communication from the chief clerk?

Mr. McCLINTIC of Oklahoma. The Assistant Attorney General of the Department of Justice instructed this person to look over the plans and see whether or not they were satisfactory. When he did that, this is the letter that was sent to me. I presented this letter to the committee, and the committee unanimously authorized this bill to be reported.

Mr. LAGUARDIA. The gentleman assures us that the Federal court does hold sessions in this city?

Mr. McCLINTIC of Oklahoma. Yes, sir.

Mr. LAGUARDIA. And at the present time there is no Federal building there?

Mr. McCLINTIC of Oklahoma. That is correct.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That in the construction of the Federal building at Mangum, Okla., authorized by the act of February 16, 1931 (Doc. No. 788, 71st Cong.), the Secretary of the Treasury is hereby authorized to provide facilities for the holding of terms of the District Court for the Western District of Oklahoma.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed. A motion to reconsider was laid on the table.

AMENDING SECTION 546, TITLE 34, OF THE UNITED STATES CODE

The Clerk called the next bill, H. R. 13026, to amend section 546, title 34, of the United States Code.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Reserving the right to object, who drew up this bill? The Navy Department drew it, did it not?

Mr. BLAND. No. I had the honor of preparing the bill.

Mr. LAGUARDIA. May I suggest the gentleman amends a provision of the United States Code? The United States Code is prima facie evidence of the law. I have prepared an amendment of the original statute, and if the gentleman would offer that, it would answer the purpose.

Mr. BLAND. I will be very glad to offer the amendment.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.*, That section 546, title 34, of the United States Code, be, and the same is hereby, amended to read as follows:

"SEC. 546. Loan or gift of condemned or obsolete property: The Secretary of the Navy is hereby authorized, in his discretion, to lend or give to soldiers' monument associations, posts of the Grand Army of the Republic, posts of the American Legion, and other recognized war veteran associations, State museums and incorporated museums operated and maintained for educational purpose only, whose charter denies them the right to operate for profit, and municipal corporations condemned or obsolete ordnance, guns, projectiles, books, manuscripts, works of art, drawings, plans, models, and other condemned or obsolete material which may not be needed in the service of the Navy Department. Such loan or gift shall be made subject to rules and regulations covering the same, and the Government shall be at no expense in connection with any such loan or gift."

Mr. BLAND. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BLAND: On page 1, line 3, after the word "That" insert "chapter 231 of the code of May 22, 1896 (29 Stat. 133)," and after the word "Code," in said line, insert a parenthesis.

Mr. STAFFORD. Mr. Speaker, I offer an amendment to the amendment, after the numeral "34," strike out the word "Code" and insert "U. S. C."

The Clerk read as follows:

Amendment by Mr. STAFFORD: On page 1, line 3, after the numerals "34," strike out the word "Code" and insert "U. S. C."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read: "To amend section 546, title 34, U. S. C."

MIXED CLAIMS COMMISSION, UNITED STATES AND GERMANY

The Clerk called the next bill, H. R. 12328, to authorize the assignment of awards entered by the Mixed Claims Commission, United States and Germany.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, when the bill for the return of property and for the settlement of claims was before the House, if I remember correctly, there was quite a long discussion as to the matter of assignments, and the bill specifically provided against assignments and provided that payments could be made only to the original claimants.

The report states, and I suppose it is quite correct, that most of the small claims have been paid. What I fear is that there may be a peddling of these claims if we permit assignments in these times. Of course, it is presumed that the large claimants can protect their own interests.

Can the gentleman from Virginia tell us the necessity of this bill at the present time?

Mr. WOODRUM. Originally there were about 7,000 claims aggregating millions of dollars. It ran into quite a considerable sum. All claims under $100,000 have now been paid in full. There are something less than 350 claims left out of the original 7,000; and they are all very large claims. Some of these claimants have received partial payments.

The Treasury Department, I may say to the gentleman from New York, has gone into the matter a number of times and for a while resisted any effort to change this law until they were fully advised that all the small claimants had been paid, and that the large claimants were able to protect themselves. Under present economic conditions they may be able to liquidate some of these claims to some extent at this time, and that is the reason the Treasury Department made this recommendation.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. JENKINS. Do the hearings disclose that anything unfair was being done, that anybody was trying to take advantage of the bankruptcy laws, or anything of that sort?

Mr. WOODRUM. Not at all.

Mr. JENKINS. Or whether this would enable some of the larger ones to squeeze out the smaller ones?

Mr. WOODRUM. The Treasury Department absolutely satisfied themselves that it would enable some of these claim holders to settle their claims at a time when they needed to take advantage of all the assets they had.

Mr. STAFFORD. If the gentleman will permit, I have read the bill and the report. I find no indication that it has been submitted to the State Department for its consideration. The State Department has the administration of the Mixed Claims Commission. It is not for the Treasury Department to pass on this.

Mr. WOODRUM. But the Treasury Department has always exercised jurisdiction over the payment of these claims.

Mr. STAFFORD. They only exercised jurisdiction as the last alternative. The State Department has full jurisdiction over the administration of the Mixed Claims Commission.

Mr. WOODRUM. But the inhibition against the assignment of claims was directed by the Treasury Department because it made the payments.

Mr. STAFFORD. Of course it might be said the Treasury Department had jurisdiction over every department in making payments out of the Treasury. The Treasury Department makes payments, but this, as a matter of administrative policy should have been submitted to the State Department.

Has the gentleman any information as to what attitude the State Department takes toward this legislation?

Mr. WOODRUM. No; because it has not been submitted to them.

Mr. STAFFORD. The bill should really have been referred to the Committee on Foreign Affairs and not to the Committee on Ways and Means. It is a matter within the jurisdiction of the Committee on Foreign Affairs.

Mr. LAGUARDIA. No; the Committee on Ways and Means reported out the bill. I remember we debated it for several days.

Mr. STAFFORD. The original authorization of the creation of the Mixed Claims Commission came from the Committee on Foreign Affairs. It is a matter that relates to the Committee on Foreign Affairs.

Mr. WOODRUM. I think the gentleman is mistaken.

Mr. LAGUARDIA. I am sure the Committee on Ways and Means reported it.

The SPEAKER pro tempore (Mr. BLAND). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That subsection (g) of section 2 of the settlement of war claims act of 1928 is hereby amended by adding at the end thereof a new paragraph to read as follows:

"(5) In the case of an assignment of an award, or an assignbent (prior to the making of the award) of the claim in respect of which the award was made, by any such person, made in writing, duly acknowledged, and filed with the application for payment, such payment shall be made to the assignee."

SEC. 2. Subsection (k) of section 3 of such act is hereby amended by adding at the end thereof a new paragraph to read as follows:

"(5) In the case of an assignment of an award, or an assignment (prior to the making of the award) of the claim in respect of which the award was made, by any such person, made in writing, duly acknowledged and filed with the application for payment, such payment shall be made to the assignee."

SEC. 3. Subsection (f) of section 5 and subsection (h) of section 6 of such act are hereby amended by striking out "(4)" where it occurs in such subsections and inserting in lieu thereof "(5)."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

The title was amended to read as follows: "A bill to authorize the assignment of awards entered by the Mixed Claims Commission, United States and Germany, the Tripartite Claims Commission, and the war claims arbiter."

INTERSTATE COMMERCE COMMISSION

The Clerk called the next bill, H. R. 7432, to authorize the Interstate Commerce Commission to delegate certain of its powers.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, there is a departure here from the established practice. Perhaps it is meritorious. It is sought to allocate to mere employees the power of hearing and determination.

I fully realize the crowded condition of the work before the Interstate Commerce Commission, yet there is a tendency on the part of the courts, as exemplified years back in the Court of Claims, in the Supreme Court of the United States, and other courts, to have subordinates do the real work of ascertainment and determination.

I would like to have some explanation of this bill, even though the Interstate Commerce Commission has recommended it in several of their reports.

Mr. RAYBURN. The gentleman having been a member of the Committee on Interstate and Foreign Commerce for years understands the way the commission works. He understands, of course, that the years have come and gone

since he was a member of that committee, and by close contact with the Interstate Commerce Commission that their work has grown by leaps and bounds. Many small matters come up for consideration in the commission. A few years ago we passed a law giving them the right to delegate this power to a section of the commission not less than three. We thought that would relieve the calendar, but it has not done so.

This bill provides for the delegation of authority in certain classes of cases to one commissioner or to a board of employees of the commission. As is set forth in the report there are little disputes about demurrage; there are little disputes about freight, and so forth, and so forth. We believe if power to handle these cases were delegated to one commissioner or a board of employees of the commission having to do with the particular subject matter that the parties involved could get together and compromise the matter.

Furthermore, when this authority is delegated to one commissioner, or when it is delegated to a board of employees in the commission, it is not final if anyone objects. If any party litigant to a proceeding makes the objection, then the full commission must consider the entire matter.

Mr. STAFFORD. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. STAFFORD. I have no objection to a modification of the law delegating the investigation to one commissioner or perhaps to a board of employees, but this bill goes further than that. It allows one employee, no matter who he may be, to have full authority to investigate and determine. I think it should be a board of employees if we are going to delegate this investigational authority to these subalterns.

Mr. RAYBURN. There may be an occasion arise 1,000 miles from Washington, a most insignificant case, where they could send one man out there to get the information instead of sending a board of three or four or half a dozen. This would save money and would save time and the report of the employee delegated, if it were not agreed to by all the parties, would be referred to the commission or to a division of the commission.

Mr. STAFFORD. Under existing practice, is it not customary for the commission to delegate investigational affairs to one examiner who reports back to the commission?

Mr. RAYBURN. Yes.

Mr. STAFFORD. Would not that existing practice meet the condition?

Mr. RAYBURN. No; it would not, because the examiner usually goes into rate matters. They go off and hold hearings for a month at Dallas, Tex., or Houston, Tex., or Los Angeles, Calif., on very vital matters.

Mr. STAFFORD. Do not limit it to Texas. They also go to Milwaukee and various other cities.

Mr. RAYBURN. Yes; and the examiner does not have any final authority to make an order. He develops the case and reports to the commission.

Mr. LAGUARDIA. Is it not true that there is no administrative or discretionary power delegated here? This is just fact-finding. Is not that all this bill does?

Mr. STAFFORD. It does more than that.

Mr. RAYBURN. There is discretion because they make a finding and when the finding is made it becomes the order of the commission unless complaint is filed or unless all parties agree to the finding of this employee. In such event it goes to the commission.

Mr. STAFFORD. With that explanation, I withdraw the reservation of objection.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 17 of the interstate commerce act, as amended (U. S. C., title 49, sec. 17), is amended by adding at the end thereof a new paragraph to read as follows:

"(6) The commission is hereby authorized by its order to assign or refer any portion or class of its work, business, or functions arising under this or any other act of Congress or referred to it by Congress, or either branch thereof, to an individual commissioner, or to a board composed of an employee or employees of the commission, to be designated by such order, for action thereon, and by its order at any time to amend, modify, supplement, or rescind any such assignment or reference: *Provided, however,* That this authority shall not extend to investigations instituted upon the commission's own motion nor, without the consent of the parties thereto, to contested proceedings involving the taking of testimony at public hearings. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the commission. In case of the absence or inability for any other reason to act of any such individual commissioner or employee designated to serve upon any such board, the chairman of the commission may designate another commissioner or employee, as the case may be, to serve temporarily until the commission shall otherwise order. In conformity with and subject to the order or orders of the commission in the premises, any such individual commissioner, or board acting by a majority thereof, shall have power and authority to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions so assigned or referred to him or it for action by the commission and in respect thereof shall have all the jurisdiction and powers now or then conferred by law upon the commission and be subject to the same duties and obligations. Any order, decision, or report made or other action taken by any such individual commissioner or board in respect of any matters so assigned or referred shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the commission. Any party affected by any order, decision, or report of any such individual commissioner or board may file a petition for reconsideration or for rehearing by the commission or a division thereof and every such petition shall be passed upon by the commission or a division thereof. Any action by a division upon such a petition shall itself be subject to reconsideration by the commission, as provided in section 16a of this act (U. S. C., title 49, sec. 16a), and in paragraph (4) of this section. The commission may, as provided in paragraph (1) of this section, make and amend rules for the conduct of proceedings before such individual commissioner or board and for the rehearing of such action before a division of the commission or the commission. The secretary and seal of the commission shall be the secretary and seal of such individual commissioner or board."

With the following committee amendment:

Page 1, line 7, strike out the words "or class."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NAVY RATION

Mr. LANKFORD of Virginia. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from Virginia rise?

Mr. LANKFORD of Virginia. Mr. Speaker, I ask unanimous consent to return to calendar No. 523, the bill (H. R. 14438) to effect needed changes in the Navy ration. A certain amendment has been agreed to that will correct the objection, and the bill will save the Government about $75,000 a year.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, it was stated from the Speaker's rostrum on the last occasion of calling the calendar that it is a rather questionable practice to return to a bill after it has once been passed on the calendar.

Mr. LANKFORD of Virginia. This will save the Government at least $75,000, and we are just trying to cooperate in this way.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I made the original objection, and after having a consultation with those interested in the subject, we agreed to eliminate two sections and to make certain changes.

Mr. LAGUARDIA. Wait a minute before you talk about any agreement. Let us in on that agreement.

Mr. BARTON. Mr. Speaker, I object.

ALLOTMENTS OF DECEASED INDIANS

The Clerk called the next bill, H. R. 14059, authorizing the Secretary of the Interior in behalf of Indians to purchase the allotments of deceased Indians, and for other purposes.

Mr. PETTENGILL. Mr. Speaker, in view of the fact that both the Secretary of the Interior and the Director of the Budget think that on account of the financial condition of the Treasury this bill should be postponed for future consideration, I object.

Mr. LEAVITT. Will the gentleman reserve the objection?

Mr. PETTENGILL. I reserve it for an explanation.

Mr. LEAVITT. Mr. Speaker, the gentleman has stated that his objection to the bill is on the basis of the state-

ment of the Bureau of the Budget and the Secretary of the Interior. I can state to the gentleman on my own responsibility that the Secretary of the Interior and the Commissioner and Assistant Commissioner of Indian Affairs consider this the most fundamental Indian bill that has been before us at this session of Congress.

The Assistant Commissioner was before the committee and expressed their judgment and has told me personally that the statement made in the last paragraph of the report is entirely due to the standing rule that they must report against expenditures of any kind at this time.

The reason this is the most fundamental piece of Indian legislation that has been before us this session is this: On nearly all of the reservations land has been pretty largely allotted, and proper provision has not been made for succeeding generations of Indian children who have come along. The Indians to whom the lands have been allotted in many cases have died with numerous heirs. The land is in a confused state of inheritance and there is no way, under ordinary conditions, to dispose of it for the benefit of the estate except to sell it. The Indian is hardly ever in a position to raise the money to buy it. The result is that it often goes into the hands of white people and the Indians are gradually, on many reservations, being deprived of these lands through the working out of the present law.

All this bill would do would be to authorize the setting up of a revolving fund upon which the Indians who live on the reservations and who must have one-quarter of Indian blood and who need to be enabled to live among their own people may draw and have from 5 to 20 years to pay back to the Government to buy this land instead of having it pass out of their hands. The Indians have no other means of credit.

Mr. PETTENGILL. I understand that ultimately it does not cost the Treasury anything.

Mr. LEAVITT. It is a revolving fund.

Mr. PETTENGILL. How is the Treasury secured?

Mr. LEAVITT. By the land itself. The Indian, as the gentleman knows, has no access to credit of any kind. He is a ward of the Government, and in order to enable him to buy land we set up this revolving fund. He thus becomes self-supporting and ceases to be a burden on the Government. That is the proposition, and having been connected with Indian affairs and given them a great deal of study for years, I consider this the most fundamental piece of Indian legislation that has been before Congress this year.

Mr. PETTENGILL. What will be the cost?

Mr. LEAVITT. The statement made in the report by the assistant commissioner is that for this fiscal year there would be no appropriation at all but only a study. Then for the next fiscal year not over $100,000, and so this fund may be built up to say $500,000. It would revolve and finally come back into the Treasury after a number of years.

Mr. PETTENGILL. What hardship would ensue if the bill is not passed now?

Mr. LEAVITT. The hardship would be that human beings die and this problem accumulates. If the bill is enacted now the incoming Indian administration can begin to study this question. That will take a year, and the next fiscal year the request would come in for an appropriation. Then it would be a small appropriation, but that would revolve and go into a fund.

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman a question. This is going to cost eventually $500,000.

Mr. LEAVITT. It is a revolving fund that would come back into the Treasury.

Mr. BLANTON. But eventually it will cost $500,000.

Mr. LEAVITT. Yes.

Mr. BLANTON. I object. I want to save that $500,000.

EXTENDING TEMPORARY RELIEF OF WATER USERS ON IRRIGATION PROJECTS ON INDIAN RESERVATIONS

The Clerk read the next bill on the calendar, H. R. 14432, a bill to extend temporary relief of water users on irrigation projects on Indian reservations, and for other purposes.

The SPEAKER pro tempore (Mr. BLAND). Is there objection?

Mr. STAFFORD. Reserving the right to object, Congress has not heretofore taken action to defer action on the irrigation projects for the last half of 1932 and for the full year of 1933, and for the time being I ask unanimous consent that this go over without prejudice.

Mr. LEAVITT. Mr. Speaker, the gentleman's statement is not quite accurate. Congress has passed legislation that defers these payments, not including the period that is in this bill, but making some deferment. But the Senate has passed a bill that covers it.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. STAFFORD. I think I am accurate when I said that the Congress has not yet taken any action toward the deferment of maintenance charges for the last half of 1932.

Mr. LEAVITT. No; the gentleman is not quite accurate. The Senate has passed such a resolution.

Mr. STAFFORD. But the Congress has not passed it. I am fully aware of the fact that the resolution has passed the Senate and that a rule has been adopted for the consideration of the Chavez bill by the House, but I still insist that my statement was correct that Congress has not yet taken any action toward the deferment of the maintenance and construction charges for the last half of 1932 and for the year 1933.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. BLANTON. There are many Americans just now who live in districts with water charges of $20 an acre against them. It is eating them up. Why should we grant relief here, when you do not grant general relief to all the people affected in that way.

Mr. LEAVITT. This applies to every person on Indian reservations.

Mr. BLANTON. In particular water projects.

Mr. LEAVITT. No; to all of them that are on Indian reservations. If the gentleman's friends are on a Federal reclamation project——

Mr. BLANTON. Unfortunately they are not. If they were on a Federal project, these gentlemen from the West, who get so many hand-outs would be taking care of them along with the remainder of those Government-project people, but unfortunately they are in a private project where the money has to come out of their own pockets.

Mr. STAFFORD. Mr. Speaker, for the time being I object.

EXCLUDING CERTAIN TEMPORARY EMPLOYEES FROM OPERATION OF THE ECONOMY ACT

The next business on the Consent Calendar was House Joint Resolution 547, to exclude certain temporary employees from the operation of the economy act.

The SPEAKER pro tempore. Is there objection?

Mr. JENKINS. Mr. Speaker, I reserve the right to object. I have no disagreement with the bill where it provides that those who shovel snow shall be allowed the benefit of this provision, but is it not a fact that if you extend that same provision to those who handle the mail, you will have the strange situation of paying more to a temporary employee than to a regular one?

Mr. LAGUARDIA. Oh, they got 65 cents an hour for a few hours' time.

Mr. STAFFORD. But this employment was undertaken at a stated sum.

Mr. LAGUARDIA. This applies only to temporary Christmas help. There was nobody in my station in New York who knew that this deduction would be made at the time.

Mr. STAFFORD. But they undertook the employment at a certain schedule of pay.

Mr. McCORMACK. And did not get it.

Mr. STAFFORD. Oh, they got it.

Mr. McCORMACK. Oh, no. These men are employed for two or three or four days and a week at the most. They are not the men who are on the temporary roll of the post office throughout the year, who are called in from day to day for

several hours or two hours work each day. These are additional help necessary as a result of the extraordinary increase in the mail at Christmas time.

Mr. STAFFORD. I am not seeking to object to any schedule of pay for those who are to be employed for future holiday seasons, but I only seek to object to an increase of pay to those who have already rendered service under a certain schedule of pay.

Mr. LAGUARDIA. I know the conditions in my city. I know that these men were employed and were engaged at a certain price per hour, and that the officials did not know or did not expect at the time that the deduction would be made. That is all there is to it.

Mr. McCORMACK. The money was appropriated for the full amount. I am going to offer an amendment so that there will be no future appropriation. My amendment will strike out, on page 2, in lines 3 and 4, the language—

out of any money in the Treasury not otherwise appropriated, an amount—

and insert in lieu thereof—

out of the appropriation from which such employee was paid such reduced amount, a sum.

Mr. STAFFORD. Oh, but it all comes out of the Treasury in the end. That is the difference between tweedledum and tweedledee.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. JENKINS. My position is this. I raise no question with reference to those who handle the snow, but does not this bill discriminate and provide that a man on temporary employment will be paid more than the man on regular employment, and thereby we will bring down upon us the condemnation of the man on regular employment, in whom I am very much interested.

Mr. McCORMACK. Unfortunately the man who is working on a per diem in a regular capacity and who during the year receives less than a thousand dollars suffers the 8⅓ per cent deduction.

His per diem pay, if he worked the entire year, would have been in excess of $1,000. He received 8⅓ per cent reduction, whether or not he received during the entire year an amount in excess of $1,000. That is true, but this only applies to a group of men who were called in at Christmas time to work 2 or 3 or 4 days.

Mr. JENKINS. Then we have this situation, have we, that unless this bill is passed we have the strange situation of men having been employed at a certain amount and having to give 8⅓ per cent of it back?

Mr. McCORMACK. Yes.

Mr. JENKINS. I withdraw the reservation of objection. What I wanted to do was to clarify the matter.

Mr. STAFFORD. I have no objection to providing that the deduction shall not apply in the future, but as to those who were employed in the past, I think it is establishing a bad precedent, and therefore I object.

Mr. McCORMACK. Will the gentleman reserve his objection?

Mr. STAFFORD. I reserve the objection.

Mr. McCORMACK. May I suggest to my friend, I have the greatest respect for him, but this is one objection which, if the gentleman makes now, he will regret in future years. This is one deserving case.

Mr. STAFFORD. Oh, do not lecture me, because that does not do any good. If the gentleman has any facts, I will listen to him, but do not lecture me.

Mr. McCORMACK. No one is lecturing the gentleman.

Mr. STAFFORD. Yes; the gentleman is lecturing me.

Mr. McCORMACK. They only worked three or four days.

Mr. STAFFORD. I am saying I do not object to having the deduction not apply in the future; but why should we go back now?

Mr. LAGUARDIA. There may be some justification for deducting it in the future if the wage is fixed; but these men were employed at a certain rate, and they did not receive that rate, and the officials who employed them were not aware of the fact that the deduction had to be made. It is, in all fairness and justice, recommended by everybody from the Postmaster General down. No one expected to make this deduction.

Mr. JENKINS. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. JENKINS. As it stands now, there are many people over this country who were given two or three or four days' work who will not get what they expected to get?

Mr. LAGUARDIA. What they were engaged for and what they were supposed to be paid by the Postmaster General——

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. COCHRAN of Missouri. The committee of which I am chairman considered this bill, and we learned that no man was allowed to work in the Postal Service at the Christmas holidays unless he could produce evidence showing that he had dependents. They went in there to work three or four days at a given wage, and just at the time they were to be paid off a telegram came from the Postmaster General saying that the comptroller said, "You must take 8⅓ per cent off." Just imagine such a thing! Deducting 8⅓ per cent of a man's money from the few dollars he was to get.

Mr. STAFFORD. The gentleman who reported this bill is giving me information and not "blah" from the supposed friend of the Postal Service. I withdraw the reservation of objection, and I am not influenced by the lecture of the Irish advocate from Boston. [Laughter.]

Mr. McCORMACK. I accept the characterization as a compliment.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read as follows:

*Resolved, etc.*, That the provisions requiring reductions in compensation contained in Title I of Part II of the legislative appropriation act, fiscal year 1933, shall not apply to additional employees engaged for the purposes of removal of snow in the District of Columbia, and outside the District of Columbia when such removal is at the expense of the United States, or to additional employees of the Post Office Department engaged in handling Christmas mail. In the case of any such employee who, prior to the enactment of this act, has been paid a reduced amount by reason of the application to him of such provisions reducing compensation, there is hereby authorized to be paid to him, out of any money in the Treasury not otherwise appropriated, an amount equal to the difference between the amount actually paid to him and the amount he would have been paid for the same work if such provisions had not been applied to him.

Mr. McCORMACK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. McCORMACK: On page 2, in lines 3 and 4, strike out the words "out of any money in the Treasury not otherwise appropriated, an amount" and insert in lieu thereof the following: "out of the appropriation from which such employee was paid such reduced amount, a sum."

The amendment was agreed to.

The joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONNECTING LEE BOULEVARD WITH ARLINGTON MEMORIAL BRIDGE

The Clerk called the next bill, H. R. 14078, authorizing the Secretary of War to deed certain properties to the State of Virginia in order to connect Lee Boulevard with the Arlington Memorial Bridge.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that a Senate bill be substituted, which is an identic bill with the bill under consideration, S. 5339.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read as follows:

S. 5339

*Be it enacted, etc.*, That in order to provide a connection between the Lee Boulevard and the Arlington Memorial Bridge, the Secretary of War is hereby authorized to convey to the county of

Arlington, State of Virginia, for highway purposes only, all the right, title, and interest of the United States in and to a strip of land through the southerly portion of the Fort Myer Military Reservation necessary for the construction of a connection from the Lee Boulevard to the Arlington Memorial Bridge, consisting of a right of way not more than 100 feet in width, said deed of conveyance to contain a restriction against the construction of buildings, fences, or other structures within 110 feet of the center line of said right of way.

SEC. 2. The Secretary of War is hereby further authorized to convey to the said county of Arlington for highway purposes only, all the right, title, and interest of the United States in and to a strip of land for a continuous right of way approximately 60 feet in width within and adjacent to the southerly boundary of the Arlington Reservation from the intersection of said reservation line with the northerly line of the right of way to be conveyed under section 1 to the east line of McKinley Street.

SEC. 3. The lands to be so conveyed are approximately as shown on plat numbered 104.2–166 in the files of the National Capital Park and Planning Commission.

SEC. 4. The deeds of conveyance shall contain a reservation reserving to the United States the right to resume possession and occupy said tracts of land, or any portion thereof, whenever in the judgment of the President an emergency exists that requires the use and appropriation of the same for the public defense, and also a further reservation that the title hereby conveyed shall revert to the United States and all rights hereby granted shall cease and be forfeited, unless the said county of Arlington shall construct the said highway and assume the obligations herein provided within three years from the date of the enactment of this act.

SEC. 5. Upon the consummation of the conveyance herein authorized to the county of Arlington, State of Virginia, the jurisdiction of the United States over said lands, subject to the conditions and reservations in said deed provided, shall immediately cease and determine and revert in the State of Virginia.

SEC. 6. That if at any time the lands herein authorized to be conveyed to the said county of Arlington, State of Virginia, shall cease to be used for the purposes herein specified, the title in and jurisdiction over the same shall revert to the Government of the United States.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

ERECTION OF ONE MARKER FOR CERTAIN CONFEDERATE SOLDIERS

The Clerk called the next bill, H. R. 11947, to authorize the Secretary of War to erect one marker for the graves of 85 Confederate soldiers, buried in the Old Rondo Cemetery in Miller County, Ark., in lieu of separate markers as now authorized by law.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized to erect one single marker in Old Rondo Cemetery in Miller County, Ark., in which are buried 85 Confederate soldiers, some unknown, at a cost not exceeding the cost to be represented by 85 separate markers as now authorized by law.

With the following committee amendment:

On page 1, line 6, strike out "the cost to be represented by 85 separate markers as now authorized by law" and at the end of the bill insert "$250."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NAVAL, MILITARY, AND COAST GUARD ACADEMIES

The Clerk called the next bill, H. R. 14282, to confer the degree of bachelor of science upon the graduates of the Naval, the Military, and the Coast Guard Academies.

Mr. BLANTON. Mr. Speaker, I think we do plenty for the boys at these academies. I object.

HEIRS OF DECEASED INDIANS

The Clerk called the next bill, S. 3508, to amend section 1 of the act entitled "An act to provide for determining the heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes," approved June 25, 1910, as amended.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, has this bill been amended as suggested?

Mr. LEAVITT. Yes.

Mr. COCHRAN of Missouri. Mr. Speaker, I withdraw the reservation of objection.

Mr. STAFFORD. It has the full approval of the department.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That when any Indian to whom an allotment of land has been made, or may hereafter be made, dies before the expiration of the trust period and before the issuance of a fee-simple patent, without having made a will disposing of said allotment as hereinafter provided, the Secretary of the Interior, upon notice and hearing, under such rules as he may prescribe, shall ascertain the legal heirs of such decedent, and his decision thereon shall be final and conclusive. If the Secretary of the Interior decides the heir or heirs of such decedent competent to manage their own affairs, he shall issue to such heir or heirs a patent in fee for the allotment of such decedent; if he shall decide one or more of the heirs to be incompetent, he may, in his discretion, cause such lands to be sold: *Provided*, That if the Secretary of the Interior shall find that the lands of the decedent are capable of partition to the advantage of the heirs, he may cause the shares of such as are competent, upon their petition, to be set aside and patents in fee to be issued to them therefor. All sales of lands allotted to Indians authorized by this or any other act shall be made under such rules and regulations and upon such terms as the Secretary of the Interior may prescribe, and he shall require a deposit of 10 per cent of the purchase price at the time of the sale. Should the purchaser fail to comply with the terms of sale prescribed by the Secretary of the Interior, the amount so paid shall be forfeited; in case the balance of the purchase price is to be paid on such deferred payments, all payments made, together with all interest paid on such deferred installments, shall be so forfeited for failure to comply with the terms of the sale. All forfeitures shall inure to the benefit of the heirs. Upon payment of the purchase price in full, the Secretary of the Interior shall cause to be issued to the purchaser patent in fee for such land: *Provided*, That the proceeds of the sale of inherited lands shall be paid to such heir or heirs as may be competent and held in trust subject to use and expenditure during the trust period for such heir or heirs as may be imcompetent as their respective interests shall appear: *Provided further*, That the Secretary of the Interior is hereby authorized, in his discretion, to issue a certificate of competency, upon application therefor, to any Indian, or, in case of his death, to his heirs, to whom a patent in fee containing restrictions on alienation has been or may hereafter be issued, and such certificate shall have the effect of removing the restrictions on alienation contained in such patent: *Provided further*, That hereafter any United States Indian agent, superintendent, or other disbursing agent of the Indian Service may deposit Indian moneys, individual or tribal, coming into his hands as custodian, in such bank or banks as he may select: *Provided*, That the bank or banks so selected by him shall first execute to the said disbursing agent a bond with approved surety in such amount as will properly safeguard the funds to be deposited. Such bonds shall be subject to the approval of the Secretary of the Interior.

With the following committee amendments:

Page 1, line 3, strike out the word "That" and insert in lieu thereof the word "That" preceded by a quotation mark.

Page 3, line 23, strike out the word "interior" and insert in lieu thereof the word "Interior" followed by a quotation mark.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time and passed; and a motion to reconsider laid on the table.

TEXAS CENTENNIAL CELEBRATION

The Clerk called the next House joint resolution, House Joint Resolution 596, authorizing the President, under certain conditions, to invite the participation of other nations in the Texas centennial celebration, providing for the admission of their exhibits, and for other purposes.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. KLEBERG. Mr. Speaker, will the gentleman withhold his objection?

Mr. STAFFORD. I will state the grounds for my objection. It has virtually been agreed in the House that we shall not undertake any expenditure in these pressing times for expositions and the like. This will involve a considerable expenditure by the National Government by the mere invitation of the President to the foreign governments to participate. The exposition is in 1936.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BLANTON. This is in recognition of a Republic and not of a State. It is the centennial commemoration of the one hundredth birthday of a Republic.

Mr. LEAVITT. Does it cost any money?

Mr. BLANTON. Not a cent.

Mr. LEAVITT. I ask the gentleman from Texas [Mr. BLANTON] if it costs any money now, or will it cost the Government money at a later date.

Mr. BLANTON. It is going to cost the State of Texas money.

Mr. LEAVITT. Will it cost the Government of the United States money? I ask that the gentleman answer me as he insisted that I answer him.

Mr. BLANTON. This resolution does not cost the Government anything.

Mr. KLEBERG. If the gentleman will yield to me, I will inform the gentleman, for I happen to be the author of the resolution.

Mr. LEAVITT. Yes; because the gentleman's colleague does not know anything about it.

Mr. BLANTON. I told the gentleman it does not cost the Government anything.

Mr. KLEBERG. This resolution does not obligate the Government of the United States to any expenditure in connection with the Texas centennial, nor will it hereafter be obligated other than for suitable representation thereat.

Now, I may say to my colleague that it is important to the State of Texas that we gain the advantage of the passage of this resolution at the earliest possible opportunity. There are two reasons for this. The first reason is that the State of Texas happens to be the second largest exporting State in the Union. It follows New York. The earlier we get the publicity abroad attendant upon this resolution, the better will be the results in so far as our trade is concerned. The next reason is that we have a number of centennials, or a number of large shows and expositions, coming over the entire world. We are anxious to go on record to forestall any of these expositions falling in the way of this one.

Let me say to my colleague also that the State of Texas is celebrating, you might say, its birth, its real infusion with American blood, the date of its birth as a republic, which enabled it to come in 10 years later as one of the great fraternity of States.

The resolution carries a provision that until $500,000 is raised by the State of Texas this proclamation shall not issue. It requires considerable time to raise that much money under present conditions The legislature is now in session.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. KLEBERG. I yield.

Mr. LAGUARDIA. I notice the gentleman is flanked on one side by the gentleman from New York [Mr. BLOOM] and on the other side by the gentleman from Texas [Mr. BLANTON]. This is a formidable combination. I do not see how the gentleman from Wisconsin can resist this combination.

Mr. STAFFORD. If conditions improve, as we hope they will, there will be no question of having a centennial to commemorate this event, but for the time being I shall object.

Mr. KLEBERG. Will the gentleman withhold his objection?

Mr. STAFFORD. We must consider these bills on the calendar.

Mr. KLEBERG. I am merely asking the gentleman to kindly withhold his objection.

Mr. STAFFORD. I will withhold it for a minute, but we have some 30 bills yet to consider.

Mr. KLEBERG. But this is a very important matter to the State of Texas.

Mr. STAFFORD. I know. I have set forth my reasons for objecting.

Mr. KLEBERG. Will the gentleman withhold his objection to permit me to make one further statement?

Mr. STAFFORD. Yes.

Mr. KLEBERG. It seems to me there is no necessity for the exhibition of any fears at the present time that it will cost the Government anything. The Congress certainly has the intestinal fortitude to say "no" if that last recourse becomes necessary. But there are two considerations: First, $500,000 must be raised before the proclamation can be issued, and then the centennial is not to be held until 1936. I am sure the gentleman would not object for the sole purpose of preventing a petition for a laudable purpose.

Mr. STAFFORD. Mr. Speaker, I object.

BRIDGE ACROSS THE RIO GRANDE AT BOCA CHICA

The Clerk called the next bill, H. R. 14411, to extend the time for the construction of a bridge across the Rio Grande at Boca Chica, Tex.

Mr. COCHRAN of Missouri. Mr. Speaker, reserving the right to object, there are a number of bridge bills on the calendar to-day. This bill is not objected to by the department. Some of the bills on the calendar to-day are for municipalities to construct bridges. Other bills provide for corporations made up of citizens to construct the bridges. The Members say that the request for the extension of time is due to negotiations that they are having at the present time with the Reconstruction Finance Corporation with a view to getting some money to take care of what they call self-liquidating projects. I am not going to prevent anybody from getting a job if he can, and having faith in the Reconstruction Finance Corporation not to lend money for the construction of any bridge until after a thorough investigation is made, I am not going to object to the bills. In one instance the money, over $600,000, has been advanced by the corporation. It will mean work for the unemployed, and further means no bonds will be sold to the public. Unless the Reconstruction Finance Corporation finds the projects will be self-liquidating no bridges will be constructed. Of that I am sure.

Mr. LAGUARDIA. Well, I will, so it is all right.

There being no objection, the clerk read the bill as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge authorized by act of Congress approved June 10, 1932, to be built by the Boca Chica Bridge Co., across the Rio Grande at Boca Chica, Tex., are hereby extended one and three years, respectively, from June 10, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Amend the title.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

The title was amended to read: "A bill to extend the times for commencing and completing the construction of a bridge across the Rio Grande at Boca Chica, Tex."

BRIDGE ACROSS THE MISSISSIPPI RIVER NEAR BATON ROUGE, LA.

The Clerk called the next bill, H. R. 14460, to extend the the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.

There being no objection, the clerk read the bill as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La., authorized to be built by the Louisiana Highway Commission, and the Missouri Pacific Railroad Co., and the Louisiana & Arkansas Railway Co., by an act of Congress approved February 10, 1932, are hereby extended two and four years, respectively, from February 10, 1932.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 2, strike out "1932" and insert "1933."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

BRIDGE ACROSS THE LITTLE RIVER, NEAR MORRIS FERRY, ARK.

The Clerk called the next bill, H. R. 14480, to extend the times for commencing and completing the reconstruction of a railroad bridge across the Little River at or near Morris Ferry, Ark.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the reconstruction of a railroad bridge across the Little River at or near Morris Ferry, Ark., authorized to be reconstructed, maintained, and operated by the Texarkana and Fort Smith Railway Co., its successors, and assigns, by an act of Congress approved June 23, 1930, are hereby extended one and three years, respectively, from June 23, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

BRIDGE ACROSS THE MISSOURI RIVER NEAR KANSAS CITY, KANS.

The Clerk called the next bill, H. R. 14500, to extend the time for completing the construction of a bridge across the Missouri River at or near Kansas City, Kans.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the time for completing the construction of a bridge across the Missouri River at or near Kansas City, Kans., authorized to be built by the Interstate Bridge Co., its successors and assigns, by an act of Congress approved May 22, 1928, heretofore extended by acts of Congress approved March 2, 1929, and June 30, 1930, is hereby further extended two years from May 22, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

BRIDGE ACROSS ELK RIVER BETWEEN LAUDERDALE AND LIMESTONE COUNTIES, ALA.

The Clerk called the next bill, H. R. 14602, to revive and reenact the act entitled "An act granting the consent of Congress to the Highway Department of the State of Alabama to construct a bridge across Elk River between Lauderdale and Limestone Counties, Ala.," approved February 16, 1928.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the act approved February 16, 1928, granting the consent of Congress to the Highway Department of the State of Alabama to construct, maintain, and operate a bridge and approaches thereto across the Elk River, at a point suitable to the interest of navigation on the Athens-Florence Road between Lauderdale and Limestone Counties, in the State of Alabama, be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within one year and completed within three years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

PACKING OLEOMARGARINE AND ADULTERATED BUTTER IN TINS

The Clerk read the next bill on the Consent Calendar, S. 4065, authorizing the packing of oleomargarine and adultered butter in tin and other suitable packages.

The SPEAKER pro tempore (Mr. BANKHEAD). Is there objection?

Mr. BOYLAN. Reserving the right to object, I would like to inquire about this bill. There does not seem to be any statement here that the contents will not poison the poor unfortunate who has to eat this adulterated butter.

Mr. PURNELL. Let me say that this is approved by the Agricultural Department, the Treasury Department, the dairy interests, and everybody else. The fact is, that the industry was not acquainted in 1886 when the act was passed with the use of tin. They were not acquainted with the modern method of packing food, and so it was not included in the bill.

Mr. BOYLAN. Reading the report of the Department of Agriculture, it says that there appears to be no objection. It does not say that there is no objection. The report seems to be very weak. The Treasury Department says that the department can see no objection to the enactment when considered from the standpoint of revenue.

Mr. SEGER. If my friend, the gentleman from New York, will read the hearings on the bill, he will see that our colleague from Texas [Mr. KLEBERG], one of the largest cattle raisers in the country and a member of the Committee on Agriculture, said:

I see no reason to object to this bill. The packing of food products has reached such an advanced stage that certain commodities carrying a high oxygen content are now packed in tin, foods which a few years ago it was believed could not be packed in such manner. For instance, they are now packing chickens and meats with fat content in tins, and there is no question at all in the product as to whether the tin would have a deleterious effect. As a matter of fact it is believed greater cleanliness and sanitation can be obtained by this process.

Mr. PURNELL. That is a fact and it is in the interest of public health.

Mr. SEGER. Let me say further, in the olden days no one really knew what oxygen did to food, but in the last few years research has disclosed the advantage of excluding as much oxygen as possible from many kinds of foods, thereby improving their quality and wholesomeness. The high vacuum process under which this oleomargarine and butter would be packed would prevent contamination.

Mr. BOYLAN. Well, Mr. Speaker, relying on the knowledge of the expert farmer from New Jersey, I will withdraw my reservation of an objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 6 of the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine," approved August 2, 1886, as amended (U. S. C., title 26, secs. 543, 544), is amended to read as follows:

"SEC. 6. That all oleomargarine shall be packed by the manufacturer thereof in firkins, tubs, or other wooden, tin-plate, or paper packages, not before used for that purpose, containing, or encased in a manufacturer's package made from any of such materials of, not less than 10 pounds and marked, stamped, and branded as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe; and all sales made by manufacturers of oleomargarine and wholesale dealers in oleomargarine shall be in original stamped packages. Retail dealers in oleomargarine must sell only from original stamped packages, in quantities not exceeding 10 pounds, and shall pack, or cause to be packed, the oleomargarine sold by them in suitable wooden, tin-plate, or paper packages which shall be marked and branded as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe. Every person who knowingly sells or offers for sale, or delivers or offers to deliver, any oleomargarine in any other form than in new wooden, tin-plate, or paper packages as above described, or who packs in any packages any oleomargarine in any manner contrary to law, or who falsely brands any package or affixes a stamp on any package denoting a less amount of tax than that required by law shall be fined for each offense not more than $1,000, and be imprisoned not more than two years."

SEC. 2. (a) The eighth paragraph of section 4 of the act of May 9, 1902 (32 Stat. 193, ch. 784), is amended to read as follows:

"That all adulterated butter shall be packed by the manufacturer thereof in firkins, tubs, or other wooden, tin-plate, or paper packages not before used for that purpose, containing, or encased in a manufacturer's package made from any of such materials of, not less than 10 pounds, and marked, stamped, and branded as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe, and all sales made by manufacturers of adulterated butter shall be in original, stamped packages."

(b) The ninth paragraph of such section 4 is amended by adding after the word "wooden" wherever it appears in such paragraph a comma and the word "tin-plate."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote was laid on the table.

CONGRESS AND THE FARM-MORTGAGE PROBLEM

Mr. KETCHAM. Mr. Speaker, in my opinion there is no more important subject upon which legislation should be enacted in the closing days of this session than that dealing with both emergency and a long-time program of relief from farm and small-home mortgage indebtedness. Upon invitation of the National Grange I delivered an address over the radio upon this subject on Saturday last, and I request unanimous consent to extend my remarks by printing this address in the RECORD at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KETCHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by myself Saturday, February 18, 1933:

Good friends of the radio audience, the generous reference of Mr. Brenckman to my membership and official connection with the Grange and to my years of service in the House of Representatives and on the Committee on Agriculture is much appreciated, and in return I am happy to acknowledge the constant and constructive assistance of the National Grange and associating farm organizations in the advancement of farm legislation.

In passing it may be of interest to note that during my 12 years' service in the House there have been 73 roll calls upon farm legislation. My record shows 68 favorable and no adverse votes. To these I hope to add one more in support of emergency relief to farm and home owners burdened with mortgage indebtedness.

In this time so generously assigned me by the National Grange I shall do my best to bring an informative and hopeful message upon the subject "Congress and the Farm Mortgage Problem."

At the outset I hasten to assure every listener that Congress is fully appreciative of the crisis rapidly developing in Agriculture caused by the slump in farm prices and the consequent inability of farmers to meet interest charges and payments upon their mortgages and to pay their taxes. Scores of bills have been introduced proposing both emergency and long-time relief. The few remaining days of the present session of Congress will only be sufficient to consider emergency legislation and in consequence this discussion will be limited to that phase of the subject.

Illustration of this emergency legislation is H. R. 14504, introduced by myself. This bill provided emergency relief for borrowers from joint-stock land banks through loans from the Reconstruction Finance Corporation to such banks, upon condition that the annual interest rate to borrowers should be reduced from 6 per cent to 4 per cent and that a moratorium should be granted to such borrowers as might desire. In modified form this bill has been incorporated in Senate 5639, known as the Hull bill which was favorably reported to the Senate this week. It is earnestly hoped that favorable consideration may be given this vitally important measure before the close of the session.

Specifically the Hull bill authorizes and directs the Reconstruction Finance Corporation to make loans to owners of mortgages on farms, and on homes not exceeding $8,000 in value. These loans are made to enable such mortgage owners to take care of defaults in payments of interest, principal and unpaid taxes, and upon the further condition that no foreclosure proceedings shall be started for two years, and that the borrower shall not be charged in excess of 4 per cent interest on the advances made.

Owing to the fact that both Federal and joint-stock land banks were set up by act of Congress to care for the farm-mortgage situation, the Hull bill naturally makes special provision to enable these agencies to function in the present emergency. One hundred million dollars is definitely allocated to these banks under the conditions outlined in my bill to which reference has already been made.

The Federal and joint-stock land banks carry about 19 per cent of the total farm mortgages of the country; 81 per cent of such mortgages are therefore held by other agencies, including insurance companies with 23 per cent, commercial banks holding 11 per cent, active and retired farmers 14 per cent, and all other agencies and individuals 23 per cent. Relief is likewise provided for borrowers from these sources through the provisions of the Hull bill, making advances and loans to the holders of such mortgages under such terms and conditions as the Reconstruction Finance Corporation may prescribe.

At this point it will be well to emphasize the fact that the Hull bill provides relief to owners of homes in villages and cities where the value does not exceed $8,000. The conditions under which such relief can be given will be worked out by the Reconstruction Finance Corporation but are expected to follow as closely as possible the specific regulations set up for the handling of loans to the Federal land banks.

For the benefit of those who do not fully appreciate the critical farm-debt situation it is only necessary to recall the demonstrations of protest attending farm-mortgage sales in many sections of the country. In some instances these demonstrations have doubtless been inspired by arbitrary action on the part of bank receivers and in some cases by unscrupulous persons who have taken advantage of the present situation to acquire mortgages at liberal discounts and have proceeded to foreclosure.

It is positively startling to learn that 42 per cent of all the farms of the United States are mortgaged and that the total of such indebtedness runs to approximately nine and a quarter billion dollars. Other forms of farm indebtedness total approximately $3,000,000,000, making a grand total of $12,000,000,000 of farm debt. Nearly 60 per cent of farm mortgage indebtedness of the country is upon farms located in the 12 North Central States, commonly called the "bread basket" of the country. The total annual interest charge on this mortgage indebtedness at the average rate of 5.8 per cent amounts to $536,000,000. When this staggering amount is added to another $500,000,000 and more of local and State taxation on farms, we get a much clearer understanding of the tragic farm economic situation.

Keeping in mind this gigantic outlay of over a billion dollars for mortgage interest and farm taxation alone, we should also remember the like tragic reduction of the farmers' income due to a slump in farm commodity prices. The total value of farm crops for 1932 is estimated at $5,500,000,000 in contrast with $12,000,000,000 average value during ordinary times. When more than 20 per cent of the total value of all farm products is absorbed by interest and taxes, it is no wonder that demonstrations of protest against mortgage foreclosures have become commonplace. By way of additional emphasis upon the difficulties of the situation it is noted that it would require more than the total hog production of the country, or two and one-half times the total wheat crop for 1932, to pay the farm-mortgage interest charge alone.

If we considered the percentage of these two crops produced upon mortgaged farms only, it would require two and one-third times their hog production and 5.8 times their 1932 wheat crop to balance this interest account.

If the State of Michigan is taken as an illustration of the average farm-mortgage situation in the North Central group of States, it is found that 82,000 of the total of 169,000 farms of the State are mortgaged. The total amount of the State's mortgage indebtedness is $230,000,000, and the annual interest charge thereon is $14,500,000. The extreme in mortgage indebtedness is in Iowa, where the total farm mortgage debt is $1,100,000,000 and the annual interest charge nearly $61,000,000. These comparisons must convince every thoughtful person that there is a real emergency confronting the country in this matter of readjusting the burden of farm mortgage indebtedness.

As I see it, farm prices must be lifted and the burden of interest and taxes reduced if we are to avoid an utter collapse of agriculture. In my opinion, there is no more important question than this immediately confronting the Congress. In a larger sense it is a national problem rather than a farm problem, because it is generally admitted that agriculture is fundamentally important to any permanent prosperity which the country may expect. Hon. L. J. Tabor, master of the National Grange, in a recent statement before the Senate Committee on Banking and Currency, hit the nail squarely on the head when he said:

"There is a better way to stop foreclosures and protect the interest of farmers than gathering at sheriff's sales in massed groups on the courthouse steps. There is a better way than intimidation, and this better way consists in the enactment of such legislation as is proposed in the bills now pending before this committee."

Emergency legislation is absolutely essential before March 4, and a long-time program is equally vital during the special session soon to be held. The National Grange and associated farm organizations deserve the commendation of every friend of agriculture for the constructive leadership they have shown in this crisis, and now that Senate bill 5639, embodying the essentials of an emergency program, is ready for consideration, every listener who believes that such a program is vitally essential should rally to their support in an effort to secure its speedy enactment into law.

### LOANS FROM THE FEDERAL FARM LOAN BOARD

The Clerk read the next bill on the Consent Calendar, H. R. 10824, a bill to aid farmers in obtaining loans from the Federal Farm Loan Board or other governmental agencies.

There being no objection, the Clerk read the bill as follows:

*Be it enacted, etc.*, That for the purpose of aiding the farmers in the county of Osage, State of Oklahoma, to obtain loans on farms and ranches owned by them in said county and State, in accordance with the intention of Congress as heretofore expressed in the laws providing for the granting of loans to farmers throughout the United States, and in conformity with the regulations promulgated thereunder, it is hereby directed that the Federal Farm Loan Board and other governmental agencies authorized to make these loans shall grant to the owners of lands in said Osage County, State of Oklahoma, the right and privilege to obtain these loans in the same manner and in accordance with the regulations now in effect without regard to the interest the said owners may have in the mineral rights which are vested in the Osage Tribe of Indians.

Amend the title so as to read: "A bill to amend section 14, subdivision 3, of the Federal Farm Loan act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### BRIDGE ACROSS MISSISSIPPI, BATON ROUGE, LA.

The next business on the Consent Calendar was the bill (H. R. 14378) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I object.

Mr. KEMP. Mr. Speaker, will the gentleman withhold his objection?

Mr. LAGUARDIA. I shall be glad to withhold my objection, but I shall state in this connection in respect to all of these toll-bridge bills that I am following the recom-

mendation of the Bureau of Roads in the Department of Agriculture. There is nothing personal concerning the matter in respect to any one bill.

Mr. MILLIGAN. As I understand it, the Agriculture Department and the War Department have both approved this bill.

Mr. LAGUARDIA. Then I am in error. But I find here on page 2 of the report:

The department, therefore, recommends against favorable action on the bill proposing to further extend the times for commencing and completing the bridge authorized to be constructed by the Baton Rouge-Mississippi River Bridge Co.

Mr. KEMP. Mr. Speaker, if the gentleman will yield, this bill has been before the Congress after its passage for several years, and it has met with the approval of the Member from New York. The bridging of the Mississippi River is no easy job. It involves an expenditure of possibly $7,000,000 for a combined highway and railway bridge at this point. This bridge, of necessity, must be a combination railroad and highway bridge. It can not be built by the railroads because there is not sufficient railroad traffic there to justify the cost, and it can not be built by the highway department for the same reason. There is a combination, and there will have to be a combination. The whole State of Louisiana is interested in this proposition. The difficulty in crossing the Mississippi River by automobile in low water is very great and very dangerous, and the necessity for a bridge at Baton Rouge is very great. There is a widespread interest in this.

Mr. LAGUARDIA. I read further from the report of the Department of Agriculture:

Since the Baton Rouge-Mississippi River Bridge Co. already has been granted two extensions of time for commencing and completing the construction of the bridge under their authorization, and as it appears that any bridge constructed at this point would have to be a combination highway and railroad bridge, it is believed that instead of extending the time as proposed in this bill the authority proposed in H. R. 14377 to the Louisiana Highway Commission and the railroad companies therein named should be granted. One reason for making this suggestion is that if the proposed authority for the Louisiana Highway Commission and the railroad companies that would cooperate with it should not be granted and the extension of time proposed should be granted, then it might be that the holders of the extended authorization would exact compensation from the State and the railroad companies for permitting them to proceed thereunder.

It seems to me that that is irresistible.

Mr. KEMP. Mr. Speaker, all of the benefits under this franchise in the name of the Baton Rouge-Mississippi Bridge Co. have been transferred to the Louisiana Highway Commission and to the railroads mentioned in the other bill. The company whose name appears in this bill has no interest in the world in it. It is a body of patriotic citizens there who desire to secure a bridge.

Mr. LAGUARDIA. Where is H. R. 14377?

Mr. KEMP. That has already passed the House.

Mr. LAGUARDIA. Then that is all the gentleman needs.

Mr. KEMP. There may be great difficulty in issuing bonds and providing the necessary finances to build this bridge in the combined name of the Louisiana Highway Commission and the joint railroads.

Mr. LAGUARDIA. Not at all. If the project is at all feasible, under section 202 of the Reconstruction Finance Corporation law, they can get the money.

Mr. STAFFORD. Mr. Speaker, we have to proceed. If the gentleman from New York has made up his mind that he is going to object, I think he should say so.

Mr. KEMP. I hope the gentleman will not press his objection.

Mr. LAGUARDIA. Mr. Speaker, I object.

BRIDGE ACROSS OHIO RIVER, SISTERSVILLE, W. VA.

The next business on the Consent Calendar was the bill (H. R. 14462) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, Tyler County, W. Va.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I object.

Mr. STAFFORD. Mr. Speaker, just one moment. My notation is that ultimately this is to be a free bridge, operated by the West Virginia State Road Commission, and for that reason I thought the general objection might be removed.

Mr. LAGUARDIA. I read from page 3 of the report from the Department of Agriculture:

When the original bill to authorize the construction of this bridge across the Ohio River by the Sistersville Ohio River Bridge Co. was pending, this department submitted to your committee and to the Senate Committee on Commerce adverse reports thereon. It still is the view of the department that a private toll bridge should not be built at this place.

I object.

Mr. STAFFORD. I also read from the report on page 2:

Upon completion of construction the Sistersville Ohio River Bridge Co. will deliver title to the city of Sistersville, W. Va., and/or the West Virginia State Road Commission with the understanding that upon retirement of the costs of the construction of the project the bridge shall be maintained as a free bridge.

That is in the original bill. Ultimately it is to be a free bridge.

Mr. LAGUARDIA. Oh, they have had their opportunity. I object.

BRIDGE ACROSS POTOMAC RIVER AT DAHLGREN, VA.

The Clerk called the next bill, H. R. 14303, authorizing the George Washington-Wakefield Memorial Bridge Corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Potomac River at or near Dahlgren, Va.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I object.

BRIDGE ACROSS ALLEGHENY RIVER, PITTSBURGH-SHARPSBURG, PA.

The Clerk called the next bill, H. R. 14584, granting the consent of Congress to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain, and operate a toll bridge across the Allegheny River between the city of Pittsburgh and the township of O'Hara and the borough of Sharpsburg, Pa.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain, and operate a toll bridge and approaches thereto across the Allegheny River at a point suitable to the interest of navigation, between the city of Pittsburgh and the township of O'Hara and the borough of Sharpsburg, to replace No. 9 Allegheny River Bridge, commonly known as the Highland Park Bridge, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 5, strike out the word "toll."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill granting the consent of Congress to the Board of County Commissioners of Allegheny County, Pa., to construct, maintain,

and operate a bridge across the Allegheny River between the city of Pittsburgh and the township of O'Hara and the borough of Sharpsburg, Pa."

BRIDGE ACROSS MISSOURI RIVER, NEAR CULBERTSON, MONT.

The Clerk called the next bill, H. R. 14586, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont., authorized to be built by the State of Montana and the counties of Roosevelt and Richland, or any of them, by the act of Congress approved July 3, 1930, heretofore extended by acts of Congress approved February 20, 1931, and February 10, 1932, are hereby further extended one and three years, respectively, from July 3, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER AT TENTH STREET, BETTENDORF, IOWA

The Clerk called the next bill, H. R. 14589, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Mississippi River at or near Tenth Street in Bettendorf, Iowa, authorized to be built by B. F. Peek, G. A. Shallberg, and C. I. Josephson, of Moline, Ill.; J. W. Bettendorf, A. J. Russell, and J. L. Hecht, of Bettendorf and Davenport, Iowa, their heirs, legal representatives, and assigns, by an act of Congress approved May 26, 1928, heretofore extended by acts of Congress approved March 2, 1929, June 10, 1930, and April 22, 1932, are hereby further extended one and three years, respectively, from April 22, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

On page 2, in line 4, strike out "April 22," and insert "May 26."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER BETWEEN NEW ORLEANS AND GRETNA, LA.

The Clerk called the next bill, H. R. 14601, to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.

There being no objection the Clerk read as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., authorized to be built by George A. Hero and Allen S. Hackett, their successors and assigns, by act of Congress approved March 2, 1927, heretofore extended by act of Congress approved March 6, 1928, and also by act of Congress approved February 19, 1929, and also by act of Congress approved March 6, 1930, are hereby extended one and three years, respectively, from March 6, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 8, strike out the word "Act" and insert the word "acts"; page 1, line 9, strike out the words "and also by act of Congress approved"; page 2, line 1, strike out the words "also by act of Congress approved March 6," and insert "June 10"; and on page 2, line 2, after the word "hereby" insert the word "further." Page 2, line 3, after the word "March" strike out the numeral "6" and insert the numeral "2."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE NEAR CEDAR POINT AND DAUPHIN ISLAND, ALA.

The Clerk called the next bill, H. R. 14657, to extend the times for commencing and completing the construction of a railroad bridge and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a railroad bridge and/or a toll bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala., authorized to be built by the Dauphin Island Railway & Harbor Co., its successors and assigns, by an act of Congress approved February 25, 1927, heretofore extended by an act of Congress approved February 7, 1930, are hereby extended one and three years, respectively, from February 25, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER NEAR FARNAM STREET, OMAHA, NEBR.

The Clerk called the next bill, S. 5370, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.

There being no objection, the Clerk read as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr., authorized to be built by the Omaha-Council Bluffs Missouri River Bridge board of trustees by an act of Congress approved June 10, 1930, heretofore extended by acts of Congress approved February 20, 1931, and June 9, 1932, are hereby further extended one and three years, respectively, from June 10, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS THE RIO GRANDE NEAR RIO GRANDE CITY, TEX.

The Clerk called the next bill, S. 5445, to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAGUARDIA. Mr. Speaker, I object.

SALE OF SURPLUS COAL FOR DISTRIBUTION TO THE NEEDY

The Clerk called the next resolution, House Joint Resolution 526, authorizing the Secretary of the Navy to sell surplus coal at nominal prices for distribution to the needy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. LEA. Will the gentleman reserve his objection?

Mr. STAFFORD. I will reserve the objection.

Mr. LEA. Will the gentleman mind stating the ground of his objection?

Mr. STAFFORD. The report shows that ultimately the Secretary of the Navy would have to replace these stores. I object for the further reason that I do not think any community should be singled out for preferential consideration.

Mr. LEA. This applies to the whole Pacific coast.

Mr. STAFFORD. That is the reason against giving special consideration to some locality.

Mr. LEA. None of this coal is needed for reserve at San Francisco. In addition, this coal has greatly deteriorated. It is a mass of powdered coal at the present time. It has been stored there for almost 10 years. It is of no substantial value for ship purposes. It is greatly needed for relief purposes, and I hope the gentleman will not insist upon his objection.

Mr. STAFFORD. We have not passed any law granting special relief to a particular locality. This bill grants special relief to a particular locality.

Mr. Speaker, I object.

ESSEX SHORE WAY (INC.)

The Clerk called the next bill, H. R. 14537, authorizing Essex Shore Way (Inc.), its successors and assigns, to con-

struct, maintain, and operate a bridge across the Merrimack River at or near Plum Island Point, Mass.

Mr. LAGUARDIA and Mr. MILLIGAN rose.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice. There is no report on it from the Roads Bureau.

Mr. MILLIGAN. Mr. Speaker, that is the request I was going to make.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CANYON DE CHELLY NATIONAL MONUMENT

The Clerk called the next bill, H. R. 13960, to amend the description of land described in section 1 of the act approved February 14, 1931, entitled "An act to authorize the President of the United States to establish the Canyon De Chelly National Monument within the Navajo Indian Reservation, Ariz."

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the description of the tract of land described in section 1 of the act approved February 14, 1931, entitled "An act to authorize the President of the United States to establish the Canyon De Chelly National Monument within the Navajo Indian Reservation, Ariz." (U. S. C., title 16, secs. 445, 445b), be, and the same is hereby, amended to read as follows:

"All lands in Del Muerto, De Chelly, and Monument Canyons, and the canyons tributary thereto, and the lands within one-half mile of the rims of the said canyons, situated in unsurveyed townships 4 and 5 north, range 7 west; townships 4, 5, and 6 north, range 8 west; townships 4 and 5 north, range 9 west; and in surveyed townships 4 and 5 north, range 6 west; townships 3, 6, and 7 north, range 7 west; township 6 north, range 9 west; and township 5 north, range 10 west; embracing about 83,840 acres, all of the Navajo meridian, in Arizona."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RETAIL LIQUOR DEALERS' STAMP TAX

The Clerk called the next bill, H. R. 12843, to change the name of the retail liquor dealers' stamp tax in the case of retail drug stores or pharmacies.

Mr. LAGUARDIA. Mr. Speaker, I ask that this bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

TOLL BRIDGE ACROSS SAVANNAH RIVER, LINCOLNTON, GA.

The Clerk called the next bill, H. R. 14665, authorizing the State of Georgia to construct, maintain, and operate a toll bridge across the Savannah River at or near Lincolnton, Ga.

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent that Senate bill 5659 be considered in lieu of this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri.

There being no objection, the Clerk read the Senate bill as follows:

*Be it enacted, etc.*, That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the State of Georgia be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Savannah River, at a point suitable to the interests of navigation, at or near Lincolnton, Ga., and between Lincolnton, Ga., and McCormick, S. C., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State of Georgia all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said State of Georgia is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

BRIDGE ACROSS RIO GRANDE, RIO GRANDE CITY, TEX.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to return to House Calendar No. 560.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas.

There was no objection.

The Clerk read the title of the bill.

Mr. RAYBURN. Mr. Speaker, in explanation let me say this is an international bridge. The committee refers all these matters to the Department of Agriculture, but I do not think the Department of Agriculture should have considered this one because this is an international bridge. This is the reason I ask that we return to it, that we may take it up and pass it. It is a Senate bill and has passed the Senate.

There being no objection, the Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That the times for commencing and completing the construction of a bridge authorized by an act of Congress approved February 15, 1929, to be built by the Rio Grande City-Camargo Bridge Co., across the Rio Grande at or near Rio Grande City, Tex., heretofore extended by an act of Congress approved January 31, 1931, are hereby further extended one and three years, respectively, from February 15, 1933.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Amend the title.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read as follows: "A bill to extend the times for commencing and completing the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex."

PRESCRIBING OF MEDICINAL LIQUORS

The Clerk called the next bill, H. R. 14395, relating to the prescribing of medicinal liquors.

Mr. JENKINS. Mr. Speaker, I object.

Mr. CELLER. Will the gentleman withhold his objection a moment?

Mr. JENKINS. Yes.

Mr. CELLER. A rule has been given by the Rules Committee for the consideration of this bill and we may be able to save time by taking it up now.

Mr. JENKINS. Let it come up under the rule. I object, Mr. Speaker.

ALTERNATE BUDGET FOR THE INDIAN SERVICE

The Clerk called the next bill, H. R. 14648, providing for an alternate budget for the Indian Service, fiscal year 1935.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. CONNERY. Will the gentleman reserve his objection? I am handling this bill for the Indian Affairs Committee.

The SPEAKER pro tempore (Mr. BANKHEAD). If the gentleman will allow the Chair to make a brief statement,

it is the desire of all concerned to finish the calling of the calendar this afternoon. I think it would expedite matters if gentlemen who intend ultimately to object to consideration of the bill would do so without granting undue opportunity for discussion.

Mr. STAFFORD. I have been following religiously the adjuration of the Chair. I reserve the right to object, Mr. Speaker.

Mr. CONNERY. The chairman of the Committee on Indian Affairs is here.

Mr. STAFFORD. I would prefer to hear from the "Indian" from Boston than the chairman of the Committee on Indian Affairs.

Mr. CONNERY. As the gentleman will see from reading the report, we had a representative of the Indian Affairs Bureau before the committee on this matter. This is asked by the Bureau of Indian Affairs and it simply allows them to change their method of reporting to the Budget; and, in fact, gives them more work, but clarifies the different appropriations which are asked for.

Mr. STAFFORD. The report shows that this is going to mean additional expense on the Treasury and for the time being I object.

Mr. LEAVITT. Why does the gentleman say that?

Mr. STAFFORD. Because that is shown by the report.

I object, Mr. Speaker.

PRACTICE IN CRIMINAL CASES AFTER VERDICT

The Clerk called the next bill, S. 4020, to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Supreme Court of the United States shall have the power to prescribe, from time to time, rules of practice and procedure with respect to any or all proceedings after verdict in criminal cases in district courts of the United States, including the district courts of Alaska, Hawaii, Puerto Rico, Canal Zone, and Virgin Islands, in the Supreme Courts of the District of Columbia, Hawaii, and Puerto Rico, in the United States Court for China, in the United States Circuit Court of Appeals, and in the Court of Appeals of the District of Columbia.

SEC. 2. The right of appeal shall continue in those cases in which appeals are now authorized by law, but the rules made as herein authorized may prescribe the times for and manner of taking appeals and of preparing records and bills of exceptions and the conditions on which supersedeas or bail may be allowed.

SEC. 3. The Supreme Court may fix the dates when such rules shall take effect and the extent to which they shall apply to proceedings then pending and after they become effective all laws in conflict therewith shall be of no further force.

The bill was ordered to be read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

UNITED STATES ROANOKE COLONY COMMISSION

The Clerk called the next bill, H. R. 14412, to enable the United States Roanoke Colony Commission to carry out and give effect to certain plans for the comprehensive observance of the three hundred and fiftieth anniversary of the birth of English-speaking civilization in America.

Mr. JENKINS and Mr. BLANTON objected.

PROTECTION OF MIGRATORY BIRDS

The Clerk called the next bill, H. R. 11991, to authorize the Attorney General and the Secretary of the Treasury to turn over to State agencies, for use in the enforcement of laws for the protection of migratory birds, forfeited vessels acquired by the Department of Justice and Treasury Department and no longer needed for official use.

Mr. LAGUARDIA. Mr. Speaker, I object.

IMPORTATION OF MILK AND CREAM AND MILK AND CREAM PRODUCTS

The Clerk called the next bill, H. R. 14569, to regulate the importation of milk and cream and milk and cream products into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health.

Mr. LAGUARDIA. Mr. Speaker, I object.

POWER SITES ON THE BLACKFEET INDIAN RESERVATION

The Clerk called the next bill, S. 277, defining and regulating power sites upon the Blackfeet Indian Reservation, in the State of Montana.

Mr. PETTENGILL. Mr. Speaker, I object.

HIGH-SCHOOL BUILDING, SHANNON COUNTY, S. DAK.

The Clerk called the next bill on the Consent Calendar, S. 2340, to provide funds for cooperation with the school board of Shannon County, S. Dak., in the construction of a consolidated high-school building to be available to both white and Indian children.

Mr. BLANTON. I object.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On February 7, 1933:

H. R. 13959. An act to authorize the incorporated town of Fairbanks, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in the town of Fairbanks, Alaska, and for other purposes.

On February 8, 1933:

H. R. 13607. An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress.

On February 11, 1933:

H. J. Res. 597. Joint resolution to provide appropriations to carry into effect the act entitled "An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress," approved February 8, 1933; and

H. R. 14228. An act to change the name of Roosevelt Island to Theodore Roosevelt Island.

On February 13, 1933:

H. J. Res. 565. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1933.

On February 14, 1933:

H. R. 698. An act authorizing the President to transfer and appoint Lieut. (junior grade) Arnold R. Kline, United States Navy, to the rank of lieutenant (junior grade) in the Supply Corps, United States Navy;

H. R. 1225. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Campus Martius Memorial Museum, of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta*;

H. R. 6637. An act authorizing the President to present a medal of honor to Richmond Pearson Hobson; and

H. R. 7385. An act for the relief of Sidney Joseph Kent;

H. R. 5329. An act to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929;

H. R. 6733. An act for estimates necessary for the proper maintenance of the flood-control works at Lowell Creek, Seward, Alaska;

H. R. 9385. An act authorizing Roy H. Campbell, Charles H. Brown, G. H. Wilsey, and Dr. H. O. Strosnider, their heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 13372. An act to extend the times for commencing and completing the construction of a bridge across the Peedee River and a bridge across the Waccamaw River, both at or near Georgetown, S. C.;

H. R. 13535. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

H. R. 13743. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Tiskilwa, Ill.;

H. R. 13744. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a free highway bridge across the Illinois and Mississippi Canal near Langley, Ill.;

H. R. 13852. An act to extend the times for commencing and completing the construction of a bridge across the Rock River, south of Moline, Ill.;

H. R. 13974. An act granting the consent of Congress to Conner County, State of Idaho, to construct, maintain, and operate a free highway bridge across Pend Oreille Lake at the city of Sandpoint, in the State of Idaho;

H. R. 14060. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.;

H. R. 14129. An act to extend the time for completing the construction of a bridge across that portion of Lake Michigan lying opposite the entrance to Chicago River, Ill., and a bridge across the Michigan Canal, otherwise known as the Ogden Slip, in the city of Chicago, Ill.; and

H. R. 14200. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

On February 15, 1933:

H. R. 311. An act to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai";

H. R. 12329. An act to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota;

H. R. 11930. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H. R. 2065. An act for the relief of the Great Western Coal Mines Co.;

H. R. 3033. An act for the relief of Ida E. Godfrey and others;

H. R. 5786. An act for the relief of Essie Finger;

H. R. 9636. An act to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train;

H. R. 9714. An act for the relief of Marion F. Blackwell;

H. R. 11461. An act for the relief of C. N. Hildreth, jr.; and

H. R. 13523. An act in reference to land in the Bonnet Carre floodway area.

On February 16, 1933:

H. R. 7503. An act to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor;

H. R. 7506. An act to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone;

H. R. 7508. An act to provide for the inspection of vessels navigating Canal Zone waters;

H. R. 7514. An act in relation to the Canal Zone postal service;

H. R. 7515. An act to provide for the establishment of a customs service in the Canal Zone, and other matters;

H. R. 7523. An act to amend sections 7, 8, and 9 of the Panama Canal act, as amended;

H. R. 7518. An act to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916;

H. R. 9166. An act for the relief of William E. B. Grant; and

H. R. 13770. An act to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484).

On February 17, 1933:

H. R. 13710. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1934, and for other purposes.

### TURNING OVER TO THE INDIAN SERVICE VEHICLES, VESSELS, ETC., SEIZED AND FORFEITED

The Clerk read the next bill on the Consent Calendar, S. 3654, an act to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

### TURNING OVER AMOUNTS DUE INDIANS TO SUPERINTENDENT OF INDIAN SERVICE

The Clerk read the next bill on the Consent Calendar, S. 4756, to authorize the Veterans' Administration or other Federal agencies to turn over to superintendents of the Indian Service amounts due Indians who are under legal disability or to estates of such deceased Indians.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That any money accruing from the Veterans' Administration or other governmental agency to incompetent adult Indians, or minor Indians, who are recognized wards of the Federal Government, for whom no legal guardians or other fiduciaries have been appointed may be paid, in the discretion of the Administrator of Veterans' Affairs, or other head of a governmental bureau or agency, having such funds for payment, to such superintendent or other bonded officer of the Indian Service as the Secretary of the Interior shall designate, for the use of such beneficiaries, or to be paid to or used for, the heirs of such deceased beneficiaries, to be handled and accounted for by him with other moneys under his control, in accordance with existing law and the regulations of the Department of the Interior.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### DRAINAGE DISTRICT NO. 1, RICHARDSON COUNTY, NEBR.

The Clerk read the next bill on the Consent Calendar, S. 4589, to authorize the Secretary of the Interior to make payment of part of the expenses incurred in securing improvements in drainage projects of drainage district No. 1, Richardson County, Nebr., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior, with the consent of the Indians of the Sac and Fox Reservation, Nebr., whose lands shall be benefited by the project of drainage district No. 1, Richardson County, Nebr., is hereby authorized to pay, from funds now or hereafter on deposit to the credit of the individuals concerned, such Indians' pro rata share of the expenses incurred by landowners interested in such project in the prosecution of a suit in equity to require the said drainage district to enlarge the channel of its system, and to do all things necessary to accommodate the water accumulated therein and to prevent overflows thereof: *Provided*, That the amounts so paid on behalf of such Indians shall not exceed the rate of $2 per acre for each acre of Indian land benefited nor a total of $600.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

### MEMORIAL TO AMERICAN DIPLOMATIC AND CONSULAR OFFICERS

The Clerk called the next business on the Consent Calendar, Senate Joint Resolution 237, authorizing the erection in the Department of State Building of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under heroic or tragic circumstances.

There being no objection, the Clerk read the bill, as follows:

*Resolved, etc.*, That the Director of Public Buildings and Public Parks of the National Capital be, and he is hereby, authorized to grant permission to the American Foreign Service Association for the erection of a memorial to the American diplomatic and consular officers who while on active duty lost their lives under

heroic or tragic circumstances. The design of the memorial shall be approved and the site in the Department of State Building shall be chosen by the Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of the said memorial.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TITLE TO SITE FOR PUBLIC BUILDING PROJECT, SUBJECT TO MINERAL RIGHTS

The next business on the Consent Calendar was the bill (S. 5588), authorizing the acceptance of title to sites for public building projects subject to the reservation of ore and mineral rights.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That title to sites and additional land for the construction thereof of public building projects authorized by the emergency relief and construction act of 1932 and subsequent acts, may be acquired subject to the reservation of title in and the right to mine ores and minerals on such sites and lands.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CONTROL OF WASHINGTON CITY POST OFFICE

The next business on the Consent Calendar was the bill (H. R. 14461) to provide for placing the jurisdiction, custody, and control of the Washington City post office in the Secretary of the Treasury.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the act of July 1, 1898 (U. S. C., title 40, sec. 285), is hereby amended to give the Secretary of the Treasury exclusive jurisdiction, control, and custody of the Washington City post office and the additions thereto, located at North Capitol Street and Massachusetts Avenue, to be operated and maintained by him the same as other public buildings under his custody and control.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ENACTMENT OF CERTAIN LEGISLATION

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed:

*To the Senate and House of Representatives:*

There are certain measures looking to the promotion of economic recovery which have been under consideration by the Congress and are so advanced toward completion or understanding as to seem possible of enactment during the present session.

1. It is most necessary that the principles of the bankruptcy bill which has already been acted upon by the House should be passed by the Senate. The whole object of the bill is to secure orderly cooperation between creditors and debtors, whether farmers, individuals, general corporations, or railroads, for mutual adjustment which will preserve the integrity and continuous operation of business, save the values of good will and the continuation of people in their occupations, and thus avoid destruction of the interest of both parties. This legislation is of the most critical importance in this period of readjustment. Incidentally, such a workable system is highly necessary in order to permit a certain minority of railroads to be so reorganized as to reduce fixed charges and thus relieve the Reconstruction Finance Corporation of drains in prevention of destructive receiverships.

2. The Great Lakes-St. Lawrence seaway treaty should be ratified. It not only will serve a great national purpose but is of importance now also to relieve unemployment by its construction.

3. The enactment by the House of the general principles embodied in the Glass banking bill which has already passed the Senate will greatly contribute to reestablish confidence. It is the first constructive step to remedy the prime weakness of our whole economic life—that is, organization of our credit system.

4. Authority should be given to the Reconstruction Finance Corporation to increase the amount of loans to States and municipalities for purposes of assistance to distress on the same terms as the present act. While the corporation has funds available which will last until July, it is desirable that they should be supplemented.

5. It seems clear that the domestic allotment plan is wholly unworkable. It will do far greater harm than good to agriculture.

Pending the return of the great commercial countries to the gold standard and the consequent increase in world consumption and thus rise in world prices, it is essential temporarily to reduce farm production so as to remove the back-breaking surpluses of agricultural products and thus to raise agricultural income. The plan proposed by the Secretary of Agriculture some time since for temporary leasing of marginal lands is the least harmful and the most hopeful of all the plans which have been proposed. It has the merit of direct action in reducing supply to demand and thus unquestionably increasing prices; it would affect all farm products; give equal benefits to all farmers; is free of increased bureaucracy; very much less costly; and could be covered by a manufacturers' excise tax of probably 1 to 2 per cent upon these commodities. It would also largely eliminate the tax and interest problems which the Congress is seeking to solve at much greater cost.

6. I earnestly recommend repeal of the procedure of the House of Representatives in publishing loans made by the Reconstruction Finance Corporation. These transactions should be open to the fullest degree to the Representatives of the Congress, but their publication in the last few months has led to widespread, mostly innocent misinterpretation, vicious in effect, by depositors and alarmists who do not recognize that such borrowings represent an endeavor of the institution to provide funds needed in service to their respective communities. This publication is destroying the usefulness and effectiveness of the Reconstruction Corporation, is exaggerating fears, and is introducing new elements of grave danger. It is drying up the very sources of credit. The effect of such publication is forcing payment by distressed debtors to replenish bank funds. It is causing the hoarding of currency.

7. While the Congress could not enact such a law during this session, I recommend that it should institute an inquiry with view to the early expansion of the home-loan discount banks into a general mortgage-discount system to be owned cooperatively by banks and mortgage companies (with adequate encouragement of the special activities of building-and-loan associations) and thus to parallel in the field of long-time credit the service of the Federal reserve system for short-time credit. Such a system would relieve the Reconstruction Finance Corporation of many of its functions, would assist in the orderly readjustment of the present situation, and through private initiative would serve many purposes for which the Congress is striving through direct action by the Government.

8. Peace would be promoted and the killing of men checked in various parts of the world to-day if the Executive had the authority to join with other nations in preventing the shipment of arms to such localities. I earnestly recommend that the legislation proposed for this purpose be enacted.

HERBERT HOOVER.

THE WHITE HOUSE, *February 20, 1933.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SMITH of Idaho, indefinitely, on account of illness.

To Mr. GLOVER, for the day, on account of illness.

To Mr. MONTAGUE, indefinitely, on account of illness.

SUPPLEMENTARY REPORT FROM CERTAIN BILLS

Mr. BLACK. Mr. Speaker, I ask unanimous consent, on behalf of the Committee on Claims, to file a supplemental report on certain bills, a list of which I send to the desk.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The list referred to is as follows:

*Supplemental report on certain bills*

| Title | Report | Calendar |
|---|---|---|
| H. R. 1938. For the relief of Katherine G. Taylor | 1179 | 708 |
| H. R. 2188. For the relief of Arthur K. Finney | 1180 | 709 |
| H. R. 3848. For the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas | 1181 | 710 |
| H. R. 4064. For the relief of Sarah Maddocks Ferguson | 1182 | 711 |
| H. R. 6975. For the relief of Rufus Hunter Blackwell, jr | 1185 | 714 |
| H. R. 7649. For the relief of Charles A. Brown | 1186 | 715 |
| H. R. 7654. For the relief of Vincent J. Conrad | 1187 | 716 |
| H. R. 10891. To provide for the reimbursement of Guillermo Medina, hydrographic surveyor, for the value of personal effects lost in the capsizing of a Navy whaleboat off Galera Island, Gulf of Panama | 1189 | 718 |
| H. R. 919. For the relief of Charles J. Eisenhauer | 1231 | 741 |
| H. R. 2453. For the relief of Mary E. Roney | 1303 | 763 |
| H. R. 2045. For the relief of Frances O. Sperry | 1328 | 772 |
| H. R. 4154. For the relief of Ruby F. Voiles | 1329 | 773 |
| H. R. 6759. For the relief of Jacob Durrenberger | 1332 | 776 |
| H. R. 7324. For the relief of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation | 1333 | 777 |
| H. R. 8189. For the relief of K. S. Szymanski | 1334 | 778 |
| H. R. 8215. For the relief of the National Bank of Commerce, El Dorado, Ark | 1335 | 779 |
| H. R. 8217. For the relief of the First National Bank of El Dorado, Ark | 1336 | 780 |
| H. R. 9339. Authorizing the Court of Claims to hear and determine the claim of Ingenio Porvenir C. por A., and to render judgment for just compensation | 1337 | 781 |
| H. R. 9862. For the relief of the estate of Oscar F. Lackey | 1338 | 782 |
| H. R. 10169. Authorizing the adjustment of the claim of the Adelphia Bank & Trust Co., of Philadelphia | 1339 | 783 |
| H. R. 10406. For the relief of the Allegheny Forging Co | 1340 | 784 |
| H. R. 10407. For the relief of the Allegheny Forging Co | 1341 | 785 |
| H. R. 10408. For the relief of the Allegheny Forging Co | 1342 | 786 |
| H. R. 10973. For the relief of Augustus Thompson | 1344 | 788 |
| H. R. 11902. For the relief of Robert D. Baldwin | 1346 | 790 |
| S. 287. An act to compensate Harriet C. Holaday | 1347 | 791 |
| S. 631. An act for the relief of Alice M. A. Damm | 1348 | 792 |
| H. R. 10800. For the relief of Joe Setton | 1405 | 817 |
| H. R. 627. For the relief of the city of Glendale, Calif | 1447 | 834 |
| H. R. 1806. For the relief of M. Aileen Offerman | 1448 | 835 |
| H. R. 9653. For the relief of Grace P. Stark | 1453 | 840 |
| S. 1088. An act for the relief of Cornelia Claiborne | 1458 | 844 |
| S. 3191. An act for the relief of Anne B. Slocum | 1459 | 845 |
| H. R. 2609. For the relief of Anna Volker | 1466 | 847 |
| H. R. 6890. For the relief of the Northwest Missouri Fair Association of Bethany, Harrison County, Mo | 1469 | 850 |
| H. R. 3625. For the relief of Cora A. Bennett | 1496 | 866 |
| H. R. 1950. For the relief of Lottie Bryant Steel | 1516 | 876 |
| H. R. 7046. For the relief of John S. Cathcart | 1524 | 884 |
| H. R. 9775. For the relief of Harry L. Haberkorn | 1570 | 909 |
| H. R. 5269. For the relief of Moses Israel | 1598 | 924 |
| H. R. 11869. To amend the act of Mar. 2, 1929, conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the steamship W. I. Radcliffe against the United States, and for other purposes. | 1604 | 930 |
| S. 4379. An act for the relief of Yvonne Hale | 1607 | 933 |
| H. R. 2814. For the relief of Bernard McShane | 1661 | 956 |
| H. R. 3840. For the relief of Oswald H. Halford, Hunter M. Henry, William C. Horne, Rupert R. Johnson, David L. Lacey, William Z. Lee, Fenton F. Rodgers, Henry Freeman Seale, Felix M. Smith, Edwin C. Smith, Robert S. Sutherland, and Charles G. Ventress | 1663 | 958 |
| H. R. 5171. For the relief of G. T. Flemiz | 1666 | 961 |
| H. R. 5173. For the relief of J. B. Trotter | 1667 | 962 |
| H. R. 2481. Making appropriation to restore water of high mineral content on land owned and controlled by the Federal Government | 1720 | [1]397 |
| H. R. 7096. For the relief of the Dallas County Chapter of the American Red Cross | 1797 | 996 |
| H. R. 11495. For the relief of Elsie Segar, administratrix of C. M. A. Sorensen, and of Holger E. Sorensen | 1798 | 997 |
| H. R. 12351. For the relief of Guy M. Kinman | 1799 | 998 |
| S. 1738. An act for the relief of Catterina Pollino | 1801 | 999 |
| H. R. 2730. For the relief of Willard F. Holteen | 1829 | 1013 |
| H. R. 2462. For the relief of Thelma Lucy Rounds | 1930 | 1037 |

[1] Union Calendar.

SENATE JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 211. A joint resolution proposing an amendment to the Constitution of the United States.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 43 minutes p. m.), in accordance with the resolution heretofore made, the House adjourned until to-morrow, Tuesday, February 21, 1933, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

946. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation in the sum of $10,000, fiscal year 1933–34, and drafts of proposed provisions pertaining to existing appropriations for the legislative establishment (H. Doc. No. 559), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. AYRES: Committee on Appropriations. H. R. 14724. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1934, and for other purposes; without amendment (Rept. No. 2075). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 13970) granting a pension to Mary Wyse Benson, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 14724) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1934, and for other purposes; to the Committee of the Whole House.

By Mr. GIBSON: A bill (H. R. 14725) authorizing the Commissioners of the District of Columbia to grant a permit for the construction of an oil and gasoline pipe line; to the Committee on the District of Columbia.

By Mr. SUMNERS of Texas: A bill (H. R. 14726) authorizing conventions in the States for consideration of the proposed amendment to the Constitution of the United States submitted by the Congress to such conventions on February 20, 1933, and providing for their procedure; to the Committee on the Judiciary.

By Mr. SIROVICH: A bill (H. R. 14727) to provide protection for textiles and other designs; to the Committee on Patents.

By Mr. LAGUARDIA: A bill (H. R. 14728) to provide for conventions in the several States for the consideration of Senate Joint Resolution 211, proposing an amendment to the Constitution of the United States and to defray the expenses thereof; to the Committee on the Judiciary.

By Mr. SOMERS of New York: A bill (H. R. 14729) to authorize the acceptance by the Treasury of silver bullion and the issuance therefor of silver certificates for the purpose of correcting the dislocation of exchanges, elevating the price level, and maintaining the gold standard, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. McFADDEN: Resolution (H. Res. 390) authorizing the appointment of a committee to investigate the earnings and expenditures of the National Broadcasting Co. and the Columbia Broadcasting System; to the Committee on Rules.

By Mr. McSWAIN: Joint resolution (H. J. Res. 604) to present thanks of Congress and a gold medal of honor to Mrs. W. F. Cross, of Miami, Fla.; to the Committee on Military Affairs.

By Mr. CURRY: Joint resolution (H. J. Res. 605) relating to leave with pay earned by certain civilian employees of the United States Government prior to June 30, 1932; to the Committee on Expenditures in the Executive Departments.

By Mr. STEVENSON: Concurrent resolution (H. Con. Res. 50) to authorize the printing of the first edition of the Congressional Directory of the first session of the Seventy-third Congress; to the Committee on Printing.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Idaho, memorializing Congress to broaden the powers of the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

Memorial of the Council of Sheboygan, Wis., protesting against any Federal taxation which imposes a burden upon States, State agencies, municipalities, or municipally owned utilities; to the Committee on Ways and Means.

Memorial of the Council of Tooele City, Utah, memorializing Congress to enact a law giving municipalities the same right enjoyed by national banks to receive national currency on the pledge of their bonds; to the Committee on Banking and Currency.

Memorial in the nature of a resolution, adopted by the United States Conference of Mayors, requesting that Congress amend the Reconstruction Finance Corporation act; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Oregon, memorializing Congress to enact House bill 11816; to the Committee on the Public Lands.

Memorial of the Board of Aldermen of Newport, R. I., memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

Memorial of the Legislature of the State of Arizona, memorializing Congress to amend Senate bill 1197 so as to include ranchers and livestock owners and enact the amended bill; to the Committee on Banking and Currency.

Memorial of the Council of West Allis, Wis., memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

Memorial of the Council of the City of Cheyenne, Wyo., memorializing Congress to enact House Joint Resolution 191; to the Committee on the Post Office and Post Roads.

Memorial of the Board of Supervisors of the City and County of San Francisco, memorializing Congress to amend the Reconstruction Finance Corporation act; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Nevada, memorializing Congress not to enact H. R. 13558; to the Committee on the Public Lands.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 14730) granting an increase of pension to Florence G. Boyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14731) granting a pension to Clifford Lamer Otto; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14732) granting a pension to Jane Bollinger; to the Committee on Invalid Pensions.

By Mr. FISH: A bill (H. R. 14733) for the relief of William Henry Mantz; to the Committee on Naval Affairs.

Also, a bill (H. R. 14734) for the relief of Nicholas Vuolo; to the Committee on Military Affairs.

Also, a bill (H. R. 14735) for the relief of Samuel Keller; to the Committee on Claims.

By Mr. MEAD: A bill (H. R. 14736) for the relief of William Harnick; to the Committee on Naval Affairs.

By Mr. STALKER: A bill (H. R. 14737) granting a pension to Oscar B. St. John; to the Committee on Pensions.

By Mr. STULL: A bill (H. R. 14738) granting an increase of pension to Mary E. Parks; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 14739) granting an increase of pension to Viola S. Whitten; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10542. By Mr. ARENTZ: Memorial of Legislature of Nevada, memorializing Congress not to pass H. R. 13558, relative to filing of notices of location of mining claims in United States General Land Office; to the Committee on Mines and Mining.

10543. Also, memorial of Legislature of State of Nevada, memorializing the Reconstruction Finance Corporation and the Regional Agricultural Credit Corporation to reduce the interest rate on, and to extend the time for payment of agricultural and livestock loans; to the Committee on Agriculture.

10544. By Mr. BOHN: Petition of Michigan State Legislature, favoring the purchase of American-made goods by purchasing agents of the State, and all municipalities, and so forth; to the Committee on Ways and Means.

10545. By Mr. BOEHNE: Petition of Anna Hyslop, of Francisco, Ind., and others, urging support of the stop-alien representation amendment to the United States Constitution; to the Committee on the Judiciary.

10546. By Mr. BLOOM: Petition of the New York State Society of Professional Engineers, urging an appropriation to permit the completion of the topographical survey of the United States; to the Committee on Appropriations.

10547. By Mr. BROWNING: Petition of the Woman's Christian Temperance Union of Jackson, Tenn.; to the Committe on the Judiciary.

10548. By Mr. CARTER of Wyoming: Memorial of the Wyoming State Legislature, urging immediate action to regulate interstate commercial motor-vehicle traffic; to the Committee on Interstate and Foreign Commerce.

10549. Also, memorial of Hon. J. F. Weybrecht, mayor of Cheyenne, and the City Council of Cheyenne, requesting Congress to issue postage stamps in honor of Gen. Thaddeus Kosciusko sesquicentennial anniversary; to the Committee on the Post Office and Post Roads.

10550. Also, memorial of the Wyoming State Legislature, urging passage of Senate bill 1043; to the Committee on the Public Lands.

10551. Also, memorial of the Wyoming State Legislature, urging the National Park Service to maintain the public roads in Yellowstone National Park so as to permit winter travel thereon; to the Committee on the Public Lands.

10552. By Mr. CULLEN: Petition of the New York State Society of Professional Engineers, requesting the Congress of the United States to provide appropriations to permit the completion of the topographical survey of the United States; to the Committee on Appropriations.

10553. Also, petition of the Common Council of the City of North Tonawanda, State of New York, urging the Congress to enact legislation providing for authorization to the Postmaster General to issue a special series of postage stamps commemorative of the one hundred and fiftieth anniversary of the naturalization as an American citizen and appointment of Thaddeus Kosciusko as brevet brigadier general of the Continental Army, on October 13, 1783; to the Committee on the Post Office and Post Roads.

10554. Also, petition of the Bronxville Chapter of the Westchester County Realty Board, urging Congress to designate a committee to study the merits of a plan that has for its purpose the making of Federal loans to States and municipalities to make it possible for them to spread the payment of two-thirds of one year's taxes over succeeding years and to provide for guarantee of mortgages on homes and other real estate at the present value, on condition that the mortgagee shall reduce the interest rate and extend the payment of principal of such mortgages for a definite period; to the Committee on Banking and Currency.

10555. By Mr. DAVENPORT: Petition of 226 citizens of Washington, opposing the return of the liquor traffic in any form in the District of Columbia; to the Committee on the District of Columbia.

10556. By Mr. DRANE: Petition of citizens of Polk County, Fla., protesting against the repeal of the eighteenth amendment; to the Committee on the Judiciary.

10557. By Mr. DELANEY: Petition of J. B. Murray, of Yonkers, N. Y., petitioning the maintenance of our protective air service at the peak of efficiency; to the Committee on Interstate and Foreign Commerce.

10558. Also, petition of the American Coalition of Patriotic, Civic, and Fraternal Societies, urging the consideration of the Eslick bill, making it a crime to advocate the overthrow of the Government of the United States by force and violence and the incitement of assassination of public officers; to the Committee on the Judiciary.

10559. By Mrs. ESLICK: Petition of 47 citizens of Erin, Tenn., opposing modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

10560. Also, petition of 157 citizens of the seventh congressional district of Tennessee, opposing modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

10561. Also, petition of 26 citizens of Prospect, Giles County, Tenn., opposing modification or repeal of the eighteenth amendment; to the Committee on the Judiciary.

10562. By Mr. GARBER: Petition of C. H. Oringderff, Alva, Okla., urging enactment of legislation to refinance farm-mortgage indebtedness; to the Committee on Banking and Currency.

10563. Also, petition of John B. Trevor, chairman of the board, on behalf of the American Coalition of Patriotic, Civic, and Fraternal Societies, urging immediate action upon the Eslick bill, making it a crime to advocate the overthrow of the Government of the United States by force or violence and the incitement to assassination of public officers; to the Committee on the Judiciary.

10564. By Mr. GIBSON: Petition of the Mid-Winter Conference of the American Legion, Department of Vermont, held in Brattleboro, Vt., adopting the following resolution and submitting it for the earnest and sympathetic consideration of the Congress; to the Committee on World War Veterans' Legislation.

10565. Also, petition of the Burlington Post, No. 2, American Legion, Department of Vermont, regarding national defense; to the Committee on Military Affairs.

10566. By Mr. LAMBERTSON: Resolution of the Woman's Christian Temperance Union, of Reserve, Kans., urging the establishment of a Federal motion-picture commission and the regulation and control of the motion-picture industry by that body; to the Committee on Interstate and Foreign Commerce.

10567. Also, petition of William Seifert and 103 other citizens of Leavenworth County, Kans., urging legislation that would provide for the direct loaning of money on property by the Government and for a refinancing program, to prevent foreclosures, at an interest rate of 1½ per cent per annum and the principal to be reduced at the rate of 1½ per cent per annum payable directly to the Government; to the Committee on Banking and Currency.

10568. By Mr. LINDSAY: Resolution of the Bronxville Chapter of the Westchester County Realty Board, Bronxville, N. Y., referring to a plan for tax and mortgage interest relief; to the Committee on Banking and Currency.

10569. By Mr. McFADDEN: Petition of Sunday schools of Wyoming County, Pa., protesting against all legislation intended to nullify, weaken, or repeal the eighteenth amendment; to the Committee on the Judiciary.

10570. By Mr. PERSON: Petition of Edward A. Kaufman and seven other residents of Dearborn, Mich., favoring the revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

10571. Also, concurrent resolution of the State Legislature of Michigan, relative to purchasing American-made goods; to the Committee on Ways and Means.

10572. Also, petition of the Common Council of the City of Hamtramck, Mich., favoring the recognition of the memory of Brig. Gen. Thaddeus Kosciusko by the issuing of a special series of postage stamps; to the Committee on the Post Offices and Post Roads.

10573. By Mr. ROGERS: Petition of Polish-American citizens of Manchester, N. H., favoring recognition of the Soviet Republics; to the Committee on Foreign Affairs.

10574. Also, petition of Mary Torr Chapter, Daughters of the American Revolution, Rochester, N. H., opposing recognition of the Soviet Union; to the Commitee on Foreign Affairs.

10575. By Mr. RUDD: Petition of the Bronxville Chapter of the Westchester County Realty Board, Bronxville, N. Y., favoring reduced mortgage interest, spreading two-thirds of 1 year's State and local taxes over 10 years, and extending for a definite period the due date of all mortgages; to the Committee on Banking and Currency.

10576. By Mr. SEGER: Petition of the New Jersey American Legion, opposing the Bratton amendment to Treasury and Post Office appropriation bill pertaining to veterans, and memorial from the Senate of New Jersey, favoring appropriation by Congress of sufficient funds to carry out national defense act of 1920 and accompanying provisions; to the Committee on Appropriations.

10577. By Mr. STALKER: Petition of Ruth Wentz, secretary, Chemung Woman's Christian Temperance Union, Chemung; Gladys Lewis, secretary, Riverside Methodist Episcopal Church Friendly Group, Elmira; and Mrs. Charles Becker, secretary, Women's Home Missionary Society of the Riverside Methodist Episcopal Church, Elmira, all of the State of New York, opposing the return of beer and the repeal of the eighteenth amendment; to the Committee on Ways and Means.

10578. By Mr. TREADWAY: Petition of Charles H. Bush and other residents of Westfield, Mass., urging the elimination of aliens in making future apportionments for congressional districts; to the Committee on the Judiciary.

10579. Also, petition of Nellie L. Northam and other residents of Westfield, Mass., urging the elimination of aliens in making future apportionments for congressional districts; to the Committee on the Judiciary.

10580. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing Congress for higher tariff on dairy products; to the Committee on Ways and Means.

10581. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation for the nomination of candidates for the President and Vice President in a primary election; to the Committee on Election of President, Vice President, and Representatives in Congress.